RIL PROPERTY PLC

CONNECTING PURPOSE. CREATING IMPACT.



ANNUAL REPORT 2025/26



CONNECTING PURPOSE. CREATING IMPACT.

Every journey begins with a connection. At R I L Property PLC, we bridge the gap between ambition and results by connecting people, purpose, and place. This year, we have leveraged our diverse portfolio in real estate, automotive distribution, and renewable energy to drive impactful change. We are not just reporting performance; we are demonstrating how a clear, connected purpose creates a measurable, lasting impact for every stakeholder.

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About Our Integrated Report

GRI 2-2, 3, 4, 5, 6, 27, 29

We are proud to present our fourth Integrated Annual Report, highlighting the progress made in strengthening long-term value creation, operational resilience, and integrated reporting practices during the Financial Year ended 31 March 2026. The Report provides a detailed analysis of our strategic direction, environmental and social responsibilities, governance structure, and financial performance, reflecting our continuing evolution towards integrated, stakeholder-oriented reporting.

During the year under review, we enhanced our sustainability-driven and climate-related disclosures in alignment with the SLFRS Sustainability Disclosure Standards, marking the first year of reporting under these standards. This further strengthened the integration of related risks and opportunities into R I L's enterprise value creation, Board oversight, and strategic decision-making processes

The Report goes beyond compliance, offering insights into integrated thinking, operational stewardship, and the manner in which the Group creates sustainable long-term value for stakeholders through disciplined governance and resource allocation practices.

Operational Scope and Boundary

This Report offers a comprehensive overview of the performance of R I L Property PLC and its subsidiary companies, which include United Motors Lanka PLC (UML), Panasian Power PLC (PAP), *PARKLAND* Integrated Solutions (Private) Limited (PIS), *PARKLAND* Solutions (Private) Limited (PS), and R-E-D Capital Asia (Pvt) Ltd. for the reporting period 1 April 2025 to 31 March 2026. Its content mainly focuses on commercial real estate, strengthened by strategic transformations in the automotive and renewable energy sectors. All consolidated financial information is disclosed in Sri Lankan Rupees (LKR), unless otherwise stated.

We are committed to an annual reporting cycle that covers both financial and non-financial disclosures. Where revisions to prior year information are necessary, updated figures and the related rationale are disclosed within the respective sections of the Report.

Materiality and ESG-Driven Integration

Materiality principles are embedded within our integrated approach to governance, operational stewardship, stakeholder engagement, and long-term value creation. Financial and non-financial considerations are incorporated into strategic planning and decision-making processes to support business performance across the Group. Guided by the six capitals of integrated reporting, our initiatives focus on addressing the most relevant ESG priorities within our operating environment.

We follow internationally recognised reporting practices, aligned with the Global Reporting Initiative (GRI) Standards, to guide the application of indicators, assumptions, and metrics in ESG performance evaluation. In line with the precautionary principle, we adopt proactive measures to manage sustainability-related risks, ensure compliance with applicable regulations, and respond effectively to evolving business and operational challenges. Any revisions to figures and statements, together with the underlying rationale, are clearly presented in the relevant sections of the Report.

External Assurance

This Report complies with all applicable regulatory and statutory requirements, ensuring that all material aspects are presented fairly. The Financial Statements of R I L Property PLC, together with those of PAP Group, PIS, and PS, are audited by Ernst & Young, while the Financial Statements of UML Group are audited by Deloitte. Non-financial disclosures are prepared in accordance with international standards and best practices, while internal controls ensure reliability and consistency.

Forward-Looking Statements

This Report incorporates forward-looking statements reflecting current expectations and projections. Such statements are generally identifiable through the use of words such as "forecast", "anticipate", "expect", "estimate", "intend", "project", and similar expressions. They also reflect our judgments and expectations at

the time of preparation of this report; however, risks and uncertainties may cause actual results to differ materially. Accordingly, no assurance is given regarding future performance, and the information is provided without any obligation or liability.

Feedback and Accessibility

An interactive PDF version of the full Report is available on our website:
www.rilproperty.lk/investors

We value your feedback and encourage you to share your views through the enclosed stakeholder feedback form to help us improve our future reporting.

Reporting Frameworks and Standards

This Report is developed in line with the following locally and internationally recognised standards and frameworks:

Financial Reports

- Listing Rules of the Colombo Stock Exchange (CSE)
- Sri Lanka Accounting Standards (SLFRSs/LKASs)
- Companies Act No. 7 of 2007 and amendments thereto
- Other applicable regulations and directions

Integrated and Narrative Reporting

- The International Integrated Reporting Framework of the International Financial Reporting Standards (IFRS) Foundation
- Guidelines for Presentation of Annual Reports issued by CA Sri Lanka

Governance Reporting

- Companies Act No. 7 of 2007 and amendments thereto
- Listing Rules of the Colombo Stock Exchange (CSE)
- Code of Best Practice on Corporate Governance (CA Sri Lanka, 2023)

Sustainability Reporting

- GRI Universal Standards (2021 Update)
- Gender Parity Reporting Framework (CA Sri Lanka)
- Non-Financial Reporting Guidelines (CA Sri Lanka)
- Sri Lanka Financial Reporting Standards (SLFRS) - S1: General Requirements for Disclosures of Sustainability-related Financial Information and SLFRS S2: Climate-related Disclosures

See pages 193 to 299 for financial reports and pages 310 to 315 for the GRI content index.

How to Read This Report

This Integrated Report is designed for ease of navigation and clarity of insight. It is structured as follows:

Strategic Overview

Strategy and Resource Allocation	Page 54
Value Creation Model	Page 48
Operating Environment	Page 50

Performance Review

Message from the Chairman	Page 29
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Capital Performance	Page 99
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Governance & Risk Management

Leading through Governance	Page 139
Risk Management	Page 132

Financial Reports

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Sustainability and Outlook

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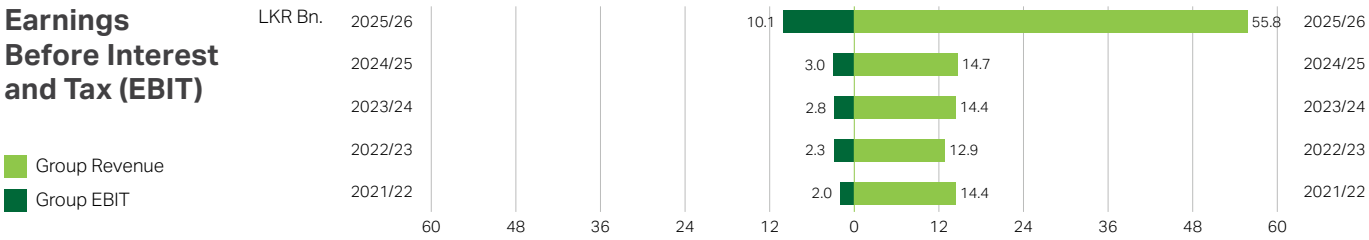
Icons have been used throughout the Report to highlight the six capitals:

- **Financial Capital**
- **Intellectual Capital**
- **Manufactured Capital**
- **Human Capital**
- **Social and Relationship Capital**
- **Natural Capital**

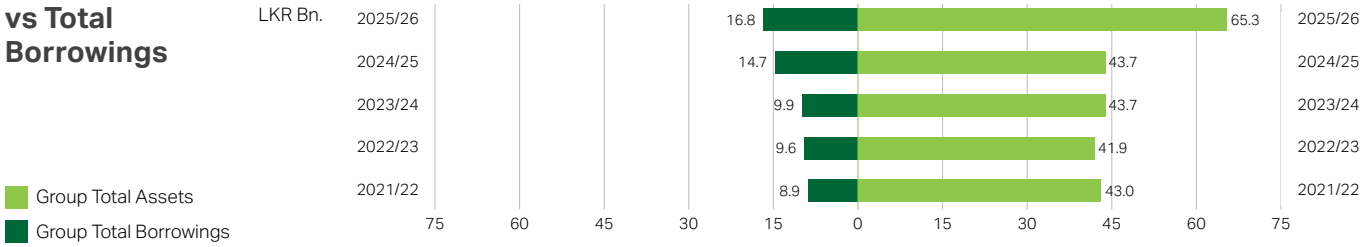
Financial Highlights

		GROUP			COMPANY		
		2026	2025	Change %	2026	2025	Change %
EARNING HIGHLIGHTS AND RATIOS							
Revenue	LKR Mn.	55,844	14,727	279	1,576	1,457	8
Gross profit	LKR Mn.	13,306	5,821	129	1,391	1,274	9
Results from operating activities	LKR Mn.	9,336	2,360	296	3,456	1,849	87
Profit before tax	LKR Mn.	8,629	1,965	339	3,512	1,610	118
Profit after tax	LKR Mn.	7,613	1,478	415	2,876	1,348	113
Profit attributable to owners of the parent	LKR Mn.	4,882	1,360	259	2,876	1,348	113
Gross profit margin	%	23.83	39.52	(40)	88.24	87.44	1
Operating profit margin	%	16.72	16.02	4	219.29	126.86	73
Net profit margin	%	13.63	10.04	36	182.49	92.52	97
Earning per share (EPS)	LKR	6.10	1.70	259	3.60	1.68	114
Return on assets (ROA)	%	11.66	2.80	316	6.58	5.21	26
Return on capital employeed (ROCE)	%	19.23	6.99	175	15.85	8.95	77
Interest cover	Times	7.10	3.03	134	13.17	5.66	133
FINANCIAL POSITION HIGHLIGHTS & RATIOS							
Stated capital	LKR Mn.	7,360	7,360	–	7,360	7,360	–
Share in issue	Mn.	800	800	–	800	800	–
Reserves & retained earnings	LKR Mn.	18,498	13,213	40	13,857	11,377	22
Equity attributable to equity holders of the parent	LKR Mn.	25,858	20,573	26	21,217	18,737	13
Non controlling interest	LKR Mn.	9,812	7,352	33	–	–	–
Total assets	LKR Mn.	65,312	52,697	24	28,852	25,863	12
Total debt	LKR Mn.	16,826	14,661	15	2,958	3,454	(14)
Debt to equity	%	65.07	71.26	(9)	13.94	18.43	(24)
Gearing	%	32.05	34.43	(7)	12.24	15.56	(21)
Current assets	LKR Mn.	21,700	17,156	26	1,687	1,047	61
Current liabilities	LKR Mn.	15,570	13,468	16	1,517	1,221	24
Inventory	LKR Mn.	11,359	6,496	75	18.89	18.40	3
Current asset ratio	Times	1.39	1.27	9	1.11	0.86	30
Quick asset ratio	Times	0.66	0.79	(16)	1.10	0.84	31
Net asset per share	LKR	32.32	25.72	26	26.52	23.42	13
MARKET/ SHARE INFORMATION							
Market value per share	LKR	–	–	–	25.30	15.30	65
Company's market capitalisation	LKR Mn.	–	–	–	20,240	12,240	65
Market price to book value	%	–	–	–	95	65	46
Price earning ratio	Times	–	–	–	7.04	9.08	(23)
Dividend per share	LKR	–	–	–	1.00	0.55	82
Dividend yield ratio	%	–	–	–	4	4	10
Dividend payout ratio	%	–	–	–	28	33	(15)

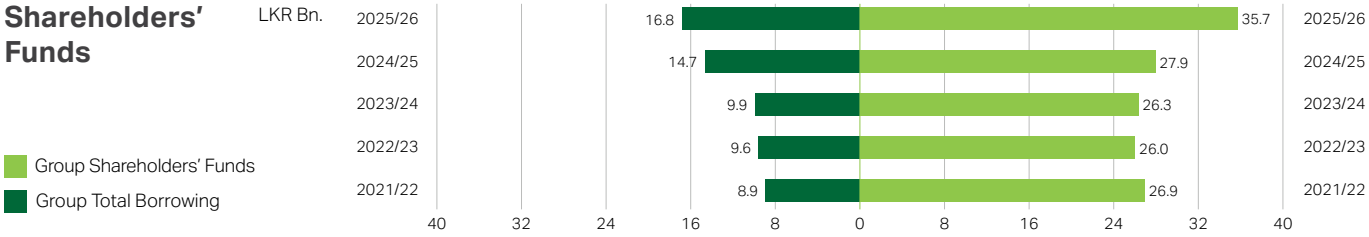
Revenue vs Earnings Before Interest and Tax (EBIT)



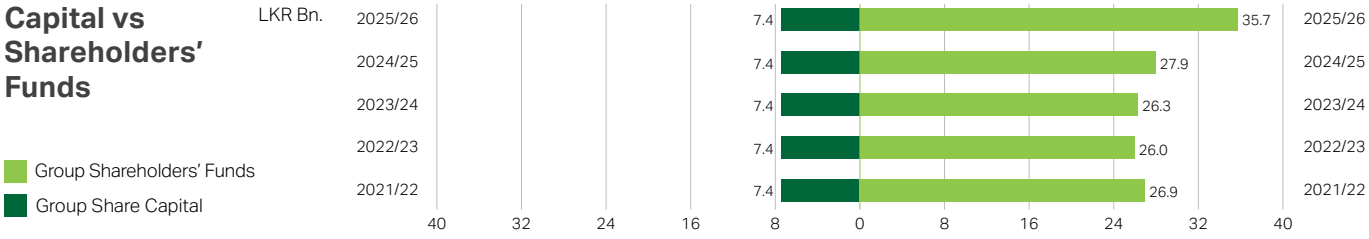
Total Assets vs Total Borrowings



Borrowing vs Shareholders' Funds



Share Capital vs Shareholders' Funds



Year at a Glance

Net Profit
LKR 2.88 Bn.

RECOGNITIONS 2025/26

TAGS AWARDS
Gold Award at TAGS Awards 2025

TAGS AWARDS
Recognition for Corporate Governance Disclosure under the Non-Financial Services Category at the TAGS Awards 2025

BMPC AWARDS
1st Runner-up at the Best Management Practices Company Awards 2026

ISO 50001 : 2018
Recertified ISO 50001: 2018 for the Energy Management of *PARKLAND* Complex

GREEN BUILDING AWARDS
Platinum Green Building Award 2025 under GREENSL®

Investment Property
LKR 20.32 Bn.

Properties
04

Revenue
LKR 1.6 Bn.

Rentable Space
sq. ft. 322,186

Employees
108

Net Profit Growth
LKR 1.53 Bn.

Occupancy
100%

EBITDA
LKR 3.8 Bn.

New Initiatives
02

CSR Projects
04



WHO WE ARE



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Overview of Business

GRI 2-3, 4, 6, 22, 201-1, 3-3 (Products & Services Innovation)

R I L Property PLC (R I L) remains a renowned commercial real estate solutions provider in Sri Lanka, recognised for its specialisation in the development and management of Grade "A" office spaces at the centre of Colombo's Central Business District.

Defined by its flagship property, *PARKLAND*, the Company has attained industry recognition for exceptional service standards, architectural distinction, and a tenant-focused approach. Its developments and projects integrate eco-friendly design features that enhance energy efficiency and sustainability, reflecting R I L's focus on responsible development and enduring value creation.

During the Financial Year 2025/26, *PARKLAND* maintained a total rentable space of 322,186 sq. ft., with occupancy levels reaching 100%.

Beyond its core business operations, the Company offers a comprehensive suite of real estate and facilities management solutions across both Company-owned and third-party properties. These services are delivered through the Company and its wholly owned subsidiaries, *PARKLAND* Integrated Solutions (Pvt) Ltd. and *PARKLAND* Solutions (Pvt) Ltd., enabling the Group to provide clients with a seamless and integrated end-to-end service experience. R I L also continues to lay the foundation for selective portfolio expansion within the commercial office segment and other strategic growth sectors.

As the flagship automotive segment of the Group, United Motors Lanka PLC (UML) experienced a significant operational recovery following the lifting of vehicle import restrictions, successfully resuming imports of Mitsubishi passenger vehicles and Fuso commercial vehicles. To drive sales growth and market penetration, UML aligned its product offerings with clear customer segments, gaining strong market acceptance with the launch of the Outlander Sport and Destinator models. Underpinning this growth was a continued commitment to ESG principles, demonstrated by embedding sustainability KPIs across the workforce and expanding its vehicle portfolio to include UNIMO electric (EV), plug-in hybrid (PHEV), and range-extended electric vehicles (REEV) to support national environmental objectives.

By aligning with global environmental, social, and governance (ESG) standards and focusing on responsible sourcing and energy efficiency, including waste reduction, UML is aligning its operational growth with R I L's long-term goal for a greener, more resilient economy.

During the financial year under review, Panasian Power PLC continued to strengthen its renewable energy portfolio and operational resilience through strategic investments and portfolio diversification initiatives. A key milestone was the commissioning of a 35 MW solar power project, which significantly increased total renewable energy generation and contributed to a substantial rise in avoided carbon emissions. This expansion reflects the Company's strategic shift towards diversifying its energy mix to mitigate hydrological risks associated with climate variability. It also supports revenue stability by reducing reliance on hydropower, which is subject to hydrological variability and climate-related fluctuations.

This progressive approach demonstrates R I L's commitment to operational excellence and ESG leadership. Backed by its ISO 50001:2018 recertification, the Company continues to enhance energy efficiency and build long-term climate resilience.

Built on client-centricity, innovation, and sustainability, R I L continues to be a trusted partner to leading enterprises in Sri Lanka. By following a purpose-driven strategy, the Group is continuously improving into a more diversified and resilient business aligned with the nation's economic progress.

Defining Us, Driving Us

Our Values

GRI 2-23, 2-24



Committed to You

We are committed to delivering the highest standards, ensuring seamless and exceptional experiences for our stakeholders



Act for Tomorrow

We act by integrating sustainability into every aspect of our business, paving the way for a thriving future



Growing as One

We grow by embracing synergy, fostering mutual success, and creating value for everyone involved



Above and Beyond

We lead with innovation and proactivity, constantly pushing boundaries to create new opportunities and drive impactful change

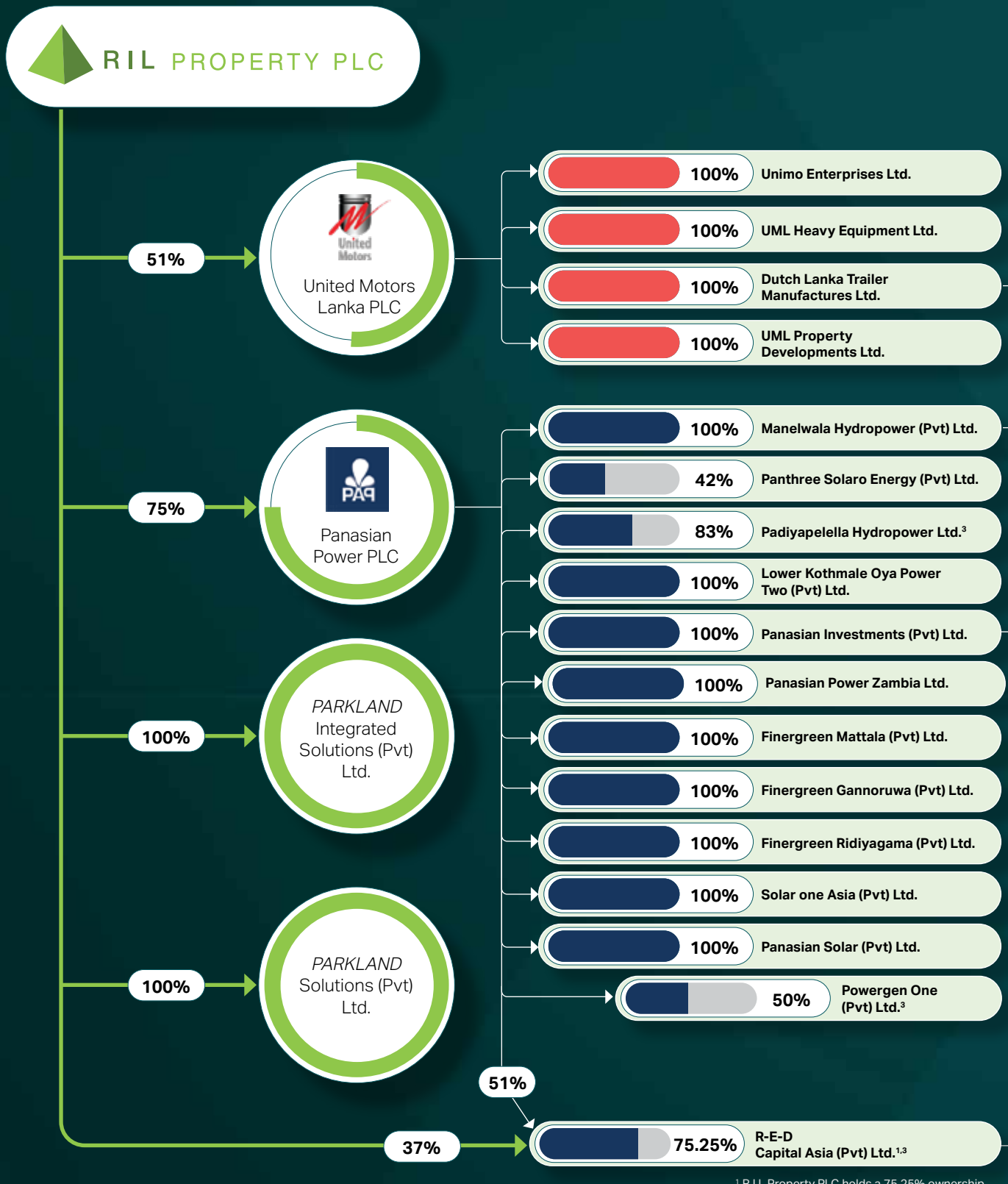


Open and True

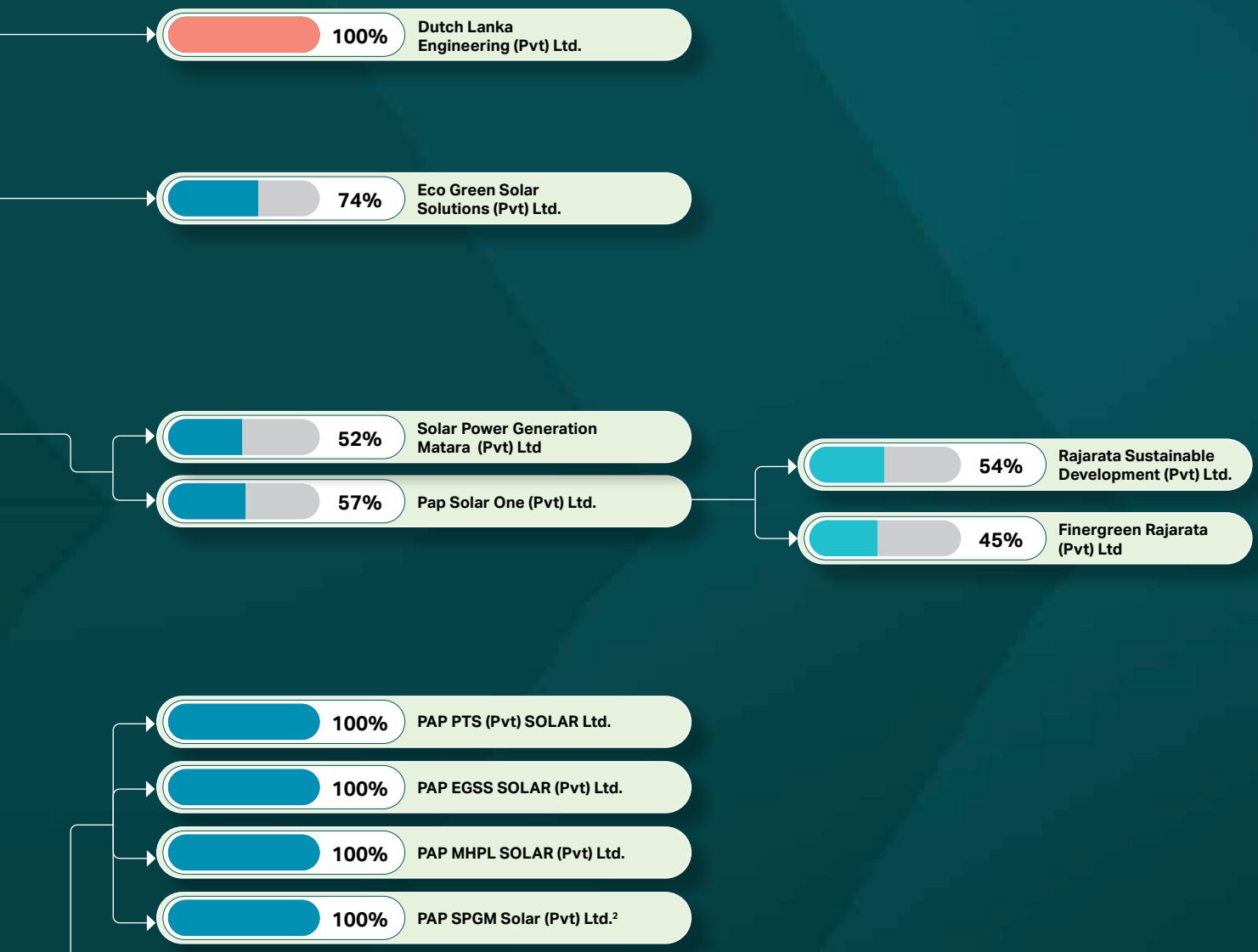
We operate with integrity, upholding openness and ethical practices in every aspect of business

Group Structure

GRI 2-2, 7, 203-1, 2, 413-1, 2



[1] R I L Property PLC holds a 75.25% ownership interest in R-E-D Capital Asia (Pvt) Ltd.



[2] No longer exists. Company amalgamated with PAP PTS Solar (Pvt) Ltd w.e.f 31 March 2026

This chart shows only the largest shareholding relationship within the Group.

[3]Panasian Power PLC holds a 100% ownership interest in all its subsidiaries, with the exception of Padiyapelella Hydropower Limited, Powergen One (Pvt) Ltd and R-E-D Capital Asia (Pvt) Ltd.

GRI 2-1, 6, 9, 11, 405-1, 202-2, 3-3 (Infrastructure Investment ICT)

R I L Property PLC

Relationship: Parent
Business Registration Number: PV/PB 68365 PQ

Address	Activities	Board of Directors
No 33, Park Street, Colombo 02	Develops and manages Grade "A" commercial office spaces in selected core markets in the Colombo Business District (CBD) whilst offering multifaceted real estate solutions including facilities management, leasing, land acquisition, project management services, consulting, and strategic investment.	**Mr. A. Herath – Chairman** Ms. L. K. A. H. Fernando – Chief Executive Officer/Executive Director Professor. N. D. Gunawardena Ms. C. Pietersz Ms. V. Weerasekera Mr. S. Mudalige Mr. N. Fernando Mr. V. Nawagamuwage (Appointed w.e.f. 22 January 2026) Ms. L. E. M. Yaseen (Resigned w.e.f. 30 September 2025) Ms. C. G. Ranasinghe (Resigned w.e.f. 31 August 2025)

PARKLAND Integrated Solutions (Pvt) Ltd.

Relationship: Subsidiary
Business Registration Number: PV00291507

Address	Activities	Board of Directors
No 33, Park Street, Colombo 02	*PARKLAND* Integrated Solutions (Pvt) Limited is the newly incorporated fully owned subsidiary which is the facilities management arm of R I L focusing on assisting potential clients on their facilities management and project management requirements.	Ms. L. K. A. H. Fernando Professor. N. D. Gunawardena Ms. C. G. Ranasinghe

PARKLAND Solutions (Pvt) Ltd.

Relationship: Subsidiary
Business Registration Number: PV00354844

Address	Activities	Board of Directors
No 33, Park Street, Colombo 02	*PARKLAND* Solutions (Pvt) Limited is the newly incorporated fully owned subsidiary which is the facilities management arm of R I L focusing on assisting potential clients on their facilities management.	Mr. A. Herath Ms. L. K. A. H. Fernando Ms. V. Weerasekera

Panasian Power PLC

Relationship	Business Registration Number
Subsidiary	PV 9959 PB/PQ

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	The principal activity of the Company is to produce hydropower for the national grid. The capacity of the power potential is 3,000 KW and is situated in Rathnapura.	**Mr. L. H. A. L. Silva - Chairman** Mr. P. K. Pathmanatha – Chief Executive Officer/Executive Director Mr. D. Sooriyaarachchi Ms. L. K. A. H. Fernando Mr. W. W. M. S. B. K. G. Kamburadeniya Ms. C. Pietersz Ms. N. M. C. P. Ranatunga Mr. W. A. I. R. Perera (Appointed w.e.f. 15 August 2025) Mr. N. Weerasinghe (Appointed w.e.f. 15 September 2025)

Manelwala Hydropower (Pvt) Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PV 10137

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	The principal activity of the Company is to produce hydro power to the national grid. The capacity of the power potential is 2,400 KW and is situated in Walapane.	Mr. L. H. A. L. Silva Mr. P. K. Pathmanatha Mr. W. A. I .R. Perera

Padiyapelella Hydropower Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PV 64694 PB

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	The principal activity of the Company is to produce hydropower for the national grid. The capacity of the power potential is 4,500 KW and is situated in Padiyapelella.	Mr. L. H. A. L. Silva Dr. Z. A. M. Thahir Mr. P. K. Pathmanatha Ms. L. K. A. H. Fernando

Lower Kothmale Oya Power Two (Pvt) Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PV 81275

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	The principal activity of the Company is to produce hydropower for the national grid. The power project is yet to be constructed.	Mr. L. H. A. L. Silva Mr. W. A. I .R. Perera Mr. S. K. S. H. K. Suriyaarachchi Mr. P. K. Pathmanatha Mr. Y. M. K. Yapa Bandara

Panasian Investments (Pvt) Ltd.	Relationship: Sub-subsidiary	Business Registration Number: PV 84223

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	Engineering, Procurement and Construction (EPC) supplier for rooftop solar power plants, and is the sole distributor of Sungrow solar power equipment in Sri Lanka.	Mr. L. H. A. L. Silva Mr. P. K. Pathmanatha Ms. Y. C. R. Weudagedara

Solar Power Generation Matara (Pvt) Ltd.	Relationship: Sub-subsidiary	Business Registration Number: PV 00205195

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	The principal activity of the Company is to produce solar-power for the national grid. The capacity of the power potential is 2,000 KW and is situated in Matara.	Mr. L. H. A. L. Silva (Resigned w.e.f. 31 July 2025) Mr. P. K. Pathmanatha Mr. W. A. I .R. Perera

Pap Solar One (Pvt) Ltd.	Relationship: Sub-subsidiary	Business Registration Number: PV 128774

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	The Company is operating 3,930 KW rooftop solar projects in Kohuwala, Kolonna, and six projects in the Kurunegala District.	Mr. P. K. Pathmanatha Ms. Y. C. R. Weudagedara

Rajarata Sustainable Development (Pvt) Ltd.	Relationship: Sub-subsidiary	Business Registration Number: PV 00206952

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	The principal activity of the Company is to produce solar-power for the national grid. The capacity of the power potential is 2,500 KW and is situated in Anuradhapura.	Mr. P. K. Pathmanatha Ms. L. K. A. H. Fernando

Finergreen Rajarata (Pvt) Ltd.	Relationship: Sub-subsidiary	Business Registration Number: PV 00209489

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	The principal activity of the Company is to produce solar-power for the national grid. The capacity of the power potential is 2,500 KW and is situated in Anuradhapura.	Mr. P. K. Pathmanatha Ms. S. K. M. D. Wijesekara

Powergen One (Pvt) Ltd.

Relationship	Business Registration Number
Joint venture	PV128379

Address	Activities	Board of Directors
No. 263, Vijaya Kumarathunga Mawatha, Colombo 05	The Company is operating 1000kWp rooftop Solar PV Project in Boralesgamuwa.	Mr. L. H. A. L. Silva Ms. L. K. A. H. Fernando Mr. P. L. C. Jinadasa Ms. C. A. Peries Mr. T. D. Perera (Alternate Director of P. L. C. Jinadasa)

Panthree Solaro Energy (Pvt) Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PV 00202822

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	The principal activity of the Company is to produce solar-power for the national grid. The capacity of the power potential is 3,000 KW and is situated in Matara, Maho and Pannala.	Mr. L. H. A. L. Silva (Resigned w.e.f. 31 July 2025) Mr. P. K. Pathmanatha Mr. W. A. I .R. Perera

Eco Green Solar Solutions (Pvt) Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PV 129828

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	The principal activity of the Company is to produce solar-power for the national grid. The capacity of the power potential is 1,000 KW and is situated in Beliatta.	Mr. L. H. A. L. Silva (Resigned w.e.f. 31 July 2025) Mr. P. K. Pathmanatha Mr. Y. M. K. Yapa Bandara Mr. W. A. I .R. Perera

Finergreen Gonnoruwa (Pvt) Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PV 00268543

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	SPV Company established for implementing 10 Mw ground mounted solar PV power plant situated in Gonnoruwa.	Mr. P. K. Pathmanatha Mr. Y. M. K. Yapa Bandara

Finergreen Mattala (Pvt) Ltd.	Relationship	Business Registration Number
	Sub-subsidiary	PV 00268544

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	SPV Company established for implementing 10 Mw ground mounted solar PV power plant situated in Mattala.	Mr. P. K. Pathmanatha Ms. Y. C. R. Weudagedara

Finergreen Ridiyagama (Pvt) Ltd.	Relationship	Business Registration Number
	Sub-subsidiary	PV 00268569

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	SPV Company established for implementing 10 Mw ground mounted solar PV power plant situated in Ridiyagama.	Mr. P. K. Pathmanatha Ms. Y. C. R. Weudagedara

Panasian Solar (Pvt) Ltd.	Relationship	Business Registration Number
	Sub-subsidiary	PV 00270643

Address	Activities	Board of Directors
Level 04, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02	Engineering, Procurement and Construction (EPC) supplier for rooftop solar power plants.	Mr. L. H. A. L. Silva Mr. P. K. Pathmanatha Ms. S. K. M. D. Wijesekara

Panasian Power Zambia Ltd.	Relationship	Business Registration Number
	Sub-subsidiary	120180009477

Address	Activities	Board of Directors
Plot No. 5, Handsworth Park, Lusaka	Principal activities of the Company are electricity power generation, transmission and distribution. The project is still at pre-approval stage.	Mr. L. H. A. L. Silva Ms. L. K. A. H. Fernando Mr. P. K. Pathmanatha Mr. A. Miyanadeniya

Solar One Asia (Pvt) Ltd.	Relationship	Business Registration Number
	Sub-subsidiary	PV00296346

Address	Activities	Board of Directors
Level 4, BTL Shipping House, No 45/2, Braybrooke Street, Colombo 02	Company established for implementing 5MW ground mounted solar PV power plant situated in Deniyaya.	Mr. P. K. Pathmanatha Ms. L. K. A. H. Fernando

R-E-D Capital Asia (Pvt) Ltd.

Relationship: Sub-subsidiary
Business Registration Number: PV00286382

Address

Level 4, BTL Shipping House, No 45/2, Braybrooke Street, Colombo 02

Activities

To develop renewable energy projects and to carry on the business of generation, distribution, sale and supply of electrical energy to feed the National grid, CEB and LECO.

Board of Directors

Mr. L. H. A. L. Silva – Chairman
Mr. P. K. Pathmanatha – Chief Executive Officer
Ms. L. K. A. H. Fernando
Mr. K. Kamburadeniya
Mr. D. Sooriyaarachchi
Ms. N. Ranatunga
Ms. R. Weudagedara
Mr. N. Fernando

(appointed w.e.f. 4 August 2025)

PAP PTS Solar (Pvt) Ltd.

Relationship: Sub-subsidiary
Business Registration Number: PV00286332

Address

Level 4, BTL Shipping House, No 45/2, Braybrooke Street, Colombo 02

Activities

The principal activity of the Company is to produce solar-power for the national grid. The capacity of the power potential is 5MW and is situated in Maho. Project is under construction stage.

Board of Directors

Mr. P. K. Pathmanatha
Ms. L. K. A. H. Fernando

PAP MHPL Solar (Pvt) Ltd.

Relationship: Sub-subsidiary
Business Registration Number: PV00286329

Address

Level 4, BTL Shipping House, No 45/2, Braybrooke Street, Colombo 02

Activities

The principal activity of the Company is to produce solar-power for the national grid. The capacity of the power potential is 10MW and is situated in Ampara and Kurunegala. Project is under construction stage.

Board of Directors

Mr. P. K. Pathmanatha
Ms. L. K. A. H. Fernando

PAP EGSS Solar (Pvt) Ltd.

Relationship: Sub-subsidiary
Business Registration Number: PV00286330

Address

Level 4, BTL Shipping House, No 45/2, Braybrooke Street, Colombo 02

Activities

The principal activity of the Company is to produce solar-power for the national grid. The capacity of the power potential is 15MW and is situated in Anuradhapura, Baddegama and Hiyare. Project is under construction stage.

Board of Directors

Mr. P. K. Pathmanatha
Ms. L. K. A. H. Fernando

PAP SPGM Solar (Pvt) Ltd.

(No longer exists. Company amalgamated with PAP PTS Solar (Pvt) Ltd w.e.f 31 March 2026)

Relationship	Business Registration Number
Sub-subsidiary	PV00286331

Address

Level 4, BTL Shipping House, No 45/2, Braybrooke Street, Colombo 02

Activities

The principal activity of the Company is to produce solar-power for the national grid. The capacity of the power potential is 5MW and is situated in Matara. Project is under construction stage.

Board of Directors

Mr. P. K. Pathmanatha

Ms. L. K. A. H. Fernando

United Motors Lanka PLC

Relationship	Business Registration Number
Subsidiary	PQ 74

Address

No. 100, Hyde Park Corner, Colombo 02

Activities

United Motors Lanka PLC (UML) is the distributor for brand new Mitsubishi and Fuso vehicles, genuine spare parts of brands represented by the Group, and provides after sales services to its customers and through its branch network.

UML also imports and distributes DFSK trucks and LiuGong concrete mixing equipment from China.

The Company also markets Valvoline Lubricants, Prestone auto chemical products from USA, and Simoniz car care products from UK.

It also imports and distributes Formlabs, Creality, Ultimaker 3D printing equipment, customises 3D prototyping, and conducts 3D certificate courses for beginners.

The Company operates a 2MW roof-mounted solar power project in Ratmalana and Orugodawatte.

Board of Directors

Mr. M. P. D. Cooray – Chairman

Mr. C. Yatawara (Group Chief Executive Officer/Executive Director)

Ms. L. K. A. H. Fernando

Ms. C. Pietersz

Mr. T. B. A. Jayasekara (Executive Director – Finance)

Mr. V. Govindasami

Mr. A. Herath

Mr. A. Jonathan Alles

Mr. B. P. Singhage

Mr. S. A. Chapman (Resigned w.e.f. 20 September 2025)

Unimo Enterprises (Pvt) Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PB 218

Address

No. 100, Hyde Park Corner, Colombo 02

Activities

The Company is engaged in the import and distribution of Perodua vehicles from Malaysia, JMC commercial vehicles from China, and Yokohama tyres from Japan.

The Company is also engaged in the assembly and marketing of DFSK 580 and DFSK i – Auto SUVs from Indonesia, and DFSK Glory multipurpose vehicles (MPV) and Z100 vehicles from China.

The Company also imports and distributes Greaves power generators from India.

Board of Directors

Mr. M. P. D. Cooray – Chairman

Mr. C. Yatawara – Group Chief Executive Officer/ Executive Director

Mr. R. H. Yaseen

Ms. L. K. A. H. Fernando

Mr. T. B. A. Jayasekara

Mr. Shalain De Silva (Appointed w.e.f. 28 November 2025)

UML Heavy Equipment Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PB 5403

Address	Activities	Board of Directors
No. 100, Hyde Park Corner, Colombo 02	The Company is engaged in the import and distribution of JCB earth moving equipment and power generators from India.	**Mr. M. P. D. Cooray – Chairman** Mr. C. Yatawara – Group Chief Executive Officer/ Executive Director Ms. L. K. A. H. Fernando Mr. T. B. A. Jayasekara Mr. B. Singhage Mr. C. Perera

UML Property Developments Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PB 253

Address	Activities	Board of Directors
No. 100, Hyde Park Corner, Colombo 02	Development of Company-owned properties. It has also constructed a warehouse and leased it to United Motors Lanka PLC.	**Mr. M. P. D. Cooray - Chairman** Mr. C. Yatawara – Group Chief Executive Officer/ Executive Director Mr. T. B. A. Jayasekara

Dutch Lanka Trailer Manufactures Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PB 175

Address	Activities	Board of Directors
Nattandiya Road, Dankotuwa	Export oriented Manufacturers of Trailers and Trailer Applications for Port and Road Sector.	**Mr. M. P. D. Cooray – Chairman** Mr. C. Yatawara Mr. P. Haturusinghe Mr. C. Perera

Dutch Lanka Engineering (Pvt) Ltd.

Relationship	Business Registration Number
Sub-subsidiary	PB 7006

Address	Activities	Board of Directors
17/D/1, LINDEL Industrial Estate, Pattiwila Road, Sapugaskanda	Manufacturing, selling, providing services and repairs of Trailers.	**Mr. M. P. D. Cooray – Chairman** Mr. C. Yatawara Mr. P. Haturusinghe Mr. C. Perera

A Timeline of Progress



2009

Incorporated as a Private Limited Liability Company.

2011

Received Board of Investment of Sri Lanka (BOI) approval to set up a mixed development project.

2012

Secured leasehold rights from Readywear Industries (Private) Ltd. for the land used for the *PARKLAND* complex and proceeded with construction.

2015

Obtained freehold rights for the land on which *PARKLAND* was constructed from Readywear Industries (Private) Ltd.

FoodBuzz (Private) Ltd. becomes a wholly owned subsidiary of R I L.

Property situated along Morgan Road is acquired for investment purposes.

Operations commenced at *PARKLAND*.

2016

Changed from a Private Ltd. Company to a Limited Liability entity.

2017

Achieved 100% occupancy at *PARKLAND* since commencement of operations.

The Company was successfully listed on the Main Board of the Colombo Stock Exchange (CSE).

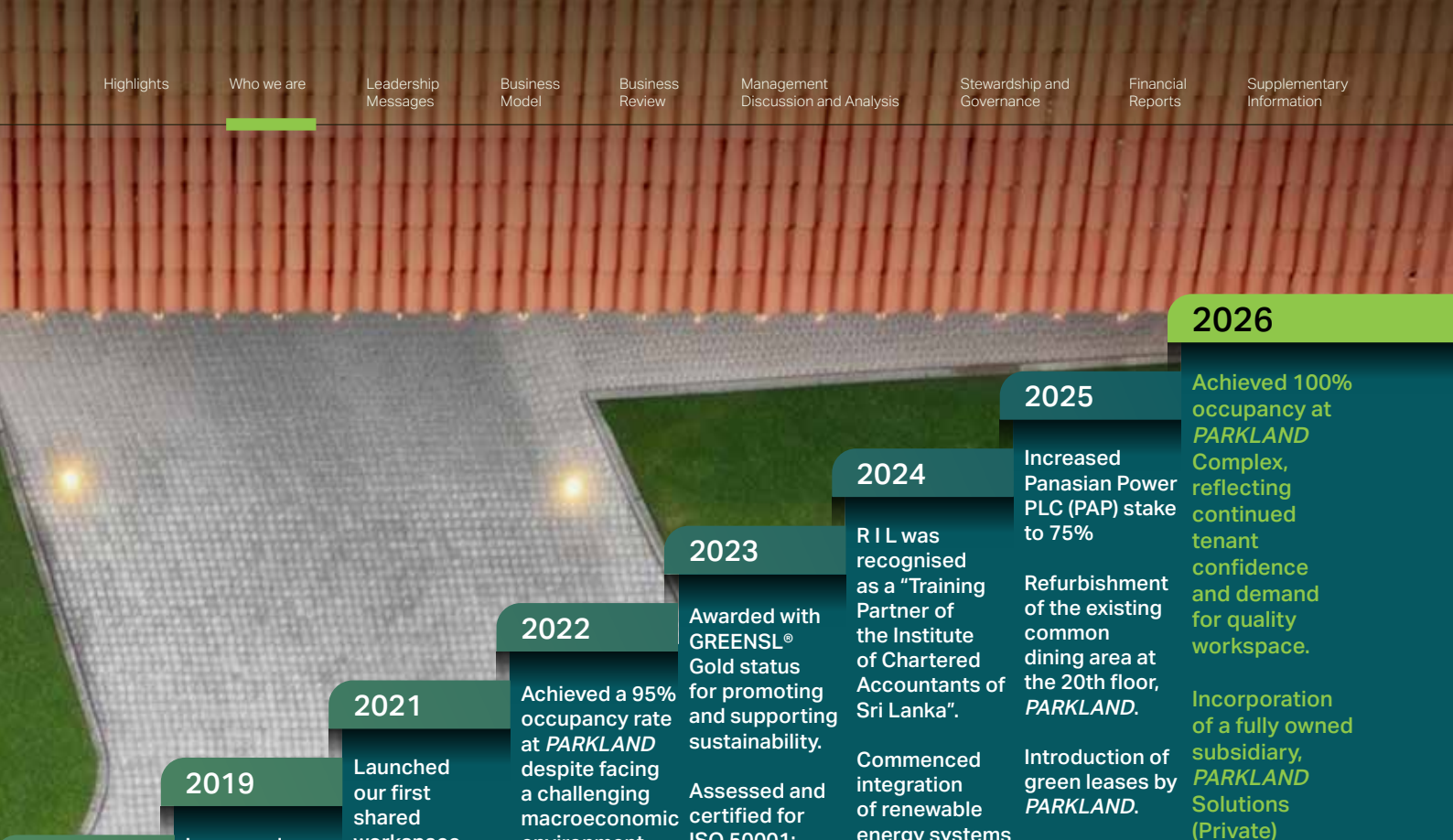
Marked a strategic expansion of the Group's portfolio through the acquisition of a 51% stake in United Motors Lanka PLC (UML).

2018

Refurbished and commenced operations at *PARKLAND 1*, expanding the *PARKLAND* footprint.

Commenced integration of renewable energy systems at *PARKLAND 1* through a LKR 19 Mn. investment in solar energy.

Achieved a 72% occupancy rate at *PARKLAND 1*.



2019

Increased *PARKLAND 1* occupancy to 88%.

Attained 100% renewal rate of existing leases at *PARKLAND*.

Completed the maiden construction management project in the Central Business District (CBD) valued at LKR 275 Mn.

2021

Launched our first shared workspace venture "CO WORK".

2022

Achieved a 95% occupancy rate at *PARKLAND* despite facing a challenging macroeconomic environment.

Divested 100% stake in FoodBuzz (Pvt) Ltd.

Marked a strategic expansion of the Group's portfolio through the acquisition of a 74% stake in Panasian Power PLC (PAP).

2023

Awarded with GREENSL® Gold status for promoting and supporting sustainability.

Assessed and certified for ISO 50001: 2018.

2024

R I L was recognised as a "Training Partner of the Institute of Chartered Accountants of Sri Lanka".

Commenced integration of renewable energy systems at *PARKLAND* through a LKR 41 Mn. investment in solar energy.

Achieved 100% occupancy at *PARKLAND 2* and an overall occupancy rate of 94%.

Incorporation of a fully owned subsidiary, *PARKLAND* Integrated Solutions (Pvt) Ltd.

2025

Increased Panasian Power PLC (PAP) stake to 75%

Refurbishment of the existing common dining area at the 20th floor, *PARKLAND*.

Introduction of green leases by *PARKLAND*.

Successfully completed the integration of renewable energy systems through an investment in solar energy at *PARKLAND* roof top.

Acquired a 37% stake in R-E-D Capital Asia (Pvt) Ltd. and expanded the footprint in renewable energy landscape.

2026

Achieved 100% occupancy at *PARKLAND* Complex, reflecting continued tenant confidence and demand for quality workspace.

Incorporation of a fully owned subsidiary, *PARKLAND* Solutions (Private) Limited.

PARKLAND celebrated its 10th anniversary, marking a decade of excellence and sustained success.

Recognised with GREENSL® Platinum status, advancing from gold status in recognition of enhanced sustainability performance.

Received ISO 50001:2018 recertification for a further three years, demonstrating sustained commitment to efficient energy management practices.

Our Journey

Established in 2009, R I L Property PLC has evolved alongside a changing industry, while continuing to maintain a strong focus on sustainable growth and value creation. The Company's transformation from its early foundations to becoming a listed entity on the Colombo Stock Exchange highlights its enduring commitment to operational excellence and client centricity. Building on this journey, the Company further strengthened its focus on sustainability and climate-related considerations by integrating them into enterprise risk management and strategic planning processes.

PARKLAND, our flagship Grade "A" commercial property located in the Central Business District, reflects R I L's commitment to high-quality and sustainability-driven office solutions. The Company has designed the property to offer modern, energy-efficient, and functional workspaces. It is also supported by ongoing investments in infrastructure, including ISO 50001:2018 - certified energy systems and advanced digital facilities management technologies that reinforce operational excellence.

We achieved a 100% occupancy rate throughout our portfolio in early 2026, reflecting sustained confidence among tenants. Furthermore, we strengthened our operational capabilities through the modernisation of building management systems, and the introduction of smart digital solutions.

Entering A New Phase of Strategic Realignment

Financial year 2025/26 marked an important phase in R I L Property PLC's strategic evolution, as the Group further enhanced and accelerated its transition towards a more resilient, technology-enabled, and sustainability-driven business model.

The Company remained focused on enhancing the tenant experience through service-led initiatives, including customer engagement programmes, tenant feedback mechanisms, and upgraded lifestyle-oriented facilities within *PARKLAND*. The ability to secure replacement tenants within shorter timeframes also further demonstrated the resilience of the Company's commercial property portfolio despite ongoing market uncertainties.

The implementation of platforms such as eZuite, cloud-based human resource (HR) systems, and internally developed management applications enhanced operational responsiveness, process automation, and service delivery standards across the Company. The celebration of *PARKLAND*'s 10th anniversary also marked a significant milestone in the Company's journey, reflecting a decade of sustained client relationships, operational resilience, and strategic progress. As macroeconomic conditions gradually stabilised, the Company developed its operational agility, improved tenant engagement, and positioned itself to drive sustainable long-term growth opportunities across the commercial real estate sector.

The Company also continued to explore adjacent growth opportunities aimed at diversifying revenue streams and expanding its service portfolio. During the year, renewed emphasis was placed on strengthening the co-working segment, and expanding facilities management capabilities to address the evolving requirements of hybrid working models and emerging tenant profiles.



Group Synergies

R I L's growth strategy continues to be supported by the broader capabilities and diversification of the Group portfolio. The continued expansion of renewable energy initiatives and mobility-related operations across subsidiaries, strengthened the Group's long-term earnings resilience. These factors also created opportunities for operational and long-term synergies.

This diversified portfolio structure has strengthened the Group's ability to navigate evolving market conditions while supporting long-term strategic flexibility and reducing concentration risk across revenue streams.

ESG As a Strategic Imperative

The concept of sustainability remained very deeply connected to the Group's strategic direction during the Financial Year. R I L further developed its position as a sustainability-focused real estate developer through the recertification of its ISO 50001: 2018 certification and the achievement of the GREENSL® Platinum rating for *PARKLAND*, becoming the only commercial buildings in Sri Lanka to receive this recognition.

R I L is also considered climate-related considerations in operational planning, investment evaluation, and governance processes, while advancing initiatives such as green lease arrangements, renewable energy adoption, and environmentally conscious infrastructure enhancements. During the year, R I L further strengthened Environmental, Social And Governance (ESG) structures and oversight mechanisms to support long-term sustainability objectives.

Looking Ahead

R I L Property PLC remains focused on entering its next phase of growth through operational excellence, strategic diversification, and sustainability-led value creation. The Company will continue to strengthen its core commercial real estate portfolio while expanding into complementary business segments, including facilities management, flexible workspaces, and sustainability-driven investments.

Recognised for Excellence

GRI 2-28

2019 1
Annual Report Gold Award by the Institute of Chartered Accountants of Sri Lanka

2021 2
Annual Report Gold Award by the Institute of Chartered Accountants of Sri Lanka

2022 3
TAGS Awards by the Institute of Chartered Accountants of Sri Lanka

2021 4
SAFA Best Presented Annual Report Award

2025 5
GREENSL® Platinum Rated Building Award by the Green Building Council of Sri Lanka

2019 6
Annual Report Gold Award by the Institute of Chartered Accountants of Sri Lanka

2021 7
Annual Report Gold Award by the Institute of Chartered Accountants of Sri Lanka

2023 8
Gold Award at TAGS Awards by the Institute of Chartered Accountants of Sri Lanka

2025
Best Management Practices Company Awards 2026 by the Institute of Chartered Professional Managers of Sri Lanka

2025
TopWeb.lk Award by LK Domain Registry

2026
ISO 50001:2018 Certification for the Facilities Management of *PARKLAND* Complex

2025
Best Management Practices Company Award 2025 by the Institute of Chartered Professional Managers of Sri Lanka

2026
Best Management Practices Company Award 2026 by the Institute of Chartered Professional Managers of Sri Lanka



2025

Best Management Practices Company Awards 2025 by the Institute of Chartered Professional Managers of Sri Lanka

2025

Gold Award at TAGS Awards (Land & Property Companies Category) by the Institute of Chartered Accountants of Sri Lanka

2025

Gold Award at TAGS Awards (Land & Property Companies Category) by the Institute of Chartered Accountants of Sri Lanka

2025

GREENSL® Platinum Green Building Award under the GREENSL® rating system

2025

Corporate Governance Disclosure Recognition under Non-Financial Services category at TAGS Awards



9 2021

Great Place to Work (GPTW) Certification for exceptional workplace experience

10 2023

Gold Award at TAGS Awards by the Institute of Chartered Accountants of Sri Lanka

11 2024

Annual Report Gold Award by the Institute of Chartered Accountants of Sri Lanka

12 2020

SAFA Best Presented Annual Report Award

13 2022

GREENSL® Rated Building Award by the Green Building Council of Sri Lanka

14 2024

Gold Award at TAGS Awards by the Institute of Chartered Accountants of Sri Lanka

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Message from the Chairman

GRI 2-22



Throughout the year, we continued to consolidate our position as a leading Grade "A" commercial real estate platform while progressively strengthening our broader investment portfolio through measured diversification and strategic investment oversight.

Reinforcing Resilience, Positioning for the Future

The Financial Year 2025/26 marked an important phase in the continued evolution of R I L Property PLC, as the Group strengthened its operational resilience, reinforced its core business foundations, and advanced its long-term strategic positioning. Amid a gradually stabilising domestic economic environment and an increasingly complex global landscape, the Group remained focused on disciplined execution, prudent capital management, and sustainable value creation for all stakeholders.

Throughout the year, we continued to consolidate our position as a leading Grade "A" commercial real estate platform while progressively strengthening our broader investment portfolio through measured diversification and strategic investment oversight. Our approach remained firmly centred on operational excellence, financial discipline, governance integrity, and long-term resilience.

I am pleased to announce that the Company achieved full occupancy across the *PARKLAND* complex by the end of the Financial Year, demonstrating the continued resilience of our core property portfolio. This achievement reflects the sustained demand for premium, service-oriented commercial office space within Colombo's Central Business District, as well as the effectiveness of our tenant engagement strategies, proactive facilities enhancement initiatives, and commitment to maintaining premium service standards.

Operating Environment and Performance

The operating environment during the year reflected improving macroeconomic stability, supported by easing inflationary pressures, relatively stable interest rates, and gradually improving business confidence. Nevertheless, global geopolitical tensions, foreign exchange volatility, energy market fluctuations, and external supply chain disruptions continued to create uncertainty across markets and industries. Adverse weather conditions and geopolitical developments also caused supply chain disruption, which contributed to cost pressures during the latter part of the Financial Year.

Against this backdrop, the Group adopted a disciplined and forward-looking approach focused on preserving financial stability, enhancing operational resilience, and maintaining prudent capital allocation while continuing to pursue carefully evaluated long-term growth opportunities.

The Group delivered another year of resilient operational performance, supported by strong occupancy levels, disciplined asset management practices, and sustained tenant demand across its commercial property portfolio. Our service-led operating model, together with the continued emphasis placed on tenant relationships and operational quality, contributed significantly to maintaining operational stability during the year.

In parallel, selected facility enhancement initiatives were undertaken across the *PARKLAND* complex to further strengthen tenant experience, operational efficiency, and asset competitiveness.

The Group's continued commitment to operational excellence, governance, and sustainability was recognised through several notable achievements during the year, including the GREENSL Platinum Rated Green Building Award 2025, the renewal of the ISO 50001:2018 certification for *PARKLAND* facilities management operations, and recognition at the TAGS Awards 2025 for excellence in corporate reporting and governance disclosures.

Operational Excellence and Digital Transformation

Operational efficiency and digital advancement remained key strategic priorities during the year. In line with this, the Group introduced a digital platform for the Engineering and Facilities Management teams to enhance service coordination, operational responsiveness, and smart-device-enabled facilities management capabilities. The platform is expected to be progressively extended to tenants, further strengthening engagement and service delivery standards.

The Group also successfully implemented a Human Resource Information System (HRIS), which became operational during the year. This initiative supports enhanced workforce administration, employee accessibility, and digitalisation of HR processes through mobile-enabled functionality, thereby improving organisational efficiency and supporting the Group's broader workplace transformation objectives.

Strategic Direction and Growth Priorities

Throughout the year, the Board remained focused on strengthening portfolio resilience, enhancing capital efficiency, and advancing sustainable long-term value creation across the Group.

Strategic priorities continued to centre on disciplined portfolio management, operational efficiency, prudent investment evaluation, and the identification of growth opportunities across both core and adjacent sectors. Particular emphasis was placed on portfolio optimisation,

balance sheet discipline, strengthening Group-wide synergies, and enhancing long-term asset productivity through selected redevelopment and operational improvement initiatives.

The Group also continued to progress selected redevelopment and expansion initiatives to support future portfolio growth and recurring income generation. In parallel, management continued evaluating opportunities to diversify revenue streams and expand service-led business offerings, including initiatives within the co-working and facilities management segments.

At the Group level, Panasian Power PLC continued to strengthen the Group's renewable energy positioning and diversification strategy, Prior to the imposition of import restrictions, UML had been a significant contributor to the Group in terms of both profitability and revenue. During the year, with the improvement in UML's performance, it continues to remain a key contributor to the Group. The Board also continued reviewing the Group's strategic investment in R-E-D Capital Asia (Private) Limited as part of its broader long-term investment and diversification strategy.

Governance, Risk Management, and Sustainability

Strong governance and disciplined risk oversight remained central to the Board's priorities throughout the year. Continued emphasis was placed on strengthening governance structures, internal controls, and enterprise risk management processes to ensure that emerging risks were proactively identified and effectively managed.

Key areas of Board oversight included interest rate and liquidity exposure, tenant concentration risks, foreign exchange volatility, operational disruptions, redevelopment-related risks, market competition, and business continuity considerations. The Board getting regular updates through sub committees on internal audit findings, compliance updates, and enterprise risk management reports to support timely corrective action and continuous governance enhancement across the Group.

Sustainability remained an increasingly important area of focus, with continued efforts directed toward integrating environmental, social, and governance considerations into strategic planning, operational oversight, and long-term decision-making processes. During the year, the Board also monitored progress relating to governance enhancement initiatives, ESG-related target development, and improvements in sustainability reporting and governance frameworks supporting long-term organisational resilience and responsible business practices.

Human Capital

The continued strength of R I L Property PLC is fundamentally driven by the commitment, professionalism, and resilience of our people. The Group therefore remained focused on strengthening leadership capability, employee engagement, workforce stability, and organisational development to support long-term operational excellence.

In addition, workplace digitalisation initiatives implemented during the year further enhanced organisational efficiency, employee accessibility, and service delivery capabilities across the Group's operations.

Outlook

Looking ahead, the Board remains cautiously optimistic regarding the outlook for 2026/27, supported by expectations of continued macroeconomic stabilisation, resilient demand fundamentals within the Grade "A" commercial real estate sector, and the Group's strengthened operational and financial positioning.

While global uncertainty and evolving market conditions are expected to persist, we believe the Group remains well-positioned to capitalise on emerging opportunities through its resilient business model, diversified investment exposure, disciplined capital allocation framework, strong tenant base, and sound governance foundations.

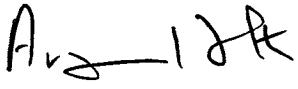
The Group's strategic focus will continue to centre on strengthening portfolio quality, enhancing long-term asset productivity, advancing operational and digital efficiencies, and pursuing selective growth opportunities aligned with sustainable value creation objectives. Continued emphasis will also be placed on maintaining prudent leverage, preserving financial flexibility, and strengthening organisational resilience across the business.

Appreciation

On behalf of the Board, I extend my sincere appreciation to our shareholders for their continued confidence and support, our tenants and business partners for their trust and collaboration, and our management team and employees for their dedication, resilience, and professionalism throughout the year.

I also wish to acknowledge the valuable contribution of all stakeholders who have supported the Group during this important phase of our journey.

As a Board, we remain firmly committed to upholding the highest standards of governance, accountability, and strategic discipline as we continue strengthening the Group's long-term positioning, operational resilience, and value creation potential for the benefit of all stakeholders.



A. Herath
Chairman

5 June 2026

Message from the CEO

GRI 2-12, 14,17, 22, 3-3 (Digitalisation), 3-3 (Infrastructure Investment ICT)



Driven by disciplined execution, the Group enhanced operational agility and expanded flexible workspace solutions, building a future-ready ecosystem to navigate changing market realities.

Building Resilience Through Purposeful Growth

Sustainable growth is rarely built through a single defining moment. More often, it is shaped through consistent decisions, disciplined execution and the ability to prepare ahead of change. During the 2025/26 Financial Year, R I L Property PLC continued to strengthen these foundations while positioning the Group for a broader and more diversified future.

Despite continued uncertainty across the global operating environment shaped by geopolitical tensions, evolving economic conditions and changing business sentiment across key markets, the Group remained guided by a clear sense of purpose and a long-term perspective. During the year, we focused on connecting strategy with execution, people with opportunity and operational discipline with long-term ambition, enabling the Group to continue creating meaningful impact across its businesses.

Our performance during the year reflected the strength and resilience of the Group's diversified operating platform. While the real estate segment continued to demonstrate stability through sustained occupancy levels, strong client retention and consistent recurring income streams, the broader growth in Group revenue was further supported by the increasing contribution from the Group's subsidiaries and strategic investments. This reflects the value of maintaining a balanced business model that combines premium real estate assets with complementary sectors positioned for long-term growth.

Staying Connected to Opportunity in an Evolving Environment

The gradual stabilisation of the domestic economy during the year provided a comparatively improved operating environment, supported by easing inflationary pressures and relatively stable interest rates. However, while macroeconomic indicators showed signs of recovery, businesses across various sectors continued to operate within a climate of caution and uncertainty.

Within the real estate sector, changing workplace priorities and evolving business sentiment continued to influence leasing decisions. Many businesses remained focused on shorter-term planning horizons, resulting in more cautious approaches towards long-term space commitments. At the same time, rising operating and commodity-related costs placed increasing pressure on corporates to rationalise expenditure, creating additional challenges within the commercial office market.

Across the Group's subsidiary sectors, operations were similarly shaped by external uncertainties, including evolving regulatory and policy environments and delays in payments within the energy sector. These conditions required the Group to remain disciplined, agile, and responsive across its business operations.

Evolving with Purpose in a Changing Environment

The changing dynamics within the commercial real estate sector continued to reshape occupier expectations during the year, with many businesses prioritising flexibility, operational efficiency and shorter-term planning horizons over traditional long-term commitments. These shifts reinforced the importance of continuously evolving our business model to remain aligned with changing market realities and client requirements.

In response, the Company continued expanding its focus towards flexible workspace solutions and shorter-term leasing models designed to better support the evolving operational needs of businesses. Through our co-working and flexible workspace offerings, we aim to provide clients with greater agility, scalability and cost efficiency, particularly at a time when many organisations are actively rationalising expenditure and reassessing long-term occupancy commitments.

At the same time, we continued investing in targeted infrastructure and operational enhancements across the *PARKLAND* complex with the objective of improving efficiency, optimising resource utilisation, and enhancing the overall tenant experience. Upgrades to common facilities, smart building solutions, operational digitalisation initiatives and workplace optimisation measures form part of our broader focus on operational excellence and the creation of future-ready commercial spaces.

As workplace expectations continue to evolve, our focus remains on creating an operating environment that not only delivers quality and service excellence, but also supports our tenants in managing costs, improving efficiency and adapting confidently to changing business conditions.

PARKLAND as More than a Building

The continued confidence placed in the Company by our tenants remains one of the strongest validations of the quality, resilience and long-term relevance of our operating platform. In an environment where businesses have become increasingly selective and cautious in their operational commitments, the Company's ability to maintain strong occupancy levels across the *PARKLAND* complex reflects not only the quality of our assets, but also the strength of our service standards, operational responsiveness and long-standing tenant relationships.

Over the years, *PARKLAND* has evolved beyond a conventional commercial office development into a business environment designed around the changing needs of modern occupiers. We recognise that today's businesses increasingly seek workplaces that support employee experience, operational efficiency, flexibility and long-term sustainability. This continued shift in workplace expectations has reinforced our focus on creating an ecosystem where businesses can operate, collaborate, and grow with confidence.

Importantly, the stability of our tenant base and the continued confidence shown by both longstanding and new occupiers continue to support the resilience and quality of the Group's recurring income streams. We believe this reflects the strength of the *PARKLAND* brand, the consistency of our service delivery and our commitment to continuously evolving alongside the needs of our tenants and the broader market.

As we move forward, we remain committed to strengthening these relationships further while continuing to position our spaces as future-ready environments capable of supporting the evolving ambitions of businesses operating in an increasingly dynamic environment.

Connecting Purpose Through People

At the heart of the Group's resilience and long-term progress are our people. In an environment that continues to demand adaptability, responsiveness and operational discipline, the commitment and professionalism demonstrated by our teams across the Group remained instrumental in sustaining service excellence, strengthening tenant relationships and supporting the continued execution of our long-term strategy.

We firmly believe that purpose is ultimately carried through people. The quality of the experiences we create for our tenants, the strength of our operational responsiveness and the resilience of our business are all shaped by the culture, dedication and collaborative spirit of our employees. Their ability to adapt to changing market conditions while maintaining high standards of service and professionalism continues to be one of the Group's key strengths.

As the Group continues to evolve alongside changing business and workplace dynamics, we remain focused on fostering a culture built on accountability, continuous improvement, collaboration and long-term thinking. We also recognise that diversity of perspectives, experiences and backgrounds strengthens decision-making, innovation and organisational resilience. Accordingly, the Group continues to place importance on fostering an inclusive and supportive working environment where individuals are respected, empowered and provided opportunities to contribute meaningfully towards the Group's broader vision and long-term impact.

The progress achieved during the year would not have been possible without the commitment and collective efforts of our teams across the Group and I take this opportunity to extend my sincere appreciation to all our employees for their continued dedication and contribution.

Connecting Sustainability with Long-Term Value Creation

As businesses across the globe continue to navigate evolving environmental, social, and governance expectations, we recognise that sustainability is increasingly becoming an important driver of long-term resilience, competitiveness and stakeholder confidence. At R I L Property PLC, we view sustainability not simply as a reporting obligation, but as an integral component of responsible long-term value creation.

During the year, the Group continued progressing its sustainability journey through the strengthening of internal frameworks, governance structures and reporting processes aligned with the SLFRS S1 and S2 disclosure standards. The Group has taken steps towards understanding and integrating climate-related and sustainability considerations into broader strategic and operational decision-making processes.

This journey has encouraged greater focus on identifying climate-related risks and opportunities, improving data-driven decision-making, enhancing transparency and strengthening the Group's preparedness for evolving stakeholder and regulatory expectations. Importantly, it has also reinforced the need to continuously evaluate how sustainability considerations intersect with operational resilience, resource efficiency, long-term asset quality and future business growth.

We believe that organisations that are able to align sustainability with strategy, governance, and operational execution will be better positioned to create enduring value for shareholders over the long term. As such, the Group remains committed to continuously strengthening its sustainability practices while ensuring that long-term resilience and responsible growth remain central to our business model.

Looking Ahead with Resilience and Purpose

As we look ahead, the operating environment is expected to remain complex and increasingly interconnected with global economic and geopolitical developments. Rising geopolitical tensions, particularly within the Middle East region, continue to create uncertainty across global supply chains and commodity markets, which may place upward pressure on construction-related costs, operational expenditure and broader business activity levels. In parallel, evolving fiscal measures, taxation policies, and financing conditions may continue to influence both operating margins and investment sentiment across sectors.

Within the commercial real estate sector, these conditions may also impact business expansion decisions and occupier demand patterns, potentially creating a more competitive operating landscape in the period ahead. Higher financing costs and evolving workplace strategies adopted by businesses are also expected to continue influencing long-term leasing decisions and overall market dynamics.

While the road ahead may present challenges, the Group enters this period with a clear sense of direction, strengthened operational foundations and a business model that continues to evolve alongside changing market realities. Over the years, we have remained focused on building resilience through diversification, disciplined execution, strong stakeholder relationships and long-term strategic thinking, and these principles will continue to guide us in the year ahead.

Importantly, we also continue to identify opportunities that support the Group's long-term growth ambitions and future positioning. As market dynamics continue to evolve, the Group will continue evaluating strategic initiatives aimed at strengthening operational resilience, expanding our presence within complementary business areas and enhancing long-term shareholder value creation.

While uncertainties prevail, we remain confident that the Group's adaptability, the strength of our operating platform, the commitment of our people, and the guidance and stewardship of the Board will enable us to navigate the challenges ahead while continuing to position the business for sustainable long-term growth and meaningful impact.

Appreciation

The progress achieved during the year would not have been possible without the commitment and contribution of our management teams, clients, shareholders, business partners, and all stakeholders who continue to support the Group's journey.

I extend my sincere appreciation to our Chairman and Board of Directors for their strategic guidance and continued confidence, and to our teams across the Group for their resilience, professionalism, and dedication throughout the year.



H. Fernando
Chief Executive Officer/Executive Director
5 June 2026
Colombo

Board Leadership

GRI 2-9, 2-11, 405-1



Mr. Arjuna Herath

Chairman/Independent Non-Executive Director

Date of Appointment to the Board	1 July 2024

Sub-Committee Roles

Board Related Party Transactions Review Committee	Member
Board HR and Remuneration Committee	Member
Board Nominations and Governance Committee	Member
Board Strategy Committee	Member

Details of other Directorships	Page 146 for details
Shareholding in the Company	Nil

Nature of Expertise

Arjuna served as the Senior Partner and Head of Consulting for Sri Lanka and Maldives at Ernst & Young (EY) at the time of his retirement.

In his career preceding EY, he was the Marketing Development Manager at Ceylon Tobacco Company and Director Corporate Finance at Merchant Bank of Sri Lanka. Arjuna also served as the Chairman of the Board of Investment of Sri Lanka and the Chairman of Data Protection Authority of Sri Lanka and a Board Member of the Sri Lanka Accounting and Auditing Standards Monitoring Board and as a Commissioner of the Securities and Exchange Commission of Sri Lanka. He also served as a member of the Company Law Advisory Commission.

Arjuna was selected as one of the 20 leading men and women from our world of business in 2014 by Lanka Monthly Digest in its fifth edition of captains of commerce & industry in Sri Lanka in recognition of his outstanding work for the corporate sector in the country.

Arjuna is a distinguished senior Chartered Accountant and is a Past President of the Institute of Chartered Accountants of Sri Lanka. He was actively involved in the international forum in the field of accounting and is a Past President of the South Asian Federation of Accountants and was a Board Member of the Confederation of Asia Pacific Accountants.

He is the first Sri Lankan to chair a Committee of the International Federation of Accountants (IFAC), the apex body of the accounting profession and was the Chair of the Professional Accountancy Organisation Development Committee of the IFAC.

Academic and professional qualifications

- Fellow member of the Institute of Chartered Accountants of Sri Lanka
- Bachelor of Science degree from the University of Colombo
- MBA from the University of Strathclyde in the United Kingdom and
- Master of Arts in Financial Economics from the University of Colombo



Ms. Hiroshini Fernando

Chief Executive Officer/Executive Director

Date of Appointment to the Board	12 June 2009
Sub-Committee Roles	
Board Strategy Committee	Member
Details of other Directorships	Page 146 for details
Shareholding in the Company	Nil

Nature of Expertise

Hiroshini brings significant operational, administrative and strategic expertise to the Board in a broad commercial portfolio spanning banking, renewable energy, automobile and real estate sectors.

Transitioning R I L from its founder-led roots to the listed corporate space in 2017, Hiroshini has shaped a strong Company culture that encourages compliance and upholds governance best practices.

As the Chief Executive Officer, Hiroshini is a proponent of organic and inorganic growth strategies in transforming R I L's core business and strategic investment portfolio of investments. she adopts a holistic approach to team building at R I L that is centred on values, diversity and empowerment.

Academic and professional qualifications

- Fellow member of the Institute of Chartered Accountants, Sri Lanka
- Fellow Member of Institute of Certified Management Accountants, Sri Lanka
- Member of the Association of Chartered Certified Accountants (ACCA)



Professor Niranjan Gunawardena

Independent Non-Executive Director

Date of Appointment to the Board	1 November 2018

Sub-Committee Roles

Board HR and Remuneration Committee	Chairman
Board Audit and Risk Committee	Member
Board Sustainability Committee	Member

Details of other Directorships	Page 146 for details
Shareholding in the Company	Nil

Nature of Expertise

As a Project Management Consultant, Professor Niranjan has over 25 years of experience in the construction Industry and has been involved in a large number of building construction projects during this period.

At present, he serves as the Vice-Chancellor of the University of Moratuwa. During his career, he has served as the Head of the Department of Interdisciplinary Studies, Dean of the Faculty of Business and Deputy Vice-Chancellor at the University of Moratuwa.

Academic and professional qualifications

- Chartered Engineer
- Corporate Member of the Institute of Engineers Sri Lanka
- Fellow member of the Institute of Project Managers, Sri Lanka (IPMSL)
- BSc. in Engineering from the University of Moratuwa
- MSc. in Construction Technology
- PhD in Project Management from Loughborough University of Technology, United Kingdom



Ms. Coralie Pietersz

Independent Non-Executive Director

Date of Appointment to the Board	25 March 2021

Sub-Committee Roles

Board Audit and Risk Committee	Chairperson
Board Related Party Transactions Review Committee	Member
Board Nominations and Governance Committe	Member

Details of other Directorships	Page 146 for details
Shareholding in the Company	Nil

Nature of Expertise

Coralie counts over 30 years of senior level experience in corporate finance, accounting and auditing across both private and public sectors. She served as Finance Director of Finlays Colombo, Hapugastenne Plantations PLC and Udapussellawa Plantations PLC. Prior to that she functioned as the Group CFO at Richard Pieris & Company PLC, a role that entailed responsibility for the finance function of this diversified Group, which included five listed companies. Coralie holds directorships in a number of listed entities.

Academic and Professional Qualifications

- Associate member of the Institute of Chartered Accountants in England and Wales
- Fellow member of the Institute of Chartered Accountants of Sri Lanka
- Fellow member of the Institute of Certified Management Accountants of Sri Lanka.
- BSc (Hons) in physics from the University of Sussex
- MBA from Heriot-Watt University, Edinburgh



Ms. Vindhya Weerasekera

Non-Independent Non–Executive Director

Date of Appointment to the Board	8 April 2024

Sub-Committee Roles

Board Audit and Risk Committee	Member
Board Nominations and Governance Committee	Member
Board HR and Remuneration Committee	Member
Board Sustainability Committee	Chairperson

Details of other Directorships	Page 146 for details
Shareholding in the Company	Nil

Nature of Expertise

Vindhya commenced her career as a Junior Lawyer under the mentorship of Dr. K. Kanag-Isvaran, President's Counsel. Over a span of 28 years, she has accumulated vast experience in both the legal and corporate domains, holding senior positions of authority. Notably, Vindhya has played pivotal roles in esteemed organisations such as Sri Lanka Cricket, Dole, a multinational leader in the fruit and vegetable produce sector, as well as in a prominent conglomerate listed on the Colombo Stock Exchange, which has a diversified portfolio encompassing financial services, technology, production and real estate. She also served as the Director of Legal and Corporate Affairs at the Colombo Port City Economic Commission. The Colombo Port City is the largest Public-Private Partnership (PPP) investment project in Sri Lanka, a role which underscored her expertise and leadership within the legal and corporate realms, highlighting her instrumental role in a significant initiative within Sri Lanka's investment landscape.

She currently serves as a Partner at SW Legal, a legal firm offering an extensive range of corporate legal services.

Academic and Professional Qualifications

- Attorney-at-Law of the Supreme Court of Sri Lanka
- Bachelor of Laws (LLB) Graduate from the University of Colombo
- Master of Laws (LLM) in International Trade Law from the University of Wales
- Post Attorney Diploma in Intellectual Property Law from the Sri Lanka Law College in collaboration with the Asia Pacific Institute, Washington DC, USA



Mr. Nanda Fernando

Independent Non-Executive Director

Date of Appointment to the Board	29 January 2025

Sub-Committee Roles

Board Nominations and Governance Committee	Chairman
Board Audit and Risk Committee	Member
Board HR and Remuneration Committee	Member
Board Sustainability Committee	Member

Details of other Directorships	Page 147 for details
Shareholding in the Company	Nil

Nature of Expertise

Nanda is a distinguished business consultant at Professional Business Consultants (Pvt) Ltd and an influential corporate leader, serving on the boards of prominent companies.

Renowned for his strategic vision and exemplary leadership, Nanda has an exceptional track record of driving business growth, enhancing financial performance and fostering operational excellence. His expertise has been instrumental in maximising stakeholder value and elevating productivity across diverse industries.

With a career spanning over four decades, Nanda served 36 years at Sampath Bank, from its inception.

During the last 7 years at Sampath Bank, he was the Chief Executive Officer and Managing Director. During his tenure, he played a pivotal role in steering the bank to new heights of success, leveraging his deep expertise in financial management, risk mitigation, and stakeholder engagement.

A thought leader in his field, Nanda underwent training at Harvard Business School and the National University of Singapore. He has also made significant contributions to the banking sector as the Chairman of the Bankers Technical Advisory Committee of the Sri Lanka Bankers Association.

Nanda's extensive experience in the banking and financial sectors encompasses business development, regulatory compliance, team leadership, and talent development. As a certified leadership trainer, he regularly conducts high-impact strategic workshops for senior management at leading universities and corporations in Sri Lanka and internationally.

An esteemed alumnus of St. Thomas' College, Mount Lavinia, Nanda is recognised as a visionary leader who blends strategic foresight with practical execution to create sustainable business value.

Academic and Professional Qualifications

- Senior Fellow of the Institute of Bankers, Sri Lanka
- Master of Business Administration from Sikkim Manipal University, India



Mr. Sujeewa Mudalige

Independent Non-Executive Director

Date of Appointment to the Board	29 January 2025

Sub-Committee Roles

Board Related Party Transactions Review Committee	Chairman
Board Strategy Committee	Chairman

Details of other Directorships	Page 147 for details
Shareholding in the Company	Nil

Nature of Expertise

Sujeewa possesses over 25 years of experience in the accounting and finance field. Prior to his retirement, he served as the CEO/Managing Partner of PwC (Sri Lanka & Maldives).

Sujeewa serves as an Independent Non-Executive Director in many public and private entities. He is currently serving on a number of regulatory bodies such as BOI and the NMRA.

He has also served as the president of Institute of Chartered Accountants of Sri Lanka during the period 2010-2011.

He was awarded an honorary Doctorate in Business by the University of Plymouth (UK) recognising his outstanding contribution to accounting and finance.

Academic and Professional Qualifications

- Fellow member of Institute of Chartered Accountants (SL),
- Fellow member of Chartered Institute of Management Accountants (UK),
- Fellow member of Association of Chartered Certified Accountants (UK) and
- Fellow member of Certified Public Accountants (Australia).



Mr. Vickum Nawagamuwage

Independent Non-Executive Director

Date of Appointment to the Board	22 January 2026

Sub-Committee Roles

Board Strategy Committee	Member
Board Sustainability Committee	Member

Details of other Directorships	Page 147 for details
Shareholding in the Company	Nil

Nature of Expertise

Vickum Nawagamuwage is a Sri Lankan entrepreneur and the founder of Santani, the internationally acclaimed, purpose-built wellness resort in Sri Lanka. He received his education at Harvard University and the University of Maryland. He began his professional career in strategy consulting with Deloitte Consulting and KPMG in the United States, advising organisations on business strategy and transformation.

Academic and Professional Qualifications

- BSc from University of Colombo
- MBA from University of Maryland
- Advance Management studies from Harvard Business School



Ms. Roshini Weudagedara

Company Secretary

Appointed as the Company secretary in R I L 2017, Roshini currently serves as the Company Secretary for the Company and some of it's subsidiaries including Panasian Power PLC Group.

Roshini commenced her professional career at M/s Julius & Creasy, one of Sri Lanka's leading law firms, where she received comprehensive training in both the legal and Company secretarial fields. Over the course of her career, she has overseen the Company secretarial functions of a diverse portfolio of listed and unlisted companies, gaining wide-ranging experience in corporate governance and regulatory compliance.

She is an Attorney-at-Law and holds a BSc. from the University of Colombo. She also holds a Master of Business Administration (MBA) from the University of Suffolk, UK.

Senior Leadership and Management Team



Mr. Mahie Wickramasinghe
Chief Operating Officer



Mr. Indunil Perera
Chief Finance Officer



Mr. Buddhika Karunanayaka
Senior Manager Information Technology



Ms. Roshini Weudagedara
Company Secretary



Ms. Manjula Wijesekara
Senior Manager Corporate Strategy



Mr. Tharaka Eswatta
Senior Manager Business Operations



Mr. Koliya Yapa Bandara
Senior Manager Engineering



Ms. Nadeesha Mendis
Senior Manager Legal/
Data Protection Officer



Mr. Danushka Kumanayaka
Manager Finance



Ms. Dinu Mayadunne
Manager Human Resources



Mr. Yasas Navimana
Manager Security and Administration



Mr. Sivashangar Umamaheswaran
Manager Internal Audit



Mr. Subodha Pathberiya
Manager Sustainability



Mr. Avinash De Alwis
Manager Corporate Strategy



Mr. Susith Wijayawardena
Manager Business Development



Mr. Sumedha Ranjan
Assistant Manager Engineering & Maintenance



Ms. Anjala Dias
Accountant



Ms. Tharushi Rodrigo
Assistant Manager Compensation & Benefits



Ms. Lokitha Danwanthari
Assistant Manager Company Secretarial



Ms. Mithila Madushika
Legal Officer



Mr. Manura Randunu
Assistant Manager Engineering & Maintenance



BUSINESS MODEL



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Value Creation Model

GRI 3-3 (Shareholders Value Creation)

INPUTS

Financial Capital
Includes all financial resources that support business operations, strategic investments, expansions, and long-term value creation

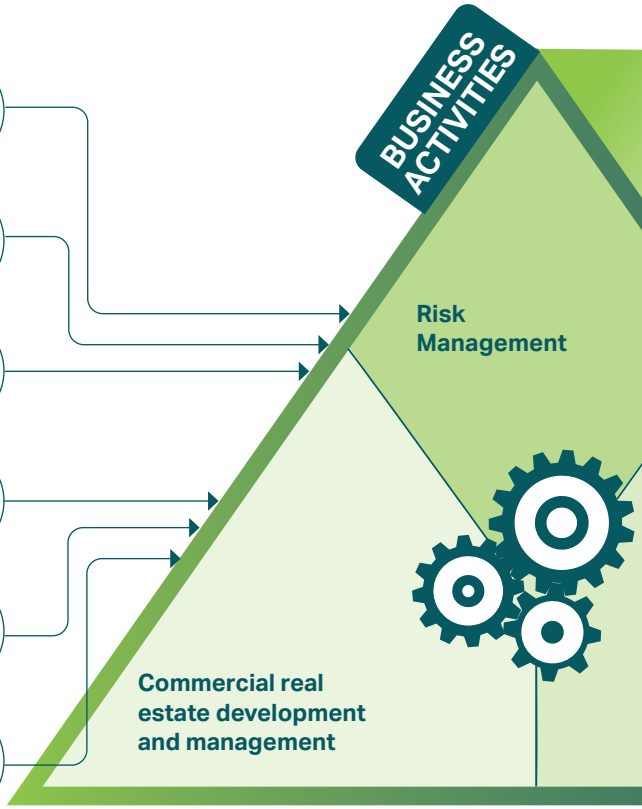
Intellectual Capital
The collective knowledge, experience, brand, culture, and technological systems that have been developed throughout the years of experience

Manufactured Capital
All physical assets and infrastructure of the business assisting in delivering premium commercial real estate solutions

Human Capital
A resilient, inclusive, and future-ready workforce that supports the business in its operations and sustainable growth

Social and Relationship Capital
Trust-based relationships, we foster and maintain within our business

Natural Capital
Renewable and non-renewable resources that support our operations and our environmental impacts



Natural Capital

Measurement	Unit of Measure	2025/26	2024/25
Controlled Greenhouse Gas (GHG) Emission	Status	✓	✓
GHG Emission	tCO_2e	897	726
Water Consumption	m3	33,130	30,600
Electricity Consumption	kWh	3,607,284	3,419,313
Renewable Energy Consumption	Percentage	11	11
Waste Management			
Paper Waste	Status	✓	✓
Electronic Waste	Status	✓	✓
Food Waste	Status	✓	✓
Plastic Waste	Status	✓	✓
Certification and Accreditation			
ISO 50001	Status	✓	✓
Green Building	Status	✓	✓
Trees Planted	Number	35	378

Intellectual Capital

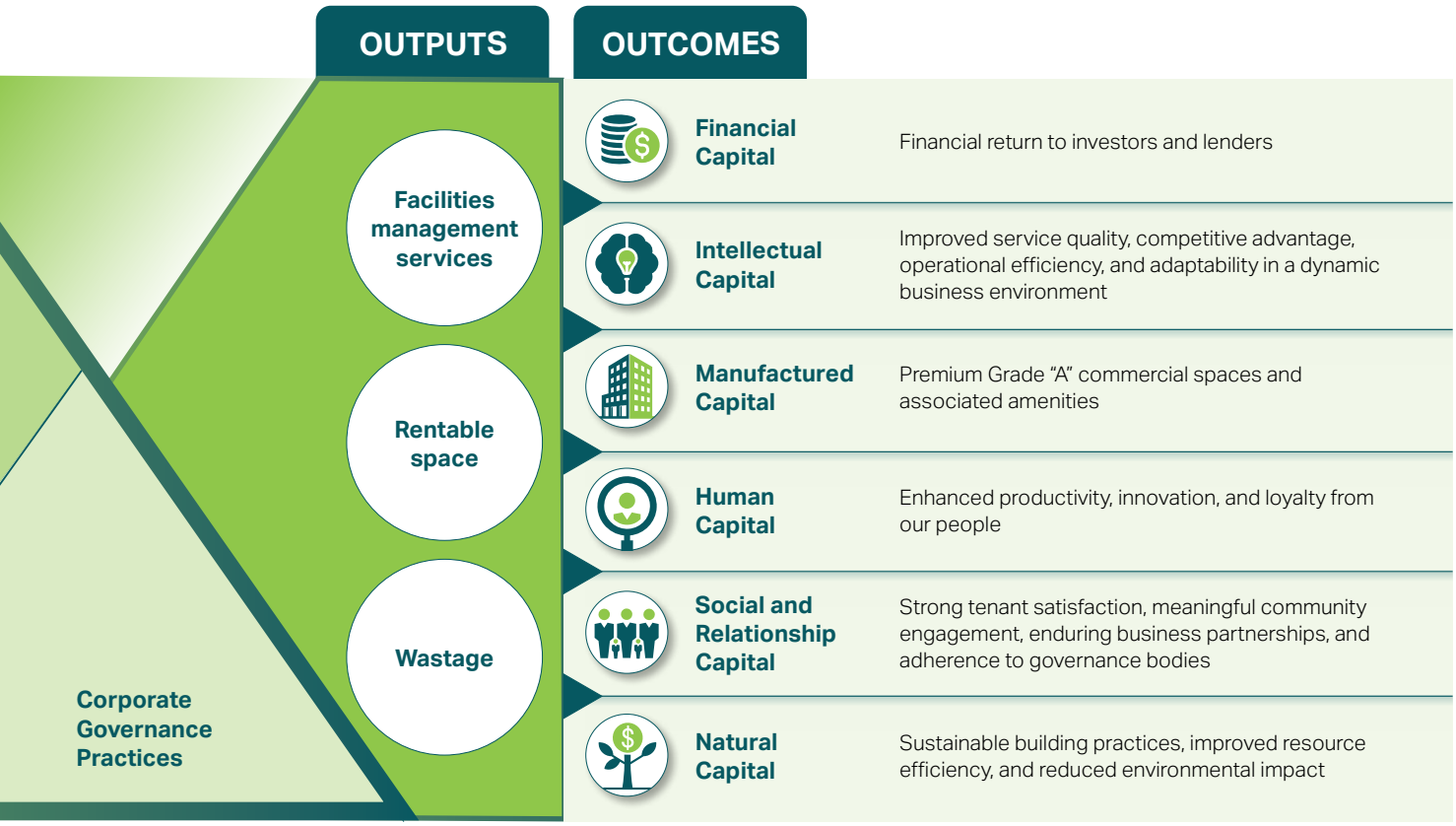
Measurement	Unit of Measure	2025/26	2024/25
Our People	Number	108	108
Investment in Intangible Assets	LKR '000	664	1,270

Social and Relationship Capital

Measurement
Number of Tenants
Retention Rate
Occupancy Rate
Non-Compliances
Corporate Social Responsibility (CSR) Programmes
Number of Participants for CSR
Total Engagement Hours
Trusted Long-Term Suppliers
Customer Survey

Financial Capital

Measurement
Total Equity
Total Debt
Financial Investments
Total Assets



Unit of Measure	2025/26	2024/25
Number	58	58
Percentage	79	80
Percentage	100	95
Number	Nil	Nil
Number	4	5
Number	118	342
Hours	398	566
Number	134	119
Status	✓	✓

Manufactured Capital

Measurement	Unit of Measure	2025/26	2024/25
Investment Property Value	LKR Bn.	20.3	18.2
Rentable Area	Sq. ft	322,186	276,903
Parking Capacity	Slots	390	390
Capital Expenditur			
Car Park Guidance System AHU Condenser Water Collection	LKR Mn.	2.19	Nil
Recycling System	LKR Mn.	1.35	Nil

Unit of Measure	2025/26	2024/25
LKR Bn.	21.2	18.7
LKR Bn.	2.9	3.5
LKR Bn.	1.4	0.7
LKR Bn.	28.9	26

Human Capital

Measurement	Unit of Measure	2025/26	2024/25
Employees Tenured Over 5 Years	Number	44	41
Revenue Per Employee	LKR Mn.	14.59	13.3
Number of Employees	Number	108	108

Operating Environment

Global Economy Remains Uncertain

During the Financial Year 2025/26, the global economy remained relatively resilient, although growth remained below long-term historical trends amid persistent geopolitical fragmentation, evolving trade realignments, and tighter financial conditions across major advanced economies. Elevated interest rates, moderating global demand, and continued policy uncertainty influenced international capital flows, investment activity, and overall investor risk appetite, contributing to a more cautious global operating environment.

Global financial conditions and domestic economic developments continue to influence investment decisions in emerging markets, including Sri Lanka, through their impact on interest rates, liquidity, and investor confidence.

Economic Growth

Sri Lanka's economy sustained its recovery trajectory during 2025, recording approximately 4%–5% real GDP growth, which marks the second consecutive year of expansion, following the economic contraction experienced during the prior crisis period.

This recovery was driven by broad-based expansion across the industry and services sectors, supported by improved business confidence, easing monetary conditions, and a gradual rebound in domestic demand. Key sectors such as construction, manufacturing, and services contributed significantly to this growth momentum.

At current market prices, GDP stood at approximately LKR 32.8 Tn. in 2025, as reported by the Central Bank of Sri Lanka with continued expansion forecasted for the future. GDP per capita also continued its upward trajectory, supported by improved macroeconomic conditions and relative exchange rate stability.

Looking ahead, growth is expected to moderate to 3% in 2026, reflecting base effects and a transition from recovery to a more normalised growth phase, as projected in the IMF World Economic Outlook (2025). This shift underscores the increasing importance of structural reforms, investment inflows, and productivity enhancements in sustaining long-term growth.

Inflation

Inflation dynamics in Sri Lanka evolved significantly during the period under review, reflecting the economy's gradual transition from post-crisis stabilisation toward a more normalised pricing environment.

Headline inflation, measured by the Colombo Consumer Price Index (CCPI), improved from -1.7% in December 2024 to around 2% during late 2025 and remained within low single-digit ranges during early 2026, recording 2.2% in March 2026. This normalisation was supported by easing global commodity prices, and the gradual recovery in domestic demand conditions.

From a real estate sector perspective, stabilising inflation conditions supported greater predictability in construction-related costs, operating expenditure, rental escalation trends, and long-term asset planning, while also contributing toward improved business confidence and tenant affordability across the property market.

Interest Rates

Market interest rates trended upwards during the year under review, reducing the risk of a second sovereign default, but also reflecting higher borrowing costs, and the cooling of private sector credit. Over the year, the Average Weighted Prime Lending Rate (AWPR) rose by around 100 basis points, thereby hindering corporate borrowing conditions and accessibility to finance. Deposit rates, including the Average Weighted Deposit Rate (AWDR) and Average Weighted Fixed Deposit Rate (AWFDR), also declined by 25-30 basis points over the year. However, despite this rise in lending rates, private sector credit experienced a sharp rise in 2025, indicating a rise in business confidence and improving liquidity conditions. A key driver was the rebound in economic activity and the relaxing of vehicle import restrictions.

In May 2025, the Central Bank decided to maintain the Overnight Policy Rate (OPR) at 7.75%, thereby benefitting borrowers and also encouraging investment growth across sectors, including commercial real estate.

Exchange Rate

Sri Lanka's external sector performance continued to improve during 2025 and early 2026, supported by stronger worker remittance inflows, continued recovery in tourism earnings, improved current account conditions, and ongoing progress under the IMF-supported economic reform programme. These developments contributed toward strengthening external sector resilience, improving market confidence, and supporting broader macroeconomic stabilisation.

The Sri Lankan rupee remained relatively stable during the year under review, depreciating only by around 6% over the Financial Year, reaching LKR 314.88/USD by the end of March 2026. This reflected improved foreign exchange inflows, reduced import demand pressures, stronger external sector conditions, and continued Central Bank interventions, which collectively contributed to enhanced currency stability and reduced exchange rate volatility during the year.

From a real estate sector point of view, exchange rate stability remains a critical factor influencing imported construction material costs, infrastructure-related capital expenditure, foreign direct investment flows, and long-term commercial property investment planning. Improved currency stability also supports greater predictability in project costing, tenant affordability, and broader investment decision-making across the property sector.

However, the further 5% depreciation in the rupee since mid-March 2026, due to the rising prices of petroleum imports, and reduced tourism revenue. As a result, foreign reserves are being depleted. To curtail this, the Central Bank has already implemented measures such as increasing vehicle import taxes and lowering bank borrowing limits for vehicle purchases. This impacts all sectors of the economy, notably transportation and utilities. Furthermore, these measures not only affect the import of construction materials; they also significantly affect both foreign and domestic investment in the real estate sector.

Real Estate Sector Outlook

Sri Lanka's real estate sector demonstrated a gradual but increasingly broad-based recovery during 2025 and early 2026, supported by improving macroeconomic stability, easing monetary conditions, strengthening investor confidence, and improved external sector resilience.

Data published by the Central Bank of Sri Lanka indicated that condominium prices in Colombo increased by approximately 15.8% year-on-year in 2024, reflecting sustained capital appreciation, resilient investor demand, and structural supply constraints in prime urban locations. Despite this, Colombo continued to dominate the condominium market, accounting for approximately 54% of total condominium sales, reaffirming its role as the country's primary commercial, financial, and high-density residential hub. By mid-July 2025, commercial occupancy rates rose over 70% in Colombo. Meanwhile, the Central Bank's Land Valuation Indicator (LVI) for the Colombo district increased by 11.5% year-on-year in the 1H 2025, and by 11.3% year-on-year in 2H 2025. Rental yields average between 3.0% to 3.8%, depending on the location of the property.

The Grade "A" office segment showed early signs of stabilisation and improving absorption in core Colombo Central Business District (CBD) sub-markets during 2025 and early 2026, supported by improving macroeconomic fundamentals, easing interest rate conditions, exchange rate stability, and gradual corporate recovery. Demand remains anchored by multinational occupiers, export-oriented service providers, and knowledge-based industries, while flexible workspace and co-working formats continue gaining traction. A key market trend is the accelerating "flight to quality," where occupiers increasingly prioritise Grade "A" developments offering superior location advantages, institutional-grade amenities, enhanced sustainability performance, and operational efficiency, reinforcing resilience in premium assets despite broader market adjustments.

Looking ahead, the sector is expected to benefit from sustained urbanisation, infrastructure expansion, tourism recovery, and strategic developments such as the Colombo Port City project, strengthening Sri Lanka's long-term positioning as a regional business and financial hub.

However, structural challenges remain, including elevated construction costs, interest rate sensitivity, imported material price exposure, and uneven demand recovery across sub-markets. Accordingly, asset quality, location efficiency, sustainability integration, and adaptive design will remain key determinants of long-term performance in an evolving real estate landscape.

Stakeholder Engagement

GRI 2-29

Stakeholder engagement remains an important aspect of our approach to long-term value creation, supporting the Company's ability to effectively respond to evolving customer expectations and business priorities. Driven by our theme of 'Connecting Purpose. Creating Impact', we view stakeholder relationships as interdependent components of a wider system that drives long-term, sustainable impact.

In line with our commitment to being 'Open and True', we continue to foster transparent, responsive, and trust-based relationships with all stakeholder groups. Through consistent engagement and open communication, we remain committed to strengthening trust, encouraging collaboration, and ensuring that stakeholder perspectives are reflected in our decision-making processes.

Our Approach to Stakeholder Engagement

We adopt a structured and consistent approach to stakeholder engagement to promote connectivity, responsiveness, and shared value creation across all stakeholder groups, including;

- Continuous stakeholder analysis to understand influence, expectations, and evolving impacts within our ecosystem
- A prioritisation framework that enables us to focus on engagement with key stakeholders based on their strategic importance and level of influence
- Integrating environmental, social and governance (ESG) considerations across all engagement platforms to ensure that sustainability objectives are embedded into dialogue, decision-making, and long-term planning.

Key Stakeholder Groups and Engagement

Stakeholder Group	Engagement Channel
Tenants	Surveys, 24/7 hotlines, one-on-one meetings
Employees	Open-door policy, whistleblower mechanism, grievance processes, engagement surveys, performance appraisals, and training and HR events and Development Programs
Business Partners/ Suppliers	Procurement discussions, performance review meetings, and supplier evaluations
Community	Corporate social responsibility (CSR) initiatives, partnerships, and inclusive engagement programmes with a growing ESG focus
Regulators	Formal submissions, compliance reviews, and awareness sessions
Financial Institutions	Financial reporting, covenant compliance updates, and strategic reviews
Shareholders/ Investors	Shareholder meetings, integrated annual reporting, market disclosures, and structured communications

Frequency	Purpose of Engagement	Key Outcomes
Ongoing	To understand workspace requirements, improve service quality, and further strengthen the tenant experience	Improved tenant satisfaction and higher retention levels
Ongoing	To foster collaboration, strengthen employee engagement, and gather employee feedback	Stronger employee engagement, empowerment, and retention Maintain Diversity, Equity, and Inclusion (DEI)
Ongoing/periodic	To align sustainability goals, ensure reliability, and uphold standards	Strengthened supplier relationships and improved consistent practices
Periodically	To align with sustainability goals, contribute to community development, and align with social initiatives	Stronger community relationships and positive social impact
As required	To ensure regulatory compliance and maintain strong governance standards	Continued compliance and strengthened governance practices
Periodic/as required	To maintain financial transparency and confidence	Optimised financing terms and sustained financial confidence
Annually/as required	To communicate strategic direction, and reinforce transparency and accountability	Enhanced investor confidence and trust

Integrating ESG into Connected Stakeholder Engagement

As the Company continues to strengthen its ESG journey through the development of a more comprehensive strategy, stakeholder engagement remains an important part of this process. Through ongoing engagement with key stakeholder groups, we continue to gain insights that support our approach towards climate resilience, responsible building practices, employee well-being, and long-term sustainable value creation. These engagements also support the Company's effort to strengthen transparency and align ESG-related priorities with evolving stakeholder expectations and recognised reporting practices.

We will continue to improve our stakeholder engagement practices by incorporating stakeholder insights into our strategies and operations, ensuring that our actions align with the expectations and interests of our stakeholders while supporting sustainable long-term value creation.

Strategy and Resource Allocation

GRI 2-6, 3-3 (Local Procurement and National Employment Practices), 3-3 (Green Suppliers), 204-1

Connected Ecosystems, Shared Purpose

At R I L Property PLC, our strategy is built on creating long-term integrated value through strong businesses, connected operations, and sustainable growth. With real estate being our core focus, our strategic investments in the renewable energy and mobility sectors reflect our approach towards creating opportunities through interconnected ecosystems, disciplined execution, and stakeholder-focused decision-making.

The operating environment during the year under review demonstrated stable economic conditions, stronger business confidence, and resilient demand across the commercial property sector. As a result, the Company recorded an improved occupancy level and profitability, which enabled the progress of strategic priorities while reinforcing long-term portfolio resilience. Additionally, these developments contributed to our ability to seek future growth opportunities while maintaining financial discipline and operational flexibility.

Meanwhile, our strategy remains focused on strengthening core real estate operations, enhancing operational resilience, integrating sustainability into decision-making, and exploring selective expansion opportunities that support long-term value creation.

Strategic Priorities

R I L has organised its strategic priorities across short, medium, and long-term horizons to achieve balanced and sustainable growth, which enables the Company to respond to evolving market conditions effectively while maintaining focus on long-term resilience and stakeholder value creation.

Short-Term Priorities

In the short term, the Company focuses on improving operational efficiency, sustainability integration, and digital enhancement initiatives across its portfolio.

The implementation of smart building solutions, digital operational systems, and efficient facility management practices improved operational coordination and service responsiveness across the Company's main properties. The internal processes and administrative efficiency are expected to improve with the ongoing implementation of digital platforms such as Peoples HR and eZuite, thereby supporting faster decision-making and flexible operations. Additionally, evolving workplace trends and changing tenant expectations have accelerated the demand for flexible, customer-centric solutions. The introduction of co-working and flexible workspace concepts has enhanced adaptability to changing market dynamics while strengthening tenant engagement and long-term occupancy resilience.

At the same time, operational initiatives and responsible procurement practices, such as the procurement of supplies from ISO-certified suppliers and the continued use of Energy Star-rated products continued to improve resource efficiency. This also supported the positioning of the Company's premium Grade "A" office spaces within a sustainability-conscious market environment.

Medium-Term Priorities

Over the medium term, the Company remains focused on building stronger financial stability, expanding revenue streams, and enhancing portfolio adaptability.

Based on past operating experience and exposure to changing economic conditions, the Company recognises the importance of maintaining stable cash flows, which is supported by long-term lease agreements and effective financial management. In line with this, the Company continues to focus on strengthening its balance sheet, reducing financial leverage, and improving cash flow resilience.

The Company also evaluates opportunities to diversify its tenant base and explore opportunities in property-related service sectors, to mitigate the risk of relying on a single sector and support revenue stability.

Long-Term Priorities

Our long-term strategy focuses on expanding the business portfolio through selective investments and development initiatives that are aligned with evolving urban, commercial, and sustainability trends.

The integration of real estate, renewable energy, and mobility-related businesses enables the Group to establish a stronger and more resilient portfolio. This diversified ecosystem approach enhances the Company's ability to navigate market cycles while unlocking long-term growth opportunities across complementary industries.

Strategy Execution and Governance

GRI 2-14

At R I L, the Company implements its strategy through a structured governance framework, disciplined oversight mechanisms, and continued stakeholder engagement, ensuring alignment between strategic intent and operational execution.

Governance and Strategic Oversight

Strategic implementation is guided by the Board, supported by senior management, and dedicated governance structures. During the year, the Company further strengthened its governance through the establishment of a Board Sustainability Committee and a Management Sustainability Committee. These improvements enhanced Board-level focus on ESG priorities, strategic alignment, and operational execution.

Additionally, the appointment of a new Chief Operating Officer (COO) further strengthened leadership capacity and improved operational coordination across the organisation, enabling the Company to execute its strategic priorities more effectively.

The Board and management continuously assess strategic performance, investment decisions, operational risks, and market conditions to ensure that the Company remains resilient, accountable, and focused on long-term value creation objectives.

Performance Monitoring and Accountability

The Company converts its strategy into clear, measurable outcomes through structured monitoring and key performance indicators (KPIs) across its six capitals. Moreover, operational measures including occupancy levels, tenant retention, profitability, operational efficiency, and asset utilisation were reviewed regularly to support data-driven decision-making and improve operations.

In addition, regular management reviews enabled the Company to identify areas requiring improvement, for which corrective actions and resource allocation were implemented based on the priorities. This disciplined performance management approach strengthened accountability while supporting long-term operational and financial stability.

Employee Alignment and Organisational Integration

The successful execution of strategy depends on strong internal communication within the organisation and cross-functional collaboration; strategic priorities are communicated across business units to make sure daily business operations are carried out in line with the management's direction.

On the other hand, employees continue to play a critical role in delivering operational excellence, sustainability initiatives, customer engagement, and service quality improvements. The Company successfully implements this through clearly assigned roles for employees, performance expectations, and collaborative working structures supporting a culture of accountability, continuous improvement, and long-term value creation.

Strategic Strengths and Competitive Positioning

The Company's strategic strengths continue to support resilient performance and long-term competitive advantage within the commercial property sector.

R I L benefits from a portfolio of premium Grade "A" office spaces, located within the Central Business District. With its strong locational advantages, proximity to Port City developments, and access to high-value commercial demand corridors, past performance indicates that premium assets in prime locations maintain a stronger occupancy resilience and tenant demand, even during challenging periods such as times of economic uncertainty and evolving workplace trends.

The Company also benefits from its in-house facility management capabilities, which further enhance the operational responsiveness, service quality, and tenant experience. Continuous operational support and 24x7 service delivery from this facility have contributed to long-term tenant relationships, operational reliability, and stable recurring income generation across the portfolio.

Additionally, the Company's strong sustainability positioning continues to enhance its competitive advantage. Its Platinum-rated green building certification, energy efficiency initiatives, and ISO 50001:2018 accreditation differentiate its premium office spaces in the market, strengthening their appeal among increasingly sustainability-conscious tenants and stakeholders.

Strategic Challenges and Areas for Improvement

The Company continues to evaluate areas that require enhancements to strengthen long-term competitiveness and adaptability.

Structural limitations within the existing office complex restrict large-scale capacity expansion opportunities, limiting scalability within the current asset base. In addition, although the Company maintains a strong position within the office segment, evolving workplace trends and changing customer expectations highlight the importance of future portfolio diversification, as the Company currently has no exposure to residential property developments.

To address these challenges, the Company continues to focus on infrastructure optimisation, customer-centric service enhancement, flexible workplace offerings, and the evaluation of adjacent market opportunities that support future portfolio diversification and long-term resilience.

Sustainability as a Strategic Driver

Sustainability is embedded within the Company's strategy as a core driver of operational resilience, asset value enhancement, and long-term growth.

The continuous incorporation of environmental, social, and governance considerations into decision-making processes across the business has supported operational efficiency, enhanced stakeholder confidence, and improved the long-term competitiveness of its assets.

During the year, the Company further strengthened its sustainability framework through enhanced governance oversight and dedicated management support, including the appointment of a Sustainability Manager to support the integration of sustainability initiatives across the organisation.

SDG Alignment

The Company's strategic priorities and sustainability initiatives continue to support broader national and global sustainable development priorities, including the following Sustainable Development Goals:



Strategic Resource Allocation

With regards to our approach to resource allocation, R I L continues to focus on key areas that support long-term value creation, operational efficiency, and sustainable business growth.

Strategic Relevance

The Company allocates capital and resources towards initiatives that strengthen its position within the premium commercial property sector while supporting future growth opportunities and evolving market requirements.

Sustainability and Long-Term Impact

Sustainability considerations continue to be integrated into investment and operational decisions. Resource allocation supports initiatives related to energy efficiency, smart building solutions, sustainable operational practices, and long-term asset enhancement.

Capital Efficiency and Financial Resilience

The Company maintains a disciplined approach to capital allocation, prioritising investments that have a strong strategic alignment, operational value, and long-term sustainability potential, while maintaining financial stability and flexibility.

Synergy and Operational Integration

Resources are directed towards initiatives that improve operational coordination, shared capabilities, and internal efficiencies across the business, supporting service quality and long-term operational effectiveness.

Risk Alignment and Scenario Planning

Investment and operational decisions continue to be evaluated against financial, operational, and market and climate related risks to strengthen business resilience and support informed long-term decision-making.

Stakeholder Alignment

Resource allocation decisions consider the interests of key stakeholders, including shareholders, tenants, employees, regulators, and community partners, supporting a balanced and sustainable approach to value creation.

Future Outlook

Looking ahead, R I L remains focused on strengthening its portfolio stability, enhancing operational excellence, and pursuing selective long-term growth opportunities that align with evolving industry trends and stakeholder expectations. The Company plans to enhance and expand its Co-Working footprint in line with emerging demand trends.

The Company will continue to evaluate strategic investments, portfolio diversification opportunities, and sustainability-focused initiatives that support future-ready growth and long-term value creation. Emerging workplace trends, increasing sustainability expectations, digital transformation, and evolving urban development patterns are also expected to continue to shape strategic priorities going forward.

Supported by strengthened governance structures, disciplined capital management, sustainability integration, and resilient operating fundamentals, the Company remains well-positioned to create sustainable long-term value across its connected ecosystem of businesses.



Our Commitment to Sustainability

GRI 2-23, 2-24

Sustainability remains central to R I L Property PLC's long-term value creation strategy. We recognise that sustainable business success is driven not only by financial performance, but also by our ability to operate responsibly, safeguard natural resources, and contribute positively towards society. This continues to shape our Environmental, Social, and Governance (ESG) approach, supporting the creation of a more resilient, inclusive, and sustainable future.

Why Sustainability Matters

Sustainability is increasingly connected to operational resilience, stakeholder expectations, and long-term competitiveness. As a responsible developer, operator, and steward of Grade "A" commercial assets, we continue to integrate sustainability considerations across our operations and strategic decision-making. As environmental and social factors increasingly influence investment decisions and tenant expectations, our sustainability initiatives support operational efficiency, strengthen stakeholder confidence, enhance risk management, and improve the long-term positioning and value of our business.

Sustainability Governance

We continue to strengthen our governance framework to support our sustainability aspirations and evolving regulatory landscape. During the year under review, the Company completed the development of its ESG framework, aligned with globally recognised standards. Meanwhile, our Environmental, Social and Governance Sustainability Policy continues to guide our overall sustainability direction and operational approach.

Our governance framework remains compliant with mandatory regulatory requirements, whilst voluntarily adopting additional best practice guidelines to further strengthen transparency, accountability, and stakeholder inclusiveness.

Sustainable Responsibilities in Value Creation

Our value creation process is embedded in integrated thinking, and ESG considerations are reflected across the six capitals, enabling us to better understand the interrelationship between environmental stewardship, social responsibility, and ethical governance throughout the business.

This approach enables us to effectively leverage sustainability related opportunities whilst managing sustainability risks in a holistic manner, alongside maintaining alignment with stakeholder expectations and evolving regulatory requirements.

Financial Capital

Strengthening long-term financial resilience through responsible investments, sustainability-linked performance measures, and enhanced ESG disclosures.

Intellectual Capital

Promoting a culture of continuous learning, innovation, digital integration, and ethical leadership to sustainably unlock organisational potential.

Manufactured Capital

Developing and managing sustainable, energy-efficient properties that reflect green building principles, climate conscious design, and modern infrastructure standards.

Human Capital

Prioritising diversity, equity, inclusion, employee wellbeing, and continuous capability development through our people-focused initiatives.

Social and Relationship Capital

Strengthening tenant, employee, supplier, regulator, and community relationships through collaborative and shared sustainability initiatives.

Natural Capital

Enhancing energy efficiency, water management, waste management, and environmental stewardship practices across our properties and operations.



Alignment with SLFRS S1 and S2

GRI 2-29, 3-1, 3-2

As part of our ongoing commitment towards global best practices and evolving national regulatory developments, R I L Property PLC has aligned its sustainability related disclosures with SLFRS S1 and S2 sustainability disclosure standards issued by the Institute of Chartered Accountants of Sri Lanka. These standards establish disclosure requirements relating to sustainability related risks and opportunities, encompassing governance, strategy, risk management, and metrics and targets.

In line with the phased implementation roadmap introduced by CA Sri Lanka, the top 100 listed entities on the Colombo Stock Exchange are expected to commence reporting sustainability related disclosures from the 2025/26 Financial Year onwards. Accordingly, R I L Property PLC is presenting its SLFRS Sustainability-Related Financial Disclosures commencing from the 2025/26 Financial Year, as one of the top 100 listed companies in Sri Lanka.

Through this alignment, R I L Property PLC seeks to further strengthen the quality, consistency, and transparency of sustainability-related disclosures provided to stakeholders, whilst supporting informed decision-making and long-term value creation.

ESG Framework Development

During the year under review, the Company, together with an external consultant, successfully completed the development of an ESG framework aligned with our strategic direction and long-term sustainability priorities.

The framework development process included the completion of several key phases, including:

- Gap analysis of current processes and systems
- Review of sustainability matters
- Stakeholder identification and engagement
- Materiality assessment and prioritisation
- Analysis of ESG KPIs
- ESG framework development
- Risk management integration
- Development of ESG roadmap and reporting structure

The completed framework is expected to strengthen ESG performance tracking, enhance sustainability related disclosure practices, and support the integration of ESG considerations into strategic and operational decision-making processes across the Group.

Engaging Stakeholders in ESG

Recognising that sustainability is a shared responsibility, we continue to engage tenants, regulators, investors, employees, and the wider community in creating long-term environmental and social values. From a governance perspective, the Company continues to comply with applicable regulatory requirements whilst maintaining transparency through the disclosure of relevant sustainability policies and practices. The Company identified its key stakeholder groups and prioritised them based on their level of influence on the Company and their degree of dependence on its operations. A global peer benchmarking exercise was also considered in determining the final stakeholder prioritisation.



Identifying Material Sustainability Matters

R I L's material sustainability matters were identified through a structured assessment process, whereby key stakeholder groups evaluated and ranked ESG topics to determine the matters most relevant to the Company and its stakeholders. This process will be carried out annually to identify and assess the material sustainability topics relevant to the Company.

Material Topics

A survey was conducted to obtain feedback from the identified stakeholder groups on material matters. Based on the responses received, together with management input, the following material topics were prioritised according to their level of importance to the Company.

Sustainability themes ranked	Rank
Ethical Conduct & Compliance	1
Economic Performance	2
Improving Tenant Experience and Satisfaction	3
Sustainable Procurement and Resource Efficiency	4
Climate Action	5
Fostering Inclusive Employee Relations	6
Partnerships & Collaboration	7
Community Development and Engagement	8

Stakeholder Prioritisation Matrix



Future Outlook

As we continue to pursue future growth opportunities, sustainability considerations will remain increasingly embedded within our strategic planning, governance processes, operational decision-making, employee performance management, and stakeholder engagement initiatives. As our ESG framework further matures, it is expected to strengthen how the Company addresses environmental concerns, advances social inclusion, and upholds strong governance standards across the business.

SLFRS Sustainability Related Financial Disclosures

GRI 2-2, 2-3



Basis of Preparation

Reporting Entity and Organisation Boundary

The sustainability related financial disclosures presented in this section apply to R I L Property PLC (the Company) and its Subsidiaries, Panasian Power PLC, United Motors Lanka PLC, *PARKLAND* Integrated Solutions (Private) Limited, and *PARKLAND* Solutions (Private) Limited (together referred to as the "Group") within the financial reporting boundary, in line with the Company's general purpose financial reports.

Basis of Materiality

The Group will report only on matters that are reasonably expected to impact its prospects, arising from identified sustainability related risks and opportunities. The level of materiality has been assessed through a ranking mechanism of sustainability topics, which is explained on page 61.

Functional and Presentation Currency

These SLFRS Sustainability-Related Financial Disclosures are presented in Sri Lankan Rupees (LKR), which is the Group's functional and presentation currency.

Sources of Guidance

- SLFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information
- SLFRS S2 – Climate-related Disclosures
- SASB Standards
  - Real Estate
  - Real Estate Services
  - Electric Utilities & Power Generators
  - Solar Technology & Project Developers
  - Multiline Retailers & Distributors
  - Industrial machinery & goods sector

Reporting Period

1 April 2025 to 31 March 2026.

Time Horizon

Group has considered following time horizons.

Real Estate Sector

Short Term (ST)
2026/27 – 2028/29
Less than 3 years

Medium Term (MT)
2029/30 – 2035/36
4 to 10 years

Long Term (LT)
2036/37 and beyond
More than 10 years

Power Sector

Short Term (ST)
2026/27 – 2027/28
Less than 2 years

Medium Term (MT)
2028/29 – 2030/31
3 to 5 years

Long Term (LT)
2031/32 and beyond
More than 5 years

Mobility Sector

Short Term (ST)
2026/27
Less than 1 year

Medium Term (MT)
2027/28 – 2028/29
2 to 3 years

Long Term (LT)
2029/30 and beyond
More than 3 years

Transitional Relief

In preparing this report, the Group has applied all applicable transition relief permitted under the relevant standards.

- To disclose only climate-related risks and opportunities (CRROs) in accordance with SLFRS S2 during the first reporting year. Disclosure of other material sustainability-related risks and opportunities (SRROs) will be reported from the second reporting year onwards (2026/27).
- To not disclose comparatives for the CRROs disclosed in the first year (2025/26) of reporting.
- To not disclose Scope 3 GHG emissions.
- To defer the disclosure of qualitative information regarding anticipated risks and opportunities for a period of two years (From 2027/28 to be reported) following the mandatory application of the standard.
- To defer the climate resilience (scenario analysis) disclosure requirements, for up to two years (From 2027/28 to be reported) following the mandatory application of the standard.

Judgements

The preparation and presentation of this report involve the application of judgment in determining the information that is relevant, reliable, and useful for disclosure.

Topic	Description
Materiality Assessment	To identify material risks and opportunities, the Group exercised judgment in assessing impacts and dependencies across the value chain, which was also defined based on management's judgment.
GHG Emission	Exercised judgment when selecting the boundary, appropriate emission factors, estimation techniques and data sources
Risk Assessment	To measure the likelihood of occurrence and severity of each climate- related risk identified
Time Horizon	In defining short, medium and long-term periods applicable for climate assessments
Data quality and estimations	Judgements were applied where accurate or complete data was not available

Measurement Uncertainties

Measurement uncertainty in this report arises from data gaps, the use of proxy information, external factors, and forward-looking assumptions.

Topic	Description
GHG Emission	Emission calculations are inherently subject to limitations associated with the methods used to determine emission factors and underlying data.
SASB Data Presentation	The measurement and disclosure of metrics under the respective SASB standards are subject to limitations arising from the methodologies used for calculation and the definition of reporting boundaries.
Risk Assessment	The assessment has been carried out using a limited amount of available data and with minimal forward-looking information.

Statement of Compliance

This report has been prepared in accordance with the SLFRS Sustainability-Related Disclosure Standards issued by CA Sri Lanka.

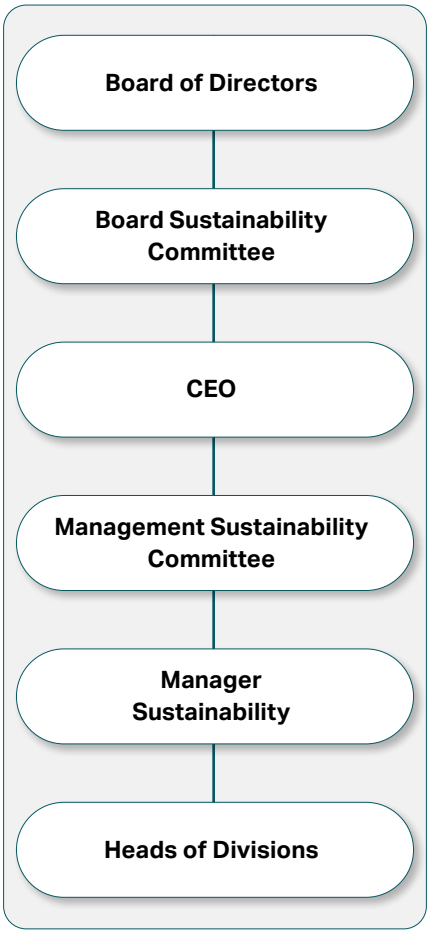
Governance

GRI 2-9, 2-12, 2-13, 2-14

R I L's governance processes help ensure that sustainability related matters are properly managed and considered in decision-making across the business. R I L's governance structure provides oversight into sustainability strategies, action plans, and related reporting practices.

Governance Structure

The sustainability governance structure ensures clear accountability and oversight across all levels of the organisation. The structure is led by the Board of Directors, supported by a dedicated Board subcommittee - Board Sustainability Committee, which oversees sustainability-related matters and reports to the Board. The Management Sustainability Committee, chaired by the CEO, guides the integration of sustainability into business operations, while the Sustainability Manager coordinates sustainability initiatives with the support of heads of divisions.



Roles and Responsibilities

Board of Directors

The Board provides strategic direction on sustainability integration, while reviewing and approving the sustainability strategy and related policies. It also ensures that sustainability considerations are embedded within the organisation's business model, culture and operations. In addition, it oversees the monitoring and reporting of sustainability performance against established targets and ensures that the organisation possesses the necessary skills, capabilities and resources to effectively identify, manage and respond to sustainability-related risks and opportunities. In discharging its responsibilities, the Board considers sustainability matters at both Company and Group levels.

Furthermore, several Directors of the Company serve on the Boards of the subsidiaries, facilitating the flow of relevant sustainability-related insights, risks, and strategic considerations to the parent Board.

Through this governance structure and the potential development of a centralised data collection process, the Board is working towards ensuring that subsidiary-level developments are appropriately reflected in Group-level decision-making, and that sustainability strategies across the Group remain aligned with overall corporate objectives. The Board is also considering periodic reviews of subsidiary strategies to support consistency with the Group's sustainability priorities and risk management approach.

Board Sustainability Committee

The Board Sustainability Committee oversees the development and execution of the Company's sustainability strategy and provides recommendations to the Board for approval. It monitors the integration of sustainability-related risks and opportunities into the Company's strategy, risk management processes, and major business decisions, while also reviewing the effectiveness of governance structures, controls, and management processes related to sustainability matters. The Committee reviews and approves key sustainability targets and performance metrics, oversees sustainability reporting and disclosures, and ensures the adequacy of sustainability-related policies, procedures, and business practices.

Skills and Competencies

The Board of Directors and the Board Sustainability Committee possess the necessary expertise to oversee sustainability-related matters, while continuously strengthening their knowledge through training programs, industry updates, and regulatory briefings to support informed decision-making and effective governance. Please refer skills matrix on page 144 for more details.

Composition, Meetings and Reporting

As per the Terms of Reference the Board Sustainability Committee is required to meet on a quarterly basis. Following the establishment of key sustainability-related procedures, frameworks, and implementation actions, the Board Sustainability Committee held two meetings during the year. The attendance of the members was satisfactory. Members of the Management Sustainability Committee also attended the meetings by invitation.

Sustainability Committee Composition and Meeting Attendance

Ms. V. Weerasekera – Chairperson	2/2
Professor N. Gunawardena	2/2
Mr. N. Fernando	2/2
Mr. V. Nawagamuwage	2/2

The proceedings of the BSC meetings are regularly reported to the Board through the Committee Chair, highlighting key discussions, outcomes, and recommendations. The minutes of the BSC meetings are also tabled at subsequent Board meetings for information and reference purposes.

Overseeing and Monitoring of Sustainability Related Risks and Opportunities

During the year, the Board, through the Board Sustainability Committee and Board Audit and Risk Committee, exercised oversight of sustainability-related risks and opportunities by ensuring their identification, assessment, and management across strategic and operational activities. In overseeing the strategy, the Board and the subcommittees considered sustainability-related risks and opportunities as part of key strategic decisions, business planning, and capital allocation processes, while balancing financial, environmental, and social considerations. Sustainability-related risks were also integrated into the overall risk management framework to ensure appropriate monitoring and mitigation in line with the risk appetite and strategic objectives.

Performance Monitoring and Metrics

GRI 2-17

The Board and the Board Sustainability Committee are currently in the process of identifying relevant sustainability performance indicators. Once established, progress against the identified sustainability targets, including emissions reduction, resource efficiency, and other key sustainability objectives, will be monitored on a quarterly basis with executive remuneration being linked to these targets in the future.

Role of the Management

Management Sustainability Committee

To oversee and guide the integration of sustainability across R I L's operations, R I L Property PLC has established a Management Sustainability Committee. The Committee is chaired by the Company CEO and comprises a majority of the C-suite members and heads of divisions representing the following key disciplines.

- Finance
- Corporate Strategy
- Engineering and Maintenance

This Committee plays a key role in integrating sustainability considerations into the Company's strategy, risk management, and operations, supporting the long-term sustainability and resilience of the business. Accordingly, the following principles have been established.

Oversight of ESG Strategy

Incorporates sustainability considerations into the Company's strategic planning framework by evaluating the potential impact of sustainability-related matters on the Company's business objectives, market positioning, and competitiveness. This helps ensure that the Company's sustainability initiatives remain aligned with its long-term goals and stakeholder expectations.

Risk Management Integration

Integrates sustainability-related risks into its overall risk management framework by identifying, assessing, and managing ESG-related risks alongside financial and operational risks. The Committee is responsible for ensuring that sustainability-related factors, including climate-related matters, labour practices, and regulatory compliance, are appropriately considered within the Company's risk assessment processes.

Performance Monitoring

The Committee shall meet quarterly to monitor the Company's sustainability performance, including progress towards the Company's sustainability targets, compliance with regulations, and alignment with industry standards. Thereafter, the Committee shall report to the Board Sustainability Committee (BSC) on a quarterly basis.

Group Governance Framework

The sustainability governance framework is applied across the Group, including its subsidiaries operating in the power and mobility sectors, ensuring a consistent and coordinated approach to managing sustainability-related risks and opportunities. The Management Sustainability Committee at the Group level works closely with designated focal points and management teams within each subsidiary to collect and consolidate sustainability-related data. This centralised approach enables comparability across sectors, enhances data reliability, and supports integrated decision-making and disclosures at the Group level, while allowing each subsidiary to retain accountability for its operational data and sector-specific sustainability performance.

Key Responsibilities

The responsibilities of the Committee are to ensure that the Company's sustainability strategy aligns with the Company's broader objectives. Key responsibilities are as follows.

- Ensure the sustainability strategy aligns with the Company's values and long-term objectives.
- Establish and monitor sustainability goals and performance indicators.
- Ensure compliance with sustainability-related regulations and industry standards.
- Develop and implement sustainability policies across the organisation.
- Integrate sustainability-related risks into the Company's risk management processes.
- Regularly report sustainability performance and initiatives to the Board Sustainability Committee.
- Embed sustainability considerations into business operations and decision-making.
- Conduct sustainability awareness and training programs for employees.
- Ensure accurate and transparent sustainability reporting to stakeholders.
- Support environmental sustainability initiatives and community development programs.

Strategy

3-3 (Climate Change), 201-2

R I L is committed to minimising the environmental impact of its operations while addressing sustainability-related challenges in a responsible manner. Recognising climate change as a key sustainability priority, the Group has adopted a structured approach to identify, assess, prioritise, and manage Climate-Related Risks and Opportunities (CRROs).

Climate Related Risks and Opportunities (CRROs)

The Group identified the following CRROs that could reasonably be expected to impact the cash flows, access to finance, or cost of capital over the short, medium, and long term (refer time horizons on page 62). These CRROs were identified through a series of brainstorming sessions and a detailed assessment of the value chain of the Company and its subsidiaries, to determine relevant climate-related risks and opportunities. The identified risks were subsequently filtered and prioritised based on the material topics derived through the materiality assessment process.

CRR 1	Climate Related Acute Risk
Impact on Prospects	
Risk Description	Risks arising from the physical impacts of climate change, including heavy rainfall, flooding, strong wind, storms, earthquakes and lightning, that may cause direct and immediate damage to the Group's assets and operations.
Risk Category	Physical Acute Risk
Time Horizon	ST, MT, LT
Impact on Business model and Value chain	
Current Impacts	**Real Estate Sector:** During the period under review, R I L was not materially impacted by these risks. However, prior to the current Financial Year, certain property assets experienced a slight damage due to high winds and lightning-related incidents. **Power Sector:** Exposure to infrastructure damage affecting energy generation **Mobility Sector:** Minor disruptions to dealer operations and inventory losses during extreme weather events
Anticipated Impacts	**Real Estate Sector** • Reduced staff availability may adversely affect service delivery and operational productivity. • Increase the risk of health and safety, potentially resulting in injuries, absenteeism, and higher medical costs. • Disrupt core operations, leading to partial or temporary business closures. • System failures may result in service level agreement (SLA) breaches, exposing the Company to financial penalties and contractual claims. • Construction delays and cost overruns, negatively impacting project timelines and capital efficiency.

	• Disruptions to security controls may increase exposure to data breaches, data loss, and cybersecurity-related fraud incidents. • Damage to building structures and façades, including excessive building sway, compromising asset safety and long-term durability. • Damage to critical electrical and mechanical equipment, resulting in operational downtime and increased repair and replacement costs. • Restricted access to premises may disrupt tenant operations, adversely affecting tenant satisfaction and business continuity. • Compromised safety, security, or operational standards during extreme weather events may lead to tenant dissatisfaction and loss of confidence. **Power Sector** • Damage to generation assets • Grid disruptions • Revenue loss **Mobility Sector** • Inventory losses • Credit risk deterioration • Supply chain disruptions
Impacted Area	• **Real Estate Sector:** *PARKLAND* properties, tenants, suppliers • **Power Sector:** Generation assets, transmission infrastructure • **Mobility Sector:** Warehouses, dealerships, logistics network

Strategy and Decision Making

Responses and Plans	The Group is currently in the process of further strengthening and refining its climate-related risk mitigation framework using more comprehensive and updated data inputs. Accordingly, detailed response plans, resource allocations, and progress are still being finalised and will be disclosed in due course as the assessment process matures.
Resource Allocation	
Progress of the plans	

Financial Impacts

Current Period Financial Impact	On Cash Flows On Financial Performance On Financial Position Notes	**Real Estate Sector:** No impact **Power Sector:** Revenue loss and capital expenditure due to asset damage **Mobility Sector:** Inventory damage and asset losses due to cyclone Ditwah
Anticipated Financial Impact	Short Term/ Medium Term/ Long term	On Access to Finance On Cost of Capital On Cash Flows On Financial Performance On Financial Position Group has not disclosed the anticipated financial impacts relating to this risk, as the assessment process continues to evolve and remains subject to significant measurement uncertainty and ongoing refinement of assumptions. The Group is currently strengthening its data collection and assessment processes to support more reliable and robust financial quantification in future reporting periods.

CRR 2 Climate Related Chronic Risk

Impact on Prospects

Risk Description	Risks arising from the long-term physical impacts of climate change, including rising temperature, air quality drop, reduced water availability, biodiversity loss, change in soil productivity, sea level rise and drought, which may adversely affect the Group's assets and operations.
Risk Category	Physical Chronic Risk
Time Horizon	LT

Impact on Business model and Value chain

Current Impacts	During the period under review, the real estate and power sectors were not materially impacted by these risks.
Anticipated Impacts	**Real Estate Sector** • These risks could negatively impact employee health, attendance, and productivity. • Increase the risk of fires and system failures, affecting data centre operations and business continuity. • Increase air-conditioning demand, leading to higher electricity consumption and operating costs. • Pressure on water availability, increasing reliance on water conservation and storage measures. • Certain land assets may become economically less viable due to climate-related risks. **Power Sector** • Reduced generation from water scarcity and heat effects
Impacted Area	• **Real Estate Sector:** Owned and managed properties within *PARKLAND* complex, suppliers & Tenants • **Power Sector:** Hydro and solar plants

Strategy and Decision Making

Responses and Plans	The Group is currently in the process of further strengthening and refining its climate-related risk mitigation framework using more comprehensive and updated data inputs. Accordingly, detailed response plans, resource allocations, and progress are still being finalised and will be disclosed in due course as the assessment process matures.
Resource Allocation	
Progress of the plans	

Financial Impacts

Current Period Financial Impact	On Cash Flows		No impacts noted in the real estate and power sectors
	On Financial Performance		
	On Financial Position		
	Notes		
Anticipated Financial Impact	Short Term/ Medium Term/ Long Term	On Access to Finance	Group has not disclosed the anticipated financial impacts relating to this risk, as the assessment process continues to evolve and remains subject to significant measurement uncertainty and ongoing refinement of assumptions. The Group is currently strengthening its data collection and assessment processes to support more reliable and robust financial quantification in future reporting periods.
		On Cost of Capital	
		On Cash Flows	
		On Financial Performance	
		On Financial Position	

CRR 3 Climate Related Transition Risk

Impact on Prospects

Risk Description	Risks arising from the transition to a low-carbon and climate-resilient economy, including policy, market, technological, and reputational risks, which may impact the Group's operations and asset values.
Risk Category	Transition Risk
Time Horizon	ST, MT, LT

Impact on Business model and Value chain

Current Impacts	During the period under review, no material impacts noted in the real estate, power and mobility sectors
Anticipated Impacts	**Real Estate Sector** • Unrealistic or poorly supported climate targets may expose the Company to legal, regulatory, and reputational risks. • Increase capital and operating costs due to higher expenditure on sustainable materials, equipment, and specialist services. • Changing tenant preferences toward sustainable and climate-resilient properties may reduce demand for non-aligned assets. • Transition risks may lead to impairment of investment property values. • Adoption of climate-resilient designs and retrofits may require significant additional capital expenditure. • Failure to manage climate-related performance may damage reputation, stakeholder trust, and the Company's licence to operate. **Power Sector** • Regulatory costs, curtailment risk, supply chain cost increases **Mobility Sector** • Demand shift from Internal Combustion Engine (ICE) to Electric Vehicles (EVs) revenue pressure
Impacted Area	• **Real Estate Sector:** Owned and managed properties within *PARKLAND* complex, suppliers and tenants • **Power Sector:** Full value chain • **Mobility Sector:** Product portfolio, supply chain, customers

Strategy and Decision Making

Responses and Plans **Resource Allocation** **Progress of the plans**	The Group is currently in the process of further strengthening and refining its climate-related risk mitigation framework using more comprehensive and updated data inputs. Accordingly, detailed response plans, resource allocations, and progress are still being finalised and will be disclosed in due course as the assessment process matures.

Financial Impacts

Current Period Financial Impact	On Cash Flows On Financial Performance On Financial Position Notes		No impacts noted in the real estate, power and mobility sectors
Anticipated Financial Impact	Short Term/ Medium Term/ Long Term	On Access to Finance On Cost of Capital On Cash Flows On Financial Performance On Financial Position	Group has not disclosed the anticipated financial impacts relating to this risk, as the assessment process continues to evolve and remains subject to significant measurement uncertainty and ongoing refinement of assumptions. The Group is currently strengthening its data collection and assessment processes to support more reliable and robust financial quantification in future reporting periods.

CRO — Climate Related Opportunities

Impact on Prospects

Opportunity Description

Real Estate Sector

Company can leverage sustainability as a strategic enabler to enhance operational efficiency, revenue growth, asset value, and long-term resilience. The key opportunities are outlined below:

- **Cost Optimisation & Operational Efficiency**
  Energy-efficient systems, smart technologies, digital transformation, and improved resource management can reduce operating, maintenance, and compliance-related costs while improving overall efficiency.
- **Revenue Growth & New Business Streams**
  Investment in renewable energy and sustainable infrastructure can diversify revenue streams, while sustainability-led developments may attract ESG-focused tenants, supporting occupancy and income stability.
- **Asset Value Enhancement**
  Sustainable and ESG-compliant developments can improve asset marketability, support higher valuations, and help future-proof properties against evolving regulations and market expectations.
- **Capital Access & Financial Strength**
  Strong sustainability performance can enhance access to green financing and sustainability-linked funding, supporting efficient capital allocation, lower financing costs, and improved cash flow management.
- **Risk Management & Strategic Decision-Making**
  Integrating sustainability considerations into planning and operations can strengthen risk management, improve resilience, and support better long-term strategic and investment decisions.
- **People & Organisational Benefits**
  A strong sustainability focus can enhance employer branding, support talent attraction and retention, and improve productivity through digitalisation and flexible working arrangements.

While the Company has identified the above opportunities, these will be subject to further detailed evaluation and assessment processes to selectively determine the ones that are feasible and appropriate for implementation.

Power sector

Expansion of renewable energy generation, efficiency improvements and access to green financing

Mobility sector

Expansion of low-emission vehicle portfolio and sustainable operations

Time Horizon

ST, MT, LT

Impact on Business model and Value chain

Current Impacts

Real Estate Sector: During the period under review, the Company continued to assess climate-related opportunities to enhance resilience and long-term value creation. However, no material impacts were identified.

Power Sector: Initial efficiency improvements and renewable investments underway

Mobility Sector: Gradual introduction of low-emission products and operational efficiencies

Anticipated Impacts

Real Estate Sector

- Reduce operating costs, improve resource efficiency, and lower future compliance-related expenditure.
- Create new revenue streams, diversify income sources, and strengthen long-term tenant demand.
- Enhance asset value, improve marketability, and support long-term capital appreciation.
- Improve access to green financing and sustainability-linked funding while reducing financing costs and project risks.
- Strengthen risk management, improve strategic decision-making, and support better long-term returns.
- Enhance employee attraction, retention, productivity, and organisational resilience.

	Power Sector Increased generation capacity and efficiency from renewable investments, improving revenue stability and access to finance **Mobility Sector** Revenue growth from EV and hybrid vehicles, improved operational efficiency		
Impacted Area	• **Real Estate Sector:** Owned and managed properties within *PARKLAND* complex, suppliers and tenants • **Power Sector:** Generation assets and project development lifecycle • **Mobility Sector:** Product portfolio, operations, customer segments		
Strategy and Decision Making			
Responses and Plans **Resource Allocation** **Progress of the plans**	**Real Estate Sector:** The Company is currently in the process of further strengthening and refining its climate-related opportunity capitalisation framework using more comprehensive and updated data inputs. Accordingly, detailed plans, resource allocations, and progress are being further developed and will be disclosed in due course as the assessment process continues to mature. **Power Sector:** Investment in renewable energy expansion and battery storage to improve efficiency requiring capital investment in renewable capacity and storage systems **Mobility Sector:** Expansion of low-emission vehicle offerings and sustainable operational practices through investment in EV infrastructure, training, and technology upgrades		
Financial Impacts			
Current Period Financial Impact	On Cash Flows On Financial Performance On Financial Position Notes		No impacts noted in the real estate, power and mobility sectors
Anticipated Financial Impact	Short Term/ Medium Term/ Long Term	On Access to Finance On Cost of Capital On Cash Flows On Financial Performance On Financial Position	Group has not disclosed the anticipated financial impacts relating to these opportunities, as the assessment process is still evolving and remains subject to ongoing refinement of assumptions and measurement methodologies. Group continues to strengthen its data collection and assessment processes to support more robust and reliable financial quantification in future reporting periods.

Climate Transition Plan

The Group currently does not have a formal climate-related transition plan, and no related assumptions or dependencies have been developed. The importance of such planning is acknowledged, and an appropriate transition plan will be considered in the future.

Climate Resilience

The Group is in the process of strengthening its climate opportunity assessment and integration into long-term strategy (refer transition relief adopted)

Risk Management

GRI 3-3 (Climate Change)

At R I L Property PLC, sustainability-related risks and opportunities are embedded within the Company's Enterprise Risk Management (ERM) framework to ensure resilience, responsible growth, and long-term value creation. The integration of sustainability considerations into risk management enables the Company to proactively respond to evolving regulatory, market, climate, and stakeholder expectations.

Integrated Framework

R I L's sustainability risk management is aligned with its overall risk management framework and governance structure (refer page 132). Sustainability-related risks (SRRs) including climate-related risks (CRRs) are identified, assessed, evaluated, monitored, and reported using the same principles, criteria, and risk thresholds applied to other enterprise risks across the Company.

The Board of Directors, supported by the Board Audit and Risk Committee (BARC) and the Board Sustainability Committee (BSC), provides oversight of sustainability-related risks. The Management Sustainability Committee is responsible for the operational implementation of sustainability initiatives and ensures that sustainability and climate related considerations are integrated into the Company's operations and decision-making processes.

While the Board, Board Sub-Committees, and the Management Sustainability Committee oversee the overall sustainability risk management process, R I L has adopted the "Three Lines of Defence" model, under which all employees are responsible for identifying and managing risks within the scope of their respective roles. This approach is consistently applied across the Company's overall risk management framework as well.

1st Line of Defence – Divisional Staff

- Identify and manage sustainability-related risks during day-to-day operations.
- Monitor sustainability and climate-related factors that may impact business operations.

2nd Line of Defence – Senior Management

- Ensure sustainability-related policies, procedures, and practices are implemented in line with the Company's strategic objectives and risk appetite.
- Develop and implement appropriate sustainability governance frameworks, controls, and monitoring mechanisms and ensure alignment with risk appetite, strategy and regulatory expectations.

3rd Line of Defence – Internal Audit

- Provide independent assurance on the effectiveness of controls over sustainability-related risk management and internal control processes.
- Assess the adequacy and effectiveness of sustainability governance, operational controls, and compliance practices.
- Report key observations and findings directly to the Board Audit and Risk Committee.

Risk Management Process

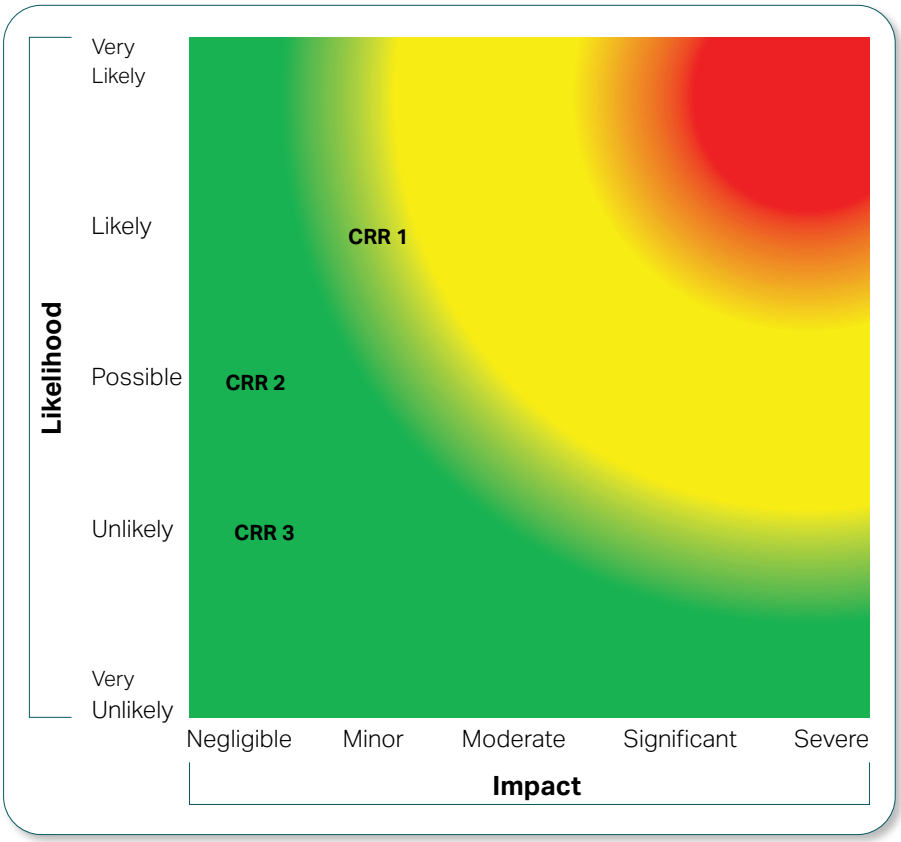
The sustainability-related risk management process begins with the identification of sustainability-related risks by the Manager Sustainability, in collaboration with the Heads of Divisions. The Company considers risks across short, medium, and long-term time horizons (refer page 62 for definition of horizons). This is followed by a structured assessment and evaluation process, whereby each identified risk is assessed based on its nature, potential impact and likelihood of occurrence to determine its significance to the Company consistent with the existing thresholds for impact and likelihood (refer risk analysis and measurement on page 135). Climate-related risks are assessed through both physical risk lenses (location-specific exposure to acute and chronic climate events) and transition risk lenses (policy, market, technological, and reputational factors), incorporating forward-looking considerations. Climate-related risks are also prioritised using the same mechanisms applied in enterprise risk management.

Identified risks are then captured within the Company's risk register and are periodically reviewed to reflect emerging risks and evolving external conditions. A Risk Heat Map is subsequently utilised to evaluate the level of exposure and determine the appropriate scope and scale of mitigation and control measures required to manage the identified risks effectively. The process is supported by continuous monitoring of implemented control measures to ensure alignment with the Company's sustainability and risk management objectives.

Sustainability-related risks are reported biannually to the Board Audit and Risk Committee (BARC) and the Board Sustainability Committee (BSC) together with the respective metrics to monitor each risk. This process is almost identical and aligns with the enterprise risk management process of the Company (refer page 134)

Risk Heat Map

Each sustainability-related risk (only climate-related risks is presented in this report, has been mapped in the following Heat Map based on its potential impact and likelihood of occurrence, in accordance with the overall risk assessment methodology outlined under "Risk Categories and Heat Map" on page 136.



Risk Assessment Summary

	Risk Assessment		Risk Profile
	Impact	Likelihood	2025/26
CRR1. Climate Related Acute Risk	Minor	Likely	Medium
CRR2. Climate Related Chronic Risk	Negligible	Possible	Low
CRR3. Climate Related Transition Risk	Negligible	Unlikely	Low

Risk Management at Subsidiaries and Consolidation at Group Level

At subsidiary level, climate-related risks and opportunities (CRROs) are managed through entity-specific risk management frameworks that are aligned with their operational context and industry exposure. These frameworks are integrated into the respective subsidiaries' enterprise risk management (ERM) processes, ensuring that climate-related risks are identified, assessed, managed, and monitored alongside other principal business risks.

Risk escalation within subsidiaries is governed by thresholds defined at the entity level. Material risks, including significant climate-related risks, are escalated to the respective subsidiary Boards for review and oversight. While there is no fully formalised Group-wide risk integration process for CRROs at present, relevant sustainability and risk-related information is shared with R I L Property PLC through existing governance mechanisms.

Through this approach, the Group will be able to maintain oversight over key climate-related risks arising within its subsidiaries, while allowing each entity to apply context-specific risk management practices. The Group continues to evolve its processes to further strengthen alignment and consistency in the identification, assessment, and management of sustainability-related risks and opportunities across all entities.

Identification and Assessment of Opportunities Across the Group

The Company and its subsidiaries have established an evolving process to identify, assess, and monitor climate-related opportunities alongside risks. This includes:

- Monitoring regulatory developments, market trends, and technological advancements
- Identifying opportunities to improve operational efficiency, resource optimisation, and resilience
- Evaluating initiatives aligned with low-carbon transition pathways and sustainability objectives

Opportunities are assessed based on their potential to contribute to financial performance, competitive positioning, and long-term sustainability, and are considered as part of strategic planning, capital allocation, investment and operational decision-making processes within the respective entities.

Climate Scenario Analysis

The Group is in the process of developing internal capabilities to conduct climate-related scenario analysis to identify CRROs and assess the resilience of its business model and strategy under different climate pathways. During the current reporting period, the Group has not utilised climate-related scenario analysis and has elected to apply the transitional relief provisions under SLFRS S2. The Group intends to progressively build the required technical capacity, data systems, and governance processes to incorporate scenario analysis in future reporting periods.

Changes to Risk Management Process

During the reporting period, there were no significant changes to the Group's overall risk management processes. However, the Group has enhanced its approach by:

- Further integrating climate-related risks into the ERM framework of the Company and its subsidiaries
- Strengthening governance oversight through the Management Sustainability Committee and Board sustainability Committee at Company level and respective committees and boards at subsidiary level.
- Initiating improvements in data collection and monitoring mechanisms

Metrics and Targets

Cross-industry Metrics

GRI 305-1, 305-2, 305-3

Greenhouse Gas Emission (GHG)

R I L measures its greenhouse gas (GHG) emissions in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004), using the operational control approach. This approach enables the Company to distinguish between emissions arising from operations under its direct control, where it has the authority to implement operating policies, and emissions generated across the value chain, where the Company may have influence but not direct operational control. The following greenhouse gases were emitted into the atmosphere from R I L's operations during the reporting period.

- **Carbon Dioxide CO_2**
- **Methane CH_4**
- **Nitrous Oxide N_2O**
- **Hydrofluorocarbons HFC (R410, R134, R22)**

This report represents the Company's first year of reporting under SLFRS S2, and accordingly, the transition relief available for comparative information has been applied. Emissions are disclosed on a gross basis, without the application of carbon offsets, and consolidated using the equity approach. All emission data presented in metric tonnes of carbon dioxide equivalent (tCO_2e). The consolidation has been done using the equity share approach.

Scope	Group 2025/26	Company 2025/26
Scope 1	949.18	269.30
Scope 2	1,201.39	627.67
Total	2,150.58	896.94

Calculation Mechanism

Scope 1 emissions comprise all direct greenhouse gas (GHG) emissions generated from business operations. These emissions were calculated using relevant activity data, including fuel consumption and refrigerant top-up volumes, multiplied by the applicable emission factors in accordance with the guidelines of the GHG Protocol.

Scope 2 emissions comprise indirect emissions arising from purchased electricity and energy consumption and were calculated using the location-based method. Emissions were determined by applying the relevant GHG Protocol emission factors to the quantity of electricity and energy purchased during the reporting period.

Key Assumptions and Sources

Scope	Emission Category	Activity	Data Source	Emission Factor	Source of GWP
Scope 1	Stationary combustion	Generator fuel consumption, Paint booth operations, LPG Consumption	Fuel purchasing records, Invoices	2006 IPCC Guidelines	IPCC AR 6
Scope 1	Mobile combustion	Company owned vehicles, fuel usage of Company-maintained vehicles for staff and fuel allowances, Cleaning Machine, LPG Consumption, Grass Cutters	Administrative Management Systems; Fuel Management / Card Systems, Invoices, Vehicle Records, Payment Vouchers, Running Charts	2006 IPCC Guidelines	IPCC AR 6
Scope 1	Fugitive emissions	Fire extinguishers, A/C refrigerant leakages, Onsite use of CO_2 and acetylene gases for gas welding	Supplier records, Purchase records, Repair & Service Documents and Invoices	2006 IPCC Guidelines	IPCC AR 6
Scope 2	Purchased electricity	Electricity consumption across operational facilities	Monthly electricity bills	Sri Lanka Energy Balance 2022	IPCC AR 6

Climate Related Transition Risk, Climate Related Physical Risk, Climate Related Opportunities, Capital Deployment, Internal Carbon Prices and Remuneration

The Group is currently in the process of strengthening and refining its climate-related risk and opportunity (CRROs) mitigation and capitalisation framework, including the development of relevant metrics and targets, using more comprehensive and updated data inputs. This ongoing process is intended to ensure that the metrics, targets, and related implementation plans established by the Group are robust, relevant, and aligned with the evolving nature of climate-related risks and opportunities and business operations. Further details, including progress and related disclosures, will be communicated in due course as the assessment and refinement process continues to mature.

In addition, the management of the Group companies are assigned relevant KPIs to support the implementation of sustainability-related processes within their respective areas. This supports the strengthening of the governance framework, while enabling the regular tracking, coordination, and reporting of relevant sustainability data, thereby facilitating the Group's continuous commitment towards sustainability.

The Company has not yet completed a quantitative assessment of assets and activities deployed to climate-related transition and physical risks. Accordingly, these metrics are not currently available.

Application of carbon pricing in Decision Making:
The Group has not implemented an internal carbon pricing mechanism as of 2025/26 and does not currently apply a carbon price in decision-making, capital allocation, investment evaluation, or scenario analysis.

- **Price per Metric Ton of GHG Emissions:** Not applicable as internal carbon pricing has not yet been implemented.

Remuneration
The Group has not yet integrated ESG or climate-related key performance indicators (KPIs) into executive performance evaluation or remuneration frameworks. However, this will be considered for future implementation where feasible.

Industry Based Metrics

The following content provides a cross-reference of the Group's reporting in relation to the Sustainability Accounting Standards Board (SASB) standards applicable to R I L Property PLC and its subsidiaries.

R I L Property PLC

Real Estate

Topic	Code	Metric	Unit of Measure	Disclosure
Energy Management	IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property sector	Percentage (%)	100%
	IF-RE-130a. 2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity and (3) percentage renewable, by property sector	Gigajoules (GJ), Percentage (%)	13,036.18GJ 89% 11%
	IF-RE-130a. 3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	Percentage (%)	6%
	IF-RE-130a. 4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property sector	Percentage (%)	91% 0%
	IF-RE-130a. 5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	NA	Refer page 126
Water Management	IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property sector	Percentage (%)	100% 0%
	IF-RE-140a. 2	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property sector	Thousand cubic metres (m^3), Percentage (%)	33,130m^3 0%
	IF-RE-140a. 3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	Percentage (%)	8.3%
	IF-RE-140a. 4	Description of water management risks and discussion of strategies and practices to mitigate those risks	NA	Refer page 126

Topic	Code	Metric	Unit of Measure	Disclosure
Management of Tenant Sustainability Impacts	IF-RE-410a.1	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and (2) associated leased floor area, by property sector	Percentage (%), Square metres (m^2)	0% 5,169.28m^2
	IF-RE-410a. 2	Percentage of tenants that are separately metered or sub-metered for (1) grid electricity consumption and (2) water withdrawals, by property sector	Percentage (%)	100% 8.9%
	IF-RE-410a. 3	Discussion of approach to measuring, incentivising and improving sustainability impacts of tenants	NA	Refer page 121
Climate Change Adaptation	IF-RE-450a.1	Area of properties located in 100-year flood zones, by property sector	Square metres (m^2)	53,504.24m^2
	IF-RE-450a. 2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	NA	Refer page 67
Activity Metric	IF-RE-000.A	Number of assets, by property sector	Number	3
	IF-RE-000.B	Total Leasable floor area, by property sector	Square metres (m^2)	26,179.57m^2 (Excluding the newly leased area, which is not falling within the defined boundary
	IF-RE-000.C	Percentage of indirectly managed assets, by property sector	Percentage (%)	0%
	IF-RE-000.D	Average occupancy rate, by property sector	Percentage (%)	96.38%

Real Estate Services

Topic	Code	Metric	Unit of Measure	Disclosure
Sustainability Services	IF-RS-410a.1	Revenue from energy and sustainability services	LKR Mn.	LKR 0 Mn.
		Note – Even though R I L does not generate revenue from energy and sustainability services, the Company recovers costs incurred in providing renewable energy solutions to its tenants, which is categorised as cost recovery rather than revenue.	LKR Mn.	LKR 9.8 Mn.
	IF-RS-410a.2	(1) Floor area and (2) number of buildings under management provided with energy and sustainability services	Square metres (m^2), Number	0 m^2 0

Topic	Code	Metric	Unit of Measure	Disclosure
	IF-RS-410a.3	(1) Floor area and (2) number of buildings under management that obtained an energy rating	Square metres (m^2), Number	48,798.25m^2 3
Transparent Information & Management of Conflict of Interest	IF-RS-510a.1	Brokerage revenue from dual agency transactions	LKR Mn.	LKR 0 Mn.
	IF-RS-510a.2	Revenue from transactions associated with appraisal services	LKR Mn.	LKR 0 Mn.
	IF-RS-510a.	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	LKR Mn.	LKR 0 Mn.
Activity Metric	IF-RS-000.A	Number of property management clients, categorised by: (1) tenants and (2) real estate owners	Number	34.5 (Average per month) 1
	IF-RS-000.B	Floor area under management with owner operational control	Square metres(m^2)	0 m^2
	IF-RS-000.C	Number of buildings under management with owner operational control	Number	0
	IF-RS-000.D	Number of leases transacted, categorised by: (1) tenants and (2) real estate owners	Number	0 0

Panasian Power PLC

Electric Utilities & Power Generators

Topic	Code	Metric	Unit of Measure	Disclosure
Greenhouse Gas Emissions & Energy	IF-EU-110a.1	(1) Scope 1 emissions	Metric tonnes (t) CO_2-e,	37.7368 t CO_2-e
		(2) percentage covered under emissions limiting regulations	Percentage (%)	N/A Currently, there are no emission-limiting regulations in Sri Lanka applicable to the Company's operations
		(3) percentage covered under emissions reporting regulations	Percentage (%)	Emission reporting regulations are 100% covered
				GHG emissions are calculated in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004) [1], using activity data. Emission factors are sourced from the IPCC 2006 Guidelines and the 2019 Refinement [2], with Global Warming Potential (GWP) values based on the IPCC Sixth Assessment Report (AR6, 2020) [3]. Electricity transmission and distribution (T&D) loss emissions are calculated using the CEB Statistical Digest Report 2024 [4] and Sri Lanka grid emission factor obtained from the Energy Balance 2022 [5].

Topic	Code	Metric	Unit of Measure	Disclosure
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	Metric tonnes (t) CO_2-e	All electricity transmission and distribution infrastructure is owned, operated, and maintained by the CEB. Note: Since PAP generates electricity through renewable energy sources, emissions from power generation facilities owned and operated by the Company are eliminated. PAP has no direct retail customers. The business model is customer-centric and supplying electricity to Ceylon Electricity Board (CEB), under long-term power purchase agreements.
	IF-EU-110a.3	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	Long and short term strategies and targets have not been set yet
Air Quality	IF-EU-120a.1	(1) Air emissions of NOx (excluding N2O)	Metric tonnes (t)	0t
		(2) Air emissions of Sox	Metric tonnes (t)	0t
		(3) Air emissions of particulate matter (PM10)	Metric tonnes (t)	0t
		(4) Air emissions of lead (Pb)	Metric tonnes (t)	0t
		(5) Air emissions of mercury (Hg)	Metric tonnes (t)	0t
		Air emissions of the following pollutants percentage of each in or near areas of dense population	Percentage (%)	0% Renewable energy electricity generation associated with Zero air emissions
Water Management GRI 303-5	IF-EU-140a.1	(1) Total water withdrawn	Thousand cubic metres (m^3)	Total water withdrawals = 4,578.14 m^3 For mini-hydro power projects, water is withdrawn from the stream for energy generation and then discharged back into the same stream, therefore, diverted water for mini hydro power generation not consider as water consumption accordance with standard clause 3.3.1 under water management metrics IF-EU-140a.1.(1)
		(2) total water consumed	Thousand cubic metres (m^3)	4,578.14 m^3
		Percentage of each in regions with High or Extremely High Baseline Water Stress	Percentage (%)	0% (No water is withdrawn or consumed in regions classified as High or Extremely High Baseline Water Stress as classified by the World Resources Institute's (WRI) Water Risk Atlas tool, Aqueduct.

Topic	Code	Metric	Unit of Measure	Disclosure
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Number	0
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	Due to seasonal and climate variations, water unavailability is often noticed in particular months of the year in hydro-power generation . These variations are included in the hydrology study, mitigation and management strategies are identified and implemented starting from the project development stage
Coal Ash Management	IF-EU-150a.1	(1) Amount of coal combustion products (CCPs) generated, (2) percentage recycled	Metric tonnes (t), Percentage (%)	(N/A)
	IF-EU-150a.3	Description of coal combustion products (CCPs) management policies and procedures for active and inactive operations	Discussion and Analysis	(N/A)
Energy Affordability GRI 302-1	IF-EU-240a.1	Average retail electric rate for (1) residential customers	Rate	(N/A)
		Average retail electric rate for (2) commercial customers	Rate	(N/A)
		Average retail electric rate for (3) industrial customers	Rate	(N/A)
		Average retail electric rate for (4) Other/Wholesale customers	Rate	Average retail electricity rate = Total revenue/Amount of electricity delivered = 21.95 LKR / kWh
	IF-EU-240a.3	(1) Number of residential customer electric disconnections for non-payment, (2) percentage reconnected within 30 days	Number, Percentage (%)	(N/A)
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Discussion and Analysis	When consumer tariffs are kept artificially low for affordability reasons, they create the following consequences • Payment Arrears • Reduced Investor Confidence • Difficulty Securing Financing • Operational Challenges Also, following economic conditions impact Independent Power Producers (IPPs) • Foreign Exchange Shortages & Payment Delays • Weakened Demand & Affordability • Policy Inconsistency & Investment Risk • Inflation & Currency Depreciation

Topic	Code	Metric	Unit of Measure	Disclosure
End-Use Efficiency & Demand	IF-EU-420a.2	Percentage of electric load served by smart grid technology	Percentage (%) by megawatt hours (MWh)	N/A Smart grid technology is not currently implemented in Sri Lanka
	IF-EU-420a.3	Customer electricity savings from efficiency measures, by market	Megawatt hours (MWh)	N/A
Activity Metrics	IF-EU-000.C	Length of transmission and distribution lines	Kilometers (km)	According to Sri Lankan Grid Code, the Project Company will, at its own expense, procure, install, test, and commission the transmission and distribution system at the delivery point, which will then be transferred to CEB. All transmission and distribution infrastructure is owned, operated, and maintained by the CEB. Except that there are internal transmission lines owned by 5MW solar projects, due to its extensive territory. The total length of the internal transmission line is 4.565 km.
	IF-EU-000.D	Total electricity generated	Megawatt hours (MWh)	Total Electricity Generated = 78,725.63 MWh
		percentage by major energy source	Percentage (%)	Hydropower = 26,356.89 MWh = 33.48% Solar = 52,368.74 MWh = 66.52%
		percentage in regulated markets		Generated electricity is fully supply to the regulated national grid.
	IF-EU-000.E	Total wholesale electricity purchased	Megawatt hours (MWh)	371.14 MWh
Workforce Health & Safety GRI 403-9	IF-EU-320a.1	(1) Total recordable incident rate (TRIR) for (a) direct employees and (b) contract employees	Rate	(a) 1.63 (b) 0 Note - TRIR = No of incidents * 200,000/Total no of hour worked by employees Number of recordable incidents – 2 No of Employees – 122 Working hours per month – 21 days, working 8 hours
		(2) fatality rate for (a) direct employees and (b) contract employees	Rate	(a) 0 (b) 0 Note - Fatality rate = No of fatality * 200,000/Total no of hour worked by employees Number of Fatality - 0
		(3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	Rate	(a) 2.44 (b) 0 NMFR = No of near misses * 200,000/Total no of hour worked by employees Number of misses - 3 No of Employees - 122 Working hours per month - 21 days, working 8 hours

Topic	Code	Metric	Unit of Measure	Disclosure
Nuclear Safety & Emergency Management	IF-EU-540a.1	Total number of nuclear power units, broken down by results of most recent independent safety review	Number	N/A
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	Discussion and Analysis	
Activity Metrics	IF-EU-000.A	Number of: (1) residential customers served	Number	0
		Number of: (2) commercial customers served	Number	0
		Number of: (3) industrial customers served	Number	0
	IF-EU-000.B	Total electricity delivered to: (1) residential customers	Megawatt hours (MWh)	0MWh
		Total electricity delivered to: (2) commercial customers	Megawatt hours (MWh)	0MWh
		Total electricity delivered to: (3) industrial customers	Megawatt hours (MWh)	0MWh
		Total electricity delivered to: (4) all other retail customers	Megawatt hours (MWh)	0MWh
		Total electricity delivered to: (5) wholesale customers	Megawatt hours (MWh)	78,725.63 MWh [supplied to national grid]
Grid Resiliency	IF-EU-550a.1	Number of incidents of non-compliance with physical or cybersecurity standards or regulations	Number	0
	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI),	Minutes, Number	N/A
		(2) System Average Interruption Frequency Index (SAIFI),	Minutes, Number	N/A
		(3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Minutes, Number	Due to the impact of cyclone Dithwah, the following power plants power generations are interrupted from 28 Nov 2025 to 31 March 2026. (1) Pannala 1 MW ground mounted solar power plant (2) Padiyapellela 4.4 MW Mini hydro power plant (3) Manelwela 2.4 MW Mini hydro power plant

Solar Technology & Project Developers

Topic	Code	Metric	Unit of Measure	Disclosure
Energy Management in Manufacturing	RR-ST-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Gigajoules (GJ), Percentage (%)	N/A
Water Management in Manufacturing	RR-ST-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic metres (m^3), Percentage (%)	N/A
	RR-ST-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A
Hazardous Waste Management	RR-ST-150a.1	(1) Amount of hazardous waste generated, (2) percentage recycled	Metric tonnes (t), Percentage (%)	N/A Note: This disclosure requirment related to Solar photovoltaic panel manufacturing as per standard
	RR-ST-150a.2	(1) Number and aggregate quantity of reportable spills, (2) quantity recovered	Number, Kilogrammes (kg)	
Ecological Impacts of Project Development	RR-ST-160a.1	(1) Number of project delays related to ecological impacts	Number	Mini hydro power project implementation was delayed due to the environmental approval process, specifically in terms of incorporating ecological impact mitigation plans into the project development
		(2) duration of project delays related to ecological impacts	Days	Padiyapelella mini-hydropower Poject (Phase 2) – Reworking approvals based on recommendations required a project redesign to reduce ecological impacts. Therefore, the project experienced a delay of 10 to 12 months from its original plan
	RR-ST-160a.2	Description of efforts in solar energy system project development to address community and ecological impacts	Discussion and Analysis	We conducted stakeholder awareness sessions to educate and inform relevant parties about the project's climate impacts. This will ensure that all stakeholders are aware of the potential effects and are aligned with our mitigation strategies. We obtained the necessary institutional and regulatory approvals before commencing the project. This includes conducting Environmental Impact Assessments (EIA) and Initial Environmental Examinations (IEE) as required. Additionally, we conducted Biodiversity and Environmental Assessments to identify potential risks and develop strategies to mitigate them. To minimise the project's environmental footprint, we introduced new technologies at the construction stage. For example, we used screwing technology for pole placement instead of manual digging, which will reduce top soil removal and prevent soil erosion.

Topic	Code	Metric	Unit of Measure	Disclosure
				We measure noise and vibrations in hydro power projects and take adequate measures to reduce it. We also provide appropriate Personal Protective Equipment (PPE) to workers on-site to ensure their safety. Our project designs are aligned with environmental and social impact mitigation plans. We revise or re-design the initial project plan according to recommendations received from relevant authorities to mitigate environmental impacts.
Product End of-life Management	RR-ST-410b.1	Percentage of products sold that are recyclable or reusable	Percentage (%)	Data is unavailable as the solar power projects has not yet reached the end of its operational lifecycle
	RR-ST-410b.2	(1) Weight of end-of-life material recovered, (2) percentage recycled	Metric tonnes (t), Percentage (%)	
	RR-ST-410b.3	Percentage of products by revenue that contain IEC 62474 declarable substances, arsenic compounds, antimony compounds, or beryllium compounds	Percentage (%)	
	RR-ST-410b.4	Description of approach and strategies to design products for high-value recycling	Discussion and Analysis	N/A
Materials Sourcing	RR-ST-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	N/A Note: This disclosure requirement is related to Solar panel and module manufacturing as per standard
	RR-ST-440a.2	Description of the management of environmental risks associated with the polysilicon supply chain	Discussion and Analysis	
Activity Metrics	RR-ST-000.A	Total capacity of photovoltaic (PV) solar modules produced	Megawatts (MW)	N/A
	RR-ST-000.B	Total capacity of completed solar energy systems	Megawatts (MW)	35 MW, AC (5 MW * 7 projects)
	RR-ST-000.C	Total project development assets	Presentation currency	LKR 8,602,977,692.00
Management of Energy Infrastructure Integration & Related Regulations	RR-ST-410a.1	Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks	Discussion and Analysis	With abundant solar, Sri Lanka has a clear opportunity to move towards total electricity generation based on renewable sources, to transition away from fossil fuels toward cleaner, decentralised energy systems. However, policy inconsistency and related infrastructure insufficiency negatively influence solar energy integration into existing infrastructure
	RR-ST-410a.2	Description of risks and opportunities associated with energy policy and its effect on the integration of solar energy into existing energy infrastructure	Discussion and Analysis	

United Motors Lanka PLC

Multiline Retailers & Distributors

Topic	Code	Metric	Unit of Measure	Disclosure
Energy Management in Retail & Distribution GRI 302-1	CG-MR-130a.1	(1) Total energy consumed	Gigajoules (GJ)	19,342 GJ
		Fuel Usage (Including Biofuels)	Gigajoules (GJ)	10,949 GJ
		Purchased electricity	Gigajoules (GJ)	5,394 GJ
		Heating, cooling and steam	Gigajoules (GJ)	–
		Other	Gigajoules (GJ)	–
		(2) Percentage grid electricity	Percentage (%)	28%
		(3) Percentage renewable	Percentage (%)	16%
		Geothermal	Gigajoules (GJ)	–
		Wind	Gigajoules (GJ)	–
		Solar	Gigajoules (GJ)	3,000 GJ
		Hydro	Gigajoules (GJ)	–
		Biomass	Gigajoules (GJ)	–
		Other	Gigajoules (GJ)	–
Data Security	CG-MR-230a.1	Description of approach to identifying and addressing data security risks	Qualitative	Refer below*
		*Based on the Group's Enterprise Risk Management (ERM) Framework, United Motors Lanka PLC adopts a structured and proactive approach to identifying and addressing data security risks through continuous risk identification, assessment, mitigation, monitoring, and reporting processes. Information security risks, including cybersecurity threats, data breaches, and system disruptions, are identified and evaluated through the Group's risk management framework and overseen by the Board and Board Audit and Risk Committee (BARC). The Company has implemented robust IT governance controls, periodic technical security assessments, offsite backup infrastructure with mirror servers, strong access controls including two-factor authentication and endpoint security solutions, as well as continuous network and system monitoring tools to detect and respond to potential threats in a timely manner. In addition, employee awareness and secure IT usage practices are reinforced through training programs, while compliance with applicable regulatory requirements, including the Sri Lanka Personal Data Protection Act, No. 09 of 2022, further strengthens the Group's data protection and cybersecurity governance framework		
	CG-MR-230a.2	(1) Number of data breaches	Number	0
		(2) Percentage that are personal data breaches	Percentage (%)	0%
		Personal data breaches	Number	0
		(3) Total number of unique users affected by personal data breaches	Number	0
Labour Practices	CG-MR-310a.1	Total Wages paid to in-store employees	LKR Mn.	LKR 208.77 Mn.
		Commission	LKR Mn.	LKR 83.92 Mn.
		(Overtime pay)	LKR Mn.	LKR 16.29 Mn.
		Total Regular Hours worked by in-store employees	Number	470,592
		(Overtime hours)	Number	36,793
		Total Wages paid to distribution centre employees	LKR Mn.	LKR 22.42 Mn.
		Commission	LKR Mn.	LKR 0.05 Mn.
		(Overtime pay)	LKR Mn.	LKR 12.88 Mn.
		Total Regular Hours Worked by distribution centre employees	Number	82,560
		(Overtime hours)	Number	29,641
		(1) Average Hourly Wage paid to in-store and distribution centre employees	Percentage (%)	LKR 418

Topic	Code	Metric	Unit of Measure	Disclosure
		Number of in-store and distribution centre employees earning minimum wage, by region:	Number	247
		Total number of in-store and distribution centre employees	Number	247
		(2) Percentage of in-store and distribution centre employees earning minimum wage, by region	Percentage (%)	100%
		Total Percentage of in-store and distribution centre employees earning minimum wage	Percentage (%)	100%
	CG-MR-310a.2	(1) Voluntary turnover rate for in-store and distribution centre employees	Percentage (%)	13%
		(2) Involuntary Turnover Rate for in-store and distribution centre employees	Percentage (%)	0.4%
		Total Number of Employee-Initiated Voluntary Separations during the reporting period	Number	32
		Resignations	Number	32
		Retirements	Number	–
		Other	Number	–
		Total Number of Entity-Initiated Involuntary Separations during the period	Number	1
		Dismissal	Number	1
		Downsizing	Number	–
		Redundancy or non-renewal of contract	Number	–
		Other	Number	–
		Average Number of Employees	Number	246
		Employees at the Beginning of the Period	Number	245
		Employees at the End of the Period	Number	247
	CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labour law violations	LKR	Nil
Workforce Diversity & Inclusion	CG-MR-330a.1	Percentage of (1) gender and (2) diversity Group representation for (a) Executive Management, (b) Non-Executive Management, and (c) all other employees		
		Executive Management-Male	Percentage (%)	83%
		Executive Management-Female	Percentage (%)	17%
		Non- Executive Management-Male	Percentage (%)	98%
		Non- Executive Management-Female	Percentage (%)	2%
		Executive Management	Percentage (%)	No data available on employees by diversity
		Non- Executive Management	Percentage (%)	
		All other	Percentage (%)	
	CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	LKR	Nil

Topic	Code	Metric	Unit of Measure	Disclosure
Product Sourcing, Packaging & Marketing	CG-MR-410a.1	Revenue from products third-party certified to environmental or social sustainability standards	LKR	Not applicable
	CG-MR-410a.2	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	Qualitative	
	CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging	Qualitative	
Activity metrics		Number of retail locations	Number	22
		Number of distribution centres	Number	2
		Total area of retail space	Square metres (m²)	5,677
		Total area of distribution centres	Square metres (m²)	45,791

Industrial machinery & goods

Topic	Code	Metric		Unit of Measure	Disclosure
Energy Management	RT-IG-130a.1	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	Total Energy Consumed	Gigajoules (GJ)	3,481 GJ
			Grid Electricity	Gigajoules (GJ)	2,515 GJ
			Percentage Grid Electricity	Percentage (%)	72%
			Renewable Energy	Gigajoules (GJ)	–
			Percentage Renewable Energy	Percentage (%)	0%
Workforce Health & Safety	RT-IG-320a.1	TRIR (Total recordable incident rate)			
		Total hours worked by all employees in the month		Number	786,048
		Total recordable incidents		Number	12
				Rate	3.05
		TRIR Direct employees			
		Total hours worked by Direct employees		Number	700,224
		Recordable incidents (Direct employees)		Number	12
				Rate	3.43
		TRIR Contract employees			–
		Total hours worked by Contract employees		Number	85,824
		Recordable incidents (Contract employees)		Number	0
				Rate	–

Topic	Code	Metric		Unit of Measure	Disclosure
		Total fatality rate			
		Total hours worked by all employees in the month		Number	786,048
		Total fatalities		Number	0
				Rate	–
		Total fatality rate for direct employees			
		Total hours worked by Direct employees		Number	700,224
		Total fatalities (Direct employees)		Number	0
				Rate	–
		Total fatality rate for contract employees			
		Total hours worked by Contract employees		Number	85,824
		Total fatalities (Contract employees)		Number	0
				Rate	–
		Near miss frequency rate (NMFR)			
		Total number of hours worked by all employees		Number	786,048
		Total recordable near miss incidents		Number	6
				Rate	1.53
		NMFR for Direct employees			
		Total hours worked by Direct employees		Number	700,224
		Recordable near miss incidents (Direct employees)		Number	6
				Rate	1.71
		NMFR for Contract employees			
		Total hours worked by Contract employees		Number	85,824
		Recordable near miss incidents (Contract employees)		Number	0
				Rate	–
Fuel Economy & Emissions in Use-phase	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles		Litres per 100 tonne kilometers	Not applicable
	RT-IG-410a.2	Sales-weighted fuel efficiency for non road equipment		Litres per hour	
	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators		Kilojoules per litres	
	RT-IG-410a.4	Sales-weighted emissions of nitrogen oxides (NOx) for:	(a) marine diesel engines,	Grammes per kilojoule	
			(b) locomotive diesel engines		
			(c) on-road medium- and heavy-duty engines and		
			(d) other non-road diesel engines		

Topic	Code	Metric		Unit of Measure	Disclosure
		Sales-weighted emissions of particulate matter (PM) for:	(a) marine diesel engines,		Not applicable
			(b) locomotive diesel engines		
			(c) on-road medium- and heavy-duty engines and		
			(d) other non-road diesel engines		
		Description of how the entity manages fleet fuel economy and emissions risks and opportunities		Qualitative	
Materials Sourcing	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials		Qualitative	
Remanufacturing Design & Services	RT-IG-440b.1	Revenue from remanufactured products		LKR Mn.	Not applicable
		Revenue from services associated with remanufacturing goods		LKR Mn.	
		Discussion on the initiatives employed to obtain end-of-life products and parts for remanufacturing, including product take-back programmes.		Qualitative	
Activity Metrics	RT-IG-000.A	Number of units produced by product category:			
		– Road Trailers		Number	270
		– Port Trailers		Number	241
	RT-IG-000.B	Number of employees	Direct employees	Number	312
			Contract employees	Number	39
			Trainees	Number	0
			Total	Number	351

Targets Set

The Group is currently in the process of establishing climate-related and broader sustainability-related metrics and targets as part of its ongoing commitment towards strengthening sustainability integration across the business. The Group is undertaking a comprehensive assessment and analysis process, supported by progressively enhanced data collection and evaluation mechanisms, to ensure that the targets established are practical, measurable, and aligned with the Group's operational realities and long-term strategic objectives.

Accordingly, the related metrics and targets are being further refined using more comprehensive and updated data inputs, with the intention of ensuring meaningful and reliable disclosures that support long-term value creation and sustainable business performance.

BUSINESS REVIEW



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R I L Property PLC

GRI 302-1, 403-9



R I L Property PLC maintained a robust financial performance, driven by sustained demand for Grade "A" office space, while remained focused on maintaining high service standards across its property portfolio. Towards the end of the Financial Year, occupancy levels at *PARKLAND* and *PARKLAND 1* improved significantly, ultimately achieving full occupancy by March 2026. *PARKLAND 2* maintained 100% occupancy throughout the year. The increase in demand was primarily supported by businesses associated with the Port City Development, many of which entered into long-term lease agreements with the Company.

This high-occupancy environment also contributed to growth in ancillary revenue streams, including additional parking facilities, supplementary air-conditioning services, and the utilisation of venue spaces comprising meeting rooms, boardrooms, and a rooftop event space. The Company continued to position itself as a premium office space provider through its emphasis on facilities management excellence, which remained a key differentiating factor within the market. Strong tenant retention and customer preference reflected the effectiveness of this strategy amidst competition from other Grade 'A' commercial developments.

R I L's real estate segment continued to maintain resilience through its diversified tenant profile, while the development of Port City is projected to reshape future occupancy dynamics within Colombo's office environment. The Company maintained a balanced exposure to Port City-related tenants, while mitigating concentration risk and strengthening long-term occupancy stability. The Company also experienced increasing demand from sectors such as information technology and business process outsourcing, which further supported the segment's medium-term growth prospects.

Strategic Positioning and Market Resilience

R I L continued to strengthen its competitive positioning through a business model centred on service quality, operational reliability, and tenant relationship management. Unlike a purely rental-based model, the Company also generates supplementary revenue through complementary services linked to building operations and customer convenience, including Parking facilities, Storage Facilities, Variable Refrigerant Volume (VRV) systems, and additional air-conditioning.

Operational adaptability remained an important feature of the business model. Management continued to monitor evolving market conditions, including changes in occupancy patterns and the potential migration of tenants to future Port City premises.

Nevertheless, the Company's diversified customer base, combined with strong demand for high-quality office infrastructure, continued to support business resilience and reduced reliance on any single tenant category or industry segment.

Financial Performance

For the year 2025/26, R I L reported a 8% year-on-year growth in topline revenue, mainly driven by record occupancy rates of 100%, upgraded facilities management services, enhanced service delivery, and revenue diversification. The stabilisation of the exchange rate and the overall reduction of the Prime Lending Rate to single digit contributed to a drop in finance expenses from LKR 375 Mn. to LKR 321 Mn. enabling a significant increase in Profit After Tax (PAT) to LKR 2,876 Mn. Excluding fair valuation adjustments and deferred tax on the same, PAT stood at LKR 1,390 Mn. for the year under review.

Portfolio Synergies and Integrated Value Creation

As part of the broader conglomerate strategy, R I L remained committed to improving operational synergies and integrated value creation across the portfolio. The real estate segment continues to play a key role within the Group by representing a well-established recurring income stream, thereby strengthening long-term asset value and cash flow visibility.

The Company's integrated operating framework enhances cross-functional collaboration spanning across finance, management, governance, and strategic planning functions, as well as supporting greater operational efficiency and improved decision-making. Through disciplined portfolio management and diversified sector exposure, the segment maintained enhanced resilience against market volatility while strengthening its ability to pursue emerging growth opportunities across Sri Lanka's evolving economic landscape.

Governance and Long-term Strategic Focus

R I L maintained its operational priorities in line with long-term strategic objectives aimed at sustainable growth, tenant retention, and portfolio enhancement.
The Group remained focused on upholding the highest governance standards, improving operational agility, and supporting long-term stakeholder value creation through disciplined capital allocation and customer-focused service delivery.

Looking ahead, the Company also intends to continue building on its well-established market presence and operational capabilities to enhance competitiveness within the commercial real estate sector while exploring growth opportunities that support sustainable value creation across a diversified portfolio.

United Motors Lanka PLC

GRI 2-8, 3-3 (Products & Services Innovation)



United Motors Lanka PLC continues to serve as the flagship automotive segment within the Group, driving brand visibility, market penetration, and customer engagement. Its integrated operations across vehicle imports, after-sales service, spare parts distribution, and investments foster operational synergies that enhance recurring revenue generation and long-term resilience.

UML experienced a significant recovery over the course of the year following the removal of vehicle import restrictions. The Company resumed the import of Mitsubishi passenger vehicles and Fuso commercial vehicles, with a large share of inventory being pre-sold prior to arrival. The launch of new models, including the Outlander Sport and Destinator, equipped with 1.5 litre engines, gained strong market acceptance and played a key role in driving sales growth.

The after-sales division recorded its highest performance to date, showcasing the stability of the Company's customer relationships and service capabilities. UML also benefited from significant returns achieved through targeted investments in equity markets, further improving overall profitability.

Unimo Enterprises Limited (UEL)

UEL plays a strategic role within the portfolio by strengthening the Group's presence in the value-driven automotive segment. The subsidiary complements UML's premium and commercial offerings by catering to price-sensitive consumers, supporting diversification across customer categories and applications.

Unimo Enterprises Limited effectively captured emerging demand through the rapid importation of entry-level vehicles under the Perodua brand, and is expanding its presence within the affordable mobility segment. The subsidiary further solidified its partnership with Perodua Malaysia, by successfully broadening the local model portfolio from five to six variants.

The commercial vehicle segment under the JMC brand also received a positive response, particularly from customers looking for affordable alternatives to premium-priced Japanese trucks. JMC's versatile fleet offerings enabled the subsidiary to extend its presence across new market segments.

Dutch Lanka Trailers (DLT)

Dutch Lanka Trailers continues to strengthen its position as a strategically valuable export-oriented business within the Group, contributing towards the country's foreign exchange earnings while expanding revenue streams beyond core operations in the domestic automotive market. Its strong manufacturing capabilities and growing global presence further enhance the Group's resilience against domestic market fluctuations and drive international growth opportunities.

DLT delivered the strongest performance in its history during the year, driven by exceptional growth in both export and local sales. The Company expanded its international footprint significantly, with trailer exports reaching more than 64 countries worldwide.

UML Heavy Equipment Limited (UMLH)

UMLH continues to play an important strategic role by supporting the Group's exposure to the infrastructure, construction, and industrial development sectors. The subsidiary's wide machinery portfolio positions it to capitalise on future economic recovery and development activity within the region. UML Heavy Equipment Limited demonstrated improved operational performance during the year despite continuing to report a loss. The subsidiary diversified its offerings by expanding into smaller vehicles and buses while also introducing backhoe loaders and additional machinery to broaden its application base across industries.

Business Performance

The Financial Year 2025/26 marked a period of continued recovery and operational strengthening for United Motors Lanka PLC, supported by the gradual normalisation of vehicle imports within developing market activity. Driven by its diversified automotive portfolio, the Company improved its presence across passenger vehicles, commercial vehicles, and local assembly operations, while remaining focused on enhancing its contribution to the broader R I L Group portfolio. The continued contribution from Dutch Lanka Trailers further supported topline performance and strengthened UML's export-oriented earnings stream during the year. UML's after-sales service and parts operations grew by 25%, highlighting sustained customer demand and the resilience of its service-oriented revenue streams, despite the impact of evolving market conditions.

Financial Performance

During the year under review, the UML Group recorded its highest-ever revenue of LKR 52.4 Bn and achieved a profit after tax of LKR 3.6 Bn. This exceptional performance was primarily driven by the relaxation of vehicle import restrictions, which enabled the Group to resume vehicle imports and capitalise on the resulting market demand.

The significant improvement in operating performance strengthened the Group's cash generation and profitability, enabling UML to distribute dividends amounting to LKR 655 Mn. to its shareholders during the year. As the parent Company holds a 51% stake in UML, it benefited proportionately from this dividend distribution.

Operating Strategy and Portfolio Synergies

Following the easing of import restrictions, the Group focused on importing vehicles targeted at clearly defined customer segments across the passenger, commercial, and industrial categories. The Group's ability to align product offerings with evolving consumer demand enabled faster market penetration and improved sales conversion.

Inventory and working capital management were also strengthened through a customer-driven import strategy, whereby vehicles were largely imported against confirmed customer orders and advance payments. This approach significantly minimised holding periods and carrying costs, while improving liquidity and operational efficiency across the portfolio.

The diversified structure of the Group enabled multiple operational synergies during the year. UML's established brand reputation and after-sales infrastructure supported vehicle distribution and customer retention across subsidiaries, while UEL expanded the Group's reach into affordable mobility solutions. DLT contributed to export diversification and foreign currency generation, whereas UMLH increased the Group's exposure to the construction and industrial sectors. Collectively, these businesses create a balanced and integrated operating model capable of withstanding market volatility while pursuing growth opportunities across complementary sectors.

Governance, Risk Management, and Conglomerate Best Practise

The Group continued to strengthen its governance and risk management frameworks in response to evolving economic and regulatory conditions. Following the prolonged import restrictions, management focused on restoring operational stability, restructuring balance sheets where necessary, and improving liquidity positions across affected entities.

A structured reporting framework ensured that key operational, financial, and strategic matters were regularly escalated to the Board and relevant Board Committees, enabling timely oversight and decision-making. Risk monitoring processes were continuously enhanced to identify emerging risks and implement mitigation measures proactively.

Internal audit functions remained an ongoing mechanism for operational improvement, with identified gaps prioritised and addressed to strengthen internal controls and efficiency. The Group also continued adopting governance best practices aimed at improving accountability, transparency, and enterprise-wide risk management.

ESG and Sustainable Growth Integration

Environmental, social, and governance (ESG) principles continued to be aligned with the Group's overarching corporate strategy and operational practices. Priority was given to embedding ESG awareness across the workforce and ensuring operational alignment with internally defined sustainability Key Performance Indicators (KPIs).

As part of its ongoing sustainability commitments, the Group consciously expanded its vehicle portfolio to include alternatives to conventional gasoline-powered vehicles. These included electric vehicles (EVs), plug-in hybrid electric vehicles (PHEVs), and range-extended electric vehicles (REEVs). This shift highlights the Group's dedication to supporting national sustainability objectives while aligning with evolving market preferences and environmental expectations.

Looking toward the future, the Group plans to further strengthen its organic growth strategy opportunities while also leveraging digital transformation initiatives and identifying new business opportunities to drive sustainable long-term growth and value creation across the portfolio.

Panasian Power PLC



Panasian Power PLC

In 2025/26, Panasian Power PLC (PAP) further established its position as the renewable energy arm of the Group, while contributing to long-term value creation through its market presence across renewable power generation, engineering solutions, and energy infrastructure development.

The subsidiary's operations remained focused on renewable energy generation under long-term contracted arrangements, while strengthening and expanding its capabilities in solar engineering, procurement, and construction (EPC) activities and developing renewable energy-related technical solutions. This integrated operating structure also enabled the entity to maintain a stable revenue profile while aligning with the Group's broader sustainability and infrastructure-related strategic priorities.

During the year in focus, PAP's segmental performance was driven by improved operational efficiencies, enhanced generation capacity (through the addition of 35MW of ground-mounted solar power projects), and the continued growth of its renewable energy initiatives. Performance across the hydro and solar segments reflected the benefits of operational optimisation initiatives and favorable generation conditions experienced throughout certain phases of the reporting year. Meanwhile, the EPC and renewable solutions segment continued to support diversified revenue generation, strengthening earnings diversification, and enabling the subsidiary to leverage its technical expertise and project execution capabilities.

PAP's business operations continued to be anchored by long-term contracted energy arrangements, improving revenue visibility and supporting cash flow stability amid changing market conditions. This framework also helped reduce exposure to short-term energy price volatility while improving the overall stability of the renewable energy platform. Through targeted investments in operational performance, project development capabilities, and supply chain integration, the entity strengthened its capacity to support large-scale deployment of renewable infrastructure.

Strategic Role Within the Group

PAP continues to play a vital role within the Group's portfolio by enhancing market exposure to sustainable infrastructure and facilitating the transition towards environmentally responsible business activities. Its renewable energy platform supports the Group's broader long-term value creation strategy by delivering predictable income streams, strengthening environmental, social and governance (ESG) positioning, and supporting portfolio diversification across sectors offering long-term growth potential.

The integration of renewable energy generation, EPC services, and technical partnerships also supports operational synergies across the value chain, allowing the subsidiary to strengthen its competitive position while expanding market reach.

PAP remained focused on strengthening its renewable energy portfolio through strategic investments in expanding solar capacity and infrastructure enhancement initiatives. These efforts benefited from continuous improvements in technical capabilities, operational monitoring systems, and asset management practices intended to strengthen plant reliability and long-term performance optimisation.

Business Performance

During the Financial Year 2025/26, Panasian Power PLC remained focused on its growth momentum, reporting revenue of LKR 2 Bn., which contributed approximately 4% to the Group's total revenue and reflected a 30% year-on-year growth. The subsidiary's performance across the Hydro and Solar segments improved compared to the previous year, supported by favourable weather conditions, enhanced generation capacity, and strengthened operational efficiencies. The EPC division also maintained steady performance during the year under review, further strengthening the subsidiary's diversified renewable energy portfolio. During the year, PAP introduced hybrid residential inverters under its trading business, and also moved into residential/commercial BESS solutions to expand its product range.

Operating Environment and Risk Integration

PAP's operating environment is influenced by various external factors, including renewable energy policy improvements, climate variability, financing conditions, and infrastructure-related constraints within the national energy platform. Variations in rainfall patterns also impact hydro generation performance, further indicating the importance of maintaining a balanced renewable energy mix and increasing the relative contribution of solar operations within the overall portfolio. In parallel, macroeconomic and financing conditions continued to shape project development timelines and investment planning across the sector.

Material sustainability and governance considerations remained integrated into the subsidiary's strategic and operational decision-making processes. Climate-related risks, regulatory developments, funding accessibility, and operational resilience continued to influence investment evaluations, portfolio diversification strategies, and long-term planning activities. These considerations were further embedded within risk management and governance oversight frameworks to support sustainable growth and long-term operational stability.

Strategic Direction and Future Outlook

In line with its medium-term strategic priorities, the Group remains focused on developing its renewable energy segment through a diversified portfolio approach across all high-growth sectors, while improving operational resilience and the growing contribution from solar energy operations within the overall asset base. PAP also maintains its commitment to evaluate opportunities to expand its renewable infrastructure capabilities, as well as improve project developments, and strengthen institutional capacity to support long-term growth.

Looking ahead, PAP remains well-positioned to support the Group's integrated value creation framework through its continuously growing renewable energy platform, integrated technical capabilities, and sustainability-oriented business model. The subsidiary remains focused on operational excellence, developing its project pipeline, infrastructure improvements, and clean energy generation, which further strengthens the Group's strategic positioning while supporting national energy transition and decarbonisation objectives.

MANAGEMENT DISCUSSION AND ANALYSIS



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Financial Capital

GRI 3-3 (Shareholders Value Creation), 3-3 (Economic Performance)



R I L Property PLC delivered a highly successful FY 2025/26, with revenue climbing to LKR 1.57 billion and profit after tax reaching LKR 2.88 billion.

At R I L Property PLC, our financial capital serves as the foundation of long-term stakeholder value creation. By maintaining a robust financial core, we are able to strategically deploy resources to fortify business resilience, accelerate infrastructure development, optimise operational efficiency, and drive sustainable growth. The FinancialYear 2025/26 remained a highly successful year for R I L, supported by improved economic stability, resilient operational performance, and growth in investment-related income streams.

External Influence

The macroeconomic environment during the year under review was relatively stable compared to previous years, with key economic indicators such as interest rates, exchange rates, and inflation remaining stable throughout the year, positively influencing overall business sentiment and economic activity in the country.

Operationally, the Company demonstrated strong resilience throughout the year. The stable inflationary environment also had a favourable impact on the Company's cost structure, specifically on maintenance and operational expenditure. Additionally, consistency in the taxation framework during the year supported improved business planning and operational stability.

Towards the end of 2025, the country experienced adverse weather conditions due to Cyclone Ditwah. However, the impact on the Company's operations and financial performance was minimal since the Company's exposure to this sector remained limited. The majority of our tenants comprised multinational corporations, banks, information technology (IT) companies, and shipping-related entities, which continued their operations with limited disruptions, thereby minimising any material impact on occupancy or rental income.

Financial Capital Strategy and Governance

Our strategy focuses on maintaining liquidity, optimising returns on capital employed, and sustaining profitability. This was achieved through disciplined capital allocation, prudent debt management, and effective cost control practices, which are supported by a strong governance framework.

During the year, financial decision-making continued to be guided by the Board ensuring that decisions are reviewed appropriately with a focus on maintaining compliance, financial stability, and long-term value creation. R I L was within the first 100 companies by market capitalisation on the CSE, which resulted in the adoption of sustainability accounting standards becoming mandatory. Thus, the Group, initiated actions to ensure compliance across all subsidiaries during the Financial Year 2025/26. This includes providing relevant training for all committees at the Board level, and sub-committees at the management level, while engaging with reputed firms for assistance in implementing the standards.

Revenue

During the year under review, the Company recorded revenue of LKR 1.57 Bn., representing an 8% growth compared to the previous year, achieving its target. This was primarily driven by a healthy occupancy rate and sustained demand for Grade "A" office spaces, with the Company achieving 100% occupancy towards the end of the year (up 5% year-on-year), reflecting the attractiveness and competitiveness of our properties in a challenging industry. It was also supported by delays in the availability of office spaces within the Port City, which resulted in businesses associated with Port City developments seeking alternative temporary options for establishing Grade "A" office buildings.

Other Income

Other income during the year under review showed significant growth to LKR 511 Mn. compared to LKR 199 Mn. in the previous Financial Year, representing a year-on-year (YoY) growth of around 157%, driven by higher dividend income received from subsidiary and investee companies.

This includes the dividend of LKR 295 Mn. earned from United Motors Lanka PLC (UML), which was up 321% YoY, due to the improved Company performance following the relaxation of vehicle import restrictions. The dividend of LKR 93.7 Mn. from Panasian Power PLC (PAP) remained consistent with the previous year, and the dividend income of LKR 62.9 Mn. from RED is also included.

Fair Value Gain on Investment Property

The fair value gain on investment property reached LKR 2.12 Bn. from LKR 867 Mn., representing a 145% YoY uptick. This was driven by improved economic stability, a recovery in market confidence, and appreciation of property values following the subdued market conditions experienced in previous years. Moreover, the strong operational performance during the year also contributed positively to the valuation of investment properties.

Finance Income and Cost

The Company's finance income substantially increased to LKR 377 Mn. from LKR 136 Mn., representing a 177% YoY growth during the year. This growth was mainly attributable to gains from investments in quoted equity shares and dividend income from the same, specifically within the banking sector, and the Company's capitalisation on favourable market opportunities through the investments made in strong and credible listed companies.

On the other hand, the financial expenses of the Company were comparatively lower than the previous year due to stable interest rates, prudent financial management, and servicing all borrowing obligations on schedule.

Profit

The profit before tax (PBT) improved by 118% YoY to LKR 3.51 Bn., supported by higher fair value gains on investment properties, increased dividend income, improved finance income from equity investments, and growth in operational revenue.

Income tax expenses also increased to LKR 636 Mn. during the year due to the deferred tax liability recognised on the fair value gains of investment properties. However, the Company's main operational income remained tax-exempt during the year under review. As a result of these factors, the profit after tax (PAT) showed a significant improvement, from LKR 1.35 Bn. to LKR 2.88. Bn. during the year, reflecting the Company's strong financial and operational performance.

In addition, the Company's profitability indicators strengthened during the year. Gross profit margin improved to 88%, compared to 87% in the previous year, due to topline growth and disciplined cost management. Return on assets improved to 9.97% from 5.21%, while return on capital employed increased to 15.91%, compared to 9.37% in the previous year. Earnings per share also increased significantly to LKR 3.60 from LKR 1.68 during the year, reflecting strong growth in profitability.

Shareholder Value

The Company continued to prioritise sustainable shareholder returns during the Financial Year 2025/26, supported by strong profitability and healthy cash generation.

Following approval at the Annual General Meeting (AGM), the Company paid a dividend of LKR 0.55 cents per share during the Financial Year, amounting to a total distribution of LKR 440 Mn. The Board has also proposed a further dividend distribution LKR 1 rupee from the profit earned during the year under review, which is expected to be approved in the forthcoming AGM.

Strategic Investments

During the year, the Group continued to strengthen its long-term growth platform through investments across its segments.

Within the property segment, development activities commenced on the rooftop expansion project at *PARKLAND 1*, which is expected to be completed by mid-next Financial Year and contribute towards revenue generation, and gradually increase at the expected level towards the end of the year

The Company's share price appreciated to LKR 25.10 by the end of Financial Year 2025/26, up from LKR 15.10 in the previous Financial Year, representing a 66% increase year-on-year. This upward movement signals continued investor confidence, backed by revenue growth, operational stability, and macroeconomic stabilisation.

Cash Flow

Exchange rate stability during the year played a significant role in assisting the Company in achieving its targeted revenue. As approximately 40% of revenue is generated through dollar-denominated rental agreements, currency depreciation generally results in higher translated revenue, and currency appreciation may usually adversely impact revenue. Therefore, the stability of the Sri Lankan rupee during the year contributed to maintaining stable earnings and cash flow.

Financial Position and Capital Management

The Company maintained a strong financial position during the year. Total assets increased to LKR 28.85 Bn., with non-current assets amounting to LKR 27.17 Bn., which comprises investment properties valued at LKR 20.32 Bn. and investments in subsidiaries amounting to LKR 6.1 Bn. Meanwhile, the Company's current assets amounted to LKR 1.69 Bn., and mainly included share market investments and dollar-denominated short-term deposits.

Total equity increased to LKR 21.22 Bn., due to the growth in retained earnings and revaluation reserves, followed by the strong financial performance during the year, with share capital remaining unchanged at LKR 7.36 Bn. On the other hand, non-current liabilities amounted to LKR 6.12 Bn., including deferred tax liabilities.

The Company continued to strengthen its balance sheet through increased retained earnings as a result of an increase in profits, and higher reserves. This resulted in the gearing ratio improving significantly to 13.53%, compared to 21.62% in the previous year. Meanwhile, net assets per share increased to LKR 26.52 from LKR 21.87 in the previous year, representing a YoY increment of 21%.

Future Outlook

R I L steps into the Financial Year 2026/27 with a strong position supported by a full occupancy rate, providing a strong foundation for the Group to achieve its objectives and improve operational stability compared to previous years. The Company also intends to explore new business opportunities through expansion into new geographical areas, thereby strengthening its real estate presence. While the Company continues to evaluate opportunities in the co-working space across different locations, expanding Grade "A" office space remains one of the Company's key strategic priorities.

Although the Company anticipates a positive outlook, the external economic environment remains uncertain and challenging due to factors such as ongoing geopolitical tensions between Iran and the United States, which continue to create global economic instability. With local electricity tariffs already being revised twice at the beginning of the year and fuel prices increased significantly to historically high levels, the operating costs across the Group are expected to be pressured.

Moreover, with the rise in the exchange rate, interest rates, and inflation, maintaining a 100% occupancy rate and controlling costs in the upcoming Financial Year are expected to be extremely challenging.

Additionally, the Group's subsidiaries are also expected to face sector-specific challenges during the year. UML is expected to be adversely affected by the Government's decision to increase taxes on vehicle imports by 50% in response to declining foreign currency reserves, which is likely to reduce consumer demand, thereby negatively affecting the Company's revenue and profitability for the upcoming year.

PAP, despite its completed new projects and the favourable tariffs applicable to them, is expected to experience a reduction in revenue from these projects of 20-25% upon the Government's decision to curtail solar power generation. Additionally, several other projects were affected by Cyclone Ditwah during the year. Although reconstruction activities are underway and these projects are expected to resume operations, the upcoming year is expected to remain challenging.

Overall, despite the Group being supported by full occupancy levels, expansion strategies, and new renewable energy projects, macro-economic pressures and industry-specific challenges are expected to impact performance during 2026/27 and beyond.

Intellectual Capital

GRI 418-1, 3-3 (Products & Services Innovation)



To secure long-term competitive advantages, R I L continuously invests in smart infrastructure, digital engagement platforms, and developing the capabilities of its workforce.

As an established provider of Grade "A" commercial real estate solutions in Sri Lanka, R I L continues to recognise that the strength of its intangible assets, including institutional knowledge, digital capabilities, proprietary systems, operational expertise, brand equity, and organisational culture, plays a critical role in sustaining competitive advantage and supporting future growth.

During the Financial Year 2025/26, the Company further strengthened its intellectual capital framework through continued investment in digital transformation, integrated operational systems, sustainability, and stakeholder-centric engagement strategies. These initiatives collectively enhanced enterprise agility, improved service delivery standards, strengthened institutional knowledge retention, and reinforced R I L's position as a forward-thinking and environmentally responsible commercial property developer and facilities manager.

Strategy and Ethics

Our intellectual capital strategy remains closely aligned with the Company's broader corporate aspirations of creating future-ready workspaces that integrate operational excellence, technological innovation, sustainability, and customer-centric experiences. This strategic focus enables R I L to continuously adapt to evolving market expectations while maintaining strong tenant relationships, high occupancy levels, and consistent operational standards.

R I L's intellectual capital is built on collective knowledge, operational experience, technical expertise, organisational culture, business relationships, brand value, and digital capabilities developed over years of operations. The Company continues to strengthen these intangible assets through ongoing process improvements, employee capability development, technology integration, knowledge-sharing practices, and best operational practices across its business activities.

Through the integration of digital transformation initiatives with core operational functions, R I L has continued to strengthen its knowledge infrastructure while enhancing operational agility and service responsiveness. These investments collectively support a resilient and scalable business model.

Furthermore, ethical oversight remains integral to the management of intellectual capital. The Company maintains a structured framework of policies and procedures to safeguard proprietary knowledge, ensure operational integrity, strengthen internal controls, and support responsible decision-making across all levels of the organisation.

Intellectual Property, Systems and Digital Infrastructure

R I L continues to invest in internally developed and externally sourced systems that support overall operations. The Company's in-house IT division has developed a comprehensive suite of proprietary operational systems specifically tailored to support property management and administrative functions.

In parallel, the Company continues to utilise externally developed enterprise platforms that support core business operations and infrastructure management. The integration of these systems has enhanced enterprise-wide coordination, process automation, information accessibility, and operational decision-making across the organisation.

Throughout the year, the Company also continued to advance its future-focused digital infrastructure initiatives, which are expected to further enhance digital resilience, operational integration, and service responsiveness.

Digital Systems and Infrastructure Highlights

Technological Innovation and Digital Transformation

During FY 2025/26, R I L accelerated its digital transformation journey through the continued integration of technology into operational, administrative, and customer-facing functions. Ongoing digital systems supporting enterprise operations included: Oracle ERP System, Building Management System (BMS), Cloud-Based Human Resource Information System (HRIS), Automatic Number Plate Recognition (ANPR)-based Car Parking System, Car Parking Guidance System, Internal Document Management System, IT Incident Management System, and Internal Venue Booking System.

The Company also continued to improve workflow visibility, enterprise integration, automation capability, and operational coordination through internally developed systems, cloud-based platforms, and integrated operational technologies.

During the year, several new digital and operational initiatives were implemented or progressed as part of the Company's broader digital transformation agenda.

New Digital and Operational Initiatives

Operational Systems

Initiative	Strategic Impact
e-Zuite Platform	Expected to strengthen operational integration, ensure smooth and continuous operations, improve smart building management, and enhance employee performance through effective employee utilisation.
NAS-Based Backup Infrastructure	Enhanced data security and operational continuity.

Workflow Management Systems

Initiative	Strategic Impact
Decision Record System	Enhanced organisational transparency and institutional accountability.
Cloud-Based Human Resource Information System (HRIS) Enhancements	Helps improve HR efficiency by centralising employee information, automating HR processes, enhancing accessibility, strengthening data security, and supporting better workforce management, while ensuring scalability and business continuity.

Automation, AI, and Digital Engagement

R I L continued to integrate automation and digital technologies into operational and marketing functions during the reporting year. Artificial intelligence (AI) tools and digital platforms were selectively utilised to enhance marketing responsiveness, stakeholder engagement, digital communication, and online brand visibility.

The Company maintained an active digital presence across multiple social media platforms through targeted campaigns promoting *PARKLAND* venue bookings, Co-Work facilities, and facilities management services. In parallel, search engine optimisation (SEO) enhancement initiatives and digital optimisation strategies strengthened customer accessibility, online discoverability, and stakeholder reach.

Operationally, the use of motion detectors and smart sensor technologies contributed towards improved infrastructure responsiveness, operational efficiency, and energy optimisation within the *PARKLAND* ecosystem.

Digital Engagement and Marketing Initiatives

Initiative	Strategic Impact
AI-assisted content creation and campaign planning	Improved digital engagement and marketing responsiveness.
Targeted social media campaigns	Strengthened brand positioning and lead generation.
Search engine optimisation initiatives	Enhanced online visibility and customer accessibility.
Google Business Profile optimisation	Improved stakeholder accessibility and digital presence.

Smart Infrastructure and Operational Technologies

Initiative	Strategic Impact
Motion detectors and smart sensor technologies	Improved operational efficiency and energy optimisation

Knowledge Management and Organisational Learning

At R I L, knowledge management remains an important component of operational resilience, organisational learning, and long-term value creation. The Company continues to strengthen its knowledge ecosystem through digitally enabled systems, structured workflows, collaborative operational practices, and employee capability development initiatives.

Internally developed platforms and centralised information systems continue to support institutional knowledge retention, operational continuity, workflow coordination, enterprise-wide accessibility to information, and digitally enabled operational efficiency. During the year, the Company also continued to strengthen employee competency, digital adoption, and workforce capability development through targeted training and system familiarisation initiatives.

Through these initiatives, R I L continues to enhance organisational agility, operational responsiveness, knowledge-sharing capabilities, and organisational adaptability across the business.

Digital Systems and Enterprise Information Management Initiatives

Initiative	Impact
Internal Document Management System	Strengthened information accessibility and operational continuity.
Centralised operational systems	Improved coordination, workflow efficiency, and enterprise visibility.

Organisational Learning and Capability Development

Initiative	Impact
Training on new systems	Enhanced employee competency and digital adoption.
Cross-functional digital integration	Strengthened organisational agility, collaboration, and operational adaptability.

Brand Equity and Market Positioning

Brand equity remains a key pillar of R I L Property PLC's intellectual capital framework. Through its flagship development, *PARKLAND*, the Company continues to position itself as a leading provider of Grade 'A' commercial office space in Sri Lanka, supported by premium facilities management standards, customer-centric service delivery, and modern workplace environments, thereby reinforcing brand equity, stakeholder trust, customer value creation, market differentiation, tenant confidence, and long-term reputational resilience.

The Company's brand positioning is further reinforced through sustainability-led operational practices, green building initiatives, energy efficiency measures, and environmentally responsible workplace concepts, reflecting sustainable property management and green building practices. During the year, the introduction of green lease concepts and the achievement of the GREENSL Platinum Rated Green Building Award 2025 further strengthened R I L's ESG-focused market positioning and stakeholder confidence.

The achievement of 100% occupancy levels at *PARKLAND* also reflects the trust and confidence placed by corporate tenants in the Company's service quality and operational standards.

Stakeholder Engagement and Brand Visibility

During the reporting year, R I L undertook a broad range of internal and external initiatives aimed at strengthening stakeholder engagement, enhancing organisational culture, and reinforcing market visibility.

Externally, the Company maintained a highly active social media presence and continued to execute targeted digital campaigns promoting *PARKLAND*, Co Work facilities, venue bookings, and facilities management services. A dedicated LinkedIn campaign targeting overseas audiences further strengthened brand visibility within international business segments.

The Company also conducts tenant satisfaction surveys biannually to gather vital feedback on the workplace environment, operational arrangements, facility requirements, and overall brand perception. We are proud to report that the feedback from this year's surveys reflects a highly positive tenant experience across the complex. Respondents consistently rated essential building amenities - including security services, parking facilities, washroom cleanliness, pest control, and overall property aesthetics - at or above satisfactory levels.

Furthermore, the Company's internal service teams, including Engineering & Maintenance, Finance, Legal, Sales & Business Operations, Facility Management, Security, and Parking Administration, continued to deliver a high standard of support throughout the year. Tenant feedback highlighted the teams' responsiveness, efficiency in resolving operational matters, and commitment to timely follow-up and service excellence.

These outcomes reinforce *PARKLAND*'s reputation as a professionally managed Grade 'A' commercial property, distinguished by its operational reliability, customer-centric approach, and ability to consistently deliver a high-quality tenant experience, supported by world-class service standards.

Data Protection and Information Security

GRI 3-3 (Customer Privacy), 418-1

The Company implemented a Privacy Policy and a Procedure Manual on Data Protection & Retention, both effective from 1 September 2025, to support responsible data handling, information security, and stakeholder confidence across digitally enabled operational and engagement platforms.

Achievements and Recognition

During FY2025/26, R I L Property PLC was honored with several prestigious recognitions (refer page 26), reflecting its continued commitment to governance excellence, sustainability leadership, operational innovation, and stakeholder value creation.

Future Outlook

Looking ahead, R I L remains focused on further strengthening its intellectual capital framework through continued investment in digital transformation, smart infrastructure systems, operational innovation, and ESG-integrated business practices.

The Company will continue to advance the implementation of the eZuite platform, strengthen cloud-based operational ecosystems, and explore additional data-driven technologies that support operational agility, tenant experience enhancement, and enterprise-wide integration. Future initiatives will also focus on strengthening smart infrastructure capabilities, enhancing customer engagement platforms, and improving digital responsiveness across operational and stakeholder interfaces.

As business and market expectations continue to evolve, R I L remains committed to advancing its digitally enabled operating model, maintaining robust governance practices, strengthening organisational learning, and reinforcing its sustainability-driven brand positioning. Recognising that intellectual capital is built not only through technology but also through people, the Company will continue to invest in developing employee capabilities, fostering a culture of continuous learning, and equipping its workforce with the skills required to adapt to emerging technologies and evolving industry requirements.

Through continued investment in innovation, operational resilience, stakeholder engagement, knowledge systems, and environmentally responsible operational practices, the Company remains well-positioned to strengthen long-term value creation and sustain its leadership position within Sri Lanka's premium commercial real estate sector.

Manufactured Capital

GRI 3-3 (Local Procurement and National Employment Practices), 3-3 (Green Suppliers), 204-1



Through strategic redevelopments, smart parking features, and sustainable building materials, R I L transformed its flagship physical properties into highly efficient, connected commercial environments.

R I L's Manufactured Capital comprises all the physical infrastructure and operational systems that enable us to deliver high-quality commercial real estate solutions and evolving workspace experiences to our customers, creating meaningful connections between people, businesses, and opportunities.

1. Portfolio and Occupancy Metrics Total Rentable Space Across the Portfolio

PARKLAND	*PARKLAND 1*	*PARKLAND 2*	Morgan Road
203,596 Rentable Space (Sq.Ft)	68,120 Rentable Space (Sq.Ft)	18,470 Rentable Space (Sq.Ft)	32,000 Rentable Space (Sq.Ft)
100% Occupancy	100% Occupancy	100% Occupancy	100% Occupancy

2. Combined Portfolio Metrics

100%
OCCUPIED

All available portfolio space is fully leased

Spanning across the *PARKLAND* complex, supported by our flexible workspace offering of CoWork spaces, our infrastructure strategy focuses on creating resilient, technology-enabled commercial environments.

During the year, the Company continued to strengthen its manufactured capital base through effectively managing around 322,186 sq.ft of rentable commercial space across its properties. Accommodating tenants from various sectors, we maintained a strong occupancy level with our properties achieving an occupancy rate of 100%.

Furthermore, through strategic refurbishments, smart infrastructure integration, and efficiency-led enhancements, we continue to transform our properties into connected and future-ready environments that respond to evolving workplace trends, tenant expectations, and the growing demand for collaborative and experience-driven spaces.

Driving Value Through Infrastructure Enhancements

During the year under review, R I L has undertaken several infrastructure enhancement measures to support long-term value creation across the complex. The initiatives below explain how R I L successfully implemented the measures in achieving its objectives.

	Infrastructure Enhancement	Value Driven
1.	6th Floor Re-development project at *PARKLAND 1*	Amid an increased demand for modern and adaptable workspaces, upon completion, the developments of this project are expected to strengthen the Company's capacity to meet evolving tenant expectations, while supporting long-term growth and value creation.
2.	The development of the rooftop garden project at the *PARKLAND* 20th floor	As a part of our ongoing efforts to enhance workspaces within the property, this supported our focus on improving the tenant experience, while reinforcing *PARKLAND*'s positioning as a premium commercial property.
3.	Installation of new Closed-Circuit Television (CCTV) cameras	These initiatives improved the monitoring capabilities and building wide security coverage, contributing to a safer and more secure environment, while enhancing confidence in the reliability of the building's operational infrastructure.
4.	Refurbishment of Morgan Road security room - electrical wiring, installation of new CCTV systems, and related installations	

Operational Challenges and Adaptations

During the year under review, R I L carried out several refurbishment and development initiatives within the occupied buildings, which required careful planning and coordination to minimise disruptions to tenants and day-to-day operations.

One of the key challenges involved executing the *PARKLAND 1* 6th Floor project within a live operating environment, while ensuring seamless integration with existing building systems.

We encountered operational constraints in carrying out construction activities during occupied hours and also faced weather-related issues during the refurbishment process. However, we successfully overcame these challenges by paying special attention to minimising noise and disturbances, thereby maintaining tenant comfort and business continuity throughout the project.

Despite these challenges, all major projects progressed according to schedule, and R I L remained focused on balancing infrastructure enhancement activities with delivering an uninterrupted tenant service.

Enhancing Operational Efficiency Through Smart Technologies

During the year, R I L continued to strengthen the operational efficiency and performance of its buildings through the integration of smart technologies and digital systems. Some of the initiatives undertaken during the year include:

- The ongoing implementation of the eZuite management system - a key development, which incorporates features such as remote task assignments, efficient monitoring, inventory management for spare parts and consumables, and maintenance of defect history records.
- The reintroduction and upgrade made to the car parking guidance system across visitor parking areas enabled real-time identification of available parking spaces and helped to improve traffic management within the premises. This enhanced convenience and accessibility for tenants and visitors while contributing to a more efficient user experience further strengthening the building's positioning as a modern commercial environment.

Developing a Sustainable and Resource-Efficient Infrastructure

At R I L, resource efficiency remained an integral part of the Company's manufactured capital strategy. During the year, we continued to integrate sustainable practices into infrastructure development, refurbishment activities, and day-to-day operations. Through initiatives that emphasise energy efficiency, resource efficiency, operational efficiency, reduced downtime, and waste reduction, R I L made significant improvements in enhancing its physical assets in line with sustainability objectives. The following approaches demonstrate how the Company translated this commitment into measurable results.

Sustainable / Value Enhancement Initiatives	Impact on R I L
• Ongoing Rooftop Garden Project • Inauguration of an evening restaurant • Common Dining Space at Level 20	These initiatives improved the visual appeal and the overall tenant experience within the *PARKLAND* property, while enhancing environmental sustainability through the expansion of green space initiatives.
• R I L's increased use of lightweight cement blocks	As sustainable construction practices are important in reducing environmental impacts, this initiative improved construction efficiency and reduced material intensity, thereby supporting more sustainable infrastructure development while contributing to resource-efficient building practices.
• Use of biodegradable and Energy Star-rated Products	This reduced environmental impacts and improved energy efficiency, while reinforcing the Company's commitment to sustainable operations and responsible resource consumption.
• Procurement of supplies from ISO-certified suppliers	This strengthened the Company's quality assurance, thereby enhancing operational reliability while supporting sustainability and compliance standards within the supply chain.
• Recycling the demolition materials generated from *PARKLAND 1* 6th Floor into reusable condition	This initiative minimised construction waste while strengthening the integration of circular economy principles into redevelopment activities.
• Implementation of regularly tested backup power systems within R I L's properties	This ensured continuity of operations and supported the Company in improving its preparedness for operational disruptions, while enhancing system reliability. Moreover, it also reinforced tenant confidence in the reliability of building operations.

Future Outlook

Looking forward, R I L focuses on strengthening its manufactured capital through strategic infrastructure development, smart technology integration, efficiency-focused, and tenant-oriented enhancements to properties.

With rising demand from a diversified tenant portfolio and the continued expansion of existing tenants, we plan to further expand our CoWork offerings and strengthen our position as a preferred commercial destination for our clients. Additionally, the Company is exploring opportunities to optimise the utilisation of its existing land bank and maximise existing premises through development projects in the future. These initiatives are expected to support long-term portfolio growth, addressing the increasing demand for modern commercial spaces.

Following the limitations in existing vendor support, the Company also intends to integrate new emerging technologies into its premises, in addition to its existing automatic number plate recognition (ANPR) systems and advanced car park management systems to improve operational efficiency, strengthen accessibility, and further enhance tenant and visitor convenience across the complex.

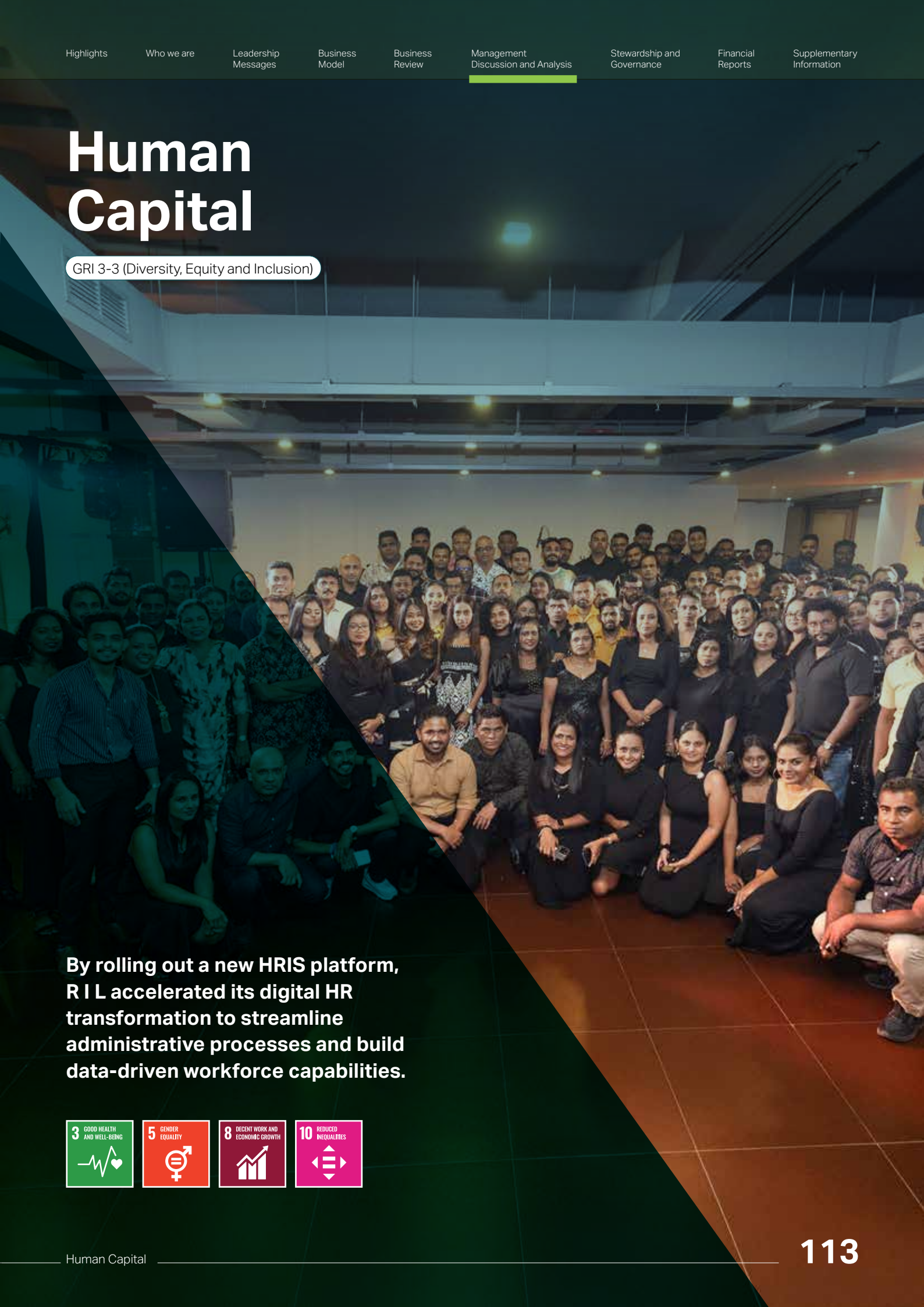
Through continued investment in efficiency-led development initiatives, we aim to create a tenant-focused commercial ecosystem that supports long-term value creation.

Alignment With UN Sustainable Development Goals (SDGs)

In line with the development of resilient commercial infrastructure, technology-enabled property management systems, flexible workspaces, and resource-efficient building practices, R I L contributes towards SDGs 9 (Industry, Innovation and Infrastructure), 11 (Sustainable Cities and Communities), and 12 (Responsible Consumption and Production).

Human Capital

GRI 3-3 (Diversity, Equity and Inclusion)



By rolling out a new HRIS platform, R I L accelerated its digital HR transformation to streamline administrative processes and build data-driven workforce capabilities.

Our people continue to play a central role in R I L's long-term value creation and growth strategy. In the reporting year, the Company further strengthened its Human Capital framework through continued investment in employee well-being, digital transformation, diversity and inclusion, and workforce upskilling.

These initiatives enable the development of a future-ready, agile, and resilient workforce aligned with evolving business requirements and broader environmental, social and governance (ESG) priorities.

The Company's Human Capital approach is designed to enhance employee experience to strengthen employee experience and organisational capability, improve operational efficiency, and encourage an inclusive and performance-driven culture.

Operating Environment

Throughout the Financial Year, R I L's Human Capital function was influenced by various international and domestic developments that influenced workforce management priorities, and employee requirements and preferences. It was also influenced by evolving workforce expectations, inflationary pressures, increasing ESG and regulatory considerations, and on going economic uncertainty.

Weather-related disruptions experienced during the year, including the impact of Cyclone Ditwah, reinforced the importance of safeguarding employee well-being and safety during periods of uncertainty and operational disruption.

An evolving workforce composition, and increasing demand for flexibility and employee engagement continued to influence the Company's people management priorities and holistic workforce strategies.

Risks and Opportunities

R I L continued functioning within a competitive talent market, where employee retention and recruitment strategies remained key focus areas. Against this backdrop, the Human Resources (HR) function further enhanced its focus on employee engagement, career development, and workplace flexibility to support employee retention, and sustain long-term workforce stability. During the Financial Year, several former employees rejoined the Company, demonstrating the strength of our workplace culture and employee value proposition.

Rapid technological advancements and HR digitalisation also created opportunities to improve workforce management, operational efficiency, and data-driven decision-making. During the year, the Company introduced a new Human Resource Information System (HRIS), supporting the digital transformation journey of HR processes, and facilitating workforce analytics and data-driven decision-making. While the implementation process requires effective change management and employee adaptability. The initiative is also expected to drive improvement in employee experience, streamline HR operations, and strengthen data-driven people management practices.

These improvements are intended to further shape the Company's employee value proposition, and support efforts aimed at strengthening employer branding and workforce engagement.

Building a Future-Ready Workforce

The Company's Human Resources strategy is designed to create sustainable organizational value through the effective management of the entire employee lifecycle. A comprehensive and integrated approach is adopted across workforce planning, talent acquisition, onboarding, learning and development, performance management, employee engagement, rewards and recognition, succession planning, and employee well-being.

Human capital initiatives are aligned with business objectives to ensure the attraction, development, and retention of a high-performing workforce capable of supporting the Company's long-term growth ambitions. Strategic workforce planning enables the organisation to anticipate future talent requirements, while inclusive recruitment practices ensure access to diverse talent pools. Structured onboarding programs facilitate seamless integration of new employees and strengthen early engagement.

Continuous learning and development initiatives support capability building and leadership development, enabling employees to adapt to evolving business and technological demands. Performance management processes promote accountability, growth, and alignment with organizational goals, while competitive reward frameworks and recognition programs reinforce employee motivation and retention.

Employee well-being, diversity and inclusion, and engagement remain central to the Company's people strategy, fostering a positive and supportive work environment. Succession planning and talent development initiatives further ensure leadership continuity and organisational resilience.

Through this holistic approach to human capital management, the Company continues to build an agile, future-ready workforce capable of delivering sustainable value to all stakeholders.

Upholding Integrity and Accountability

The Company is committed to maintaining the highest standards of corporate governance, ethical conduct, and regulatory compliance across all aspects of its operations. A comprehensive framework of policies, procedures, and controls has been established to promote integrity, accountability, and responsible business practices.

The Company's Code of Conduct serves as the foundation for expected standards of behaviour and ethical decision making. The Code is communicated to employees through onboarding programmes, policy awareness initiatives and internal communications to ensure a clear understanding of individual responsibilities and organisational expectations. Employees are expected to uphold these principles in their interactions with colleagues, customers, suppliers, and other stakeholders.

To reinforce a culture of transparency and accountability, the Company maintains a Whistleblower Mechanism that enables employees to report suspected misconduct, unethical behaviour, or violations of Company policies without fear of retaliation. All reports are handled with strict confidentiality, and appropriate measures are implemented to protect the identity and privacy of whistleblowers throughout the investigation process.

The Company adopts a zero-tolerance approach towards bribery and corruption. Policies and controls relating to anti-bribery and anti-corruption are embedded within the governance framework to prevent unethical practices and ensure compliance with applicable laws and regulations. Employees are required to act with integrity and are provided with guidance on identifying, preventing, and reporting potential instances of bribery, corruption, or conflicts of interest.

Recognising the importance of safeguarding personal information, the Company is committed to protecting employee data in accordance with the provisions of the Personal Data Protection Act (PDPA). Appropriate administrative, technical, and organisational safeguards are maintained to ensure confidentiality, integrity, and security of personal data.

Through these governance practices, the Company continues to foster an ethical, transparent, and compliant work environment that supports sustainable business performance and stakeholder trust.

ESG and Sustainability Alignment

The Company further aligned its Human Capital strategy with the broader ESG agenda by building inclusive work environments, employee well-being, diversity, and sustainable people practices. Human capital initiatives support several United Nations Sustainable Development Goals (SDGs), including SDG 3 (Good Health and Well-being), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), and SDG 10 (Reduced Inequalities).

As part of the Company's sustainability framework, future initiatives include improving ESG-related workforce data gathering processes and tracking employee commuting patterns to support Scope 3 greenhouse gas (GHG) emissions assessments, as part of broader carbon footprint measurement efforts.

R I L strengthened its 108-strong workforce by investing in down-to-earth well-being programs, inclusive hiring practices, and 74 targeted training programs to foster an agile culture.

Workforce Profile

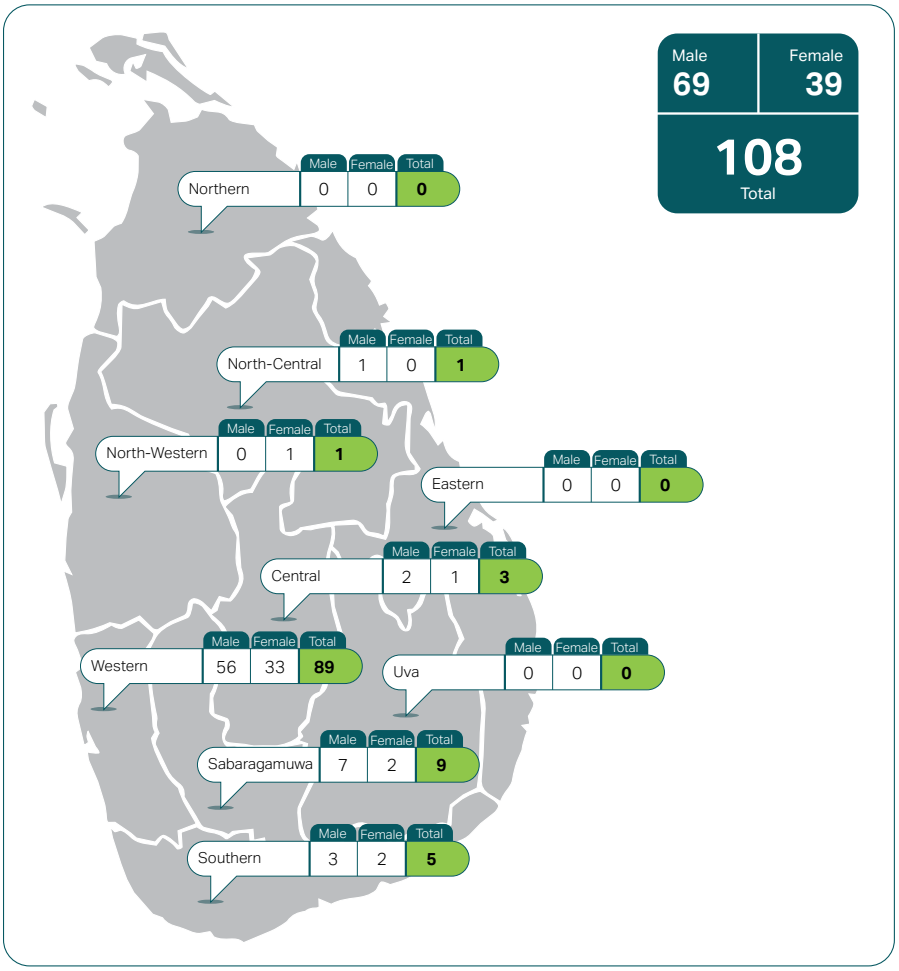
GRI 2-7, 8, 23, 24, 26, 30, 3-3 (Anti-corruption, Governance and Business Ethics) 202-1, 2, 205-1, 2, 3, 401-1, 2, 3, 405-1, 406-1

As at the end of the reporting period, R I L's total workforce remained stable at 108 employees.

Workforce by gender

	2025/26	2024/25	2023/24
Total male employees	69	71	66
Total female employees	39	37	32
Percentage of male employees	63.88%	65.74%	67.35%
Percentage of female employees	36.11%	34.26%	32.65%
Total number of employees	**108**	**108**	**98**

Workforce by province and gender

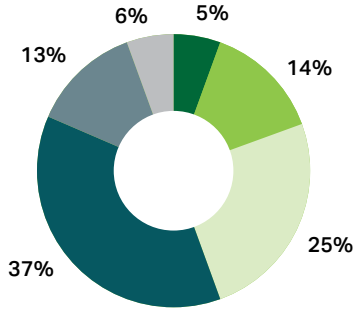


Around 81% of R I L's workforce were over the age of 31. About 37.0% of the total workforce were between the age of 31-40, while 25.0% was between 41-50 years of age, and 13.9% fell in the 51-55 age category.

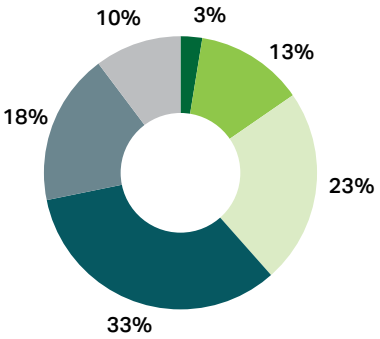
Age analysis of workforce

Age	Male	Female	Total
≥ 56	5	1	6
51 – 55	10	5	15
41 – 50	18	9	27
31 – 40	27	13	40
26 – 30	7	7	14
18 – 25	2	4	6
Total	**69**	**39**	**108**

Total Workforce – Age Analysis



Female Workforce – Age Analysis



56 < | 51 – 55 | 41 – 50
31 – 40 | 26 – 30 | 18 – 25

Tenure analysis of workforce

Number of years of service	Male	Female	Total
0 – 5 years	37	27	64
6 – 10 years	23	11	34
11 – 15 years	9	1	10
Total	**69**	**39**	**108**

Diversity, Equity and Inclusion

Diversity and inclusion were actively promoted through recruitment practices that encouraged participation from candidates with varied backgrounds, experiences, and perspectives, supported by the use of diverse interview panels and a respectful, inclusive candidate experience. Key initiatives implemented during the year included the use of inclusive language and diverse visual content in recruitment advertisements to strengthen diversity outreach. R I L also placed deliberate focus on advancing gender diversity in hiring by prioritizing female representation in gender imbalanced functions.

The Company also launched its "Care for Two: Pregnancy Wellness Initiative," which aims to offer nutritional support to our pregnant employees.

Adaptive work practices and planned developments to Work From Home (WFHA) policy further support inclusivity, employee well-being, and work-life balance.

Workforce analysis by grade and gender

	Male	Female	Total
Senior Manager	5	4	9
Manager	4	1	5
Assistant Manager	4	4	8
Executive	13	13	26
Non-executive	42	17	59
Trainee	1	0	1
Total	69	39	108

Recruitment and Retention

The Company's Recruitment and Selection Policy is committed to equal opportunity, merit-based recruitment, internal mobility, and compliance within applicable legal and governance frameworks. Recruitment processes are supervised by the Human Resources Division to maintain transparency, confidentiality, and follow approved workforce plans and DEI principles.

During the Financial Year, the Company recruited 23 employees, comprising 14 male recruits and 9 female recruits. Female recruitment represented 39.13% of total new hires, reflecting continued efforts to improve workforce diversity. Further, high retention rates across all grades of employees prove the effectiveness of our remuneration policies, work environment, and learning culture.

Recruitment

Age	Male	Female	Male %	Female %
≥ 56	3	–	13.04	–
51 – 55	1	1	4.35	4.35
41 – 50	1	1	4.35	4.35
31 – 40	8	2	34.78	8.70
26 – 30	–	3	–	13.04
18 – 25	1	2	4.35	8.70
Total	**14**	**9**	**60.87**	**39.13**

Retention

	Total New Recruits	Left Company	Retained	Retention %
Senior Managers	1	0	1	100
Managers	2	0	2	100
Assistant Managers	3	1	2	66.67
Executive	7	1	6	85.71
Non-Executive	9	2	7	77.78
Trainee	1	0	1	100
Total	**23**	**4**	**19**	**82.61**

Creating a Culture of Care

The Company remained committed to fostering a safe, healthy, and supportive work environment by prioritising both the physical and mental well-being of employees. Throughout the year, a range of initiatives were implemented to promote workplace health and safety, encourage healthy lifestyles, and support employees' emotional and psychological well-being.

The Company recognises that the support provided by families plays an important role in the well-being, engagement and success of its employees. Accordingly, the Company seeks to foster a family-friendly workplace by encouraging the participation of family members in selected employee engagement initiatives and by supporting employees through key family milestones.
Our parental leave policy for male employees, supports employees during significant family milestones. These reflect the Company's commitment to helping employees balance their professional and personal responsibilities.

Growing Talent from Within

The Company is committed to identifying and developing talent from within the organisation by providing employees with opportunities to broaden their skills, gain exposure to different functions and take on expanded responsibilities. Through internal mobility initiatives, employees are encouraged to explore new roles and career pathways across the organisation, enabling them to develop diverse skill sets while supporting the Company's evolving business needs.

During the year, 23% of employees were promoted to higher roles, reflecting the Company's commitment to recognising performance, developing internal talent, and providing meaningful opportunities for career advancement. These efforts contribute to building a capable, future-ready workforce while reinforcing employee motivation and retention.

Key engagement initiatives included:

- Health and Safety Awareness Sessions



- Carrom Competition
- Movie Night
- Children's Day celebrations



- International Men's Day well-being session



- "Rhythm of Romance" Valentine's Day programme



- International Women's Day celebrations with sustainability-themed gifts
- Avurudu celebrations



- Annual Pirith ceremony



- Annual get-together
- R I L Champions League



- Annual employee trip



Occupational Health and Safety

GRI 403-1, 403-2

The Company continued to maintain a proactive approach towards occupational health and safety through regular audits, safety drills, awareness programmes, and quarterly Health and Safety Committee reviews. Corrective actions are implemented where necessary to support ongoing risk mitigation and workplace safety improvements.

No major health or safety incidents were recorded during the reporting period.

Training and Development

GRI 3-3 (Digitalisation), 3-3 (Health and Safety), 3-3 (Training and Education), 403-1, 2, 404-1, 2, 3

The Company remains committed to providing employees with structured learning and development opportunities that support both individual career growth and organisational capability development. The Training and Development Policy promotes ongoing learning, knowledge sharing, and capability development through orientation programmes, technical training, interpersonal skills development, leadership coaching, and on-the-job learning initiatives.

Skill gaps are recognised through performance evaluations, departmental assessments, and employee feedback systems in line with organisational priorities and evolving capability requirements.

Training programmes are aimed at developing technical skills, operational effectiveness, leadership skills, compliance awareness, and employee development across the entity.

	2025/26	2024/25	2023/24
Total training hours	672	1,900+	1169.5
Total training programmes conducted	74	85	64
Total number of participants	90	113	78
Average training hours per participant	7.46	17.40	14.9

Future Outlook

Towards the future, R I L will further enhance its digital HR work environment as part of a phased rollout of additional HRIS modules and the gradual reduction of paper-based HR processes, special focus will be placed on developing digital accessibility and skills development for employees to effectively interact with digital systems and platforms.

The Company also intends to further enhance its performance management framework through a more holistic evaluation system that aligns individual performance with organisational objectives and long-term value creation.

Future priorities will also include:

- **Strengthening succession planning and leadership continuity.**
- **Enhancing employee well-being programmes.**
- **Expanding flexible work arrangements.**
- **Improving workforce analytics and ESG-related target setting.**
- **Fostering a more inclusive and digitally enabled workplace culture.**

Through these initiatives, the Company aims to strengthen organisational agility, improve employee experience, and align its human capital strategy with long-term sustainability and growth objectives

Social and Relationship Capital

GRI 2-25, 3-3 (Community Wellbeing and Digital Safety), 203-1, 203-2, 413-1, 413-2



By integrating social priorities into board-level strategy, we strengthen stakeholder trust, enhance operational responsiveness, and foster inclusive, people-centric commercial environments across our entire ecosystem.

Our social and relationship capital reflects the strength of the relationships we maintain with our key stakeholder groups, tenants, employees, suppliers, regulators, and the community. These relationships are considered to be the foundation for the long-term success of R I L Property PLC, and support operational resilience, tenant retention, responsible business conduct, and long-term value-creation across our portfolio.

Guided by our values, we continue to strengthen stakeholder trust through transparent communication and engagement, efficient service delivery, ethical business practices, and community-focused initiatives. During the year under review, we further enhanced our stakeholder engagement through integrating social considerations into operational decision-making, strengthening governance oversight, and expanding collaborative engagement initiatives across our properties and communities.

Our approach remains focused on creating inclusive, people-centric, and sustainable environments that support long-term relationships while contributing to the social ecosystem in which we operate.

Strategy and Governance

To further elevate our Social and Relationship Capital, R I L Property PLC continued to strengthen governance structures through the implementation of relevant policies, structured oversight mechanisms, and cross-functional collaborations. Furthermore, sustainability related stakeholder matters will be reviewed through relevant board and management committees, ensuring the integration of stakeholder considerations into operational and strategic discussions.

Our governance approach throughout the year was strengthened by effectively maintaining the complaint and feedback management system, which enables the timely identification and resolution of tenant and stakeholder concerns. This was supported by clear ethical frameworks, including anti-bribery and business conduct policies, which continued to guide responsible decision-making across all levels of the Organisation.

Additionally, risk monitoring processes remained in place to track and address tenant-related concerns, ensuring that operational issues were actively managed with the help of established governance channels.

The Company continued to uphold fair and ethical business practices through existing operational policies and supplier governance procedures, relevant operational policies and governance mechanisms remain in place to support fair, ethical, and responsible business practices across our operations and supply chain.

As our environmental, social and governance (ESG) framework continues to evolve, we aim to further strengthen accountability, measurement, and the integration of stakeholder-related priorities into long-term business planning, whilst ensuring that sustainability-related disclosures remain appropriately aligned with dedicated sustainability reporting sections.

Stakeholder Relationship Management

At R I L, we believe that long-term value creation depends on maintaining trusted and mutually beneficial relationships with our stakeholders. Therefore, we maintain continuous engagement with our stakeholders through structured communication channels, feedback mechanisms, collaborative initiatives, and responsive service delivery.

This engagement-driven approach enabled us to achieve:

- A better understanding of stakeholder concerns and expectations
- Improved operational responsiveness
- Strengthened feedback management processes
- Enhanced the tenant and employee experience across the portfolio
- Stronger collaboration
- Improved stakeholder confidence in the Company's operations and service delivery standards
- Strengthened portfolio resilience
- Enhanced occupancy stability.

Tenants

Our tenants remain central to the success of our business. Therefore, we continue to prioritise tenant satisfaction, service quality, and long-term relationship management across all our properties. Improving tenant experience and satisfaction remains a high-priority focus area within our stakeholder engagement strategy. As such, we continued to strengthen structured engagement mechanisms to ensure that tenant concerns, expectations, and feedback are effectively addressed in a timely and transparent manner during the year.

Key tenant engagement mechanisms include:

- Periodical tenant satisfaction surveys
- Review meetings
- Maintaining continuous communication with tenants
- QR code-based feedback channels
- Structured complaint management system in place to measure tenant satisfaction, and make sure their concerns are addressed through responsive operational support and effective service delivery

Additionally, the feedback gathered through these channels was regularly reviewed and incorporated into our operational improvements and tenant experience enhancement initiatives.

Enhancing Tenant Experience

During the year under review, several initiatives were implemented by the Company to strengthen tenant engagement, comfort, and well-being across our portfolio. The key initiatives include:

- Evening restaurant at the Level 20 outdoor area of *PARKLAND* provides tenants with enhanced after-work convenience and a more vibrant and socially engaging environment within the complex
- Organisation of community and well-being initiatives such as the blood donation campaign 'Pulse of Hope' and the Vesak Bakthi Gee cultural programme, resulting in further strengthening tenant engagement - initiatives that encouraged the active participation of tenants alongside employees and other stakeholders, fostering a stronger sense of community within the *PARKLAND* complex.





- A commemorative event held in October 2025, marking *PARKLAND*'s 10-year milestone in appreciation of the key stakeholders who have contributed to its growth journey, providing an opportunity to recognise collective contributions and reinforce strong stakeholder relationships built over the past decade that will drive long-term value creation.



These initiatives contributed to strengthening tenant relationships, improving tenant experience, and supporting vibrant and collaborative commercial environments.

Occupancy

Strong tenant satisfaction, supported by proactive tenant engagement, operational responsiveness, and premium service standards, contributed to sustained demand across our commercial properties. As a result, *PARKLAND* achieved full occupancy during the year under review, while *PARKLAND 1* and *2* continued to maintain its full occupancy levels. This performance reflects the confidence tenants place in our portfolio and underscores our commitment to providing high-quality workspaces that effectively support their evolving business needs.

Tenant Retention

In parallel, tenant retention also remained stable at a rate of 79%, including 16 new leases secured during the year under review, supported by responsive relationship management and ongoing engagement initiatives. These outcomes contribute to maintaining occupancy stability across the portfolio while strengthening long-term tenant relationships.

Additionally, to support tenant acquisition and retention, the Company adopted a multi-channel marketing and engagement approach, which included:

- Collaboration with real estate agents and brokers
- Enhanced digital marketing initiatives
- Incentives for tenant referrals
- Website-based lead generation activities
- Provision of flexible lease terms
- Furnished office solutions aligned with evolving tenant requirements.

Employees

Our employees play a vital role in delivering operational excellence, strengthening stakeholder relationships, and fostering a responsible and people-centric organisational culture. We remain committed to promoting employee well-being, inclusivity, engagement, and collaboration through fair workplace practices and meaningful employee participation initiatives.

During the year under review, the Company implemented several initiatives to strengthen employee well-being and engagement, which are mentioned in detail in the Human Capital section of this report refer page113.

Community Engagement

R I L remains committed to supporting the communities in which we operate through responsible and community-oriented initiatives that create shared social value.

Community and corporate social responsibility (CSR)-related activities were coordinated through an internal team, enabling employees to actively contribute towards social and community engagement initiatives. The Company also continued to encourage voluntary employee participation in CSR and community programmes through structured engagement programmes and internal coordination. Through this people-focused approach, we continued to strengthen employee engagement, organisational resilience, and long-term stakeholder trust.

During 2025/26, our community engagement efforts focused on supporting vulnerable communities, promoting social well-being, and encouraging collaborative participation among employees, tenants, and stakeholders.

Key initiatives during the year included:

1. **Pulse of Hope Blood Donation Camp**

   The Company conducted the 'Pulse of Hope' Blood Camp with active participation from employees, tenants, and members of the wider community. This initiative strengthened community engagement while supporting national healthcare needs through voluntary participation.

2. **Cyclone Ditwah Relief Support**

   R I L extended assistance to employees affected by Cyclone Ditwah by supporting cleaning and restoration efforts for flood-impacted residences through staff-led initiatives. Additionally, the Company also contributed LKR 10 million to the Government's "Rebuilding Sri Lanka" Fund to support communities affected by the cyclone.





3. **Support for Victoria Home for Elders**

   The Company extended its support to residents of the Victoria Home for elders in Rajagiriya, including individuals with disabilities and incurable conditions, reflecting our commitment to inclusive and compassionate community engagement.



Through these initiatives, we continued to strengthen our role as a responsible corporate citizen while fostering stronger relationships with the communities surrounding our operations.

Supplier and Regulator Engagement

We remain committed to conducting business with integrity, transparency, and accountability across all stakeholder interactions.

Our engagement with suppliers and regulators is guided by:

- Compliance with applicable laws and regulations
- Ethical sourcing and procurement practices
- Transparent stakeholder disclosures
- Responsible operational conduct

The Company maintains relevant governance mechanisms and policies to support compliance across operations and supply chain activities, whilst structured grievance mechanisms remain available for employees and stakeholders.

This principled approach strengthens stakeholder confidence, supports regulatory compliance, and contributes to long-term operational resilience.

Alignment with UN Sustainable Development Goals

Through initiatives relating to employee well-being, stakeholder engagement, ethical governance, community development, and responsible business practices, R I L contributes towards the following Sustainable Development Goals (SDGs): SDG 3 (Good Health and Well-Being), SDG 8 (Decent Work and Economic Growth), SDG 11 (Sustainable Cities and Communities), and SDG 16 (Peace, Justice and Strong Institutions).

Future Outlook

Looking ahead, R I L aims to further strengthen stakeholder relationships, accountability, and social value creation across its operations. As stakeholder expectations continue to evolve, the Company will focus on enhancing tenant experience, encouraging greater employee participation, and expanding engagement platforms to foster meaningful collaboration with tenants, employees, and the wider community. In parallel, efforts will be directed towards developing measurable indicators to better assess social performance outcomes and inform decision-making. Through these initiatives, R I L will continue to build stakeholder trust and support sustainable long-term value creation

Natural Capital

GRI 3-3 (Managing Energy & GHG Emissions), 302-3



Natural capital remains vital to our value strategy, driving long-term asset resilience, green building innovation, and collaborative environmental engagement across the entire *PARKLAND* portfolio.

Natural capital remains an important component of R I L Property PLC's long-term value creation strategy, supporting responsible environmental stewardship, operational efficiency, and sustainable property management across the Group's operations. Through *PARKLAND* and its broader operational ecosystem, the Company continued strengthening initiatives relating to energy efficiency, water conservation, and resource sustainability during the year.

Key environmental sustainability efforts included:

1. Energy efficiency
2. Water conservation
3. Green Infrastructure improvements
4. Waste reduction
5. Environmentally responsible operational practices

These were designed to support long-term operational resilience and responsible resource utilisation. The Company also continues to strengthen tenant engagement, and environmental awareness initiatives across the *PARKLAND* complex.

Key Highlights

- Achievement of the GREENSL® Platinum Rated Green Building Award 2025
- Recertification of ISO 50001-2018 for energy management systems across *PARKLAND* complex.

Strategy and Environmental Governance

Throughout the year, R I L continued to implement environmental sustainability initiatives aimed at supporting operational sustainability, improving infrastructure efficiency, and strengthening environmentally responsible property management practices across *PARKLAND*. The Company also maintained its focus on integrating sustainability considerations into long-term infrastructure enhancement initiatives.

Environmental Sustainability Initiatives and Operational Improvements

Throughout the year, R I L continued implementing environmental sustainability initiatives focused on improving operational efficiency, reducing environmental impact, and supporting sustainable property management practices across *PARKLAND*.

Environmental Initiatives Supporting Long-Term Value Creation

Initiative	Strategic Impact
ISO 50001- 2018 Energy Management System recertification	Improved energy efficiency, operational cost management, and sustainable facilities performance
Continued implementation of green lease concepts	Enhanced tenant participation in sustainable building practices
Revision of fit-out guidelines to incorporate sustainable design considerations	Strengthened environmentally responsible refurbishment and tenant fit-out practices
Integration of environmental considerations into enterprise risk management processes	Supported long-term asset protection, operational resilience, and sustainable property value preservation

Sustainable Infrastructure and Resource Efficiency Initiatives

Initiative	Initiative Status	Impact
Automated and sensor-based lighting systems across common areas and washrooms	New	Improved energy conservation and operational efficiency
Drip irrigation system for plant nursery on the 21st floor	New	Improved water-use efficiency across rooftop greenery and plant nursery areas
Rooftop garden development on the 20th floor	Future	Enhanced urban greening and environmental aesthetics
Installation of new fan coil units (FCUs) under control room upgrade	New	Strengthening energy conservation and cooling efficiency
Lower thermal conductive glass and water-efficient fixtures at *PARKLAND 1*	New	Reduced cooling loads and improved operational resource efficiency
Expansion of greenery and green landscaping initiatives	New	Strengthened biodiversity enhancement and environmental wellbeing

Waste Management and Circular Economy

As part of our commitment to environmental stewardship and sustainable resource management, R I L continued to strengthen its circular economy and waste management practices during the year. Guided by the principles of Reduce, Reuse, and Recycle (3R), the Company implemented initiatives to minimise waste generation, enhance resource recovery, and promote responsible material use. Ongoing efforts across *PARKLAND*, including enhanced recycling systems, digitalisation, and resource reuse initiatives, contributed to reduced environmental impacts, improved resource efficiency, and strengthened the Company's sustainability performance. Through these initiatives, R I L continues to support long-term resilience and sustainable value creation.

Circular Economy and Waste Management Initiatives

Initiative	Impact
Implementation of a food waste converter	A portion of daily food waste is processed on-site using an organic waste converter and repurposed as fertiliser for rooftop gardening. The remaining food waste is diverted to external piggeries for use as animal feed, significantly reducing landfill disposal.
Reuse of air conditioner (AC) condensate water within cooling tower systems	Improved operational water circularity and water-use efficiency by collecting AC condensate water and directly reusing it within the building's HVAC cooling system.
Polyethylene terephthalate (PET) bottle collection through approved third-party handlers	Plastic waste is segregated at source through dedicated collection bins and channelled to Central Environmental Authority (CEA)-registered recycling vendors, supporting responsible recycling and a circular plastic economy.
E-waste disposal systems through certified vendors	Strengthened environmentally responsible electronic waste management and reduced the risk of toxic pollution by partnering with vendors approved by the Central Environmental Authority (CEA), to ensure the safe, compliant disposal of all electronic waste.
Waste segregation at source	Improved recycling efficiency and resource recovery by implementing segregation at the source to minimise contamination. Waste is divided into organic, recyclable (plastic, paper, cardboard, glass), and non-recyclable/contaminated categories, reducing landfill waste and enabling better handling and disposal.
Replacement of disposable paper towels with electric hand dryers	Eliminated single-use paper waste and reduced solid waste generation across washrooms and dining areas.
Promotion of furnished vacant spaces without reinstatement	Reduced material waste, minimised resource consumption linked to tenant refurbishments, and optimised space utilisation across the property portfolio. This initiative is carried forward from established property practices to maintain asset life and resource efficiency.
Office digitalisation and paper-saving initiatives (e.g. double-sided printing)	Reduced paper consumption and improved operational efficiency across administrative functions by setting double-sided printing as the default on all devices, cutting paper use per print job by half.

Community Environmental Engagement and Green Initiatives

R I L continued supporting environmental awareness, and community-linked sustainability initiatives through collaborative environmental programmes and long-term environmental partnerships. Three main initiatives this year included:

- In collaboration with the Central Environmental Authority (CEA), the Company continued supporting the herbal garden and tree planting initiative at the Green Park Sanitary Landfill in Kirindiwela, which currently includes 263 planted trees. This initiative continued to receive support through plant donations, fertiliser contributions, and environmental awareness enhancements aimed at promoting environmental stewardship and ecological awareness.



- The Company also continued progressing with its 'Plant Your Own Tree' initiative, while supporting broader sustainability advocacy programmes linked to environmental awareness and green transition initiatives. During the year, the Company received its first harvest from this initiative as well.
- The Company participated as Platinum Sponsor at the forum titled 'Unlocking Opportunities for the Green Transition of SMEs and the Launch of the Planet Protectors Sustainability Certification.' This initiative supported collaboration and awareness-building around responsible and environmentally conscious business practices.

Responsible Resource Management

R I L recognises the growing importance of resilience, resource security, and environmental risk management in supporting long-term operational sustainability and asset resilience.

Environmental Protection Guidelines and Implementation

R I L Property PLC aligns its operations with key national legislation, international standards, and green building frameworks to ensure environmental protection, regulatory compliance, and long-term asset resilience. This alignment is integrated into daily operations across the *PARKLAND* portfolio through structured energy management systems, sustainable procurement, and continuous performance monitoring.

Regulatory and Framework Alignment

Regulation	Alignment with daily operations
National Environmental Act, No. 47 of 1980	Compliance is maintained by integrating environmental risk considerations into all property operations and maintenance activities, ensuring strict adherence to regulations governing waste management, emissions, and general operational impacts.
ISO 50001:2018 (Energy Management System)	Implemented at *PARKLAND* via a structured Energy Management System (EnMS). The framework drives continuous improvement in energy performance through real-time consumption tracking, targeted efficiency interventions, and regular internal energy reviews.
GREENSL® Rating System for Existing Buildings (Version 2.1 | 2022)	Implementation focuses on optimising HVAC and lighting efficiency, improving indoor environmental quality, and maintaining resource-efficient facility operations.
National Energy Policy and Strategies of Sri Lanka (2019)	R I L supports national energy security and low-carbon transition goals under the Sri Lanka Sustainable Energy Authority (SLSEA) framework. This is achieved by utilising advanced Building Management Systems (BMS), optimising cooling loads, and evaluating renewable energy integrations like solar PV.
Energy Managers and Energy Auditors Regulations (2011)	R I L engages certified energy managers and external auditors to conduct periodic energy audits. The resulting data-driven insights are directly utilised to implement corrective retrofits and system upgrades across facilities.
Energy Labelling Standards (SLS Guidelines/Extraordinary Gazette No. 1611/10)	Sustainable procurement policies prioritise energy-rated equipment. Continuous LED retrofitting and the phase-out of legacy lighting systems are maintained to minimise total electricity demand.

Implementation and Monitoring Mechanism

Rather than viewing these guidelines as isolated compliance targets, the Company synthesises them into an interconnected operational strategy. Structured energy management systems and green building certifications provide the blueprint, while continuous monitoring of key environmental performance indicators (EPIs) - such as energy intensity, water consumption, and greenhouse gas emissions - ensures transparent accountability and continuous operational improvement.



Future Outlook

R I L Property PLC remains committed to strengthening its environmental sustainability journey through enhanced ESG governance, environmental performance monitoring, and long-term resilience planning. The Company intends to continue strengthening sustainability-focused operational practices, governance integration, and environmental disclosure capabilities aligned with evolving stakeholder and reporting expectations.

Future sustainability priorities will continue to focus on energy efficiency improvements, resource-efficient infrastructure integration, circular economy enhancement, and strengthening long-term environmental performance management practices across operations.

The Company also intends to further strengthen resilience planning, sustainability-focused tenant engagement initiatives, emissions monitoring capabilities, and environmental data management systems to support long-term operational sustainability and responsible resource management.

STEWARDSHIP AND GOVERNANCE



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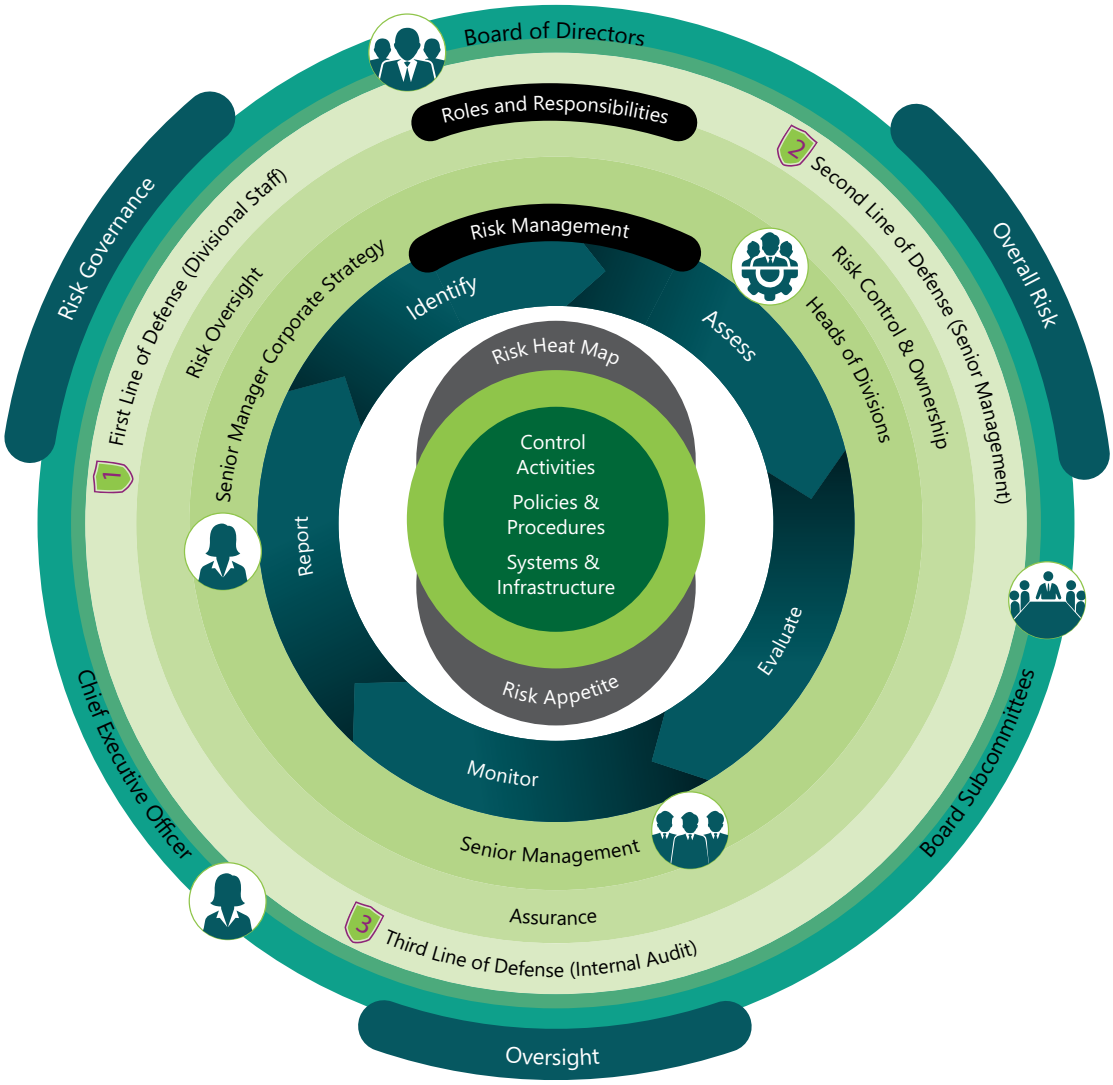
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Risk Management

Risks are uncertain future events, which could influence the achievement of R I L's strategic and financial objectives. R I L maintains an enterprise-wide approach to managing key risks, integrating risk monitoring into our day-to-day activities in accordance with the risk management framework, which supports organisation-wide strategic planning. This is an ongoing process that follows a structured step-by-step system.

Risk Management Framework and Governance

GRI 2-16, 25, 26, 3-3 (Risk Management)



The R I L Board holds the ultimate responsibility for managing the Company's risks, from providing oversight, to setting the Company's risk appetite and promoting a proper risk culture. When established appropriately, the risk culture with its shared attitudes, values, roles and responsibilities is expected to drive organisational goals through mutual support.

The Board has delegated its responsibilities to the respective subcommittees mentioned below, which are tasked with providing directions on implementing appropriate internal controls to effectively manage key risks and periodically report to the Board, while maintaining independence from the Management. The Management is tasked with establishing controls, structures,

reporting lines, accountabilities, responsibilities, monitoring and timely communication channels, in order to achieve organisational objectives.

Board Audit and Risk Committee

Refer page no 173

Board Related Party Transactions Review Committee

Refer page no 184

Board HR and Remuneration Committee

Refer page no 177

Board Nominations and Governance Committee

Refer page no 180

Board Sustainability Committee

Refer page no 65

Our Board members have a broad range of competencies that bring skills and experience from a diverse range of backgrounds. (Refer page no 144)

The Chief Executive Officer (CEO) is responsible for driving organisational strategies, while also providing decisive leadership in implementing appropriate internal controls to effectively manage and balance risks and opportunities within the organisation.

Additionally, the management committees and the Business Continuity Plan (BCP) in place ensure that R I L can swiftly address any identified risks, guaranteeing continuity of operations even in challenging circumstances.

While the Board and the CEO oversee the entire risk management, R I L has established the "Three Lines of Defence" model where all employees are responsible for the identification and management of risk within the scope of their role.

1st Line of Defence – Divisional Staff

- Day-to-day management of risks during operations.
- Proactively monitors risk factors that could potentially affect business decisions.
- Identifies opportunities that could benefit business.

2nd Line of Defence – Senior Management

- Ensures all divisions function in accordance with policies and procedures in line with the risk appetite.
- Designs and implements appropriate policies and control procedures to ensure a conducive environment.
- Turns identified opportunities into practical plans, drives execution, and offers oversight and support.

3rd Line of Defence – Internal Audit

- Provides independent assurance on implementation of risk management procedures.
- Assesses effectiveness of procedures at an operational level.
- Reports directly to the Board Audit and Risk Committee.

Risk Culture

At R I L, we recognise the critical importance of fostering a robust risk culture throughout our organisation. Our risk culture encompasses the collective values, attitudes, and behaviors that guide how we identify, assess, and respond to risks across all levels of the Company. We believe that a strong risk culture is fundamental to our ability to achieve our strategic objectives while safeguarding the interests of our stakeholders.

Throughout the year, we have continued to prioritise the development and reinforcement of a positive risk culture that promotes transparency, accountability, and proactive risk management. Our leadership team is committed to leading by example and setting the tone from the top, emphasising the importance of risk awareness and prudent decision-making in all aspects of our operations.

We have implemented various initiatives to promote a risk-aware culture, including ongoing training and education programs to enhance risk awareness and competency among our employees. Additionally, we have established channels for open communication and feedback, encouraging employees to raise concerns and share insights related to risks and opportunities.

Furthermore, our risk culture is reinforced through our performance management and reward systems, where effective risk management behaviors and outcomes are recognised and incentivised. We believe that by embedding a strong risk culture into the fabric of our organisation, we can better anticipate and adapt to evolving risks, seize opportunities for innovation and growth, and ultimately create sustainable value for our stakeholders.

Stakeholder Engagement

One of the key objectives of R I L's risk management is to balance the interests of stakeholders, while taking conscious risks that push boundaries and ensure the growth of the Company.

Our risk management principles and processes involve the engagement of key stakeholders such as tenants, suppliers, regulatory bodies, employees, banks, community and the environment in order to manage key risk areas affecting each one of them.

Stakeholder	Key Risk Areas
Tenants	Vulnerability to pricing structure and payment difficulties, potentially leading to credit risk and reduced occupancy rates
Suppliers/ Contractors	Supply chain disruptions, contractor performance challenges, and cost escalations arising from labour and resource constraints, exchange rate volatility, delayed deliveries, and unfavorable credit terms
Regulatory Bodies	Exposure to financial and operational risks arising from regulatory changes, non-compliance with applicable laws, policy shifts, interest rate fluctuations, and import restrictions
Employees	Talent loss and performance gaps arising from employee turnover, skills shortages, and workplace safety concerns
Banks	Changes in borrowing capacity and financing cost due to shifting loan terms, interest rates, and repayment pressures
Community	Expectations of local residents and businesses, public perception and online audience affect reputation and operational risks
Environment	Exposure from environmental impacts associated with emissions, waste, resource consumption, and climate change

With a detailed risk strategy in place, the Company takes into consideration all areas that are impacted by various internal and external factors, and draws up an extensive plan to mitigate risks (Refer page no 138). With careful planning and monitoring, R I L's objective is to strengthen its resilience to risks, and is constantly looking for areas to work on and fortify.

Risk Management Process



Risk identification is the first step, carried out by Heads of Divisions (HODs), to detect potential new risks and determine changes in existing ones. This is followed by risk assessment and evaluation, handled by the Senior Management, where each identified risk is assessed based on its impact and likelihood, to determine its importance to the Company. A Risk Heat Map is then used to decide the scope and scale of control measures that are required to be undertaken to manage the identified risks. This is accompanied by ongoing monitoring of risk control measures to ensure the achievement of risk objectives.

These steps are carried out using a bottom-up approach, where risks are identified at the operational or divisional level and then aggregated to assess their impact on the overall organisation. However, the Company is not only limited to a bottom-up approach. If deemed more effective, the Company adopts a top-down approach in the risk management process as well. Here, the leadership sets the tone by establishing policies and procedures, defining the risk appetite, and creating a framework for risk management. The strategies and policies are then communicated down the hierarchy for implementation.

Risk reporting is the final step that enables all relevant parties to stay informed of progressive improvements in R I L's risk strategy. R I L's current risk reporting practice is a continuous one that involves bi-annual reports to the Board Audit and Risk Committee (BARC). Concerns regarding existing or potential risks are directly brought to the attention of Senior Management, while ongoing risks are discussed in detail during weekly performance meetings, in order to address them rapidly and effectively.

After carefully following this process, R I L identifies emerging risks and reassesses existing ones for the assessment period. Thereafter, new strategies are formulated to mitigate these risks, recording them

in the documents mentioned above. The BARC then reviews these risk assessments on a bi-annual basis.

In addition to the regular risk assessment process, climate-related risks were also assessed during the Financial Year 2025/26. Please refer to page 74 for the applicable risk assessment process.

Risk analysis and measurement

R I L currently analyses and measures identified risks through a structured scoring approach, incorporating relevant industry experience, market benchmarks, and professional judgement to ensure a comprehensive and practical risk assessment.
It ranks the risk profile of individual risk categories (on a scale of 1 to 25), which have been mapped in the heat map below based on the likelihood of occurrence and impact on R I L's operations.

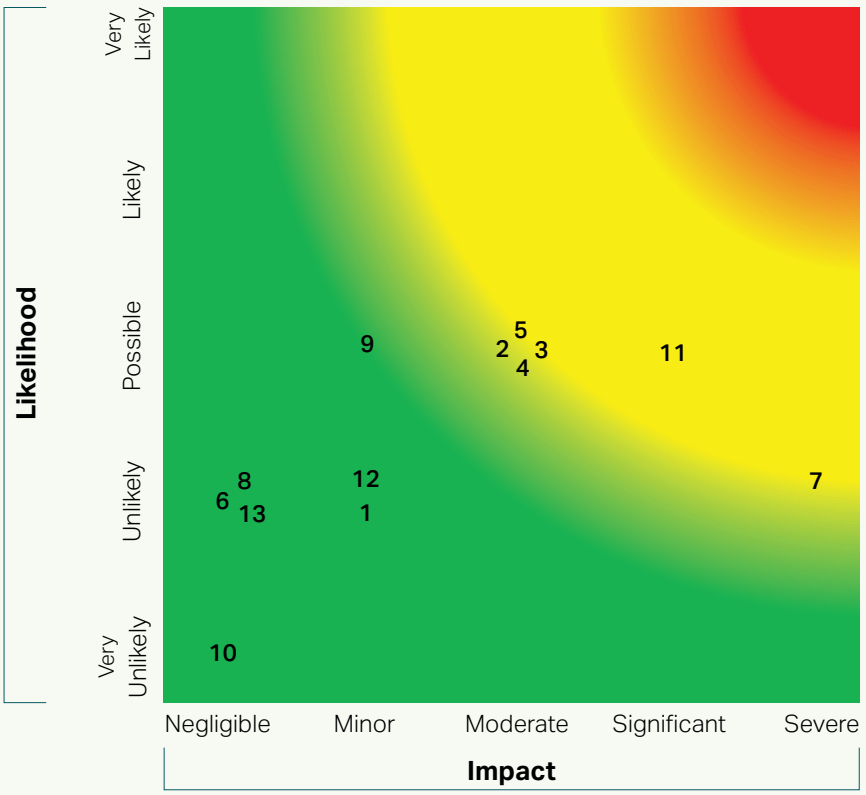
Risk profile (Scale 1-25) = Risk impact (Scale 1-5) X Risk likelihood (Scale 1-5)

Key Risk Management Strategies Introduced During 2025/26

After carefully following this process, R I L was able to reassess existing risks for the Financial Year 2025/26. Strategies were formulated to mitigate these risks. The BARC was also apprised of these risk assessments, bi-annually.

Risk category	Strategy
Health and Safety Risk	• Established a separate Management Health Committee to assess and implement necessary safety protocols for both current and future requirements
Ongoing Project Development Risk	• All necessary legal and regulatory requirements were complied with, prior to the commencement of the project. • Appointed dedicated internal teams and external specialists to oversee project execution, and ensure adherence to expected quality and timeline. • Maintained regular engagement and discussions with relevant stakeholders to monitor the progress and implement corrective actions where necessary.
Remote Working Risk	• Educated employees on safety guidelines relating to work-from-home arrangements and obtained the necessary insurance coverage. • Implemented adequate cybersecurity controls to ensure data protection and information security
Climate-Related Risk	• Refer "SLFRS Sustainability Related Financial Disclosures" on page 62.

Risk Categories and Heat Map



Financial Risks

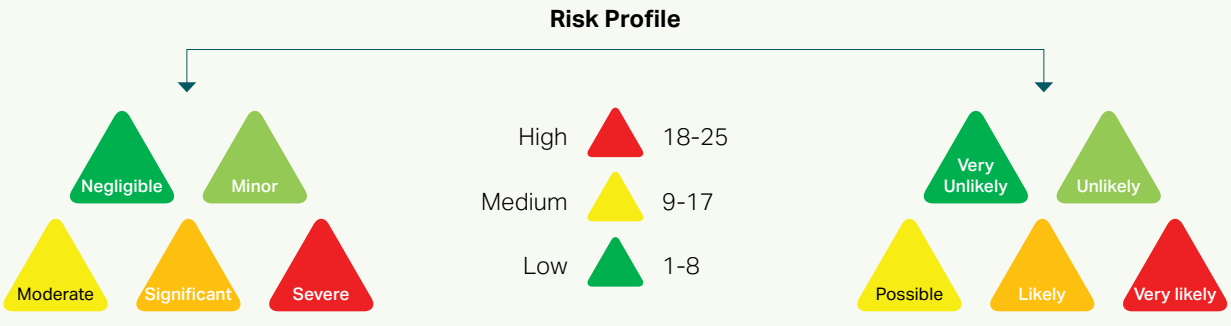
1. Credit Risk
2. Interest Rate Risk
3. Liquidity Risk
4. Exchange Rate Risk

Operational and Compliance Risks

5. Human Resources Risk
6. Health & Safety Risk
7. Damage to Physical Assets Risk
8. Legal & Compliance Risk
9. Reputational Risk
10. Remote Working Risk

Strategic Risks

11. Strategic Risk
12. Information Technology Risk
13. Ongoing Project Development Risk



Risk Assessment Summary

Risk	Description	Risk Assessment		Risk Profile	
		Impact	Likelihood	2025/26	2024/25
1. Credit Risk	Risk of tenants not meeting obligations as per the lease agreements and/or any deferment plans given to them, and counterparty not meeting obligations under financial instrument or customer contract, leading to financial loss	Minor	Unlikely	Low	Low
2. Interest Rate Risk	The probability that financing activities would be affected by fluctuations in market interest rates - mainly the risk of changes in market interest rates relating primarily to short-term/long-term floating rate-based debt and investments	Moderate	Possible	Medium	Medium
3. Liquidity Risk	Constraints in the Company's financial resources, restricting its ability to meet obligations that fall due in the normal course of business	Moderate	Possible	Medium	Medium
4. Exchange Rate Risk	Arising from the fact that future commercial transactions are carried out in a currency other than the Company's functional currency	Moderate	Possible	Medium	Medium
5. Human Resources Risk	Arising from the challenges in building and maintaining a capable workforce, including skill gaps, limited development opportunities, high talent competition, employee well-being concerns, weak succession planning, and challenges in fostering diversity, inclusion, and compliance	Moderate	Possible	Medium	Medium
6. Health and Safety Risk	Inadequacy of higher standards in health and safety systems and procedures to prevent accidents and incidents for customers, employees, contractors and visitors	Negligible	Unlikely	Low	Low
7. Damage to Physical Assets Risk	Losses, destruction, or impairment of property, equipment, or infrastructure due to unforeseen events or incidents	Severe	Unlikely	Medium	Medium
8. Legal and Compliance Risk	Non-compliance with laws and regulations resulting from changes in legal regulations including Government policies	Negligible	Unlikely	Low	Low
9. Reputational Risk	Potential loss of earnings arising from negative public opinion regarding the Company and its actions, and the inability to manage the expectations of customers, shareholders, investors and the public	Minor	Possible	Low	Low
10. Remote Working Risk	Risks associated with remote and hybrid working arrangements, affecting employee performance, collaboration, and team dynamics	Negligible	Very Unlikely	Low	Not assessed
11. Strategic Risk	Impact on business continuity arising from disruptive events or decisions, as well as untapped opportunities or threats embedded in, and arising from, the business model	Significant	Possible	Medium	Medium
12. Information Technology Risk	Potential loss or harm related to technical infrastructure, or the use of technology within the Company	Minor	Unlikely	Low	Low
13. Ongoing Project Development Risk	Risk associated with project financing, contractor performance, timely completion, compliance with approved plans, and obtaining necessary regulatory approvals	Negligible	Unlikely	Low	Not assessed

Key Mitigation Actions Continued from the Last Financial Year for Medium and Above Rated Risks

Interest Rate Risk	• The Management Investment Committee evaluates investment opportunities with a higher return and varying nature. • Interest rates are frequently monitored and renegotiated wherever possible, and competitive rates are pursued to minimise borrowing costs.
Liquidity Risk	• Investments are made in highly liquid financial instruments to ensure that there are sufficient funds available to meet future cash requirements, as they arise. • Cash positions are monitored frequently through periodical cash flow forecasts and solvency-based analysis, in order to ensure that future cash needs are met.
Exchange Rate Risk	• Hedging strategies are implemented for foreign currency payments at predetermined exchange rates, wherever possible. • Exchange rates are monitored regularly and foreign currency quoting rates updated as needed.
Human Resources Risk	• Remuneration is determined by market surveys to ensure that it is maintained on par with the industry, and salaries are adjusted when deemed necessary. • Grievance handling and whistleblowing are part of the Company policy to enable employees to raise concerns freely. • Employee performance is evaluated based on key performance indicators, and training and development needs of the workforce are prioritised by inculcating a learning and development culture.
Damage to Physical Assets Risk	• Insurer risk surveys are conducted annually on existing policies and recommended improvements are implemented accordingly. • Appropriate insurance covers are in place to recover financial losses due to damage to physical assets. • Computer-based maintenance management software is in place to monitor equipment data, track breakdown history and create efficient machine maintenance schedules.
Strategic Risk	• R I L's investment strategies and performances are assessed regularly by the Board, while the CEO closely reviews the effective implementation of the same . • Industry-specific market research analysis conducted by an independent research institute is obtained and reviewed to identify market needs. • The Company has a Business Continuity Plan to address critical incidents.

Leading through Governance

GRI 2-20

Strong corporate governance continues to be a defining pillar of our organisation and a key enabler of sustainable value creation. Beyond compliance with regulatory requirements, we view governance as a commitment to integrity, accountability and responsible decision-making across all levels of the business. It guides how we conduct ourselves, engage with stakeholders and pursue our long-term strategic objectives.

As the Chairman, I remain focused on ensuring the effectiveness of the Board through clear leadership, constructive engagement and robust oversight. During the year, the Board continued to encourage open dialogue, independent thinking and active participation from all Directors, enabling balanced and well-informed decision-making. Regular evaluations and ongoing engagement supported the continuous strengthening of Board effectiveness and governance practices.

The Board maintains a culture grounded in mutual respect, professionalism and transparency. Diverse perspectives are actively encouraged and constructive debate remains central to our governance process. This collaborative environment enables the Board to challenge assumptions thoughtfully, consider matters from multiple viewpoints and make decisions in the best interests of the Company and its stakeholders.

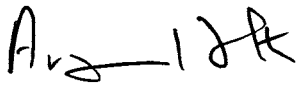
Our governance framework is firmly embedded across the organisation through clearly defined policies, procedures and accountability structures. These are reinforced through performance evaluations, internal controls and ethical standards that guide conduct at every level of the business. Together, these practices ensure that governance is not merely a framework of oversight, but an integral part of how we operate, create value and pursue sustainable growth.

On behalf of the Board of Directors, I wish to confirm that in accordance with

1. section 9.1.3 of the Listing Rules, this report together with the annexures, confirm the extent of compliance with the Corporate Governance Rules under the Listing Rules;
2. section 9.2.2 of the Listing Rules, to the best of my knowledge, there have been no material violations of the provisions of the Code of Ethical Business Conduct applicable to our employees, Directors, or the Company during the year. Further, the Company has not granted any exemptions or waivers to the adherence of the Code;
3. section 9.7.5 of the Listing Rules, all Directors, including the Chief Executive Officer, have submitted their declarations on fitness and propriety and continue to satisfy the fit and proper criteria stipulated in the Listing Rules;
4. section 9.5.2 of the Listing Rules, all requirements relating to the policy on matters relating to the Board have been duly complied with.
5. section 9.8.5 of the Listing Rules, the Board of Directors made an annual determination on independence of the Directors based on the declarations submitted by each Director and other information available. The names of the Directors who are deemed independent as at 31 March 2026 are duly disclosed in this report;
6. section 9.17 of the Listing Rules,
   a. all Directors have declared all material interests in contracts involving the Company and have refrained from voting on matters in which they were materially interested;
   b. the Board has conducted a review of the internal controls covering financial, operational and compliance controls and risk management and has obtained obtained reasonable assurance of their effectiveness and successful adherence therewith;
   c. the Board has made arrangements to make ourselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions;
   d. to the best of my knowledge, there are no relevant areas of any material non-compliance with any law or regulation and any fines, which are material, imposed by any government or regulatory authority
7. section 9.14. 8 (4), the Rules pertaining to Related Party Transactions under the Listing Rules have been complied with
8. section 9. 10 .1 of the Listing Rules, based on the annual declarations submitted by the Directors, all Directors remained within the prescribed limits throughout the year under review and no instances of non-compliance were identified

   Concluding, I would also like to extend my sincere appreciation to my fellow Board members for their guidance, commitment and invaluable contributions throughout the year. My thanks also go to the management team and employees for their professionalism, dedication and continued efforts in upholding the values and governance standards of the Company.

As we move forward, we remain committed to strengthening our governance practices further and maintaining the trust and confidence placed in us by our shareholders and all stakeholders.



A. Herath
Chairman

5 June 2026
Colombo

Introduction

Corporate governance continues to evolve beyond traditional compliance-focused practices towards a broader framework centred on long-term sustainability, stakeholder engagement, accountability, ethical conduct and transparent decision-making. In this context, the Company has continued to strengthen its governance framework by integrating modern governance principles and enhancing oversight practices in support of sustainable value creation and responsible corporate stewardship.

This report reflects the Company's ongoing commitment to maintaining high standards of governance while continuously evolving its governance practices in response to the changing business, regulatory and stakeholder landscape.

Five Principles of Corporate Governance

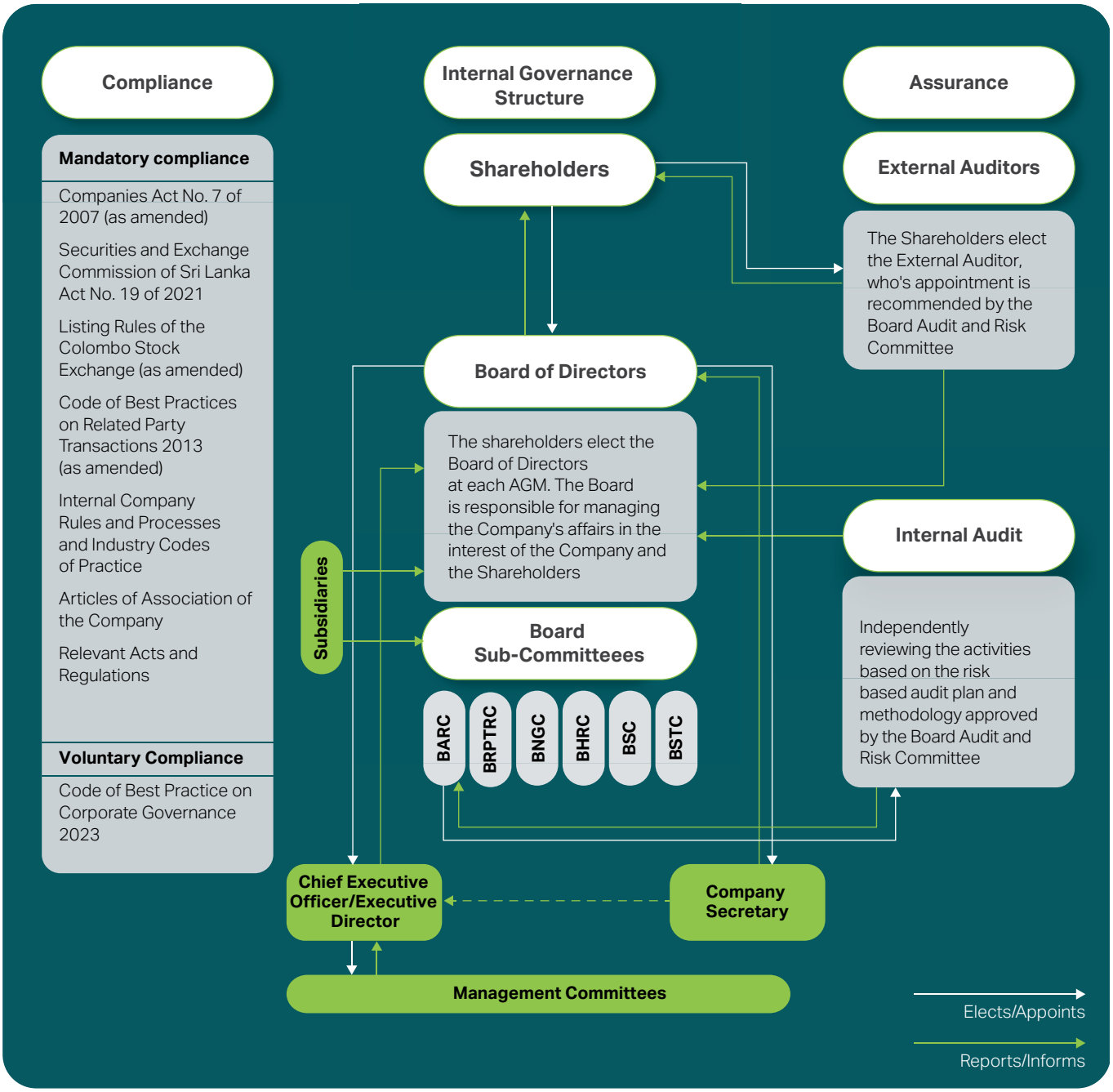


How to Navigate this Report

This Corporate Governance Report is structured to provide clear insight into the processes we follow in each area of governance.

Each section outlines the specific procedures and practices in place, followed by a detailed account of the key developments and actions taken throughout the year. This approach allows for a comprehensive understanding of how governance practices are implemented and how they have evolved over the reporting period.

Governance Structure



BARC - Board Audit and Risk Committee

BRPTRC - Board Related Party Transactions Review Committee

BNGC - Board Nominations and Governance Committee

BHRC - Board HR and Remuneration Committee

BSC - Board Sustainability Committee

BSTC - Board Strategy Committee

Governance Element	Primary Responsibility
Board of Directors	Strategic oversight and stewardship
Board Sub-Committees	Focused governance oversight
Company Secretary	Governance and regulatory compliance
Internal Audit	Independent assurance
External Auditors	External assurance and transparency
Management Committees	Operational oversight

Key Governance Activities During the Year

- Reviewed the adequacy and effectiveness of the Company's governance structure;
- Assessed alignment between the governance framework and the Company's strategic direction;
- Evaluated governance oversight mechanisms and reporting structures;
- Confirmed that the governance framework remained appropriate to support the Company's business model and long-term objectives;

Our Governance Framework

The Company's governance framework is designed to support responsible leadership, effective oversight and sustainable value creation. The framework combines compliance with applicable legal and regulatory requirements together with internally established governance policies, procedures and ethical standards that guide the conduct of the Board, Management and employees.

The governance framework is regularly reviewed to ensure continued alignment with the Company's strategic priorities, operating environment and stakeholder expectations while promoting accountability, transparency and sound decision-making across all levels of the organisation.

Governance Framework Summary

Governance Layer	Purpose	Examples
External Governance Requirements	Legal and regulatory obligations applicable to the Company	Companies Act No.07 of 2007 (As amended) (CA 2007), CSE Listing Rules (Listing Rules), Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021, Related Party Transaction Code 2013, All other laws and regulations applicable to the business
Voluntary Governance Commitments	Best practice governance standards voluntarily adopted by the Company	Code of best practice on Corporate Governance 2023 (CG Code 2023)
Internal Governance Framework	Policies, procedures and governance mechanisms supporting oversight and accountability	Articles of Association, Internal Policies, Code of Conduct, Terms of References for Board Sub-Committees

Classification of Internal Policies

Governance Theme	Objective	Relevant Policies
Board Governance	Strengthen oversight and Board effectiveness	Policy on Board Matters, Policy on Board Sub-Committees, Policy on Corporate Governance, Nominations and Re-election
Ethics & Conduct	Promote ethical culture and integrity	Policy on Code of Ethical Business Conduct, Whistleblowing Policy, Anti-Bribery and Corruption Policy
Risk & Compliance	Support risk oversight and regulatory compliance	Compliance Policy, Risk Management Policies and Procedures, Policy on Risk Management and Internal Controls
Shareholder & Market Governance	Enhance transparency and stakeholder engagement	Policy on Shareholder and Investor Communications, Policy on Corporate Disclosures, Policy on Dealing with Shares
Sustainability & Stewardship	Support sustainable and responsible business practices	Policy on ESG Sustainability, Policy on Governance of Subsidiary Companies, Policy on Control and Management of Company Assets and Shareholder Investments
HR and remuneration	Align remuneration with performance and accountability	Policy on remuneration

Compliance with Section 9.2.3 of the Listing Rules

All policies mandated under section 9.2.1 of the Listing Rules are listed above and are published on the Company website. It forms part of the mandatory compliance.

The changes to the policies during the year are summarised below:

Summary of Key Amendments to the Mandatory Policies

Policy	Key enhancement	Objective
Policy on matters relating to the Board	Revised references within the policy to align its applicability specifically to the Company	Improve clarity
Policy on internal code of business conduct and ethics and employees for Directors	Deleted the procedures relating to Directors' access to independent professional advice and the advice and services of the Company Secretary	Consolidate Board governance matters within a single policy framework and enhance governance clarity and effectiveness
	Review of the policy shall be by the Board Nominations and Governance Committee	As the Code of Conduct is a governance tool the review has been assigned to the Board Nominations and Governance Committee

Key Governance Activities During the Year

- Following the disclosure of the effective dates for the amendments to the Companies Act, the Company initiated the necessary implementation measures to support timely compliance;
- Monitored the implementation of the Company's Personal Data Protection Act No. 09 of 2022 (PDPA) compliance framework and related governance initiatives to strengthen data governance, regulatory compliance and information management practices across the organisation;
- Reviewed all mandatory governance policies under the Listing Rules and updated where necessary.

The Board

Principle A.1 and A.5 of the CG Code 2023

Board Balance

As the highest governance body, the Board of Directors is responsible for providing effective leadership and direction, to enhance the long-term values of the Company, to its' shareholders and other stakeholders.

		Diversity and inclusion					
Structure and composition		Age		Gender		Tenure	
Total number of Directors	8	50 – 60	3	Male	5	Less than 5 years	5
Non-Executive Directors	7	60 – 70	5	Female	3	5-9 years	2
Independent Non-Executive Directors	6	Above 70	0	–	–	More than 9 years	1

The Board maintains an appropriate balance of skills, experience, independence and diversity to support effective oversight and long-term value creation.

The assessment of the Board composition comprehensively addresses the aspects of diversity, including age, tenure, gender, expertise and independence, ensuring a well-rounded and effective governance structure.

Independent Directors play a critical role in challenging management, scrutinising corporate governance practices and safeguarding the interests of stakeholders.

Key Governance Activities During the Year

- Reviewed the Board composition to assess the continued alignment of the Board's structure, skills and experience with the strategic requirements of the Company;
- Approved the appointment of a new Director to further strengthen the collective expertise and effectiveness of the Board;

Board changes during the year

Category	Details
Resignations	Ms. C. Ranasinghe, Independent Non-Executive Director resigned with effect from 31 August 2025;
	Ms. L. Yaseen, Non-Independent Non-Executive Director resigned with effect from 30 September 2025;
Appointments	Mr. V. Nawagamuwage, Independent Non-Executive Director was appointed with effect from 22 January 2026;

Board Skills and Competencies

Section 9.10.4 (a), (b) and (d) of the Listing Rules

The Board's composition reflects a broad range of competencies across key business, financial, governance and industry-related areas, enabling the Company to effectively navigate opportunities, risks and evolving business priorities.

Profiles of the Directors, including their respective qualifications, experience and areas of expertise, are provided on pages 36 to 43 of this Annual Report.

The Board maintains an appropriate balance of skills, expertise and experience required to effectively discharge its governance and oversight responsibilities. The skills matrix supports the assessment of the Board's collective competencies against the strategic and operational requirements of the Company.

Competency Area	Coverage
Financial Acumen	●●●●●●○○
Investments	●●●●●●●○
Strategy & Business Planning	●●●●●●●○
Leadership	●●●●●●●○
Corporate Governance	●●●●●○○○
Risk Management	●●●●●●○○
Legal	●●●●●●○○
People & Culture	●●●●●●○○
Industry Knowledge	●●●○○○○○
Construction, Projects & Property Development	●●●●●○○○
Marketing & Business Development	●●●●●○○○
Corporate Transactions	●●●●○○○○
ESG/Sustainability	●●●●○○○○
International Experience	●●○○○○○○
Technological Proficiency/Digital Literacy	●●●●●○○○

Key Governance Activities During the Year

- Pursuant to an annual assessment, the Board is satisfied that collectively, the Board possesses the competencies and experience required to effectively oversee the Company's strategy, governance, risk management and operational priorities.

Maintaining Independence Element and Fitness and Propriety of Directors

Principle A.1 and A.5 of the CG Code 2023)

The Board recognises the importance of maintaining an appropriate balance of independence, objectivity and professional competence in ensuring effective governance and oversight. Independent judgment and constructive challenge are actively encouraged in Board deliberations and decision-making processes.

The Board places significant emphasis on assessing the independence and fitness of Directors on an ongoing basis, taking into consideration applicable regulatory requirements, governance best practices and the ability of Directors to effectively discharge their duties and responsibilities. To support this process, Directors submit periodic declarations relating to their independence, fitness and other relevant governance disclosures. In addition, the Board maintains a formal process through which Directors disclose any changes to directorships and other relevant interests held in external entities.

Governance Focus	Approach
Director Independence	Quarterly declarations and ongoing assessments
Fitness & Propriety	Continuous evaluation against governance requirements and
	Quarterly declarations
Conflict Management	Regular disclosure of external directorships and interests and quarterly declarations

Key Governance Activities During the Year

- As at 31 March 2026, the following Directors were determined as "independent"

Section 9.8.5 of the Listing Rules

1. Mr. A. Herath
2. Ms. C. Pietersz
3. Prof. N. Gunawardena
4. Mr. N. Fernando
5. Mr. S. Mudalige
6. Mr. V. Nawagamuwage

- All Directors submitted their annual declarations on independence and fitness and propriety

Management of Conflict of Interests

GRI 2-15

The Company has established governance processes and policies to ensure that actual or potential conflicts of interest are appropriately identified, disclosed and managed in the best interests of the Company and its stakeholders.

Directors are required to disclose any interests or relationships that may give rise to actual or perceived conflicts of interest and are expected to exercise independent judgment in carrying out their duties and responsibilities.

Where a conflict of interest arises, the relevant Director abstains from participating in discussions and decision-making relating to the matter concerned, in accordance with applicable governance procedures and regulatory requirements.

The Board also maintains ongoing processes relating to the disclosure of directorships and other related interests to support transparency, accountability and effective governance oversight.

Policy on External Directorships

The Company maintains a policy governing the acceptance of external directorships by Directors to ensure that they are able to effectively discharge their responsibilities to the Company and devote sufficient time and attention to Board matters.

Compliance with the policy and applicable governance requirements relating to external directorships is monitored through established governance processes and periodic disclosures by Directors.

Directorships/Key Management Personnel (KMP) positions held by each Director in other companies as at 31 March 2026

Section 9.10.4 (c) and (e) of the Listing Rules

Name of Director	No. of Board Seats/ KMP positions in Listed Companies (excluding R I L)		No. of Board Seats/ KMP positions in Unlisted Companies (excluding R I L)		Total number of Directorships/KMP positions and Company names		Material business relationships of the Director or close family member with other Directors
	Executive Capacity	Non-Executive Capacity	Executive Capacity	Non-Executive Capacity	Number of Directorships	Company name	
Mr. A. Herath	Nil	5	Nil	9	14	Synapsys Ltd. Colombo Stock Exchange Senkadagala Finance PLC Cargills Bank PLC Watawala Plantations PLC Durdans Medical and Surgical Hospital (Pvt) Ltd United Motors Lanka PLC Central Depository Systems (Pvt) Limited CSE Clear (Pvt) Ltd. Watawala Dairy Limited CBL Investment Ltd The Sri Lanka Institute of Directors Dialog Axiata PLC Subsidiaries of R I L	Nil
Ms. H. Fernando	Nil	3	2	11	16	DFCC Bank PLC United Motors Lanka PLC and it's subsidiaries Panasian Power PLC and it's subsidiaries A & T Associates Subsidiaries of R I L	Nil
Prof. N. Gunawardena	01	Nil	01	06	08	Aster Holdings (Pvt) Ltd Zays (Pvt) Ltd University of Moratuwa Subsidiary of R I L Resus Energy PLC Aster Services (Pvt) Ltd Ridhi Design Studio Blue Star Creations (Pvt) Ltd	Nil
Ms. C. Pietersz	Nil	4	Nil	2	6	Bogala Graphite PLC Panasian Power PLC Compass Advisory Services (Pvt) Ltd Tambapanni Academic Publishers (Pvt) Ltd Nations Trust Bank PLC United Motors Lanka PLC	Nil
Ms. V. Weerasekera	Nil	Nil	1	1	2	SW Legal Subsidiaries of R I L	Nil

Name of Director	No. of Board Seats/ KMP positions in Listed Companies (excluding R I L)		No. of Board Seats/ KMP positions in Unlisted Companies (excluding R I L)		Total number of Directorships/KMP positions and Company names		Material business relationships of the Director or close family member with other Directors
	Executive Capacity	Non-Executive Capacity	Executive Capacity	Non-Executive Capacity	Number of Directorships	Company name	
Mr. S. Mudalige	Nil	6	Nil	12	18	CIC PLC Ambeon Capital PLC Ambeon Holdings PLC Galadari Hotels PLC NDB Bank PLC CIC Feeds Group Mahindra Ideal Finance Limited Cargo Boat Development PLC NSBM Green University Link Natural Products Limited, Sherwood Capital Limited Maliban Biscuit Manufactories (Private) Limited Allianz Insurance Lanka Limited Millennium IT ESP Mercantile Services Provident Society Ceylon Chamber of Commerce National Medical Regulatory Authority Board of Investment	Nil
Mr. N. Fernando	Nil	4	1	2	7	Haycarb PLC Dipped Products PLC Hayleys Fabrics PLC Hatton Ntional Bank PLC Assetline Finance Limited Professional Business Consultants (Pvt) Ltd Subsidiaries of R I L	Nil
Mr. V. Nawagamuwage	Nil	Nil	Nil	3	3	Dumbara Hotels (Pvt) Ltd Samadhi Resorts (Pvt) Ltd MAK Investments Holdings (Pvt) Ltd	
Directors who resigned during the year (Directorships as at the resigned date)							
Ms. C. Ranasinghe	Nil	Nil	1	1	2	Subsidiaries of R I L Corporate Law Chambers	Nil
Ms. L. Yaseen	Nil	Nil	Nil	1	1	RRY Investments (Pvt) Ltd	Nil

Financial Acumen

Principle A.4 of the CG Code 2023

The Board recognises financial acumen as a core competency essential for effective governance and decision-making. To ensure strong financial oversight, the Board is composed of Directors with sufficient financial knowledge, with 5 out of the 8 Directors possessing the necessary financial expertise to offer valuable guidance on financial matters.

Alternate Directors

Principle A.5.6 of the CG Code 2023

The Board is mindful when appointing alternate Directors, to appoint only for a limited period of time, that too in exceptional circumstances. The Board ensures that when an alternate Director is appointed by an Independent Non Executive Director, the alternate Director also qualifies the criteria on independence and the minimum number on Independent Directors on the Board is satisfied.

Board Responsibilities

Principle A 1.1 and A. 1. 2. of the CG Code 2023

The Board's key role is to provide entrepreneurial leadership of the Company within a framework of prudent and effective controls, which enables risks to be assessed and managed.

Board Oversight on Strategy and Performance

GRI 2-12

The Board plays an active role in setting the strategic direction of the Company and overseeing the execution of its strategic priorities in a manner that supports sustainable value creation and the long-term interests of stakeholders. The governance framework of the Company facilitates effective oversight, accountability and informed decision-making, ensuring that strategic objectives are pursued within an appropriate risk management and control environment.

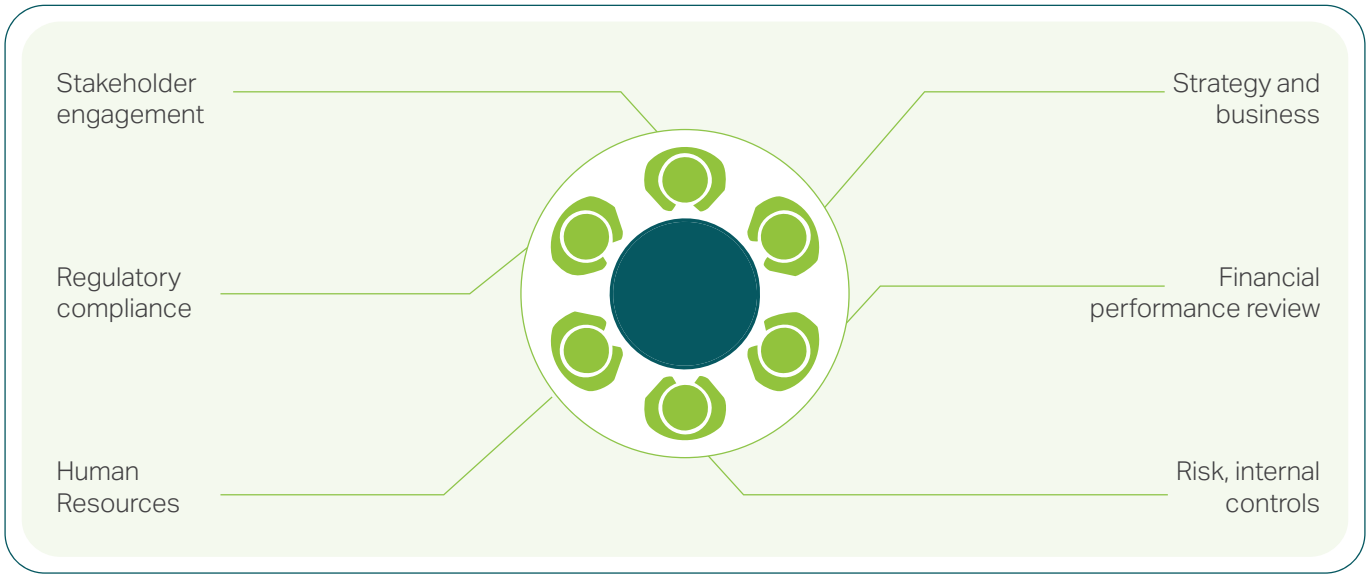
Progress against strategic objectives is regularly monitored through financial and non-financial key performance indicators (KPIs), Management reporting and Board deliberations. The Board also considers evolving market conditions, emerging risks and sustainability-related matters in evaluating strategic decisions and overseeing the continued implementation of the Company's strategic plans.

Through the integration of sound governance practices with strategic oversight, the Board continues to promote resilience, accountability and sustainable long-term value creation for all stakeholders.

Key Governance Activities During the Year

Key strategic and operational matters considered by the Board:

- Conducted an annual strategy session at the beginning of the year to review the Company's strategic direction, priorities and key business objectives;
- Held a subsequent strategy review meeting during the year to evaluate progress against the approved strategic initiatives and priorities;
- Received periodic updates on the implementation and progress of strategic initiatives as part of regular Board meeting deliberations throughout the year;
- Established a dedicated Board Strategy Committee to provide focused oversight and guidance on strategic matters and long-term business initiatives;



- Reviewed comparative analysis of peer companies operating within the industry to support strategic evaluation and decision-making;
- Considered key market trends and demand drivers impacting the sector and the Company's operating environment;
- Received quarterly updates on operational performance, strategic initiatives and key business developments across the Group;
- Considered updates relating to the real estate sector and developments relevant to the Company's strategic and operational priorities;
- Approved the implementation of a new Human Resource Information System (HRIS) to strengthen human capital management processes, operational efficiency and management oversight capabilities.
- Approved the implementation of a digital meeting platform to enhance governance processes, facilitate secure information sharing and improve the efficiency and effectiveness of Board and Board Sub-Committee engagements.

Relationship with Senior Management

The Board delegates the day-to-day management of the Company to the Chief Executive Officer (CEO), who is responsible for implementing the strategic direction and policies approved by the Board. The CEO is supported by the Senior Management team in overseeing the operations and management of the Company.

The Board maintains regular engagement with Senior Management to support effective oversight, accountability and the execution of the Company's strategic objectives. Senior Management provides regular updates to the Board on operational, financial, strategic and other relevant matters within their respective areas of responsibility.

The Board and Senior Management engage in periodic strategic discussions and reviews to evaluate progress against the Company's strategic priorities, operating plans and business performance. Senior Management also attends Board meetings, where required, to facilitate informed deliberations and decision-making by the Board.

Segregation of roles of the Chairman and Chief Executive Officer

Principle A.2 of the CG Code 2023

In line with the principles of good corporate governance, the roles of Chairman and the CEO are assumed by different individuals.

There is a clear division of responsibilities between the Chairman's responsibility to manage the Board and the CEO's responsibility to manage the Company's business and thereby ensures a balance of power and authority.

Role of the Chairman

Principle A.3.1 of the CG Code 2023

The Chairman is responsible for providing leadership to the Board and ensuring its effective functioning. The Chairman promotes constructive engagement, independent judgment and effective participation by all Directors, while facilitating sound governance practices and effective oversight of the Company's strategic direction and performance.

Meeting with Non-Executive Directors

Principle A. 5.9 of the CG Code 2023

The Chairman ensures to hold meetings with the Non-Executive Directors without the presence of the Executive Directors, as necessary.

Role of the Company Secretary

Principle A.1.4 of the CG Code 2023

The Company Secretary plays an integral role in supporting the effective functioning of the Board and promoting sound corporate governance practices across the organisation. The Company Secretary assists the Board in ensuring compliance with applicable regulatory requirements and governance procedures, while facilitating timely information flows and effective communication between the Board, Board Committees and Management.

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

Key Governance Activities During the Year

- Through the Board Nominations and Governance Committee (BNGC), evaluated the effectiveness of the role and functioning of the Company Secretary during the year;
- The review considered the adequacy of governance support provided to the Board and the effectiveness of governance-related processes and communications;
- Areas for further enhancement and continuous improvement identified through the evaluation process were communicated for implementation and follow-up.

Directors' and Officers' Liability Cover

Principle A. 1. 4 of the CG Code 2023

The Board recognises the importance of having adequate Directors and Officers (D&O) insurance coverage to protect its members from potential liabilities arising from their decisions and actions in their official capacities.

To ensure comprehensive protection, the Board has put in place a D&O insurance policy that it believes is sufficient to cover the risks associated

with the roles and responsibilities of the Directors and Officers. This coverage is regularly reviewed to ensure it remains appropriate and effective in safeguarding the interests of the Board and the Company.

Key Governance Activities During the Year

- Through the BNGC reviewed the adequacy of the D&O insurance cover including the scope and coverage limits applicable to the Company;
- Following its review, the Committee was satisfied that the existing D&O insurance coverage remained appropriate and sufficient in relation to the Company's current risk profile and governance requirements.

Director Appointments and selection

Principle A.7.1 and A.7.2 of the CG Code 2023

The BNGC has established a formal and transparent process for the identification, evaluation and nomination of candidates for appointment to the Board. The process is designed to ensure that Board appointments are aligned with the strategic direction, governance requirements and long-term interests of the Company.

In evaluating potential candidates, the BNGC considers a range of factors. The selection process also considers the expectations of stakeholders and the competencies required to support the evolving strategic and operational requirements of the Company.

Selection Considerations

Selection Consideration	Focus Area
Diversity	Gender, age, perspectives and experience
Independence	Objective judgment and governance oversight
Competencies	Skills aligned to strategic priorities
Industry Experience	Relevant sector and operational expertise
Stakeholder Expectations	Long-term value creation and governance effectiveness

Re-election of Directors

Principle A.8.1-A. 8.2 and A. 9.3 of the CG Code 2023

The re-election or election of Directors is governed by the Articles of Association and performed at the Annual General Meeting of the Company.

Directors who are appointed to fill the casual vacancy hold office until the next AGM and thereafter seek election by shareholders, in line with the Articles of Association.

The BNGC employs a thorough assessment process when considering the recommendation to the Board on the re-election of a Director.

Key Governance Activities During the Year

- The BNGC undertook an assessment and recommended the re-election of Professor. N. Gunawardena and Ms. V. Weerasekera at the upcoming Annual General Meeting;
- Mr. V. Nawagamuwage who was appointed during the year shall submit himself for election by the shareholders at the Board's recommendation;

Resignations

Principle A.8.3 of the CG Code 2023

The Company has established a formal process governing the resignation of Directors to ensure transparency, continuity and compliance with applicable regulatory requirements.

A Director intending to resign from the Board is required to submit a formal written communication to the Board setting out the resignation and, where applicable, the reasons for such resignation. The resignation is promptly communicated to the Board and disclosed to the CSE, in accordance with the applicable Listing Rules.

Board Succession

The Board, through the BNGC, maintains an ongoing succession planning process to support the continued effectiveness, diversity and independence of the Board.

Succession planning considerations are integrated into the Board appointment, evaluation and renewal processes to ensure that the Board continues to maintain an appropriate balance of skills, experience, industry knowledge and perspectives aligned with the strategic direction and governance requirements of the Company.

The BNGC periodically reviews the composition of the Board, including future competency requirements, leadership continuity and Board diversity considerations, in order to support orderly succession and long-term governance effectiveness.

Key Governance Activities During the Year

- Reviewed Directors approaching the completion of nine years of service in order to support succession planning, Board renewal and the continued assessment of independence requirements.
- Considered Board Committee concentration risks and succession considerations relating to Committee composition and leadership continuity.

Board Meetings

Principal A.1.1 of the CG Code 2023

The Board meets regularly to discharge its responsibilities and provide strategic oversight to the Company. Meetings are scheduled annually in advance to facilitate effective participation by Directors, while additional meetings are convened where necessary.

Directors are provided with timely and adequate information to support effective deliberations and informed decision-making. Matters requiring urgent consideration may, where appropriate, be approved by way of circular resolutions in accordance with established governance procedures.

The Articles of Association permit Directors to participate in Board and Board Sub-Committee meetings through telephonic or audio-visual communication facilities where necessary.

The details of the number of Board and sub-Committee meetings meetings held in the year as well as the attendance of each Board member at those meetings are disclosed below:

Board and Sub-Committee attendance

Section 9.10.4 (f), (g) and (h) of the Listing Rules

Board

Name of Director	Attendance *
Mr. A. Herath - Chairman	11/11
Ms. H. Fernando – CEO/ ED	11/11
Prof. N. Gunawardena	09/11
Ms. C. Pietersz	10/11
Ms. V. Weerasekera	11/11
Mr. N. Fernando	09/11
Mr. S. Mudalige	11/11
Mr. V. Nawagamuwage **	3/3
Directors resigned during the year	
Ms. C. Ranasinghe ***	5/5
Ms. L. Yaseen ****	2/5

* (Attended/Eligible to attend)

** Appointed w.e.f 22 January 2026

*** Resigned w.e.f 31 August 2025

**** Resigned w.e.f 30 September 2025

Board Audit and Risk Committee

Name of Director	Committee status	Attendance *
Ms. C. Pietersz	Chairperson	15/17
Prof. N. Gunawardena	Member	15/17
Ms. V. Weerasekera	Member	17/17
Mr. N. Fernando	Member	11/17
Ms. H. Fernando (attended by invitation)	N/A	11/11
Directors resigned during the year		
Ms. C. Ranasinghe**	member	7/7

* (Attended/Eligible to attend)

** Director resigned w.e.f 31 August 2025

Board Related Party Transactions Review Committee

Name of Director	Committee status	Attendance *
Mr. S. Mudalige	Chairperson	4/4
Mr. A. Herath	Member	4/4
Ms. C. Pietersz	Member	3/4
Ms. H. Fernando (attended by invitation)	N/A	4/4
Directors resigned during the year		
Ms. C. Ranasinghe**	Member	2/2
Ms. L. Yaseen***	Member	2/3

* (Attended/Eligible to attend)

** Resigned w.e.f 31 August 2025

*** Resigned w.e.f 30 September 2025

Board HR and Remuneration Committee

Name of Director	Committee status	Attendance *
Prof. N. Gunawardena	Chairman	9/9
Mr. A. Herath	Member	9/9
Mr. N. Fernando	Member	7/8
Ms. V. Weerasekera **	Member	N/A
Ms. H. Fernando (attended by invitation)	N/A	9/9
Directors resigned during the year		
Mr. S. Mudalige ***	N/A	8/9

* (Attended/Eligible to attend)

** Appointed w.e.f. 28 April 2026

*** Resigned w.e.f. 28 April 2026

Board Nominations and Governance Committee

Name of Director	Committee status	Attendance *
Mr. N. Fernando	Chairman	4/6
Mr. A. Herath	Member	6/6
Ms. C. Pietersz	Member	5/6
Ms. V. Weerasekera	Member	5/5
Ms. H. Fernando (attended by invitation)	N/A	6/6

* (Attended/Eligible to attend)

Maintenance of Board Minutes

Principle A.5.10 of CG Code 2023

The proceedings and deliberations of Board and Board Sub-Committee meetings are appropriately recorded and maintained by the Company Secretary in accordance with established governance procedures and applicable regulatory requirements.

Draft minutes are circulated to the respective members for review and comments. The finalised minutes are subsequently approved by the relevant Board or Board Sub-Committee and maintained as a formal record of proceedings.

Supply of Information

Principle A.6 of the CG Code 2023

The Board is provided with timely, accurate and relevant information necessary to support effective deliberations, informed decision-making and the discharge of its governance responsibilities.

Board papers, agendas and supporting information are circulated sufficiently in advance of meetings to enable Directors to review and consider matters effectively prior to Board deliberations. The structure and content of information provided to the Board are periodically reviewed to ensure relevance, clarity and adequacy in supporting Board oversight and strategic decision-making.

Senior Management and the Company Secretary support the Board by facilitating the timely flow of information relating to operational, financial, strategic and governance matters.

Procedure to Obtain Independent Professional Advice

Directors are entitled to seek independent professional advice, where necessary, in the discharge of their responsibilities, in accordance with established governance procedures.

Such advice may be obtained at the expense of the Company where considered appropriate and in the best interests of the Company.

Board Induction and Training and Development

Principle A.1.8 of the CG Code 2023

GRI 2-17

Board induction

The Company maintains a formal induction process for newly appointed Directors to facilitate their effective integration into the Board and familiarisation with the Company's business, governance framework and operating environment.

Upon appointment, Directors are provided with relevant information relating to the Company's operations, strategic priorities, governance practices and applicable regulatory requirements. Directors are also given the opportunity to engage with Senior Management and, where appropriate, participate in site visits and operational briefings to enhance their understanding of the business.

Key Governance Activities During the Year

- The BNGC monitored the induction process for newly appointed Directors and was appraised upon completion of the relevant induction and familiarisation initiatives.

Training and Development

The Board recognises the importance of continuous professional development in supporting effective governance and informed decision-making. Directors are provided with opportunities to enhance their knowledge and understanding of matters relevant to the Company, the industry and their governance responsibilities.

The BNGC periodically reviews the training and development needs of Directors and makes recommendations to the Board where appropriate. Training requirements may also be identified through the Board evaluation and self-assessment processes.

Key Governance Activities During the Year

Director training and development during the year

Training/Development Area	Focus Area
Regulatory & Governance Updates	Companies Act amendments, Amendments to the Bills of Exchange Ordinance, The National Minimum Wage Act No.11 of 2025, Amendments to the Listing Rules, Summary on the draft bill on the protection of occupants Bill 2025
Industry & Market Developments	Real estate sector trends, market outlook and demand drivers
Sustainability & ESG	Sustainability-related developments and ESG considerations

Performance Appraisal of the Board and Sub-Committees

Principle A.9 of the CG Code 2023

It is of importance that the Board periodically appraises its own performance, in order to ensure that it adequately meets its responsibilities as well as to facilitate continuous improvement individually and collectively.

The Board has implemented a process for assessing the effectiveness of the Board as a whole, effectiveness of its Board sub – committees and the contribution by each individual Director to the effectiveness of the Board, on an annual basis.

Key Governance Activities During the Year

- Conducted an annual evaluation of the effectiveness of the Board, Board Sub-Committees and individual Directors in accordance with the established Board evaluation framework;
- Reviewed the effectiveness of Board governance processes, quality of information flows, strategic oversight and Board deliberations as part of the evaluation process;
- Identified areas for continuous improvement and governance enhancement arising from the evaluation process, with appropriate follow-up actions communicated where necessary;
- The Board placed significant emphasis on the effective structuring and prioritisation of the Board agenda to facilitate focused deliberations and informed decision-making;

Performance Appraisal of the CEO

Principle A 11.1 and A.11.2 of the CG Code 2023

The performance of the Chief Executive Officer is evaluated annually against agreed strategic, financial and non-financial objectives, taking into consideration leadership effectiveness, governance, risk management and the achievement of the Company's strategic priorities.

Key Governance Activities During the Year

- Conducted the annual performance evaluation of the CEO during the year, taking into consideration strategic, operational, financial and governance-related objectives;
- Identified areas for continued professional development and relevant training and development recommendations were communicated where appropriate;

Code of Conduct for Directors and Employees

Principle D.6.1, D.6.5 and D.6.6 of the CG Code 2023

The Company has established a Code of Conduct applicable to Directors and employees, which sets out the standards of integrity, ethical behavior and professional conduct expected in carrying out their duties and responsibilities.

The Code promotes accountability, transparency, compliance with applicable laws and regulations and responsible decision-making, while reinforcing the Company's commitment to maintaining a strong ethical and governance culture across the organisation.

The Board and Management are committed to fostering a culture of integrity and ethical conduct, supported through governance processes, awareness initiatives and internal reporting mechanisms.

Key Governance Activities During the Year

- Reviewed the effectiveness of the processes and communication channels established to reinforce awareness of the Company's Code of Conduct and ethical standards across the organisation;
- As part of the Company's ongoing governance enhancement initiatives, approved the consolidation of the existing employee and Director codes into a unified Code of Conduct framework to promote consistency and strengthen the Company's ethical governance culture.

Anti-Bribery and Corruption Oversight

Section 9.2.1 of the Listing Rules

The Company maintains an Anti-Bribery and Corruption Policy which reinforces its commitment to conducting business with integrity, transparency and accountability.

The Policy establishes the principles and standards expected of Directors and employees in preventing bribery, corruption and unethical conduct, while promoting compliance with applicable laws, regulations and governance requirements.

The Board remains committed to fostering a strong ethical culture across the organisation and overseeing the effectiveness of the processes and controls established to support compliance with the Company's anti-bribery and corruption framework.

Key Governance Activities During the Year

- Reviewed the effectiveness of anti-bribery and corruption controls and awareness mechanisms established across the organisation.
- Oversaw initiatives to reinforce ethical conduct and compliance awareness relating to anti-bribery and corruption requirements.

Dealing in Company Shares Oversight

Principle D.6.2 – D. 6.3 of the CG Code 2023

Section 9.2.1 of the Listing Rules

The Company maintains a policy governing dealings in shares of the Company applicable to Directors and employees, which establishes the standards and procedures relating to share trading and compliance with applicable regulatory requirements.

The framework supports the promotion of transparency, accountability and market integrity, while mitigating the risk of insider trading and the misuse of unpublished price-sensitive information.

Key Governance Activities During the Year

- Reviewed and approved revisions to the Procedure Manual on dealings in Company shares to strengthen governance practices, transparency and compliance with applicable regulatory requirements;

Delegation of Authority and Board Sub-Committee

The Board has delegated certain responsibilities to Board Sub-Committee to facilitate focused oversight and more detailed consideration of matters within their respective areas of responsibility and expertise.

Each Board Sub-Committee operates within approved Terms of Reference (TOR), which clearly define its composition, authority, responsibilities and reporting obligations. The proceedings and recommendations of the Board Sub-Committees are regularly reported to the Board for consideration and oversight.

While specific responsibilities have been delegated to Board Sub-Committees, the Board retains overall accountability and responsibility for the governance and affairs of the Company.

Minutes of Board Sub-Committee meetings and significant matters deliberated upon are tabled at subsequent Board meetings to support effective oversight and informed decision-making by the Board.

Board Sub-Committee	Basis of establishment
Board Audit and Risk Committee	Statutory sub-committees
Board HR and Remuneration Committee	
Board Related Party Transactions Review Committee	
Board Nominations and Governance Committee	
Board Strategy Committee	Board established Non-staturoty Sub-committees
Board Sustainability Committee	

Key Governance Activities During the Year

- Undertook a review of the TORs of the Board Sub-Committees and approved the necessary revisions to further strengthen governance oversight and alignment with evolving governance requirements;
- Reviewed the composition of the Board Sub-Committees and approved changes to Committee memberships to ensure an appropriate balance of skills, expertise, independence and governance oversight;

DIRECTORS REMUNERATION

Governance framework for remuneration

- Fairness
- Accountability
- Performance
- Market Practices
- Long-Term Value Creation

Procedures for Developing Remuneration Policies

Principle B.1 and B.2 of CG Code 2023

GRI 2-19

Section 9.2.1 of the Listing Rules

The Company maintains a formal and transparent remuneration framework designed to attract, retain and motivate individuals with the necessary skills and experience required to support the long-term success of the Company.

The Board HR and Remuneration Committee (BHRC), comprising exclusively Non-Executive Directors, assists the Board in overseeing remuneration-related matters and in ensuring that remuneration policies and practices are aligned with the Company's strategic objectives, governance framework and long-term sustainability.

Remuneration Framework

The remuneration framework is designed to promote fairness, accountability and performance-driven outcomes, while supporting the long-term strategic objectives and sustainable value creation priorities of the Company.

In determining remuneration outcomes, consideration is given to market conditions, industry practices, individual contribution, the overall performance of the Company and the need to maintain an appropriate balance between performance, prudent risk management and responsible business conduct.

The framework also seeks to support the attraction, retention and motivation of high-performing individuals while reinforcing governance oversight, internal equity and long-term organisational sustainability.

Executive Director Remuneration

The remuneration of Executive Directors is structured to support the attraction, retention and motivation of high-performing individuals while aligning remuneration outcomes with individual contribution, operational performance and the long-term interests of the Company.

In determining remuneration levels, consideration is given to relevant market benchmarks, industry practices, internal equity and the operating environment.

Executive Directors do not receive Directors' fees.

Non-Executive Director Remuneration

Principles B.2.13 and B.2.14 of the CG Code 2023

The remuneration of Non-Executive Directors is determined by the BHRC, taking into consideration the time commitment, responsibilities and governance oversight responsibilities associated with their roles.

Non-Executive Directors do not participate in share-based remuneration schemes of the Company.

Compensation for Early Termination

Principles B.2.11 and B.2.12 of the CG Code 2023

The Company does not maintain compensation commitments for early termination of Directors, other than contractual obligations applicable to Executive Directors in accordance with their terms of employment and accrued fees payable to Non-Executive Directors, where applicable.

Key Governance Activities During the WW

- Reviewed the alignment between remuneration outcomes and organisational performance;
- Reviewed prevailing market practices and considered external remuneration benchmarking mechanisms, including salary surveys, to support the ongoing assessment of the Company's remuneration framework and market alignment;

SHAREHOLDER ENGAGEMENT

Governance framework for remuneration

- **Accessibility** - Multiple communication and engagement channels
- **Transparency** - Open and timely communication
- **Active Engagement Culture** - Encouraging shareholder participation
- **Timely & Equitable Disclosure** - Fair dissemination of material information
- **Board Accessibility** - Shareholder access to Board leadership

Policy and methodology for communication

Principle C.1 and E.1 of the CG Code 2023

Section 9.4.2 of the Listing Rules

The Company is committed to maintaining transparent, timely and effective communication with shareholders, investors and other stakeholders, while ensuring the equitable dissemination of material information and fair treatment of all shareholders.

The Board recognises the importance of regular engagement with shareholders and promotes open communication channels to facilitate informed shareholder participation and decision-making.

Annual General Meeting (AGM)

Principles C.1.1 to C.1.5 of the CG Code 2023

The AGM serves as an important platform for shareholder engagement and interaction with the Board and Management. Shareholders are provided with the notice of meeting, annual report and related shareholder communications within the prescribed timeframes to enable informed participation at the AGM.

Separate resolutions are presented for substantially separate matters in accordance with good governance practices and shareholders are encouraged to actively participate in discussions and exercise their voting rights.

The Chairpersons of the respective Board Sub-Committees are available at the AGM to respond to shareholder queries, where appropriate.

Shareholder Voting

Principles E.1 and F.2 of the CG Code 2023

The Company promotes active shareholder participation and supports the exercise of shareholder rights through transparent communication and accessible engagement channels.

The Board ensures that shareholder views and concerns communicated through formal engagement channels are appropriately considered as part of the Company's governance and oversight processes.

Communication Channels

GRI 2-16

and Shareholder Correspondence

Principles C.2.1 to C.2.7 of the CG Code 2023

Shareholders may communicate with the Company through the Company Secretary, who facilitates communication between shareholders and the Board where appropriate.

The Company maintains established communication channels to support shareholder engagement and ensure timely responses to shareholder inquiries and matters.

Communication Channel	Details
Email	roshini@rilproperty.lk
Telephone	+94 112 332 850-1
Address	33, *PARKLAND*, Park Street, Colombo 02

Shareholder and investor concerns

Section 9.4.2 of the Listing Rules

GRI 2-16

The Company maintains an established policy within its shareholder communication framework (which is available on the website) to ensure that significant shareholder and investor concerns are appropriately communicated to the Board and addressed in a timely and transparent manner.

Shareholders and investors may communicate with the Board through the Company Secretary, who facilitates the escalation of significant matters to the Board where appropriate and maintains records of correspondence received.

The Board considers material shareholder and investor concerns raised through the established communication channels and ensures that appropriate responses and follow-up actions are undertaken in accordance with the Company's governance and stakeholder engagement practices.

Stakeholder Engagement and Board Oversight

GRI 2-29

Governance framework on stakeholder engagement

Transparency	Promoting open, timely and relevant communication with stakeholders
Accountability	Ensuring stakeholder concerns and expectations are appropriately considered in governance and decision-making processes
Accessibility	Maintaining accessible communication and engagement channels
Responsiveness	Supporting timely engagement and appropriate follow-up on stakeholder matters
Inclusivity	Encouraging meaningful engagement with diverse stakeholder groups
Sustainability and Long-Term Value Creation	Integrating stakeholder perspectives into the Company's long-term strategic and sustainability objectives

The Board recognises stakeholder engagement as an important element of effective corporate governance and responsible corporate stewardship. The Company remains committed to maintaining transparent, responsive and meaningful engagement with its stakeholders in support of long-term value creation and sustainable business practices.

Stakeholder perspectives and expectations are considered as part of the Company's governance, strategic and operational oversight processes. The Board oversees the effectiveness of stakeholder engagement mechanisms and communication channels established across the organisation to support transparency, accountability and informed decision-making.

The Company continues to strengthen its stakeholder engagement practices through open communication, timely disclosures and accessible engagement channels, while promoting fairness, inclusivity and stakeholder confidence.

Key Governance Activities During the Year

Stakeholder Group	Board Oversight and Engagement Focus
Tenants	The Board oversaw customer and tenant relationship management practices, including the consideration of stakeholder feedback and sustainability-related initiatives.
Employees	The Board reviewed employee engagement-related matters, HR policies, workforce development initiatives and organisational culture considerations, while overseeing remuneration alignment and ethical workplace practices.
Shareholders	The Board promoted shareholder engagement and transparency through the review and approval of quarterly and annual Financial Statements the Annual Report and engagement at the AGM.
Regulators	The Board oversaw the Company's compliance framework and monitored adherence to applicable regulatory, governance and reporting requirements.
Financial Institutions	The Board considered matters relating to banking relationships, financing arrangements and exposure to market conditions, including interest rate-related considerations, as part of its financial oversight responsibilities.

Material and Related Party Transactions

Principle C.3 of the CG Code 2023

The Board oversees the governance processes relating to material transactions and ensures that shareholders are provided with appropriate disclosures in respect of transactions that may materially impact the consolidated net asset base or financial position of the Group.

The Company maintains established governance procedures relating to Related Party Transactions (RPTs) and ensures compliance with the applicable disclosure, review and shareholder approval requirements under the Listing Rules, thereby promoting transparency, accountability and the protection of shareholder interests.

ACCOUNTABILITY AND AUDIT

Financial and Business Reporting

Principle D.1 of CG Code 2023

The Board is responsible for ensuring the integrity, transparency and reliability of the Company's financial and non-financial reporting processes.

The Board, with the support of the Board Audit and Risk Committee (BARC), oversees the preparation and presentation of the Company's Financial Statements and related disclosures in accordance with applicable accounting standards, regulatory requirements and governance expectations.

Risk Management and Internal Controls

Principle D.2 of CG Code 2023

The Board, with the support of the BARC, oversees the Company's risk governance framework and is responsible for ensuring the maintenance of an effective system of risk management and internal controls.

The Board determines the nature and extent of risks the Company is willing to undertake in achieving its strategic objectives and oversees the implementation of appropriate governance, risk management and internal control processes designed to support the sustainable and resilient operation of the business.

The Company maintains an approved risk management framework for the identification, assessment, monitoring and reporting of material risks across the organisation. The framework supports the safeguarding of shareholder interests, Company assets, operational effectiveness and the integrity of financial and non-financial information.

The BARC regularly reviews the adequacy and effectiveness of the Company's internal control and risk management systems through internal audit reviews, management reporting processes and external assurance mechanisms. The review encompasses operational, financial, compliance and governance-related controls and processes.

The Company's assurance framework includes both internal assurance and external assurance mechanisms which support the Board in evaluating the effectiveness of governance, risk management and internal control processes established across the organisation.

Key Governance Activities During the Year

- Reviewed and approved quarterly and annual Financial Statements prior to publication;
- Reviewed significant accounting judgments and reporting-related matters;
- Considered reporting and disclosure requirements relating to governance and sustainability matters;

INFORMATION TECHNOLOGY OVERSIGHT

Principles G.1 to G.5 of the CG Code 2023

The Board recognises the importance of effective IT governance in supporting the Company's operational effectiveness, information integrity, cybersecurity and business continuity requirements.

The Board oversees the Company's IT governance framework and ensures that appropriate governance processes, controls and oversight mechanisms are maintained to support the alignment of technology initiatives with the Company's strategic and operational objectives.

The Company maintains an IT governance structure through the IT Steering Committee and Management oversight processes, which support the implementation and monitoring of the Company's technology-related initiatives, cybersecurity measures and information management practices.

Management periodically reviews the adequacy and effectiveness of the Company's IT governance and cybersecurity frameworks, while independent IT audits and assessments are carried out where appropriate. Significant observations, recommendations and technology-related governance matters are reported to the BARC for oversight and consideration.

The Board also recognises the importance of maintaining appropriate cybersecurity and information security controls to support the confidentiality, integrity and availability of information assets, while ensuring compliance with applicable legal and regulatory requirements, including the PDPA.

The Company maintains appropriate IT controls and governance processes supporting the integrity and reliability of financial and operational reporting systems and information used in decision-making processes.

Key Governance Activities During the Year

- Oversaw initiatives aimed at strengthening information security, cybersecurity awareness and data protection practices across the organisation;

OVERSIGHT ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISK AND OPPORTUNITIES

Principle H.1 – H.5 of the CG Code 2023

GRI 2-14

The Board recognises sustainability and ESG considerations as integral to the Company's long-term strategy, governance framework and sustainable value creation objectives.

The Board provides oversight on ESG and sustainability-related matters and considers the impact of emerging environmental, social, governance and climate-related risks and opportunities as part of its strategic and operational oversight responsibilities.

The Company adopts a structured approach towards the identification, assessment and management of ESG-related risks and opportunities, including those relating to sustainability, stakeholder expectations and climate-related considerations. ESG considerations are increasingly integrated into the Company's governance, risk management and decision-making processes in support of long-term organisational resilience and responsible corporate stewardship.

The Board also recognises the importance of maintaining an appropriate balance of skills, experience and perspectives in supporting effective ESG oversight. Sustainability and governance-related competencies form part of the broader Board skills and diversity considerations in the appointment and evaluation of Directors.

The Board remains committed to strengthening the Company's sustainability and ESG governance practices and has delegated certain responsibilities relating to ESG oversight to the Board Sustainability Committee, which supports the Board through the review and assessment of ESG-related risks, opportunities and governance considerations, including climate-related matters and provides recommendations to the Board where appropriate.

The Company also recognises the importance of aligning leadership accountability and performance considerations with the Company's broader sustainability and ESG objectives as part of its evolving governance framework.

Key Governance Activities During the Year

- Oversaw the engagement of an external party to support the development of the Company's ESG framework and related sustainability reporting initiatives in alignment with the IFRS Sustainability Disclosure Standards (S1 and S2);
- Considered climate-related risks and opportunities relevant to the Company's operating environment and long-term strategic objectives as part of its ESG and sustainability oversight responsibilities

GROUP-WIDE GOVERNANCE OVERSIGHT

GRI 2-27

The Board recognises the importance of maintaining effective governance oversight across the Group and ensuring that subsidiary companies operate in alignment with the Company's governance framework, strategic objectives and risk management expectations.

The Company maintains a governance framework for subsidiary companies designed to support accountability, transparency, effective oversight and consistent governance practices across the Group.

The Board oversees the governance and performance of subsidiary companies through established reporting structures, governance mechanisms and periodic reviews relating to strategic, operational, financial, risk and compliance matters.

Key Governance Activities During the Year

- Considered the applicability and alignment of the IFRS Sustainability Disclosure Standards (S1 and S2) across the subsidiary companies as part of the Group's broader sustainability and ESG governance framework;
- Received confirmations that the subsidiary Boards collectively possess the necessary skills, experience and competencies required to effectively oversee the operations and governance of the respective subsidiary companies.

Listing Rule reference	Requirement	Extent of compliance	Section reference in the Annual report
7.6	A Listed Entity must include in its annual report and accounts, inter alia; (i) Names of persons who during the Financial Year were Directors of the Entity.	✓	Annual Report of the Board of Directors on pages 186 to 192.
	(ii) Principal activities of the Entity and its subsidiaries during the year and any changes therein.	✓	Annual Report of the Board of Directors on pages 186 to 192.
	(iii) The names and the number of shares held by the 20 largest holders of voting and non-voting shares denominated in LKR or any other class of Shares denominated in Foreign Currency and the percentage of such shares held.	✓	Shareholder information on page 301.
	(iv) (a) In respect of a Local Entity which has its LKR denominated Shares listed on the Exchange, such Entity shall disclose the float adjusted market capitalisation, public holding percentage (%), number of public shareholders and under which option the Listed Entity complies with the Minimum Public Holding requirement, in respect of voting ordinary shares. The public holding percentage (%) in respect of non-voting ordinary Shares (where applicable).	✓	Share information on page 301.
	(v) A statement of each Director's holding and Chief Executive Officer's holding in each class of shares of the Entity denominated in LKR and in Foreign Currency (as applicable).	✓	Annual report of the Board of Directors on pages 186 to 192.
	(vi) Information pertaining to material foreseeable risk factors of the Entity.	✓	Risk management report on page 132 to 138. Annual report of the Board of Directors on pages 186 to 192.
	(vii) Details of material issues pertaining to employees and industrial relations of the Entity.	✓	Please refer the Human Capital report on page 113 to 120. Annual report of the Board of Directors on pages 186 to 192.
	(viii) Extents, locations, valuations and the number of buildings of the Entity's land holdings and investment properties.	✓	Note 6 and 7 to the Financial Statements
	(ix) Number of shares representing the Entity's stated capital.	✓	Note 16 to the Financial Statements
	(x) A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings	✓	Share information on page 301.
	(xi) The following ratios and market price information:	✓	

Listing Rule reference	Requirement	Extent of compliance	Section reference in the Annual report
	EQUITY 1. Dividend per share 2. Dividend pay out 3. Net asset value per share 4. Market value per share – highest and lowest values recorded during the Financial Year – value as at the end of Financial Year	✓	Financial Highlights on page 6 and Shareholder information on page 301.
(xii)	Significant changes in the Entity's or its subsidiaries' fixed assets and the market value of land, if the value differs substantially from the book value;	✓	Note 6 and 7 to the Financial Statements
(xiii)	If during the Financial Year the Entity has raised funds through an Initial Public Offering and/or a further issue of Securities (as applicable);	N/A	During the year under review, there were no public issues, rights issues or private placements
(xiv)	(a) and (b) information in respect of employee share options or share purchase schemes	N/A	The Company does not have any Employee Share Option or Share Purchase Schemes at present.
(xv)	Disclosures pertaining to Corporate Governance practices in terms of Section 9 of the Rules.	✓	Please refer page 162 to 172.
(xvi)	Related Party transactions exceeding 10% of the Equity or 5% of the total assets of the Entity as per Audited Financial Statements, whichever is lower. Details of investments in a Related Party and/or amounts due from a Related Party to be set out separately. The details shall include, as a minimum: i. The date of the transaction; ii. The name of the Related Party; iii. The relationship between the Entity and the Related Party; iv. The amount of the transaction and terms of the transaction; v. The rationale for entering into the transaction.	N/A	There were no related party transactions which exceeded 10% of the Equity or 5% of the total assets, during the year under review.

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
9.1.3	Statement confirming extent of compliance in the Annual Report	Complied
9.2	**Policies**	Complied
	(a) Policy on the matters relating to the Board of Directors	Complied
	(b) Policy on Board Committees	
	(c) Policy on Corporate Governance, Nominations and Re-election	
	(d) Policy on Remuneration	
	(e) Policy on Internal Code of Business conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities	
	(f) Policy on Risk management and Internal controls	
	(g) Policy on Relations with Shareholders and Investors	
	(h) Policy on Environmental, Social and Governance Sustainability	
	(i) Policy on Control and Management of Company Assets and Shareholder Investments	
	(j) Policy on Corporate Disclosures	
	(k) Policy on Whistleblowing	
	(l) Policy on Anti-Bribery and Corruption	
9.2.2	Any waivers from compliance with the Internal Code of business conduct and ethics or exemptions granted by the Listed Entity shall be fully disclosed in the Annual Report.	There were no waivers or exemptions granted during the year.
9.2.3	Listed Entities shall disclose in its Annual Report;	Complied
	(i) the list of policies that are in place in conformity Rule 9.2.1 above, with reference to its website.	
	(ii) details pertaining to any changes to policies adopted by the Listed Entities in compliance with Rule 9.2 above.	
9.2.4	Listed Entities shall make available all such policies to shareholders upon a written request being made for any such Policy.	Complied
9.3	**Board Committees**	
9.3.1	Following Board committees are established and maintained at a minimum and are functioning effectively	Complied
	(a) Board Nominations and Governance Committee	
	(b) Board HR and Remuneration Committee	
	(c) Board Audit and Risk Committee	
	(d) Board Related Party Transactions Review Committee.	
9.3.2	Listed Entities shall comply with the composition, responsibilities and disclosures required in respect of the above Board committees as set out in these Rules.	Complied
9.3.3	The Chairman of the Board of Directors of the Listed Entity shall not be the Chairman of the Board Committees referred to in Rule 9.3.1 above.	Complied

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
9.4	**Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with shareholders**	
9.4.1	Listed Entities shall maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting of the Entity. The Entity shall provide copies of the same at the request of the Exchange and/or the SEC.	
	(a) The number of shares in respect of which proxy appointments have been validly made;	
	(b) The number of votes in favour of the resolution;	
	(c) The number of votes against the resolution; and	
	(d) The number of shares in respect of which the vote was directed to be abstained.	
9.4.2	Communication and relations with shareholders and investors	
	(a) Listed Entities shall have a policy on effective communication and relations with shareholders and investors and disclose the existence of the same in the Annual Report and the website of the Listed Entity.	
	(b) Listed Entities shall disclose the contact person for such communication.	
	(c) The policy on relations with shareholders and investors shall include a process to make all Directors aware of major issues and concerns of shareholders, and such process shall be disclosed by the Entity in the Annual Report and the website of the Entity.	Complied
	(d) Listed Entities that intend to conduct any shareholder meetings through virtual or hybrid means shall comply with the Guidelines issued by the Exchange in relation to same and published on the website of the Exchange.	
9.5	**Policy on matters relating to the Board of Directors**	
9.5.1	Listed Entities shall establish and maintain a formal policy governing matters relating to the Board of Directors.	Complied All matters required under section 9.5.1 of the Listing Rules, have been included in the policy.
9.5.2	Listed Entities shall confirm compliance with the requirements of the policy referred to in Rule 9.5.1 above in the Annual Report and provide explanations for any non-compliance with any of the requirements with reasons for such non-compliance and the proposed remedial action.	Complied. There were no non-compliances.
9.6	**Chairman and CEO**	
9.6.1	The Chairperson of every Listed Entity shall be a Non-Executive Director and the position of Chairperson and CEO shall not be held by the same individual, unless otherwise a SID is appointed by such entity in terms of Rule 9.6.3 below.	Complied
9.6.2	Where the Chairperson of a Listed Entity is an Executive Director and/or the positions of the Chairperson and CEO are held by the same individual, such entity shall make a Market Announcement within a period of one (1) month from the date of implementation of these Rules or an Immediate Market Announcement if such date of appointment and/or combination of the said roles falls subsequent to the implementation of these Rules	The requirement to appoint a SID did not arise during the year
	Such Market Announcement shall include the following:	
	(a) Rationale for appointment of an Executive Director as Chairperson and/or	
	(b) The rationale for combining the positions of the Chairperson and CEO	
9.6.3 (a) - (e)	The requirement for a SID	

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
9.7	**Fitness of Directors and CEOs:**	
9.7.1	The Listed Entities shall take necessary steps to ensure that their Directors and the CEO are, at all times, fit and proper persons as required in terms of these Rules:	Complied
	In evaluating fitness and propriety of the persons referred in these Rules, Listed Entities shall utilise the 'Fit and Proper Assessment Criteria' set out in Rule 9.7.3 below.	
9.7.2	Listed Entities shall ensure that persons recommended by the Nominations and Governance Committee as Directors are fit and proper as required in terms of these Rules before such nominations are placed before the shareholders' meeting or appointments are made.	Complied
9.7.3	Fit and Proper Assessment Criteria:	Complied The criteria set out in the section, has been taken into consideration
	(a) Honesty, Integrity and Reputation	
	(b) Competence and Capability	
	(c) Financial Soundness	
9.7.4	Listed Entities shall obtain declarations from their Directors and CEO on an annual basis confirming that each of them have continuously satisfied the Fit and Proper Assessment Criteria set out in these Rules during the Financial Year concerned and satisfies the said criteria as at the date of such confirmation.	Complied
9.7.5	Listed Entities shall include the following disclosures/reports in the Annual Report;	Complied
	(a) A statement that the Directors and CEO of the Listed Entity satisfy the Fit and Proper Assessment Criteria stipulated in the Listing Rules of the Colombo Stock Exchange.	
	(b) Any non-compliance/s by a Director and/or the CEO of the Listed Entity with the Fit and Proper Assessment Criteria set out in these Rules during the Financial Year and the remedial action taken by the Listed Entity to rectify such non - compliance/s.	
9.8.1	The Board of Directors of a Listed Entity shall, at a minimum, consist of five (05) Directors.	Complied
9.8.2	Minimum Number of Independent Directors:	Complied
	(a) include at least two (2) Independent Directors or such number equivalent to one third (1/3) of the total number of Directors of the Listed Entity at any given time, whichever is higher	
	(b) Any change occurring to this ratio shall be rectified within ninety (90) days from the date of the change.	N/A
9.8.3	Criteria for determining independence:	Complied The criteria set out in this section has been taken into consideration
9.8.5	The Board of Directors of Listed Entities shall require:	
	(a) Each Independent Director to submit a signed and dated declaration annually of his or her "independence" or "non-independence" against the criteria specified herein and in the format in Appendix 9A, containing at a minimum the content prescribed therein.	Complied
	(b) Make an annual determination as to the "independence" or "non-independence" of each Independent Director based on the Directors` declaration and other information available to it and shall set out the names of Directors determined to be 'independent' in the Annual Report.	Complied
	(c) If the Board of Directors determines that the independence of an Independent Director has been impaired against any of the criteria set out in Rule 9.8.3, it shall make an immediate Market Announcement thereof.	N/A

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
9.9	Alternate Directors	
	(a) Alternate Directors shall only be appointed in exceptional circumstances and for a maximum period of one (1) year from the date of appointment.	
	(b) If an Alternate Director is appointed for a Non-Executive Director such alternate should not be an executive of the Listed Entity.	
	(c) If an Alternate Director is appointed by an Independent Director, the person so appointed should meet the criteria of independence specified in these Rules and the Listed Entity shall satisfy the requirements relating to the minimum number of Independent Directors specified in these Rules. The Nominations and Governance Committee shall review and determine that the person nominated as the alternate would qualify as an Independent Director before such appointment is made.	Currently there are no alternate Directors appointed in the entity.
	(d) The Listed Entity shall make an immediate Market Announcement regarding the appointment of an Alternate Director. Such Market Announcement shall include the following; i. The exceptional circumstances leading to such appointment; ii. The information on the capacity in which such Alternate Director is appointed, i.e., whether as an Executive, Non-Executive or Independent Director; iii. The time period for which he/she is appointed, which shall not exceed one (1) year from the date of appointment; and, iv. A Statement by the Entity indicating whether such appointment has been reviewed by the Nominations and Governance Committee of the Entity.	The required provisions have been included into the articles of the Company
	(e) The attendance of any Alternate Director at any meeting, including a Board Committee Meeting shall be counted for the purpose of quorum.	
9.10	**Disclosures relating to Directors**	
9.10.1	Listed Entities shall disclose its policy on the maximum number of directorships it's Board members shall be permitted to hold in the manner specified in Rule 9.5.1. In the event such number is exceeded by a Director(s), the Entity shall provide an explanation for such non-compliance in the manner specified in Rule 9.5.2 above.	Complied
9.10.2	Listed Entities shall, upon the appointment of a new Director to its Board, make an immediate Market Announcement setting out the following; i. a brief resume of such Director; ii. his/her capacity of directorship; and, iii. Statement by the Entity indicating whether such appointment has been reviewed by the Nominations and Governance Committee of the Entity.	Complied. During the year one Director was appointed to the Board and immediate market disclosure was made
9.10.3	Listed Entities shall make an immediate Market Announcement regarding any changes to the composition of the Board of Directors or Board Committees referred to in Rule 9.3 above containing, at minimum, the details of changes including the capacity of directorship with the effective date thereof.	Complied
9.10.4	Directors of the Listed Entities shall also disclose the requirements given under this section in the Annual Report	
	(a) name, qualifications and brief profile; (b) the nature of his/her expertise in relevant functional areas; (c) whether either the Director or Close Family Members has any material business relationships with other Directors of the Listed Entity; (d) whether Executive, Non-Executive and/or independent Director; (e) the total number and names of companies in Sri Lanka in which the Director concerned serves as a Director and/or Key Management Personnel indicating whether such companies are listed or unlisted Companies and whether such Director functions in an Executive or Non-Executive capacity, provided that where he/she holds directorships in companies within a Group of which the Listed Entity is a part, their names (if not listed) need not be disclosed; it is sufficient to state that he/she holds other directorships in such companies;	Complied

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
	(f) number of Board meetings of the Listed Entity attended during the year; (g) names of Board Committees in which the Director serves as Chairperson or a member; (h) Details of attendance of Committee Meetings of the Audit, Related Party Transactions Review, Nominations and Governance and Remuneration Committees. Such details shall include the number of meetings held and the number attended by each member.; and, (i) The terms of reference and powers of the SID (where applicable).	Complied
9.11	**Nominations and Governance Committee**	
9.11.1	Listed Entities shall have a Nominations and Governance Committee that conforms to the requirements set out in Rule 9.11 of these Rules.	Complied
9.11.2	Listed Entities shall establish and maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Nominations and Governance Committee.	Complied
9.11.3	The Nominations and Governance Committee shall have a written terms of reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings.	Complied
9.11.4	(1) The members of the Nominations and Governance Committee shall;	Complied
	(a) comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors of the Listed Entity.	
	(b) not comprise of Executive Directors of the Listed Entity.	
	(2) An Independent Director shall be appointed as the Chairperson of the Nominations and Governance Committee by the Board of Directors.	
	(3) The Chairperson and the members of the Nominations and Governance Committee shall be identified in the Annual Report of the Listed Entity.	
9.11.5	The functions of the Nominations and Governance Committee	Complied
	(i) Evaluate the appointment of Directors to the Board of Directors and Board Committees of the Listed Entity. However, a member of the Nominations and Governance Committee shall not participate in decisions relating to his/her own appointment.	
	(ii) Consider and recommend (or not recommend) the re-appointment/re-election of current Directors taking into account; • the combined knowledge, experience, performance and contribution made by the Director to meet the strategic demands of the Listed Entity and the discharge of the Board's overall responsibilities; and, • the number of directorships held by the Director in other listed and unlisted companies and other principal commitments.	
	(iii) Establish and maintain a formal and transparent procedure to evaluate, select and appoint/re-appoint Directors of the Listed Entity.	
	(iv) Establish and maintain a set of criteria for selection of Directors such as the academic/professional qualifications, skills, experience and key attributes required for eligibility, taking into consideration the nature of the business of the Entity and industry specific requirements.	
	(v) Establish and maintain a suitable process for the periodic evaluation of the performance of Board of Directors and the CEO of the Entity to ensure that their responsibilities are satisfactorily discharged.	
	(vi) Develop succession plan for Board of Directors and Key Management Personnel of the Listed Entity.	
	(vii) Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities.	

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
	(viii) Review and recommend the overall corporate governance framework of the Listed Entity taking into account the Listing Rules of the Exchange, other applicable regulatory requirements and industry/international best practices.	
	(ix) Periodically review and update the corporate Governance Policies / Framework of the Entity in line with the regulatory and legal developments relating to same, as a best practice.	
	(x) Receive reports from the Management on compliance with the corporate governance framework of the Entity including the Entity's compliance with provisions of the SEC Act, Listing Rules of the Exchange and other applicable laws, together with any deviations/non-compliances and the rational for same.	
9.11.6	Disclosures in Annual Report shall contain a report of the Nominations and Governance Committee signed by its Chairperson	Complied
9.12	**Board HR and Remuneration Committee**	
9.12.2	Listed Entities shall have a Remuneration Committee that conforms to the requireements set out in Rule 9.12 of these Rules.	Complied
9.12.3	The Remuneration Committee shall establish and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneraton and for fixing the remuneration packages of Individual Directors. No Director shall be involved in fixing his/her own remuneration.	Complied
9.12.4	Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of non-discriminatory pay practices among them to ensure that their independence is not impaired.	Complied
9.12.5	Remuneration Committee shall have a written terms of reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings.	Complied
9.12.6	(1) The members of the Remuneration Committee shall;	Complied
	(a) comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors of the Listed Entity.	
	(b) not comprise of Executive Directors of the Listed Entity.	
	(2) An Independent Director shall be appointed as the Chairperson of the Remuneration Committee by the Board of Directors.	
9.12.7	(1) The Remuneration Committee shall recommend the remuneration payable to the Executive Directors and CEO of the Listed Entity and/or equivalent position thereof to the Board of the Listed Entity which will make the final determination upon consideration of such recommendations.	Complied
	(2) The Remuneration Committee may engage any external consultant or expertise that may be considered necessary to ascertain or assess the relevance of the remuneration levels applicable to Directors and CEO.	
9.12.8	Disclosure in Annual Report	Complied
	The Annual Report should set out the following: (a) Names of the Chairperson and members of the Remuneration Committee and the nature of directorships held by such members; (b) A statement regarding the remuneration policy; and, (c) The aggregate remuneration of the Executive and Non-Executive Directors	
9.13	**Board Audit and Risk Committee**	
9.13.1	Where Listed Entities do not maintain separate Committees to perform the Audit and Risk Functions, the Audit Committee of such Listed Entities shall additionally perform the Risk Functions set out in Rule 9.13 of these Rules.	Complied
9.13.2	The Audit Committee shall have a written terms of reference clearly defining its scope, authority and duties.	Complied

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
9.13.3	(1) The members of the Audit Committee shall;	Complied
	(a) comprise of a minimum of three (03) directors of the Listed Entity, out of which a minimum of two (02) or a majority of the members, whichever higher, shall be Independent Directors. (b) not comprise of Executive Directors of the Listed Entity.	
	(2) The quorum for a meeting of the Audit Committee shall require that the majority of those in attendance to be Independent Directors.	Complied
	(3) The Audit Committee may meet as often as required provided that the Audit Committee compulsorily meets on a quarterly basis, prior to recommending the financials to be released to the market.	Complied
	(4) An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors	Complied
	(5) Unless otherwise determined by the Audit Committee, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the Audit Committee meetings by invitation.	Complied
	Provided however where the Listed Entity maintains a separate Risk Committee, the CEO shall attend the Risk Committee meetings by invitation.	Audit and Risk functions both operate by the same Committee w.e.f. 1 October 2024
	(6) The Chairperson of the Audit Committee shall be a Member of a recognised professional accounting body.	Complied
	Provided however, this Rule shall not be applicable in respect of Risk Committees where a Listed Entity maintains a separate Risk Committee and Audit Committee.	N/A
9.13.4	Functions of the Audit Committee	Complied
	(i) Oversee the Entity's compliance with financial reporting requirements, information requirements under these Rules, the Companies Act and the SEC Act and other relevant financial reporting related regulations and requirements.	
	(ii) Review the quarterly results and year-end Financial Statements of the Entity prior to tabling for the approval of the Board of Directors of the Entity with special reference to what is mentioned under the secition	Complied
	(iii) To make recommendations to the Board pertaining to appointment, reappointment and removal of external auditors and to approve the remuneration and terms of engagement of the external auditors.	Complied
	(iv) Obtain and review assurance received from: (a) the CEO and the CFO that the financial records have been properly maintained and the Financial Statements give a true and fair view of the Entity's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Entity's risk management and internal control systems.	Complied
	(v) Review the internal controls in place to prevent the leakage of material information to unauthorised persons.	Complied
	(vi) Oversee the processes to ensure that the Entity's internal controls and risk management are adequate to meet the requirements of the Sri Lanka Auditing Standards.	Complied
	(vii) Review and assess the Company's risk management process, including the adequacy of the overall control environment and controls in areas of significant risks and updated business continuity plans.	Complied
	(viii) Review the risk policies adopted by the Entity on an annual basis.	Complied
	(ix) Take prompt corrective action to mitigate the effects of specific risks in the case such risks are at levels beyond the prudent levels decided by the Committee on the basis of the Listed Entity's policies and regulatory requirements.	Complied

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
	(x) Review the scope and results of the internal and external audit and its effectiveness, and the independence, performance and objectivity of the auditors.	Complied
	(xi) To develop and implement policy on the engagement of the External Auditor to supply non-audit services, at minimum taking into account relevant ethical guidance regarding the provision of non-audit services by an external audit firm; and to report to the Board identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps ought to be taken.	Complied
	(xii) If a change of Auditor is recommended by the Audit Committee in circumstances where the audit opinion of the immediately disclosed financial period or any period where subsequent disclosure of audit opinion is pending and such opinion carries a modification or an emphasis of matter of going concern, then the Audit Committee report shall include the rationale of the Audit Committee for recommending the removal of the Auditor.	Complied
	(xiii) Where the Audit Committee is of the view that a matter reported by it to the Board of Directors of a Listed Entity has not been satisfactorily resolved resulting in a breach of these Requirements, the Audit Committee shall promptly report such matter to the Exchange.	Complied
	(2) Where Listed Entities maintain two (02) separate Committees to carry out the Audit and Risk functions, the terms of reference of such Committees shall, at a minimum, include the respective functions stipulated in Rule 9.13.4 (1) above.	Complied
9.13.5	Disclosures in Annual Report	
	(1) The Audit Committee shall also prepare an Audit Committee Report which shall be included in the Annual Report of the Listed Entity. The Audit Committee Report shall set out the manner in which the Entity has complied with the requirements applicable to the Audit Committee during the period for which the Annual Report relates.	Complied
	(2) The Audit Committee Report shall contain the disclosures mentioned under the section	Complied
	(a) the names of the Chairperson and the members of the Audit Committee, and the nature of directorships held by such members;	
	(b) The status of risk management and internal control of the Listed Entity and as a Group (where applicable).	
	(c) A statement that it has received assurance from the CEO and the CFO of the Entity's operations and finances.	
	(d) An opinion on the compliance with financial reporting requirements, information requirements under these Rules, the Companies Act and the SEC Act and other relevant financial reporting related regulations and requirements.	
	(e) whether the Listed Entity has a formal Audit Charter;	
	(f) the manner in which internal audit assurance is achieved and a summary of the work of the internal audit function;	
	(g) Details demonstrating the effective discharge of its functions and duties for that Financial Year of the Listed Entity;	
	(h) a statement confirming that written assurance was obtained from the external auditors approved by the SEC, confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements; and	
	(i) a statement confirming that the Audit Committee has made a determination of the independence of auditors and the basis of such determination. It shall also contain details on the number of years that the External Auditor and the audit partner were engaged. If the External Auditor provides non audit services, explanations must be made of how Auditor objectivity and independence are safeguarded taking into consideration fees paid for non-audit services provided by the External Auditor and affiliated parties.	

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
9.14	**Board Related Transactions Review Committee**	
9.14.1	Listed Entities shall have a Related Party Transactions Review Committee that conforms to the requirements set out in Rule 9.14 of these Rules.	Complied
9.14.2	Composition	
	(1) The Related Party Transactions Review Committee shall comprise of a minimum of three (03) Directors of the Listed Entity, out of which two (02) members shall be Independent Directors of the Listed Entity. It may also include Executive Directors, at the option of the Listed Entity. An Independent Director shall be appointed as the Chairperson of the Committee.	Complied
9.14.3	Functions of RPTC	
	(1) Listed Entities shall have a Related Party Transactions Review Committee which shall be responsible for reviewing the Related Party Transactions as set out herein.	Complied
	(2) The objective of these Rules on Related Party Transactions is to ensure that the interests of shareholders as a whole are taken into account by a Listed Entity when entering into Related Party Transactions. These Rules further provide specific measures to prevent Directors, CEOs or Substantial Shareholders taking advantage of their positions.	Complied
	(3) When applying these Rules on Related Party Transactions, the objective and the economic and commercial substance of the Related Party Transactions should take precedence over the legal form and technicality.	Complied
	(4) The Related Party Transactions Review Committee shall establish and maintain a clear policy, procedure and process in place for the identification, clarification and reporting the Related Party Transactions on an end-to-end basis across the Entity's operations.	Complied
9.14.4	General requirements	
	(1) The Related Party Transactions Review Committee shall meet at least once a calendar quarter. It shall ensure that the minutes of all meetings are properly documented and communicated to the Board of Directors.	Complied
	(2) The members of the Related Party Transactions Review Committee should ensure that they have, or have access to, enough knowledge or expertise to assess all aspects of proposed Related Party Transactions, and where necessary, should obtain appropriate professional and expert advice from an appropriately qualified person.	Complied
	(3) Where necessary, the Committee shall request the Board of Directors to approve the Related Party Transactions which are under review by the Committee. In such instances, the approval of the Board of Directors should be obtained prior to entering into the relevant Related Party Transaction.	Complied
	(4) If a Director of the Listed Entity has a material personal interest in a matter being considered at a Board Meeting to approve a Related Party Transaction as required in Rule 9.14.4(3), such Director shall not:	Complied
	(a) be present while the matter is being considered at the meeting; and,	
	(b) vote on the matter.	
9.14.5	Review of Related Party Transactions by the Related Party Transactions Review Committee	
	(1) Subject to the exemptions given in terms of Rule 9.14.10, the Related Party Transactions Review Committee shall review in advance all proposed Related Party Transactions.	Complied
	(2) In the event of any material changes to a previously reviewed Related Party Transaction in terms of Rule 9.14.5 (1) above, such proposed material changes shall also be reviewed by the Related Party Transactions Review Committee prior to the completion of the transaction.	Complied

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
	(3) The Related Party Transactions Review Committee shall be provided with all the facts and circumstances of the proposed Related Party Transaction by the senior management to facilitate the review of a Related Party Transaction and such information shall include what is provided under this section.	Complied
	(4) In determining whether to obtain the approval of the Board of Directors for a Related Party Transaction, the Related Party Transactions Review Committee shall take into account what is mentioned under the amended rule No. 9.14.5 (4)	Complied
	(5) No Director shall participate in any discussion of a proposed Related Party Transaction in which he or she is a Related Party, except that the Director, at the request of the Committee, may participate in discussions for the express purpose of providing information concerning the Related Party Transaction to the Committee. Where deemed necessary considering the issues of potential conflict, which were presented to the Committee, the Committee may recommend the creation of a special Committee to review and approve the proposed Related Party Transaction.	Complied
	(6) If a Related Party Transaction will be ongoing (a Recurrent Related Party Transaction), the Related Party Transactions Review Committee may establish guidelines for the senior management to follow in its ongoing dealings with the Related Party. Thereafter, the Committee, on an annual basis, shall review and assess ongoing relationships with the Related Party to determine whether they are in compliance with the Committee's guidelines and that the Related Party Transaction remains appropriate.	Complied
9.14.6	Shareholder Approval	
	(1) Listed Entities shall obtain shareholder approval by way of a Special Resolution for the following Related Party Transactions:	No such transaction arose during the year
	(A) If a non-recurrent transaction;	
	(B) If a recurrent transaction;	
	(2) In relation to Rules 9.14.6 (1) (A) (i) (b) and 9.14.6 (1)(B) (ii) above, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.	Complied
	(3) If a transaction requires shareholder approval as set out in the Rules above, it must be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.	Complied
9.14.7	Disclosures	
	(1) Immediate disclosures	No such transaction arose during the year
	(a) of any non-recurrent Related Party Transaction with a value exceeding 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements; or	
	(b) of the latest transaction, if the aggregate value of all non-recurrent Related Party Transactions entered into with the same Related Party during the same Financial Year amounts to 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements.	
9.14.8	Disclosures in the Annual report	Complied
9.14.9 (1)-(4)	Acquisition and disposal of assets from/to related parties	Complied

Listing Rule reference	Reference in the Listing Rules (Amendment)	Extent of compliance
9.17	**Additional disclosures** (i) They have declared all material interests in contracts involving in the Entity and whether they have refrained from voting on matters in which they were materially interested; (ii) they have conducted a review of the internal controls covering financial, operational and compliance controls and risk management and have obtained reasonable assurance of their effectiveness and successful adherence therewith, and, if unable to make any of these declarations an explanation on why it is unable to do so; (iii) they made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions; (iv) disclosure of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Entity has operations.	Complied

Sections in CA 2007		Extent of compliance
168 (a) (i) – (ii)	Any change during the accounting period in the nature of the business of the Company or any of its subsidiaries or the classes of business in which the Company has an interest, whether as a shareholder of another Company or otherwise	Annual Report of the Board of Directors from pages 186 to 192.
168 (b)	Group Financial Statements for the accounting period completed and signed in accordance with section 152	Please refer page 205.
168 (c)	Auditor's report on the Group Financial Statements	Please refer page 200.
168 (d)	Any change in accounting policies made during the accounting period	Annual Report of the Board of Directors on page 222.
168 (e)	Particulars of entries in the interests register made during the accounting period	Annual Report of the Board of Directors on page 190.
168 (f)	Remuneration and other benefits of Directors during the accounting period	Annual Report of the Board of Directors on page 281.
168 (g)	Total amount of donations made by the Company during the accounting period	Annual Report of the Board of Directors on page 272.
168 (h)	Names of the persons holding office as Directors of the Company as at the end of the accounting period and the names of any persons who ceased to hold office as Directors of the Company during the accounting period	Annual Report of the Board of Directors on pages 186 to 192. Group structure on page 12.
168 (i)	Amounts payable by the Company to the person or firm holding office as Auditor of the Company as audit fees and as a separate item, fees payable by the Company for other services provided	Annual Report of the Board of Directors on page 186 to 192.

Report of the Board Audit and Risk Committee

As the Chairperson of the Board Audit and Risk Committee (BARC/ Committee) on behalf of the other Committee members, I am pleased to present to you the Board Audit and Risk Committee report of R I L Property PLC, for the year 2025/26.

As required by section 9.13.5 (1) of the Listing Rules of the Colombo Stock Exchange (Listing Rules) and the Code of best practice on corporate governance issued by the Institute of Chartered Accountants of Sri Lanka 2023 (CG Code 2023), this report details the manner in which the duties and responsibilities of the Committee were discharged, during the year under review.

Introduction and Purpose

Section 9.13.1 and 4 of the Listing Rules

The Committee assists the Board in discharging its responsibilities and exercises independent oversight over financial reporting, the adequacy of internal control systems, management and monitoring of risk, performance and effectiveness of internal audit, compliance with laws/regulations and implementation of the whistleblowing policy and makes recommendations on the appointment of the external auditors.

Committee Composition

Section 9.13.5 (2) (a) of the Listing Rules

The Committee composition as at 31 March 2026 is as follows:

Name	Nature of Directorship	Committee status	Date of appointment
Ms. C. Pietersz	Independent Non – Executive	Chairperson	25 March 2021
Prof. N. Gunawardena	Independent Non – Executive	Member	30 April 2025
Ms. C. Ranasinghe *	Independent Non – Executive	Member	6 September 2016
Ms. V. Weerasekera	Non-independent Non – Executive	Member	8 April 2024
Mr. N. Fernando	Independent Non – Executive	Member	29 January 2025

*Resigned with effect from 31 August 2025

The Committee composition comprise exclusively of Non-Executive Directors the majority of whom are independent.

The Chairperson, Ms. C. Pietersz, is a fellow member of the Institute of Chartered Accountants of Sri Lanka.

Changes to the Committee Composition

Ms. C. G. Ranasinghe, Member resigned from the Committee during the year under review.

The Board Nominations and Governance Committee, recommended the appointment of Professor N. Gunawardena, an Independent Non-Executive Director, to the Committee. Professor N. Gunewardena was appointed to the Committee on 30 April 2025.

Terms of Reference

Section 9.13.2 of the Listing Rules

The Committee has a Board approved Terms of Reference dealing with its authority and duties and carefully designed to discharge the Committee's purpose.

The Terms of Reference of the Committee was reviewed during the year as part of the periodic governance review process. The review aimed to ensure that the Terms of Reference remains relevant, comprehensive and aligned with evolving regulatory expectations and industry best practices.

Meetings

Section 9.13.3 (2), (3) and (5) of the Listing Rules

In terms of the TOR of the Committee, the BARC is required to meet on a quarterly basis. However, the Committee meets more regularly as determined by the Chairperson of the Committee or as requested by any member of the Committee. As mandated by the Listing Rules, the Committee compulsorily meets prior to recommending the financials to be released to the market.

The quorum for the meetings require the majority of those in attendance to be Independent Directors.

The Committee held 17 meetings during the year, including meetings on a quarterly basis prior to recommending the financials to be released to the market.

The attendance of the members during the year was satisfactory and a summary of the attendance is given on page 151.

The CEO, CFO, other members of the Management and the internal and external auditors (as and when required) attended meetings, by invitation.

Private Sessions Without the Executive Management

The Committee meets separately with the Internal Auditors on a regular basis to discuss any matters that the Committee or the Internal Auditors consider appropriate for private discussion.

The Committee meets with the External Auditors at least once annually, without the presence of Management, either at the direction of the Committee or at the request of the External Auditors, to facilitate open and independent dialogue on matters relating to the audit and financial reporting process.

In addition, the Committee holds private meetings with the CFO annually and additionally on a need basis, to discuss matters relating to financial reporting and the external audit process.

The Committee further conducts private sessions among Committee members, without the presence of Executive Management, to enable independent discussions on matters relating to governance, financial reporting, risk management, internal controls and audit oversight responsibilities.

The details of the private sessions held during the year are as follows:

CFO	02
Internal Auditors	03
External Auditors	01

Secretary to the Committee

Ms. Roshini Weudagedara – Company Secretary functions as the Secretary to the Committee.

Reporting from subsidiaries

As part of its oversight responsibilities, the Committee reviews the minutes of the subsidiary Committee meetings to remain informed of significant matters relating to governance, risk management, internal controls and compliance at subsidiary level.

Reporting to the Board

The proceedings of the BARC meetings are regularly reported to the Board via the Committee Chair's report and minutes outlining proceedings, outcomes and recommendations.

Financial Reporting

The Committee, reviewed and discussed with the Management and the external auditors, the quarterly and annual Financial Statements, prior to their publication.

The Committee also discussed with the external auditors and Management, any matters communicated to the Committee by the external auditors in their reports on the audit for the year and monitored the progress made by the Management in resolving the issues raised by the auditors.

Declaration from the CEO and CFO

Section 9.13.5 (2) (c) of the Listing Rules

The Committee obtained and reviewed the assurances received from the

a. CEO and the CFO, that the financial records have been properly maintained and the Financial Statements give a true and fair view of the Group's operations and finances;
b. CEO and other Key Management Personnel (KMPs) responsible regarding the adequacy and the effectiveness of the Company's risk management and the internal control systems.

Internal Audit

Section 9.13.5 (2) (e), (f) of the Listing Rules

The scope of authority and responsibility of the internal audit function is documented in the Internal Audit Charter.

At the beginning of the year, the internal audit plan, based on an assessment of risk, is submitted to the Committee for their review and approval. The BARC then reviews the coverage of the audit plan, to ensure that the scope of the review on internal controls cover all significant operating procedures in the Company's business model.

The internal audit team carried out audits in accordance with the pre-approved audit plan and reported to the Committee, on a quarterly basis.

The Internal Audit Charter was reviewed by the Committee. The review aimed to ensure that the Charter remains aligned with leading practices, regulatory requirements and the evolving risk profile of the Company. The Committee assessed the scope, authority, and responsibilities outlined in the Charter, to ensure the Charter continued to support the independence and effectiveness of the internal audit function.

The Committee conducted an assessment of the independence of the internal audit function to ensure that it continues to operate objectively and free from influence.

The Committee evaluated the current requirements of the Internal Audit Function and resolved to transition the function from an outsourced model to an in-house arrangement. Accordingly, the Committee approved the appointment of an in-house Internal Auditor. In line with this decision, the engagement of M/S. KPMG as the outsourced Internal Auditors was discontinued with effect from 1 April 2026.

External Audit

Section 9.13.5 (2) (h) and (i) of the Listing Rules

M/s. Ernst & Young, Chartered Accountants ("Ernst & Young"), approved by the Securities and Exchange Commission of Sri Lanka ("SEC"), served as the Group's External Auditors since 2016, during which period four audit partner rotations were carried out, with the most recent rotation taking place in 2025.

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For the Financial Year 25/26, Deloitte (formerly known as PricewaterhouseCoopers) acted as the auditors of the Company's subsidiary, UML and it's subsidiaries, while Ernst & Young acted as the auditors for PAP and it's subsidiaries.

The Committee received a declaration from Ernst & Young, confirming that having exercised their professional judgment and that they are not aware of any relationship or interest in the Group that can reasonably be thought as having a bearing on their independence within the meaning of the Code of Conduct and Ethics of the Institute of Chartered Accountants of Sri Lanka.

In line with the policy on the engagement of the External Auditor to supply non – audit services (which was reviewed during the year), the CFO is required to table details of any non – audit services obtained during the year. The Committee is satisfied that the independence and objectivity of the independent external auditors, Ernst & Young has not been impaired.

Having considered the engagement letter, the Committee approved and recommended to the Board the audit fees for the current engagement, 25/26.

As part of the Company's commitment to maintaining high standards of corporate governance, Auditor independence and effective oversight, the Board Audit and Risk Committee periodically reviews the external audit arrangements of the Company and the Group. Following a comprehensive review, the Committee recommended the appointment of Messrs. KPMG (approved by SEC) as External Auditors of the Company for the Financial Year ending 31 March 2027.

Risk Management and Internal Controls

Section 9.13.5 (2) (b) of the Listing Rules

The Committee oversees the risk Management of the Company, hence no separate Committee is assigned for this purpose.

The Committee assesses the adequacy and effectiveness of the Company's internal controls and risk assessment. A risk-based audit approach was adopted in planning the internal audit to identify the effectiveness of the internal control procedures in place and significant risks were reviewed by the Committee. The Committee assessed the effectiveness of the Company's internal controls by reviewing the reports submitted by the internal audit and external auditors' Management Letter.

The Committee reviewed the risk management framework, practices and key risk indicators as well as the defined roles and responsibilities. The Committee also reviewed the processes in place for identification, measuring, controlling, monitoring of significant risks. The Company and subsidiaries have identified and documented key risks to the business and related mitigating controls. During the year, detailed risk assessments and evaluations were conducted by the Management, and the possible impact of these risks and

mitigation strategies were reviewed by the Committee, and brought to the notice of the Board when required. In addition, the Committee also considers sustainability-related risks and opportunities, as recommended by the Board Sustainability Committee, when assessing and overseeing the overall risk profile of the organisation. The Committee also ensured that the established risk appetite levels are approved by the Board providing a sound basis for risk-based decision-making across the organisation.

The Committee also considered climate-related risks and opportunities presented by Management during the year as part of its oversight responsibilities.

The Committee, recognises that risks identified at subsidiaries within the Group can potentially impact the parent Company, has in place a Group-level risk management framework, thus ensuring a comprehensive understanding of the risks faced by the Company.

Please refer the Risk Management Report on page 132 for more details.

Compliance

The Committee exercised diligent oversight over compliance matters. This includes reviewing reports from the Management to assess the effectiveness of compliance monitoring systems. It also ensures that the processes in place for ensuring adherence to laws and regulations, are robust.

Additionally, it carefully examines findings from regulatory examinations and Auditor observations. The Committee oversees the communication of the Code of Conduct of employees and monitored their compliance.

To ensure compliance with the requirements of the Anti-Bribery and Corruption Act No. 09 of 2023 and the Personal Data Protection Act No. 09 of 2022 ("PDPA"), the Committee requested audits to be carried out to assess whether the existing policies, procedures and controls of the Company were adequately aligned with the requirements of the respective legislation.

Whistleblowing

The Company's whistleblowing policy continued to be actively implemented during the year, reinforcing its role as a vital communication channel for employees and stakeholders to confidentially report suspected misconduct, unethical behavior or potential fraud. This policy serves as an integral component of the Company's broader corporate fraud risk management framework, supporting transparency, accountability, and early detection of irregularities.

The Committee reviewed the current Whistleblowing Policy to ensure its continued effectiveness in promoting a culture of transparency, accountability and ethical conduct across the organisation.

Professional Advice and Access to Management

The Committee is empowered to obtain, at the Company's expense, any outside legal or other professional advice and to secure the attendance of outsiders with relevant experience and expertise, if it considers necessary for the fulfilment of its duties.

Evaluation of the Committee

The Committee conducted a performance assessment to evaluate its effectiveness.

Scope of Committee in relation to Subsidiaries

Both United Motors Lanka PLC (UML) and Panasian Power PLC (PAP) are listed entities with its own Board Audit and Risk Committees.

Conclusion

Section 9.13.5 (2) (d) of the Listing Rules

The Committee is satisfied that internal controls and procedures are in place for assessing and managing risks that are adequately designed to operate effectively and is of the view that they provide reasonable assurance that the Company's assets are safeguarded and that the Financial Statements of the Company are reliable.

The Company's external auditors as well as the internal auditors have been effective and independent through-out the year.

The Committee also confirms compliance with Sri Lanka Accounting Standards (LKAS / SLFRS) issued by CA Sri Lanka, the Listing Rules, Companies Act No. 07 of 2007 (As amended), SEC Act No. 19 of 2021 and any other relevant regulations governing financial reporting.

On behalf of the Board Audit and Risk Committee



C. Pietersz
Chairperson

5 June 2026
Colombo

Report of the Board HR and Remuneration Committee

GRI 2-19, 20, 26, 27, 205-1, 3

As the Chairman of the Board HR and Remuneration (BHRC/Committee) on behalf of the other Committee members, I am pleased to present to you the Board HR and Remuneration Committee report of R I L Property PLC, for the year 2025/26.

As required by section 9.12.8 of the Listing Rules of the Colombo Stock Exchange (Listing Rules) and the Code of best practice on corporate governance issued by the Institute of Chartered Accountants of Sri Lanka 2023 (CG Code 2023), this report details the manner in which the duties and responsibilities of the Committee were discharged, during the year under review.

Introduction and Purpose

Section 9.12.3 of the Listing Rules

The purpose of the Committee is to provide assistance to the Board of Directors in fulfilling their oversight responsibility to establish and maintain a formal and transparent procedure for developing remuneration policies on Directors including executive Directors and employees including the CEO.

The Committee's scope extends beyond remuneration matters to include oversight of broader human resource functions, with a focus on fostering a supportive workplace that prioritises employee well-being, talent development and organisational effectiveness. This reflects the Company's commitment to maintaining an effective and people-centric organisational culture.

Committee Composition

Section 9.12.8 (a) of the Listing Rules

The Committee composition as at 31 March 2026 is as follows:

Name	Nature of Directorship	Committee status	Date of appointment
Prof. N. Gunawardena	Independent Non-Executive	Chairman	1 November 2018
Mr. A. Herath	Independent Non-Executive	Member	1 July 2024
Mr. S. Mudalige*	Independent Non-Executive	Member	29 January 2025
Mr. N. Fernando	Independent Non-Executive	Member	30 April 2025

*Resigned w.e.f. 28 April 2026

The current Committee composition is as follows:

Name	Nature of Directorship	Committee status	Date of appointment
Prof. N. Gunawardena	Independent Non-Executive	Chairman	1 November 2018
Mr. A. Herath	Independent Non-Executive	Member	1 July 2024
Mr. N. Fernando	Independent Non-Executive	Member	30 April 2025
Ms. V. Weerasekera	Non-Independent Non-Executive	Member	28 April 2026

The Committee composition comprise exclusively of Non-Executive Directors and 3 members are independent. The composition does not include Executive Directors.

Chairman, Prof. N. D. Gunawardena is an Independent Non-Executive Director.

Changes to the Committee Composition

Considering Mr. N. Fernando's experience and his exposure to human resource and people management matters, the BNGC recommended his appointment as a member of the Committee, during the year.

Recognising the importance of diversity within Board Sub-Committees, the Board Nominations and Governance Committee recommended the appointment of Ms. V. Weerasekera to the Committee subsequent to the reporting date. Following her appointment, Mr. S. Mudalige resigned from the Committee.

Terms of Reference

The Committee has a Board approved written Terms of Reference dealing with its authority and duties and carefully designed to discharge the Committee's purpose.

The Terms of Reference of the Committee was reviewed during the year as part of the periodic governance review process.

Meetings

In terms of the Terms of Reference of the Committee, the Committee is required to meet at least once a year and at such other times as the Chair or members of the Committee shall require.

The CEO attends meetings by invitation.

The Committee held 9 meetings during the year.

Please refer page 151 for details on meeting attendance at Committee meetings.

Secretary to the Committee

Ms. Roshini Weudagedara – Company Secretary functions as the Secretary to the Committee.

Scope of Committee in Relation to Subsidiaries

Both United Motors Lanka PLC (UML) and Panasian Power PLC (PAP) are listed entities with its own Committees.

Reporting to the Board

The proceedings of the BHRC meetings are regularly reported to the Board via the Committee Chair outlining proceedings, outcomes and recommendations.

The minutes of BHRC meetings are also tabled at successive Board meetings, for informational purposes.

Remuneration Policy

Section 9.12.8 (b) of the Listing Rules

The remuneration policy of the Company is driven by two principles:

a. To reward in a manner that ensures that employees and Directors are properly incentivised and motivated to perform in the best interests of the Company in the long term;
b. To provide the level of remuneration required to attract and retain personnel of sufficient calibre

Accordingly, the remuneration is designed in such a way to ensure fair remuneration to all members of the staff and the remuneration is linked to the achievement of individual Key Performance Indicators (KPIs) which are aligned to the short – term and long term objectives of the Company.

The remuneration of the Non-Executive Directors is fixed considering factors including market benchmarks, to ascertain prevailing industry standards, experience and responsibilities within the Company, the time commitment required for Board duties and the Company's financial performance and sustainability.

Proposals relating to remuneration are arrived at, in consultation with the Chairman and the CEO, if it is deemed necessary. No Director is involved in deciding his or her own remuneration. The policy on remuneration provides a framework that outlines principles for determining the remuneration for both employees and Non-Executive Directors.
During the year, the Committee also emphasised the importance of benchmarking remuneration practices against prevailing market standards and accordingly recommended that a salary survey be conducted to support informed decision-making.

Oversight on Human Capital

As part of its enhanced oversight of human resource matters, the Committee undertook several key initiatives to support a healthy organisational culture and effective governance dynamics. These include periodic assessments of Director interactions and the relationship between the Board and senior executives, to ensure a culture of respectful, constructive engagement. The Committee reviewed the Company culture through metrics such as employee engagement, turnover and feedback.

In addition, the Committee focused on succession planning initiatives as well as the training and development of employees to support the Company's long-term sustainability and talent pipeline.

Performance Evaluation of the Chief Executive Officer

In line with its oversight responsibilities, the Committee conducted a Bi-annual assessment of the Chief Executive Officer's performance against pre-defined Key Performance Indicators (KPIs).

The evaluation focused on strategic, operational, and leadership outcomes and the results were reported to the Board of Directors to support accountability and continuous performance improvement.

Directors' Emoluments

Section 9.12.8 (c) of the Listing Rules

The Directors' emoluments are disclosed in note 25 to the Financial Statements.

Professional Advice

The Committee is authorised by the Board to obtain, at the Company's expense, any outside legal or other professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary for the fulfilment of its duties.

Evaluation of the Committee

The Committee carried out a self-evaluation. The Board was satisfied with the Committee's performance during the period and that its remit and scope was sufficient.

On behalf of the Board HR and Remuneration Committee



N. Gunawardena
Chairman

5 June 2026
Colombo

Report of the Board Nominations and Governance Committee

As the Chairman of the Board Nominations and Governance Committee (BNGC/Committee), on behalf of the other Committee members, I am pleased to present to you the Board Nominations and Governance Committee report of R I L Property PLC, for the year 2025/26.

As required by section 9.11.6 of the Listing Rules of the Colombo Stock Exchange (Listing Rules) and the Code of best practice on corporate governance issued by the Institute of Chartered Accountants of Sri Lanka 2023 (CG Code 2023), this report details the manner in which the duties and responsibilities of the Committee were discharged, during the year under review.

Introduction and Purpose

Section 9.11.2 and 5 of the Listing Rules

The Committee is delegated by the Board with the authority to review the Board's composition and to formulate and implement a transparent process of Board recruitment, make recommendations to the Board on the appointment of Directors and Board Sub-Committee members and assess the independence, fitness and propriety of Directors.

The BNGC is also responsible for succession planning for Directors and Senior management and the oversight of matters relating to corporate governance.

Committee Composition

Section 9.11.6 (a), (b) and 9.11.4 of the Listing Rules

The Committee composition as at 31 March 2026 is as follows:

Name	Nature of Directorship	Committee status	Date of appointment
Mr. N. Fernando	Independent Non-Executive	Chairman	29 January 2025
Mr. A. Herath	Independent Non-Executive	Member	01 July 2024
Ms. C. Pietersz	Independent Non-Executive	Member	01 October 2023
Ms. V. Weerasekera	Non - Independent Non-Executive	Member	30 April 2025

The Committee composition comprises exclusively of Non-Executive Directors, out of which three (03) are Independent Directors. The composition does not include Executive Directors.

The Chairman, Mr. N. Fernando is an Independent Non-Executive Director.

There were no changes to the Committee composition during the year.

Terms of Reference

Section 9.11.3 of the Listing Rules

The Committee has a Board approved written Terms of Reference dealing with its authority and duties and carefully designed to discharge the Committee's purpose.

The Terms of Reference of the Committee was reviewed during the year as part of the periodic governance review process, to ensure it remains relevant, comprehensive and aligned with evolving regulatory expectations and industry best practices.

Meetings

The Committee meets mandatorily at the end of each quarter, at which the Management tables the status of compliance with the applicable Corporate Governance Rules.
In addition, further meetings are convened as and when required by the Chair or members of the Committee.

The Committee convened 6 meetings during the period under consideration.

Please refer page 151 for details on meeting attendance at Committee meetings.

Reporting to the Board

The proceedings of the BNGC meetings are regularly reported to the Board via the Committee Chair outlining proceedings, outcomes and recommendations.

The minutes of BNGC meetings are also tabled at successive Board meetings, for informational purposes.

Secretary to the Committee

Ms. Roshini Weudagedara – Company Secretary functions as the Secretary to the Committee.

Board Diversity

Section 9.11.6 (e) of the Listing Rules

The BNGC assessed the Board composition against the pre-defined criteria of skill and knowledge requirements to ascertain whether the collective knowledge and experience of the Board matches the strategic, governance and business demands of the Company. The assessment of the Board composition comprehensively addresses aspects of diversity and inclusion, including age, tenure, gender, expertise and independence, ensuring a balanced and effective Board composition.

The Committee is satisfied that the Board continues to be of adequate size and composition to suit the current scale of its operations and has an appropriate balance of skills, knowledge, experience and diversity to enable it to effectively discharge its duties. The Committee has time-effectively focused on Board refreshment giving due consideration to vacancies arising and Board effectiveness assessments.

Outside of gender diversity, as a Committee, we are confident the current Board's skill set also ensures the ability to oversee management and contribute to the development of strategy.

The Committee notes mandatory requirements of age and tenure imposed on the determination of independence by the Listing Rules.

As at 31 March 2026	Incumbent Board	Independent Non- Executive Directors
Average tenure	4	3
Average age	60	62

Please refer page 143 for more details on Board composition and diversity considerations.

Process for Board Appointments/ Re-Elections/ Re-Appointments

Section 9.11.6 (c), (d), (g) of the Listing Rules

The Committee has a formal documented policy in place where all appointments, re-elections/re-appointments are assessed against pre-defined criteria for suitability.

In appointing Directors, the Committee considers whether candidates bring complementary skills and experience aligned with the Board's needs. Key factors include sound business judgment, a strong track record in governance, the ability to provide effective oversight and a demonstrated commitment to fulfilling Board duties. Those proposed as Independent Non Executive Directors must meet the independence requirements under the Listing Rules.

In considering a Director for re-election, the Board evaluates their ongoing time commitment, attendance, and active participation in meetings. The Director's skills, knowledge and expertise are assessed against the Board's skills matrix and the strategic needs of the Company. For Independent Directors, any factors affecting independence or objectivity are reviewed. The Director's overall contribution, including alignment with the Company's strategic goals and impact on its growth and stability, is also taken into account.

The findings of the Board composition related assessment were taken into account in case of new Board appointments and when incumbent Directors came up for re-election/re-appointment.

In terms of Article 83 of the Articles of Association, one third (1/3) of the Directors (other than Executive Directors) who have been longest in office are required to retire by rotation. In addition, Article 89 requires Directors who were elected during the year to retire and seek election at the next AGM.

According to the assessment, the Committee recommended the following Directors for election/ re-election at the AGM.

Name of Director	Role in Board Sub-Committee	First date of appointment	Last re-appointment date	Details of directorships/ Chairmanships and other principle commitments present and held over the past 3 years in other listed entities	Any relationships including close family relationships between the candidate and the Directors, the Listed Entity or its Shareholders holding more than ten per-centum (10%) of the shares of the Listed Entity
Ms. V. Weerasekera	BHRC – member BARC – member BNGC – member BSC – Chair	8 April 2024	28 June 2024	Please refer page 146 for details of current directorships. The Colombo Port City Economic Commission	Nil
Prof. N. Gunawardena	BHRC – Chairman BARC – member	1 November 2018	28 June 2024	Please refer page 146 for details of current directorships. Northshore College of Business & Technology (Pvt) Ltd	Nil
Mr. V. Nawagamuwage	BSTC - Member	22 January 2026	N/A	Please refer page 147 for details of directorships	Nil

Determinations on Director Independence

An Independent Board has the benefit of providing objective judgement and constructive challenge to the viewpoints presented by management. Non-Executive Directors' independence is assessed upon appointment, annually and if at any other time circumstances warrant reconsideration.

Over the year, the Committee made recommendations to the Board as to determinations of Director independence including in case of new appointments.

Additionally, the Committee offered insights when necessary regarding the potential impact of proposed related party transactions on a Director's independence.

Please refer page 145 for the details of Independent Directors as at 31 March 2026.

External Appointments

The Board has a written policy regarding the maximum number of other appointments that Directors should hold. Before recommending new appointments to the Board, the Committee considers other demands on candidates' time. Once appointed any proposed additional external appointments are also reviewed by the Committee to ensure that the additional demands are within the threshold imposed.

Considering reviewed and updated Directors' interests, the Committee is satisfied that each Director has sufficient time to discharge their duties, taking into consideration their external appointments and commitments.

Periodic Evaluations of the Board and the CEO

Section 9.11.6 (h), of the Listing Rules

The Committee guided the design and conduct of the annual reviews of the Board, Sub-Committees and governance professionals including the Company Secretary, for effectiveness and performance.

All sub-committees including the Board of Directors carried out an evaluation on it' s own performance. The Board was satisfied with the Committee's performance during the period and that its remit and scope was sufficient.

The BNGC established that a suitable process encompassing expectation setting, guidance and assessment is maintained for periodic evaluation of the performance of the CEO. For year 2025/26 this evaluation was conducted by the Board HR and Remuneration Committee as delegated by the Board.

Board Induction and Training

Section 9.11.6 (j) of the Listing Rules

Induction programs encompass both institutional document-packs and one-on-one interactions. The orientation has been designed to supplement existing practices whereby a continuing understanding of the business is developed through appropriate business engagements for Non-Executive Directors such as interactions with employees, site visits and corporate events embeded into the annual cycle of Board meetings.

The Committee oversaw that induction programs have been conducted for the new appointees to the Board including on corporate governance, listing rules, securities market regulations and other applicable laws and regulations.

The senior executives of the Company and subsidiaries are invited, as appropriate, to Board and strategy meetings to make presentations on their areas of responsibility. Training on specific areas of risk and governance, performance reviews by the Chief Executive Officer, details on strategic matters and industry trends are provided to the Board. Internal senior leaders and external specialists may also impart their knowledge to the Board through presentations, roundtable discussions and other sessions.

The Board was also provided regular briefings to ensure that Directors are kept up to date on relevant legal, governance developments or changes, best practice developments and changing commercial and other risks.

Please refer page 152 on Board induction, training and development for details.

Process to Inform Independent Directors of Major issues relating to the Company

Section 9.11.6 (i) of the Listing Rules

To uphold corporate governance best practices, it's essential to keep Independent Directors informed of major issues within the Company. This involves regular updates through Board meetings and timely communication of urgent matters between meetings. Directors also receive detailed reports and relevant documentation and have direct access to the management for clarification or additional information as needed.

Governance Structure

The Committee oversaw the Company's governance structure and processes, ensuring alignment with Listing Rules, regulatory requirements and industry best practices.

The Committee also received reports from management regarding compliance with the corporate governance framework, including adherence to the Listing Rules and other relevant laws.

Succession Planning

The Committee meticulously oversaw the succession planning process for Key Management Personnel (KMPs), actively developing strategies and identifying training and development needs for the individuals earmarked for succession.

Scope of Committee in relation to Subsidiaries

The Committee's role in governance oversight extends to formulating and implementing a robust subsidiary governance policy which guides the manner in which parent Company representation, information architecture and risk management in particular, cohesively support Group governance. The Committee ensures that the Board maintains an appropriate diversity of capabilities, experience, and knowledge relevant to the needs of the Company and its subsidiaries, thereby facilitating effective oversight.

Both majority owned subsidiaries, United Motors Lanka PLC (UML) and Panasian Power PLC (PAP) are listed entities and have their respective BNGCs.

Directors and Officers Liability Cover (D & O Cover)

The Committee reviewed the Company's D&O insurance policies and is satisfied on the adequacy of D&O insurance coverage.

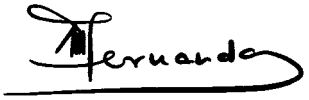
Declaration

Section 9.11.6 (j), (k), (l) and (m) of the Listing Rules

During the year,

1. An annual update on corporate governance, Listing Rules, securities market regulation and other applicable laws has been provided to the Directors;
2. The Directors have met the criteria for independence as outlined in the Listing Rules of the Colombo Stock Exchange;
3 Newly appointed Directors were provided with briefings covering corporate governance requirements, the Listing Rules of the Colombo Stock Exchange, applicable securities market regulations and other relevant legal and regulatory obligations.
4. Compliance with the Listing Rules on corporate governance rules has been ensured.

On behalf of the Board Nominations and Governance Committee



N. Fernando
Chairman

5 June 2026
Colombo

Report of the Board Related Party Transactions Review Committee

GRI 2-15, 2-18

As the Chairperson of the Board Related Party Transactions Review Committee (BRPTRC/Committee), on behalf of the other committee members, I am pleased to present to you the Board Related Party Transactions Review Committee report of R I L Property PLC, for the year 2025/26.

As required by section 9.14.8 (3) of the Listing Rules of the Colombo Stock Exchange (Listing Rules) and the Code of best practice on corporate governance issued by the Institute of Chartered Accountants of Sri Lanka 2023 (CG Code 2023), this report details the manner in which the duties and responsibilities of the Committee were discharged, during the year under review.

Introduction and Purpose

The purpose of the Committee is to provide assistance to the Board of Directors in fulfilling their oversight responsibility for the following:

- Evaluate and consider transactions with related parties (other than those exempted) of the Company as defined by Section 9 of the Listing Rules before they are undertaken, in order to ensure that related parties are treated on par with other shareholders and other stakeholders of the Company.
- Ensure that necessary processes are in place to identify, approve, disclose and monitor related party transactions according to the provisions contained in the Board approved Manual for related party transactions pertaining to the Company.

Committee Composition

Section 9.14.8 (3) of the Listing Rules

The Committee composition as at 31 March 2026 is as follows:

Name	Nature of Directorship	Committee status	Date of appointment
Mr. S. Mudalige	Independent Non – Executive	Member	29 January 2025
Mr. A. Herath	Independent Non – Executive	Member	1 July 2024
Ms. C. Pietersz	Independent Non – Executive	Member	25 March 2025
Ms. C. Ranasinghe*	Independent Non – Executive	Chairperson	1 September 2016
Ms. L. Yaseen **	Non-independent Non – Executive	Member	1 November 2018

*Resigned with effect from 31 August 2025;

**Resigned with effect from 30 September 2025;

Changes to the Committee Composition

Ms. C. G. Ranasinghe and Ms. L. E. M. Yaseen ceased to members of the Committee following their resignation from the Board of Directors.

The Committee composition comprises exclusively of Non-Executive Directors and all 3 members are independent.

Chairman, Mr. S. Mudalige is an Independent Non-Executive Director.

Terms of Reference

The Committee has a Board approved written Terms of Reference dealing with its authority and duties and carefully designed to discharge the Committee's purpose.

The Terms of Reference of the Committee was reviewed during the year as part of the periodic governance review process.

Meetings

In terms of the TOR of the Committee, the BRPTRC meets on a quarterly basis.

The CEO and the CFO attends meetings by invitation.

The Committee convened 4 meetings during the period under consideration.

Please refer page 151 for details on meeting attendance at Committee meetings.

Secretary to the Committee

Ms. Roshini Weudagedara – Company Secretary functions as the Secretary to the Committee.

Scope of Committee in relation to Subsidiaries

Both United Motors Lanka PLC (UML) and Panasian Power PLC (PAP) are listed entities with its own BRPTR Committees. The Committee also reviews Related Party Transactions entered into by and between the Company and its subsidiaries.

Reporting to the Board

The proceedings of the BRPTRC meetings are regularly reported to the Board via the Committee Chair outlining proceedings, outcomes and recommendations.

Where necessary, the Committee requests the Board of Directors to approve the related party transactions under review and in such instances, the Board approval is obtained prior to entering into such transaction.

The minutes of BRPTRC meetings are also tabled at successive Board meetings, for informational purposes.

Policies and Procedures

Section 9.14.8 (3) of the Listing Rules

A Board approved Procedure Manual on Related Party Transactions is in place with the objective to establish a frame work for the Company for identification of related parties and their transactions.

Identification of RPs
Related parties are identified in accordance with the criteria set out in the Sri Lanka Accounting Standards (LKAS 24) as well as the Listing Rules.

In terms of the Manual, the CFO, is entrusted with the responsibility to identify and update the list of related parties, as and when an event occurs.

The Company adopts a disclosure based approach in identifying related parties.

Reporting and reviewing related party transactions The Company has set up a process which enables the Company to generate and track data on related party transactions, throughout the Company's ERP system.

All related party transactions (other than those exempted) are submitted to the Committee prior to entering into the transaction.

All recurrent related party transactions are submitted to the Committee on a quarterly basis for review. The Committee has established guidelines to follow, when reviewing these recurrent related party transactions.

The Committee when reviewing related party transactions looks at the objective, economic and commercial substance over legal form and technicality.

The Company Secretary will make the necessary market disclosures in respect of transactions with identified related parties that trigger shareholder or Board approval, as well as those requiring immediate disclosure.

The Internal Audit function ensures that related party process is carried out according to the established procedure manual and applicable laws.

Professional Advice and Access to Management

The Committee ensured that it had access to sufficient knowledge and expertise to assess all aspects of the transaction. To this extent, the Committee is empowered to obtain,
at the Company's expense, any outside legal or other professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary for the fulfilment of its duties.

Conflict of interest

If a member has a personal material interest in a matter being considered or a related party transaction involves directly or indirectly one of the members of this Committee, the conflicted member must inform the Committee immediately and excuse himself at the meeting. Such members not be present while the matter is being considered at the meeting, unless for the express purpose of providing information to the Committee at the request of the other members and abstained from voting on the matter.

Performance evaluation

The Committee carried out a self-evaluation. The Board was satisfied with the Committee's performance during the period and that its remit and scope was sufficient.

Declaration

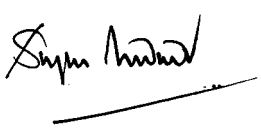
Section 9.14.8 (3) and (4) of the Listing Rules

Other than those exempted, all transactions with related parties entered into during the year 2025/26, were reviewed by the Committee and the observations were duly communicated to the Board. For this purpose all relevant facts and circumstances of the proposed transactions were provided to the Committee by the Senior Management.

During the year under review, the Company has complied with the related party transactions rules set out in Section 9 of the Listing rules.

An affirmative statement of compliance with the rules pertaining to related party transactions by the Board of Directors is included on pages 188 and 189 of this annual report.

On behalf of the Board Related Party Transactions Review Committee



S. Mudalige
Chairman

5 June 2026
Colombo

Annual Report of the Board of Directors

The Board of Directors of R I L Property PLC (R I L/ the Company) have the pleasure in presenting to its shareholders the Annual Report of the Company which covers and includes the Audited Financial Statements for the Financial Year ended 31 March 2026, Chairman's message, CEO's review, Corporate Governance report together with the Board Sub-Committee reports, Risk Management report, Statements on Directors' responsibility, Auditors' Report together with the other relevant information.

This Report provides the information required by the Companies Act No. 07 of 2007 (as amended) (CA 2007), as well as the Listing Rules of the Colombo Stock Exchange (as amended) (CSE) (Listing Rules).

The Board acknowledges its responsibility to ensure that this Integrated Annual Report provides a balanced view of its performance during the Financial Year 2025/26 and is of the opinion that it addresses all material issues that it believes may have a bearing on the Group's capacity to create value over the short term.

The Management of R I L Property PLC have prepared and reviewed the Integrated Annual Report and submitted the same to the Board Audit and Risk Committee who recommended the same to the Board of Directors for approval. Accordingly, the Annual Report of the Company including the Annual Report of the Board of Directors was adopted by the Board of Directors on 5 June 2026.

The required number of copies of the Company's Annual Report will be submitted to the relevant regulatory authorities within the stipulated time.

General

The Company was incorporated on 15 July 2009 as a Private Limited Liability Company and subsequently converted in to a Public Limited Liability Company on 13 September 2016 under the CA 2007.

The ordinary shares of the Company are quoted on the main Board of the CSE since 4 May 2017.

Principal Activities

The principal business activities of the Group are into diverse sectors.

The principal activity of the parent Company, R I L is developing and managing Grade "A" commercial office space in selected core markets in the Central Business District (CBD) whilst offering multifaceted real estate solutions including facilities management, leasing, land acquisition, construction management services, consulting and strategic investment.

PARKLAND Integrated Solutions (Private) Limited, a fully owned subsidiary incorporated on 4 January 2024, is primarily engaged in providing facilities and project management services, with a strong focus on projects within the Port City Colombo development area.

PARKLAND Solutions (Private) Limited, a fully owned subsidiary incorporated on 5 February 2026, is primarily engaged in providing facilities management.

Subsidiary, United Motors Lanka PLC (UML), continues to operate as a distributor of passenger vehicles, commercial vehicles, tyres, lubricants and car care products, equipment and machinery, 3D printers and related services, and genuine spare parts of its brands. The Company also provides after-sales services and exports trailers for ports and road transport globally.

Subsidiary, Panasian Power PLC (PAP) is one of Sri Lanka's leading suppliers of clean, renewable energy to the country's national energy grid.

Subsidiary, R-E-D Capital Asia (Pvt) Ltd., a subsidiary of PAP, is the sole shareholder of three operating companies engaged in the operation of seven 35MW solar power projects (5MW each x 7), supplying clean and renewable energy to the country's national energy grid.

There were no significant changes in the nature of the principal activities of the Company and the Group during the Financial Year under review.

Changes to Group Structure

The Group Structure is elaborated on page 12 of the Annual Report.

There were no major changes to the Group structure during the period, other than the following,

- PAP SPGM Solar (Pvt) Ltd which was under R-E-D Capital Asia (Pvt) Ltd amalgamated with PAP PTS Solar (Pvt) Ltd on 31 March 2026.

Review of Performance

A review of the Company and its subsidiaries' performance during the Financial Year together with the future outlook is found in the Chairman's message, CEO's review and the Management Commentary on pages 29 to 31, 32 to 35 and 99 to 130 respectively.

Financial Statements

The Financial Statements of the Company and the Group have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRs/LKASs) issued by the Institute of Chartered Accountants of Sri Lanka and comply with the requirements of the CA 2007 as well as the Listing Rules of the CSE.

As at the balance sheet date, the Financial Statements give a true and fair view of

a. the state of affairs of the Group
b. the profit and loss or income and expenditure of the Group

These Financial Statements, duly certified by the Chief Finance Officer, were approved by the Board of Directors and signed by two (02) members of the Board and are given on pages 203 to 299 of the Annual Report.

Directors' Responsibility for Financial Reporting

The Directors are responsible for the preparation of the Financial Statements of the Company, which reflect a true and fair view of the financial position and the performance of the Company and the Group.

The statement of Director's responsibility statement for Financial Reporting provided on page 195 of this Annual Report forms an integral part of this Report.

Auditors' Report

The Auditors' Report on the Financial Statements of the Company and the Group are given on pages 200 to 202 of the Annual Report.

Significant Accounting Policies

The Accounting Policies adopted in the preparation of the Financial Statements of the Company and the Group are given on pages 211 to 299 of the Annual Report.

There were no changes in Accounting Policies during the year under review other than those disclosed in note 6 (v) on page 222.

Going Concern

The Board of Directors after considering the financial position, operating conditions, regulatory and other factors, has a reasonable expectation that the Company and its subsidiaries possess adequate resources to continue operations in the foreseeable future.

Accordingly, the Financial Statements are prepared based on the "Going Concern Concept".

Stated Capital

As at 31 March 2026, the stated capital of the Company was LKR 7,360 Mn. comprising of 800 Mn. ordinary shares. No new share issues took place during the year under review.

Financial Results

	2026 LKR Mn.	2025 Restated LKR Mn.
Company		
Revenue	1,576	1,457
Profit before Tax	3,512	1,610
Profit after Tax	2,876	1,348
Group		
Revenue	55,844	14,727
Profit before Tax	8,629	1,965
Profit after Tax from continued operations	7,613	1,478

Reserves

	2026 LKR Mn.	2025 Restated LKR Mn.
Company		
Reserves		
Capital Reserve	462	419
Revenue Reserve	13,395	10,958
Group*		
Reserves	18,498	13,213

* The composition of the Reserves is shown in the statement of changes in equity on pages 206 to 208.

Segmental Reporting

Segmental reporting is disclosed in note 27 to the Financial Statements on pages 277 to 279.

Provision for Taxation

Provision for taxation has been computed at the prescribed rates and details are given in note 26 to the Financial Statements on pages 273 to 277.

Dividends

The Board has approved the payment of a first and final dividend of LKR 1.00 per share for the Financial Year 2025/26. The approval of the shareholders will be sought at the upcoming AGM scheduled for 30 June 2026.

In terms of section 56 (2) of CA 2007, the Board of Directors have certified that the Company satisfies the Solvency Test in accordance with Section 57 of the CA 2007 and a certificate from the Auditors will be obtained to this effect.

Donations

Donations given by the Company and the Group are disclosed in note 25 to the Financial Statements on page 272.

Property, Plant and Capital Expenditure

Capital expenditure during the year on Property Plant and Equipment by the Company and the Group were LKR 18 Mn. (LKR 1 Mn. (2024/25) and LKR 3,960 Mn. (LKR 1,700 Mn. – 2024/25), respectively.

Details relating to Property Plant and Equipment, Investment properties and intangible assets are detailed in notes 6, 7 and 8 to the Financial Statements, on pages 222 to 236.

Freehold land of the Group other than plant related land were revalued by professionally independent valuers and incorporated into the Financial Statements. The investment properties are accounted using the fair value method.

Details of fair values of investment properties are given on note 7 to the Financial Statements. Details of revaluation of land are given in notes 6 and 7 to the Financial Statements.

Contingent Liabilities and Capital Commitments

There has been no capital commitments or contingent liabilities other than disclosed in notes 33 and 34 to the Financial Statements on pages 283 and 285 of the Annual Report.

Employment

The Company's and the Group's strength of manpower as at 31 March 2026 is 108 and 1,580 respectively.

The Company's practices and policies inter alia relating to recruitment, training and development, and employee relations are discussed in detail under "Human Capital" on page 113.

There were no material issues pertaining to employees and industrial relations in the year under review.

Share Information

There were 6946 (4,176 –2024/25) registered shareholders as at 31 March 2026.

Distribution Schedule of Shareholders

The details are given on page 302.

Information on Ratios and Market Price Information

The details are given on page 6.

Substantial Shareholdings and Other Share Information

The names of the twenty largest shareholders, the number of shares held and the percentages are given on page 301 of the Annual Report.

The float-adjusted market capitalisation, public holding percentage (%), number of public shareholders, and the basis on which the Company complies with the Minimum Public Holding requirement of the voting ordinary shares under the Listing Rules of the CSE are indicated on page 301.

Related Party Transactions

Non-recurrent Related Party Transactions

There were no non–recurrent Related Party Transactions of which the aggregate value exceeded 10% of the Equity or 5% of the Total Assets of the Company during the year ended 31 March 2026, which require specific disclosures in the Annual Report in terms of section 9.14.8 of the Listing Rules of the CSE and the Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka.

Recurrent Related Party Transactions

There were no recurrent Related Party Transactions which in aggregate exceeded 10% of the consolidated revenue of the Group as per latest audited Financial Statements, which require specific disclosures in the Annual Report in terms of section 9.14.8 of the Listing Rules of the CSE and the Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka.

The identified Related Parties as well as the Related Party transactions undertaken during the year are set out in note 30.3.2 to the Financial Statements on page 282.

The members of the Board and the senior managers have been identified as "Key Management Personnel" of the Company. There were no Related Party transactions by the Key Management Personnel with the Company other than note 30 to the Financial Statement on page 281.

As required by the Listing Rules of the CSE, the Board confirms that the Company has complied with all requirements as per Section 9 of the Listing Rules of the CSE on Related Party transactions.

Events Occurring After The Reporting Date

There have been no material events subsequent to the reporting date that would require adjustment to or disclosure in the Financial Statements other than those disclosed in note 32 to the Financial Statements on page 283.

Corporate Governance

The measures taken and the extent to which the Company has complied with the Listing Rules of the CSE are set out under the "Corporate Governance Report" on page 139.

Board of Directors

As at 31 March 2026, the Board of Directors of R I L Property PLC consisted of eight (08) Directors.

Mr. A. Herath
Chairman
Independent Non-Executive Director

Ms. H. Fernando
Chief Executive Officer/Executive Director

Prof. N. Gunawardena
Independent Non-Executive Director

Ms. C. Pietersz
Independent Non-Executive Director

Ms. V. Weerasekera
Non-Independent Non-Executive Director

Mr. S. Mudalige
Independent Non-Executive Director

Mr. N. Fernando
Independent Non-Executive Director

Mr. V. Nawagamuwage
Independent Non-Executive Director

The Directors' profiles are given on pages 36 to 43 of the Annual Report.

The names of the Directors of the subsidiary companies are given on pages 14 to 21.

Changes in the Directorate

New Appointments and Resignations of the Company

During the year, one new Director was appointed to the Board.

Name of the Director	Date of appointment
Mr. V. Nawagamuwage	22 January 2026

The following Directors resigned from the Board during the year.

Name of the Director	Date of resignation
Ms. C. Ranasinghe	31 August 2025
Ms. L. Yaseen	30 September 2025

Retirement and Re-election of Directors

In terms of Article 83 of the Articles of Association, Professor N. Gunawardena and Ms. V. Weerasekera will retire by rotation and seek re-election by the shareholders at the AGM, on the unanimous recommendation of the Board Nominations and Governance Committee and the Board of Directors.

In terms of Article 89 of the Articles of Association, Mr. V. Nawagamuwage will retire and seek election by the shareholders at the AGM, on the unanimous recommendation of the Board Nominations and Governance Committee and the Board of Directors.

Board Sub-Committees

The Board, while assuming overall responsibility and accountability for the management of the Company, has appointed 4 Board Sub-Committees as mandated by the Listing Rules, Board Audit and Risk Committee, Board Related Party Transactions Review Committee, Board HR and Remuneration Committee and the Board Nominations and Governance Committee to ensure oversight and control over certain affairs of the Company.

The Board approved Terms of References are in place for each of these Board Sub-Committees.

Changes to the Sub-Committee compositions during the year as well as the current Committee compositions are indicated in the respective Committee reports.

Board Sub – Committee	Page reference
Board Audit and Risk Committee	173
Board HR and Remuneration Committee	177
Board Nominations and Governance Committee	180
Board Related Party Transactions Review Committee	184

Directors' Meetings

The attendance of Directors at Board and Board Sub-Committee meetings are given on page 151 of this Annual Report.

Directors' Interests Register

The Group, in compliance with the CA 2007, maintains Interests Registers. Where applicable, all necessary entries were made in the Interests Register during the year under review.

The Interests Registers are available at the respective Registered Offices of the Group in keeping with the requirements of section 119 (1) (d) of the CA 2007.

Directors' Interest in Contracts

All Directors of the Company have made the necessary declarations of their interests in contracts, to the Board and such interests were duly recorded in the Directors Interests Register. The Directors have no direct or indirect interest in any contracts or proposed contracts with the Company other than those disclosed in the Interests Register.

During the year, there were no such interested transactions warranting disclosure.

Directors' Interest in Shares

Name of the Director	Number of shares held as at 31 March		Percentage (%) of shares held as at 31 March	
	2026 LKR	2025 LKR	2026 (%)	2025 (%)
Mr. A. Herath	–	–	–	–
Ms. H. Fernando	–	–	–	–
Prof. N. Gunawardena	–	–	–	–
Ms. C. Pietersz	–	–	–	–
Ms. V. Weerasekera	–	–	–	–
Mr. S. Mudalige	–	–	–	–
Mr. N. Fernando	–	–	–	–
Mr. V. Nawagamuwage	–	–	–	–
Ms. C. Ranasinghe*	–	–	–	–
Ms. L. Yaseen**	–	45,868,832	–	5.73

*Resigned w.e.f 31 August 2025

**Resigned w.e.f 30 September 2025

Directors' Remuneration

Details of Directors' remuneration and other benefits in respect of the Company and the Group for the Financial Year ended 31 March 2026 are given in note 30.2.2 to the Financial Statements, on page 281.

Risk Management and Internal Control

The Board of Directors, through the involvement of the Internal Audit have taken steps to ensure, and have obtained reasonable assurance, that an effective and comprehensive system of internal controls are in place that cover the financial, operational and compliance controls required to carry on the business in an orderly manner, safeguard the Company's assets and secure, as far as possible, the accuracy and reliability of the financial records.

The Board is satisfied with the effectiveness of the system of internal controls that were in place during the year under review. The "Directors' Statement on Internal Control" is contained on page 198 and forms an integral part of this report.

The Directors periodically review and evaluate the risks that are faced by the Company.

The various exposures to risks by the Company and specific steps taken by the Company in managing risks are detailed under the "Risk Management" on page 132 of this Annual Report.

Code of Conduct and Ethics

The Company has in place a Code of Ethical Business Conduct applicable for all employees and Directors. The compliance is mandatory at all levels across the Company, without any exemptions.

Whistle Blowing

A Whistle Blowing Policy operates within the Company and the same has been communicated to employees. Bi –annual awareness sessions are conducted by the Company to educate the employees on the importance of this Policy.

Corporate Social Responsibility

The Board is fully committed to and considers it a key priority to act responsibly towards all stakeholders and to manage economic, environmental and social impacts during value creation activities efficiently and effectively.

Please refer page 121 for more details.

Material Foreseeable Risk Factors

The Company does not foresee any material risks affecting its business in the foreseeable future.

Environmental Protection

The Company has made its best endeavours to comply with the relevant environment laws and regulations. The Company to the best of it's knowledge has not engaged in any activity harmful or hazardous to the environment and has taken all possible steps necessary to safeguard the environment from any pollution that could arise when carrying out its business operations.

Statutory Payments

The Directors confirm that to the best of their knowledge, all payments due to the government and regulatory institutions and those related to employees have been made on time during the year under review.

Outstanding litigation

The Directors confirm that there is no outstanding litigation other than those disclosed under note 34 to the Financial Statements.

Employee Share Ownership Plans

The Company does not have any employee share ownership/ option plans.

Auditors

Appointment

The Board of Directors at the recommendation of the Board Audit and Risk Committee resolved to recommend to the shareholders the appointment of M/S. KPMG, Chartered Accountants as the External Auditors for the Financial Year 26/27. Accordingly, a resolution to appoint them as External Auditors and authorising the Directors to fix their remuneration, will be proposed at the forthcoming AGM.

Independence

A declaration has been provided by Messrs. Ernst & Young who acted as External Auditors for the Financial Year 25/26, indicating that having exercised their professional judgment, they are not aware of any relationship or interest in the Group that can reasonably be thought as having a bearing on their independence within the meaning of the Code of Conduct and Ethics of The Institute of Chartered Accountants of Sri Lanka.

Remuneration

The fees paid to Auditors, Messrs. Ernst & Young for the audit and other services during the year are given in note 25 in page 272 to the Financial Statements.

Annual General Meeting

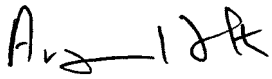
The 17th Annual General Meeting of the Company will be held on 30 June 2026 at 11.30 a.m.

The Notice of meeting is given on page 319 of the Annual Report.

Acknowledgement of the Contents of the Annual Report

As required by section 168 (1) (k) of the CA 2007, the Board of Directors hereby acknowledge the contents of this Annual Report.

This Annual Report is signed for and behalf of the Board of Directors.



A. Herath
Chairman



H. Fernando
Chief Executive Officer/ Executive Director



R. Weudagedara
Company Secretary

5 June 2026
Colombo

FINANCIAL REPORTS



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Financial Calendar

Annual General Meeting Calendar

	2026	2027
Audited Financial Statements for the year ended 31 March 2026 signed on	05	
17th Annual General Meeting	30	
Audited Financial Statements for the year ended 31 March 2027 signed on		07
18th Annual General Meeting		30

Dividend Calendar

	Published on 2025-2026
Payment of first and final dividend for the Financial Year 2025/26	20

Interim Financial Statement Calendar

	Published on 2025-2026	To be published on or before 2026-2027
Submission to the Colombo Stock Exchange in terms of Rule 7.4		
First quarter ending 30 June	14th	14th
Second quarter ending 30 September	13th	15th
Third quarter ending 31 December	13th	15th
Fourth quarter ending 31 March	29th	31st

Statement of Directors' Responsibility for Financial Reporting

The responsibility of the Board of Directors in relation to the Financial Statements of the Company and the Group is set out in this statement, which should be read in conjunction with the Auditors' statement set out in their report on pages 200 to 202 of this Annual Report.

The Companies Act No. 07 of 2007 (CA 2007) (as amended) requires the Directors to prepare the Financial Statements for each Financial Year, giving a true and fair view of the state of affairs of the Company and the Group as at the end of the Financial Year, the profit and loss of the Company and the Group for the Financial Year and present the same to the Shareholders.

The Financial Statements comprise of:

- The Statement of Financial Position;
- The Statements of Profit or Loss and Other Comprehensive Income;
- The Statement of Changes in Equity and Cash flows;
- Accounting policies and notes thereto

The Board of Directors confirms that the Financial Statements of the Company and the Group give a true and fair view of the:

- Financial position of the Company and Group as at 31 March 2026; and
- Financial performance of the Company and Group as at 31 March 2026.

The Directors have ensured that in preparing these Financial Statements:

- The appropriate accounting policies have been selected and applied in a consistent manner and material departures, if any, have been disclosed and explained; and
- All applicable accounting standards in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) as relevant have been applied; and
- Reasonable and prudent judgments and estimates have been made so that the form and substance of transactions are properly reflected; and
- To the best of their knowledge, the statements provide the information required by and otherwise comply with, the CA 2007, the Listing Rules of the Colombo Stock Exchange and the requirements of any other regulations applicable to the Company.

The Directors have a responsibility to ensure that the Company and the Group maintain sufficient accounting records to disclose, with reasonable accuracy, the financial position of the Company and the Group.

The Board of Directors accepts full responsibility for the integrity and objectivity of the Financial Statements presented. The Directors are also responsible for taking reasonable steps to safeguard the assets of the Company/Group and in this regard to give proper consideration to the establishment of appropriate internal control systems with a view to preventing and detecting frauds and other irregularities.

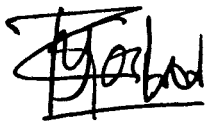
The Directors are required to provide the Auditors with every opportunity to take whatever steps and undertake whatever inspections they may consider appropriate to enable them to express their audit opinion.

The Directors confirm that to the best of their knowledge, all taxes, duties and levies payable by the Company and the Group and all contributions, levies and taxes payable relating to the employees of the Company and the Group, which were due and payable as at the reporting date, have been paid or where relevant, provided for.

As required by Section 56 (2) of the Companies Act No. 7 of 2007, the Board of Directors have confirmed that the Company, based on the information available, satisfies the solvency test immediately after the distribution, in accordance with Section 57 of the Companies Act No. 7 of 2007, and have obtained a certificate from the auditors, prior to distribution of dividends.

Following a review of the Company's financial and related information including cash flows and borrowing facilities, the Directors are satisfied that the Company and the Group have adequate resources to continue in operation and have continued to adopt the going concern basis in preparing these Financial Statements.

By order of the Board



R. Weudagedara
Company Secretary

5 June 2026
Colombo

Responsibility Statement of Chief Executive Officer and Chief Finance officer

Compliance with the Laws and Regulations

The Financial Statements of R I L Property PLC (The Company/R I L) and the Group for the Financial Year 2025/26 have been prepared and presented in compliance with the requirement of the following:

- Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka (SLFRS/LKAS);
- The Companies Act No. 07 of 2007 (CA 2007) (as amended);
- Listing Rules of the Colombo Stock Exchange (CSE) (as amended).

Financial Reporting

The accounting policies used in the preparation of these Financial Statements are appropriate and are consistently applied except where otherwise stated in the notes to the Financial Statements. There are no departures from the prescribed Accounting Standards in their adoption. The significant accounting policies and estimates that involved a high degree of judgement and complexity were discussed with the Board Audit and Risk Committee (BARC) as well as the Company's External Auditors. Comparative information has been reclassified wherever necessary to comply with the current presentation.

The Board of Directors and the Management assume full responsibility for the integrity and objectivity of the Financial Statements presented. The estimates and judgment relating to Financial Statements were made on a prudent and reasonable basis, in order that the Financial Statements reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs. To ensure this, the Group has taken proper and sufficient care in implementing a system of internal controls for safeguarding assets and for preventing and detecting frauds as well as other irregularities.

We the undersigned, confirm that to the best of our knowledge, R I L and its subsidiaries maintain sufficient accounting records, to disclose with reasonable accuracy the financial position and performance of the R I L Group. The financial statements give a true and fair view of the Company and Group's operations and finances.

We also confirm that the Company and the Group have adequate resources to continue in operation and have applied the Going Concern basis in preparing these Financial Statements.

System of Internal Controls

The Company has taken proper and sufficient care in installing a system of internal control and accounting records, for safeguarding assets and for preventing and detecting frauds as well as other irregularities which are reviewed, evaluated and updated on an ongoing basis. We have evaluated the internal controls and procedures of the Company for the Financial Year under review and confirm, based on such evaluations there were no significant deficiencies and material weaknesses in the design or operation of internal controls and frauds that involves the management or other employees.

Company's Internal Audit function has been outsourced to Messrs. KPMG, Chartered Accountants conducts periodic audits in accordance with the audit plan and provides comfort on the efficiency and effectiveness of the internal control system. However, there are inherent limitations that should be recognised in weighing the assurance provided by any system of internal control and accounting.

United Motors Lanka PLC (UML) and Pan Asia Power PLC (PAP) has its own Board Audit and Risk Committee which the Company relies for the efficiency and effectiveness of their internal control systems.

Report of Independent Auditors

Messrs. Ernst & Young, Chartered Accountants, the External Auditors of the Company have examined the Financial Statements made available together with the relevant financial records, related data and minutes of meetings and accordingly expressed their opinion in their report. Their report is given on pages 200 to 202.

Board Audit and Risk Committee

The Board Audit and Risk Committee pre – approves the audit and other services provided by Messrs. Ernst & Young, Chartered Accountants. The Committee also reviews the level of non-audit services performed by the External Auditor.

The BARC meets periodically with the Internal Auditors and the External Auditors to review the manner in which their responsibilities are discharged and to discuss matters on internal controls identified by the Internal Auditors, the Independent External Auditors and the Management and evaluates the adequacy and effectiveness of the internal control system.

To ensure complete independence, the Internal Auditors and the External Auditors have full and free access to the members of the BARC to discuss any matter of substance.

Conclusion

We confirm that to the best of our knowledge

- The Financial Statements reflect in a true and fair manner, the form and substance of transactions and reasonably present the Group's state of affairs and have applied the Going Concern basis in preparing these Financial Statement;
- The system of internal controls and risk management is operating effectively;
- To the best of our knowledge, the Group has complied with all applicable laws and regulations and there is no material litigation against Group.
- All taxes, duties, levies and all statutory payments by the Group and all contributions, levies and taxes payable on behalf and in respect of the employees of the Group as at 31 March 2026 have been paid or provided for, where relevant.



H. Fernando
Chief Executive Officer/Executive Director



I. Perera
Chief Finance Officer

5 June 2026
Colombo

Directors' Statement on Internal Controls

GRI 2-5

Responsibility and Acknowledgement

Maintaining a sound system of internal controls to safeguard the investment of the Shareholders and the assets of the Company, is the responsibility of the Board of Directors.

The Board has established an ongoing process for identifying, evaluating and managing significant risks faced by the Company, and this process includes enhancing the system of internal controls as and when there are changes to the business operations as well as regulations. This process was in place during the year under review and was periodically reviewed by the Board through the Board Audit and Risk Committee (BARC).

However, such system is designed to manage the Company's key areas of risk within an acceptable risk profile, rather than to eliminate the risk of failure to achieve the business objectives. Therefore, the system of internal controls can only provide reasonable and not absolute assurance on the successful management of risks, financial losses or frauds.

The Board is of the view that the system of internal controls in place is sound and adequate to provide reasonable assurance regarding the reliability of financial reporting and that the preparation of Financial Statements is in accordance with the applicable accounting standards and regulatory requirements.

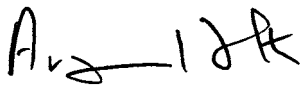
Key processes adopted for the review of the adequacy and effectiveness of internal controls

Summarised below are the key processes adopted for the review of the adequacy and effectiveness of the system of internal controls

- Board Subcommittees are established to assist the Board
  i. in ensuring the effectiveness of the operations;
  ii. that the operations are in accordance with the business direction/strategies;
  iii. that the Company's operations are in line with the annual budget and approved policies.
- At the direction of the BARC, the internal audit function, has been outsourced to M/S. KPMG. Internal Audit function reviews on an ongoing basis, the design and effectiveness of the Company's internal control systems including systems for compliance with applicable laws and regulations and highlights areas of non –compliances and provide recommendations on areas of improvement.
- The purpose, authority, and responsibility of the internal audit function have been formally defined in an internal audit charter, which is reviewed and approved by the BARC on an annual basis.
- Internal audits are conducted according to the audit plan approved by the BARC. The frequency of the audits is determined based on the level of risk assessed. Findings of the internal audits are submitted to the BARC on a quarterly basis.
- The BARC reviews the internal control issues highlighted by the Internal Auditors and evaluates the adequacy and effectiveness of the risk management and internal control systems. The BARC reviews Internal Audit functions with particular emphasis on the scope and quality of audits. The minutes of BARC meetings are tabled at successive Board meetings for informational purposes.
- Each subsidiary has its own BARC on which the Company relies for the efficiency and effectiveness of internal control systems.
- IT audits are conducted by independent external parties to ensure the integrity of the financial information, data security and adequate access controls with regard to processing data.
- Recommendations by the External Auditors in connection with the internal control systems are reviewed and appropriate steps are taken to implement them.
- Policies/Procedures are developed covering functional areas of the Company and these are approved by the Board or approved subcommittees. such policies and procedures are reviewed and approved periodically.

Confirmation

Based on the above processes, the Board of Directors of R I L Property PLC confirms that the financial reporting system of the Company and the Group have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes, and has been carried out in accordance with Sri Lanka Accounting Standards (SLFRS/ LKAS), Companies Act No.07 of 2007 (as amended), Listing Rules of the Colombo Stock Exchange, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka 2023 (CG code 2023) and requirements of any other regulatory authority as applicable to the Company.



A. Herath
Chairman



H. Fernando
Chief Executive Officer/Executive Director



C. Pieteresz
Chairperson
Board Audit and Risk Committee

5 June 2026
Colombo

Independent Auditors' Report

GRI 2-4

Shape the future with confidence

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Chartered Accountants
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To the Shareholders of R I L Property Plc
Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of R I L Property PLC ("the Company") and the consolidated Financial Statements of the Company and its subsidiaries ("the Group"), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including material accounting policy information.

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

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matter	How KAM was addressed
Assessment of fair value of land and buildings. As at 31 March 2026, investment properties carried at fair value amounted to LKR 20.3 Bn and represented 31% of the total assets of the Group. The fair value gain recognised in statement of profit or loss of the Group for the year ended 31 March 2026 represent 25% of profit before tax of the Group.	Our audit procedures included the following key procedures: • assessed the competence, capability and objectivity of the external valuer engaged by the Group. • read the external valuer's reports and understood the key estimates made and the approach taken by the external valuer in determining fair values

Partners: D K Hulangamuwa FCA FCMA LLB (London), Ms. Y A De Silva FCA, Ms. G G S Manatunga FCA, W K B S P Fernando FCA FCMA, B E Wijesuriya FCA FCMA, R N de Saram ACA FCMA, N M Sulaiman FCA FCMA, Ms. L K H L Fonseka FCA, Ms. P V K N Sajeewani FCA, A A J R Perera FCA ACMA, N Y R L Fernando ACA, D N Gamage ACA ACMA, C A Yalagala ACA ACMA, Ms. P S Paranavitane ACA ACMA LLB (Colombo), B Vasanthan ACA ACMA, W D P L Perera ACA, M U M Mansoor ACA

Principals: T P M Ruberu FCMA FCCA MBA, G B Goudian ACMA, D L B Karunathilaka ACMA, W S J De Silva Bsc (Hons) - MIS Msc - IT, V Shakthivel B.Com (Sp)

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Key Audit Matter	How KAM was addressed
PPE include land and buildings of the Group carried at fair value. As at the reporting period end such assets amounted to LKR 12 Bn and represented 18% of the total assets of the Group. The fair value of such assets were determined by an external valuer engaged by the Group. Assessment of fair value was a key audit matter due to: • materiality of the reported amounts • degree of assumptions, judgements and estimation uncertainties associated with assessing fair value Key areas of significant judgments, estimates and assumptions used in assessing the fair value of land and buildings, as disclosed in Notes 6 and 7 to the financial statements, include judgements involved in ascertaining the appropriate valuation techniques and estimates such as: • price per perch / acre for valuation of land, • anticipated maintenance cost, rent per sq. ft., occupancy rate, yield rate and discount rate for valuation of buildings;	• assessed the appropriateness of the valuation techniques used and assessed the reasonableness of the significant judgements, estimates and assumptions made by the valuer such as – price per perch / acre for valuation of land – anticipated maintenance cost, rent per sq. ft., occupancy rate, yield rate and discount rate for valuation of buildings We also assessed the adequacy of the related financial statement disclosures in Notes 6 and 7.
Voluntary change in accounting policy During the year ended 31 March 2026, the Group voluntarily changed its accounting policy for the subsequent measurement of power plant–related land, electrical fixtures and fittings, the solar PV generation system, engineering quarters, civil constructions, and electro-mechanical equipment ("power plant – related assets") from the revaluation model to the cost model, as disclosed in Note 6 to the financial statements. The Group engaged and obtained the assistance of an External Expert for this purpose. This was a key audit matter due to: • the materiality of the Power plant related assets, which amounted to Rs. 7 Bn, and represented 11% of the Group's total assets as at the reporting date • the degree of management judgments, estimates and assumptions applied in evaluating the appropriateness of the change in accounting policy, including the determination of adjustments necessary to the carrying values reported in the current year and the restatement of comparative amounts of prior periods presented, together with related financial statement disclosures.	**Our audit procedures included the following key procedures:** • Obtained an understanding of the change in accounting policy and evaluated whether it is aligned with Sri Lanka Accounting Standards. • We assessed the competence, capability and objectivity of the External Expert engaged by the Group. We also obtained and read the External Expert's Report and obtained an understanding of the approach and conclusions reached. • Tested the mathematical accuracy of any computations and agreed amounts to source documents and supporting evidence • Assessed the reasonableness of management judgements, estimates and assumptions applied in applying the change in accounting policy, including adjustments to the carrying values reported in the current year and restated comparative amounts of prior periods. We also assessed the adequacy of the related financial statement disclosures in Note 6

Other Information included in the 2026 Annual Report

Other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information.

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

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

Responsibilities of the management and those charged with governance

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.

Shape the future with confidence

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Company and the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

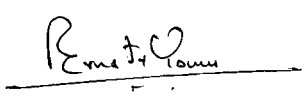
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken 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 2440.



5 June 2026
Colombo

Statement of Profit or Loss and Other Comprehensive Income

GRI 201-1

For the period ended 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 Restated LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Revenue	22	55,843,681	14,727,355	1,576,048	1,457,495
Cost of sales		(42,537,420)	(8,906,603)	(185,333)	(183,035)
Gross profit		13,306,261	5,820,752	1,390,715	1,274,460
Other income and gains	23	374,941	150,545	511,066	198,671
Fair value gain on investment property	7.8	2,120,300	866,682	2,120,300	866,682
Marketing and promotional expenses		(1,540,961)	(895,941)	(25,591)	(4,004)
Administrative expenses		(4,892,169)	(3,582,219)	(540,315)	(486,776)
Impairment loss on PPE		(32,594)	–	–	–
Profit from operating activities		**9,335,778**	**2,359,819**	**3,456,175**	**1,849,033**
Finance expenses	24.1	(1,464,482)	(1,013,106)	(320,551)	(375,429)
Finance income	24.2	758,617	615,455	376,385	136,136
Net finance expenses		(705,865)	(397,651)	55,834	(239,293)
Share of profit of equity accounted investees,net of tax	10.3.1	(880)	3,059	–	–
Profit before tax	25	**8,629,033**	**1,965,227**	**3,512,009**	**1,609,740**
Income tax expense	26.2	(1,015,696)	(487,529)	(635,675)	(262,059)
Profit for the year		7,613,337	1,477,698	2,876,334	1,347,681
Profit for the year attributable to:					
Owners of the parent		4,881,742	1,359,930	2,876,334	1,347,681
Non-controlling interest		2,731,595	117,768	–	–
		7,613,337	1,477,698	2,876,334	1,347,681
Other comprehensive income					
Items that will not be reclassified to the profit or loss in subsequent periods:					
Changes in fair value of other investments at fair value through other comprehensive income	14.1.1	33,080	70,929	–	–
Revaluation of property, plant and equipment	6.1 & 6.2	1,453,232	568,486	90,570	64,951
Actuarial loss on retirement benefit obligation	18.4	(34,437)	(51,581)	1,291	(6,146)
Tax effects on other comprehensive income	26.3	(412,641)	(139,750)	(14,640)	(6,495)
Other comprehensive income for the year, net of tax		1,039,234	448,084	77,221	52,310
Total comprehensive income for the year, net of tax		8,652,571	1,925,782	2,953,555	1,399,991
Total comprehensive income for the year attributable to:					
Owners of the parent		**5,449,980**	**1,613,601**	**2,953,555**	**1,399,991**
Non controlling interest		3,202,591	312,181	–	–
		8,652,571	1,925,782	2,953,555	1,399,991
Earnings per share (EPS) LKR	28.1	6.10	1.70	3.60	1.68

The Accounting Policies and Notes on pages 211 to 299 form an integral part of the Financial Statements.
Figures in brackets indicate deductions.

Statement of Financial Position

As at 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 Restated LKR '000	GROUP 2024 Restated LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
ASSETS						
Non-current assets						
Property, plant and equipment	6	19,991,429	15,139,015	13,254,650	543,172	484,707
Investment property	7	20,303,381	18,147,475	17,169,828	20,317,429	18,161,523
Intangible assets	8	159,402	189,325	222,434	664	1,270
Right of use assets	9.1	427,391	431,063	259,236	119,835	–
Investments in subsidiaries	10.1	–	–	–	6,100,462	6,099,462
Investment in preference shares	10.2	–	–	4,154	–	–
Investment in joint ventures	10.3	14,586	15,466	12,984	–	–
Financial assets at fair value through other comprehensive income	14.1	948	86,200	170,513	–	–
Other financial assets at amortised cost	14.3	508,063	466,761	414,067	–	–
Reimbursable right	18.3	747	631	87	–	–
Deferred tax assets	21.1	2,119,041	974,656	1,151,313	–	–
Straight line adjustment on lease rentals receivable	12.4	84,175	68,738	57,489	84,175	68,738
Advances paid for acquisitions/investments	10.4	3,009	22,115	6,115	–	–
Total non-current assets		**43,612,172**	**35,541,445**	**32,722,870**	**27,165,737**	**24,815,700**
Current assets						
Inventories	11	11,359,408	6,495,762	4,325,667	18,887	18,398
Trade and other receivables	12	7,372,541	6,127,477	3,511,598	215,866	94,570
Income tax receivable	13	6,449	26,254	20,537	–	–
Financial assets at fair value through profit or loss	14.2	1,649,679	2,462,462	2,088,499	957,787	609,115
Other financial assets at amortised cost	14.3	579,059	193,917	301,525	412,266	43,365
Amounts due from related parties		–	–	–	–	250,000
Cash and bank	15.1	732,641	1,849,745	767,635	81,891	31,413
Total current assets		**21,699,777**	**17,155,617**	**11,015,461**	**1,686,697**	**1,046,861**
Total assets		**65,311,949**	**52,697,062**	**43,738,331**	**28,852,434**	**25,862,561**
EQUITY AND LIABILITIES						
Equity						
Stated capital	16.1	7,360,000	7,360,000	7,360,000	7,360,000	7,360,000
Revaluation reserve		2,306,749	1,777,737	1,539,258	461,683	419,142
Other components of equity		(5,215)	(16,029)	(50,039)	–	–
Retained earnings	16.2	16,196,567	11,451,270	10,287,381	13,395,406	10,958,168
Total equity attributable to equity holders of the Company		**25,858,101**	**20,572,978**	**19,136,600**	**21,217,089**	**18,737,310**
Non controlling interests		9,812,080	7,352,443	7,118,420	–	–
Total equity		**35,670,181**	**27,925,421**	**26,255,020**	**21,217,089**	**18,737,310**

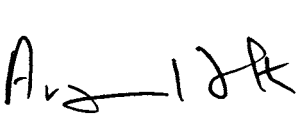
As at 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 Restated LKR '000	GROUP 2024 Restated LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Non-current liabilities						
Interest bearing loans and borrowings	17.1	6,879,885	5,461,344	4,484,308	2,051,863	2,941,365
Employee benefits	18.1	651,355	542,311	452,284	47,623	43,258
Lease liabilities	9.2	367,614	329,241	198,414	63,054	–
Deferred tax liabilities	21	5,249,944	4,435,290	4,395,820	3,032,547	2,384,165
Rent received in advance	19.1	538,732	305,676	365,851	538,732	305,676
Customer deposits	20.1	384,351	229,726	265,794	384,351	229,726
Total non-current liabilities		**14,071,881**	**11,303,588**	**10,162,471**	**6,118,170**	**5,904,190**
Current liabilities						
Trade and other payables	19	5,276,738	4,377,221	1,865,441	671,721	705,226
Interest bearing loans and borrowings	17.1	9,260,779	8,391,921	4,936,201	795,905	406,879
Lease liabilities	9.2	134,366	114,160	70,960	23,707	–
Income tax payable	13	715,070	220,703	233,572	1,912	3,115
Bank overdrafts	15.2	182,934	364,048	214,666	23,930	105,841
Total current liabilities		**15,569,887**	**13,468,053**	**7,320,840**	**1,517,175**	**1,221,061**
Total equity and liabilities		**65,311,949**	**52,697,062**	**43,738,331**	**28,852,434**	**25,862,561**

These Financial Statements are in compliance with the requirements of the Companies Act No 07 of 2007 (as amended).



I. Perera
Chief Finance Officer

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the board by:



A. Herath
Chairman



H. Fernando
Chief Executive Officer/Executive Director

The Accounting Policies and Notes on pages 211 to 299 form an integral part of the Financial Statements. Figures in brackets indicate deductions.

5 June 2026
Colombo

Statement of Changes in Equity

GROUP

	Notes
Balance as at 1 April 2024	
Effect of change in accounting policy of Property,Plant & Equipment from revaluation model to cost model	36
Balance as at 1 April 2024-Restated	
Profit for the Period	
Other comprehensive income	
Changes in fair value of other investments at fair value through other comprehensive income	14.1.1
Net gain on disposal of equity investments at fair value through other comprehensive income	14.1.2
Revaluation of property, plant and equipment	6.1
Actuarial gain/(loss) on retirement benefit obligation	18.4
Equity accounted Investees - share of other comprehensive Income	
Tax effects on other comprehensive income	
Total comprehensive income for the year	
Transactions with owners of the company	
Contributions and distributions	
Dividends to equity holders	
Total Contributions and distributions	
Changes in ownership interests	
Adjustment on changes to non controlling interest in subsidiaries	
Dividends to equity holders	
Total changes in ownership interests	
Total transactions with owners of the company	
Balance as at 31 March 2025 - Restated	
Profit for the year	
Other comprehensive income	
Changes in fair value of other investments at fair value through other comprehensive income	14.1.1
Net gain on disposal of equity investments at fair value through other comprehensive income	14.1.2
Revaluation of property, plant and equipment	6.1
Actuarial loss on retirement benefit obligation	18.4
Equity accounted Investees - share of other comprehensive Income	
Tax effects on other comprehensive income	
Total comprehensive income for the year	
Transactions with owners of the company	
Contributions and distributions	
Dividends to equity holders	
Total Contributions and distributions	
Changes in ownership interests	
Adjustment on changes to non controlling interest in subsidiaries	
Effect of changes in accounting estimate	
Total changes in ownership interests	
Total transactions with owners of the company	
As at 31 March 2026	

The accounting policies and notes on pages 211 to 299 form an integral part of the Financial Statements.
Figures in brackets indicate deductions.

Stated capital LKR '000	Revaluation reserve LKR '000	Other components of equity FVOCI reserve LKR '000	Retained earnings LKR '000	Shareholders funds LKR '000	Non-controlling interests LKR '000	Total equity LKR '000
7,360,000	1,902,652	(50,039)	11,027,633	20,240,246	7,260,189	27,500,435
–	(363,394)	–	(740,252)	(1,103,646)	(141,769)	(1,245,415)
7,360,000	1,539,258	(50,039)	10,287,381	19,136,600	7,118,420	26,255,020
–	–	–	1,359,930	1,359,930	117,768	1,477,698
–	–	36,174	–	36,174	34,755	70,929
–	–	(2,164)	2,164	–	–	–
–	321,754	–	–	321,754	246,732	568,486
–	–	–	(29,982)	(29,982)	(21,599)	(51,581)
–	–	–	–	–	–	–
–	(83,275)	–	9,001	(74,274)	(65,476)	(139,750)
–	238,479	34,010	1,341,113	1,613,602	312,180	1,925,782
–	–	–	(160,000)	(160,000)	(85,637)	(245,637)
–	–	–	(160,000)	(160,000)	(85,637)	(245,637)
–	–	–	(17,224)	(17,224)	7,480	(9,744)
–	–	–	–	–	–	–
–	–	–	(17,224)	(17,224)	7,480	(9,744)
–	–	–	(177,224)	(177,224)	(78,157)	(255,381)
7,360,000	**1,777,737**	**(16,029)**	**11,451,270**	**20,572,978**	**7,352,443**	**27,925,421**
–	–	–	4,881,742	4,881,742	2,731,595	7,613,337
–	–	16,871	–	16,871	16,209	33,080
–	–	(6,057)	6,057	–	–	–
–	785,528	–	–	785,528	667,704	1,453,232
–	–	–	(16,388)	(16,388)	(18,049)	(34,437)
–	–	–	–	–	–	–
–	(222,740)	–	4,968	(217,772)	(194,869)	(412,641)
–	562,788	10,814	4,876,379	5,449,981	3,202,590	8,652,571
–	–	–	(440,000)	(440,000)	(432,900)	(872,900)
–	–	–	(440,000)	(440,000)	(432,900)	(872,900)
–	–	–	308,918	308,918	(310,053)	(1,135)
–	(33,776)	–	–	(33,776)	–	(33,776)
–	(33,776)	–	308,918	275,142	(310,053)	(34,911)
–	(33,776)	–	(131,082)	(164,858)	(742,953)	(907,811)
7,360,000	**2,306,749**	**(5,215)**	**16,196,567**	**25,858,101**	**9,812,080**	**35,670,181**

COMPANY	Notes	Stated capital LKR '000	Revaluation reserve LKR '000	Retained earnings LKR '000	Total LKR '000
As at 1 April 2024		7,360,000	362,530	9,774,789	17,497,319
Profit for the year		–	–	1,347,681	1,347,681
Other comprehensive income					
Revaluation of buildings	6.2	–	64,951	–	64,951
Actuarial loss on retirement benefit obligation	18.4	–	–	(6,146)	(6,146)
Tax effects on other comprehensive income		–	(8,339)	1,844	(6,495)
Total comprehensive income for the year		–	56,612	1,343,379	1,399,991
Dividends to equity holders		–	–	(160,000)	(160,000)
As at 31 March 2025		**7,360,000**	**419,142**	**10,958,168**	**18,737,310**
Profit for the year		–	–	2,876,334	2,876,334
Other comprehensive income					
Revaluation of buildings	6.2	–	90,570	–	90,570
Actuarial loss on retirement benefit obligation	18.4	–	–	1,291	1,291
Tax effects on other comprehensive income		–	(14,253)	(387)	(14,640)
Total comprehensive income for the year		–	76,317	2,877,238	2,953,555
Effect of changes in accounting estimate		–	(33,776)	–	(33,776)
Dividends to equity holders		–	–	(440,000)	(440,000)
As at 31 March 2026		**7,360,000**	**461,683**	**13,395,406**	**21,217,089**

The Accounting Policies and Notes on pages 211 to 299 form an integral part of the Financial Statements.
Figures in brackets indicate deductions.

Statement of Cash Flows

Year ended 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Cash flows from /(used in) operating activities					
Profit before tax from continuing operations		8,629,033	1,965,227	3,512,009	1,609,740
Adjustments for ;					
Depreciation, amortisation	6 & 8	596,704	411,022	50,662	47,225
(Increase)/decrease in fair value of investments property	7	(2,120,300)	(866,682)	(2,120,300)	(866,682)
(Gain) on disposal of property, plant and equipment	23	(120,935)	(29,531)	(33,285)	(13,559)
(Gain) on fair value of financial assets at FVTPL	24.2	(199,749)	(83,283)	(132,140)	(56,556)
Net gains on disposal of financial assets at fair value through profit or loss	24.2	(219,741)	(111,795)	(157,268)	–
Provision for slow moving / obsolete inventories	11.2	4,262	3,820	–	–
Impairment of trade receivables and bad debt written off	12.3	(4,111)	11,338	(6,872)	6,882
Amortisation of right of use assets	9.1	150,685	142,297	1,688	–
Finance costs	24.1	1,464,482	1,013,106	320,551	375,429
Finance income	24.2	(270,524)	(392,409)	(33,135)	(78,530)
Dividend income from subsidiaries	23	–	–	(452,141)	(163,935)
Dividend income from FVOCI investments	24.2	–	(18,719)	–	–
Dividend income from FVTPL investments	24.2	(68,603)	(9,249)	(53,842)	(1,050)
Share of results of equity accounted investees	10.3.1	880	(3,059)	–	–
Derecognition of Capital work in progress	6.1	475	–	–	–
Provision for defined benefit obligations	18.1	114,010	102,503	10,107	8,538
Return expected from reimbursable right	18.3.2	(57)	–	–	–
Operating profit/(loss) before working capital changes		7,956,511	2,134,586	906,034	867,502
(Increase)/ decrease in inventories		(4,867,908)	(2,173,915)	(489)	(556)
(Increase)/ decrease in trade and other receivables		(1,222,181)	(2,613,964)	(198,485)	39,217
(Increase)/ decrease in amounts due from related parties		–	–	250,000	(50,897)
Increase/ (decrease) customer deposits		109,632	21,180	109,632	21,180
Increase/ (decrease) in trade and other payables		1,177,566	2,394,368	244,630	133,389
Cash generated from/(used in) operations		3,153,620	(237,745)	1,311,322	1,009,835
Finance cost paid	24.1	(1,432,016)	(991,646)	(320,551)	(350,893)
Income tax paid	13	(1,173,743)	(405,474)	(3,136)	(1,393)
Employee benefits paid by the plan	18.3 & 18.3.2	(53)	(29)	–	–
Gratuity paid	18.1	(39,409)	(64,603)	(4,451)	(249)
Net cash from/(used in) operating activities		**508,399**	**(1,699,497)**	**983,184**	**657,300**

Year ended 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Cash flows from / (used in) investing activities					
Acquisition of property, plant and equipment	6	(3,960,069)	(2,013,673)	(18,119)	(742)
Acquisition of intangible assets	8	(3,873)	(1,193)	(148)	–
Proceeds from sale of property, plant and equipment		123,700	160,527	33,601	13,559
Redemption of investments in preference shares	10.2	–	4,154	–	–
Expenditure incurred on investment property	7	(35,606)	(110,965)	(35,606)	(125,013)
Advance paid for acquisitions	10.4	19,106	(16,000)	–	–
(Net investment in)/proceeds from other financial assets and unit trust	14.2	1,232,273	388,814	(59,264)	(193,778)
(Net Investment in)/proceeds from financial assets designated at FVOCI	14.1	118,332	155,242	–	–
Dividend income from subsidiaries		–	–	452,141	163,935
Dividend income from FVOCI investments	24.2	–	18,719	–	–
Dividend income from FVTPL investments	24.2	68,603	9,249	53,842	1,050
Finance income	24.2	210,587	488,728	33,135	78,530
Investment in subsidiaries	10.1.2	–	–	(1,000)	(78,899)
Net cash flows from/(used in) investing activities		**(2,226,947)**	**(916,398)**	**458,582**	**(141,358)**
Cash flows from/(used in) financing activities					
Proceeds from interest bearing loans and borrowings	17	47,489,318	35,718,259	895,403	454,330
Repayment of interest bearing loans and borrowings	17	(45,201,919)	(31,285,505)	(1,395,879)	(879,984)
Investment in Fixed Deposit	14.3	(426,444)	(155,016)	(368,901)	(39,419)
Principal element of lease payments	9.2	(205,497)	(483,478)	–	–
Dividend paid to equity holders of the parent	29	(440,000)	(160,000)	(440,000)	(160,000)
Dividend paid to non controlling interests		(432,900)	(85,637)	–	–
Net cash flows from/(used in) financing activities		**782,558**	**3,548,623**	**(1,309,377)**	**(625,073)**
Net increase/(decrease) in cash and cash equivalents		(935,990)	932,728	132,389	(109,131)
Cash and cash equivalents at the beginning of the year	15	1,485,697	552,969	(74,428)	34,703
Cash and cash equivalents at the end of the year	15	**549,707**	**1,485,697**	**57,961**	**(74,428)**

The Accounting Policies and Notes on pages 211 to 299 form an integral part of the Financial Statements.
Figures in brackets indicate deductions.

Notes to the Financial Statements

1. Corporate Information

1.1 Reporting Entity

R I L Property PLC (the Company) is a public limited liability Company listed on the Colombo Stock Exchange incorporated and domiciled in Sri Lanka. The Company's registered office and the principal place of business located at No. 33, Park Street, Colombo 02.

R I L Property PLC is registered with the Board of Investment of Sri Lanka under section 17 of the BOI Act No. 4 of 1978.

R I L Property PLC does not have an identifiable parent of its own. The Company is the ultimate parent of the Group.

1.2 Principal business activities and nature of operation

Descriptions of the Principal business activities and nature of operation of the company, its subsidiaries are given on page 186 and on page 12 to the Group Structure. Information on other related party relationships of the Group is provided on page 12.

There were no other significant changes in the nature of the principal activities of the Group during the Financial Year under review.

2. Basis of Preparation

2.1 Statement of compliance

The consolidated Financial Statements of the Group and the separate Financial Statements of the Company have been prepared in accordance with the Sri Lanka Accounting Standards (herein referred to as SLFRSs/ LKASs), laid down by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and in compliance with the requirements of Companies Act No. 07 of 2007 (as amended) and the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995.

2.2 Consolidated Financial Statements

The consolidated Financial Statements of the Group as at and for the year ended 31 March 2026, encompasses the Company (referred to R I L Property PLC as the holding Company) and its subsidiaries (together referred to as the "Group" and individually as "Group Entities").

All subsidiaries of the Company have been incorporated in Sri Lanka.

The consolidated Financial Statement of R I L Property PLC and its subsidiaries (collectively the Group) for the year ended 31 March 2026 were authorised for issue by the Board of Directors on 5 June 2026.

2.3 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counter-party, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.4 Going concern

The Directors have assessed the ability of the Group to continue as a going concern and are satisfied that it has the resources to continue in business for the foreseeable future. The assessment took into consideration the prevailing economic environment, current business performance, and

other internal and external factors relevant to the Group's operations. In making this assessment, the Directors have considered the Company's current financial position, cash flow forecasts, available financing facilities, and other relevant factors. Based on this evaluation, the Board is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Accordingly, the Financial Statements of the Group continue to be prepared on a going concern basis.

2.5 Basis of measurement

The consolidated Financial Statements have been prepared on the historical cost except for following material items in the statement of financial position.

Financial assets at fair value through profit or loss (FVTPL) are measured at fair value.

Financial assets measured at fair value through other comprehensive income (FVOCI) are measured at fair value.

Defined benefit obligation is measured after actuarially valuing and the present value of the defined benefit obligation is recorded.

Reimbursable right is measured at fair value.

Freehold land measured at cost at the time of acquisition and subsequently at revalued amounts which are the fair value at the date of valuation.

Investment property is measured at fair value.

Owner occupied buildings are measured at fair value as at date of revaluation less accumulated depreciation and accumulated impairment losses after such date.

2.6 Functional and presentation currency

Items included in the Financial Statements of the Group and the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency), which is the Sri Lankan Rupees (LKR). All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.7 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 LKAS 01 and amendments to LKAS 01 on "Disclosures initiatives".

2.8 Offsetting

Assets and liabilities and income and expenses in the Financial Statements are not offset unless required or permitted by a Sri Lanka Accounting Standards.

2.9 Comparative information

Comparative information including quantitative, narrative and descriptive information is disclosed in respect of the previous year in the Financial Statements in order to enhance the understanding of the current year's Financial Statements and to enhance the inter period comparability. The presentation and classification of the Financial Statements of the previous year is reclassified, where relevant for better presentation and to be comparable with those of the current year.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

2.10 Significant accounting judgements, estimates and assumptions

In preparing these Consolidated Financial Statements, management has made judgements, estimates and assumptions that affect the application of the Group's 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 recognised prospectively.

Estimation uncertainty in preparation of Financial Statements due to economic conditions.

In determining the above, significant management judgements, estimates and assumptions, the impact of the macroeconomic uncertainties, including interest rate volatilities, exchange rate volatilities and inflation have been considered as of the reporting date and specific considerations have been disclosed under the notes, as relevant.

2.10.1 Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the Financial Statements.

(i) Classification of property

The Group determines whether a property is classified as investment property, owner occupied property using significant judgement as disclosed in note 6 and note 7.

Investment property comprises land and buildings which are not occupied substantially for use by, or in the operations of the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation.

The Group determines whether a property qualifies as investment property by considering whether the property generates cash flows largely independently of the other assets held by the entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions can be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgement.

(ii) Deferred taxation

Deferred taxation on investment property

Deferred tax on fair value gains on investment property carried at fair value is required to be measured using a rebuttable presumption that the carrying amount will be recovered through sale.

The investment property of the Group consists of freehold land and buildings. With regard to the building, the presumption is rebutted, as the Group's business model is to consume substantially all the economic benefits embodied in the building over time, rather than through sale.

Tax base in respect of the investment property has been made in line with new Inland Revenue Act No. 24 of 2017 as disclosed in note 21.

The Company and its subsidiaries hold land to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes and they are classified as investment property or under property plant and equipment as appropriate in the Financial Statements.

With the enactment of the Inland Revenue Act No. 24 of 2017, taxes applicable to the gains resulting from realisation of capital assets are subject to taxation at rates prescribed in the Act.

2.10.2 Accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next Financial Year are discussed below. The respective carrying amounts of assets and liabilities are given in related notes to the Financial Statements.

(i) Estimation of fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognised in the statement of profit or loss. The Group engaged an independent valuer to determine the fair value as at 31 March 2026. The valuation of investment property, management requires to make significant estimates such as current market price per perch, yield rate which are based on current and future market or economic conditions.

The value of investment property of the Company and the Group has been ascertained by an independent valuer and due consideration has been given to recommended best practice in the valuation of real estate in uncertain times.

(ii) Principal assumptions for management's estimation of fair value

If information on current or recent prices of assumptions underlying the discounted cash flow approach of investment properties is not available, the fair values of investment properties are determined using discounted cash flow valuation techniques. The Group uses assumptions that are mainly based on market conditions existing at each reporting date.

The principal assumptions underlying management's estimation of fair value are those related to: the future rentals, maintenance requirements, and appropriate capitalisation rates / yields and voids. These valuations are regularly compared to actual market yield data and actual transactions by the Group and those reported by the market.

(iii) Deferred Taxation

Following judgments were made in where adopting IFRIC 23 on "uncertainty over income tax treatments" to determine the provision required for taxes on gains on realisation of capital assets applicable to freehold land.

Due to uncertainties that exist in the interpretation of the Inland Revenue Act No. 24 of 2017 relating to taxes applicable to the gains on realisation of freehold land, significant judgement was exercised to determine the provision required for Deferred taxes on such gains. As a result, probability of future outcome relating to uncertain tax treatment relating to capital assets were duly made by management in consultation with relevant experts.

In assessing whether and how an uncertain tax treatment affects the determination of, tax bases and tax rates, the Group has assumed that the taxation authority will examine amounts it has a right to examine and have full knowledge of all related information when making those examinations.

In the event that it is not probable that the taxation authority will accept the Group's uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related tax bases, or tax rates as more fully described in note 21.3.

Where the final outcome of these matters is different to the amounts recorded, such differences generally will impact the provision for income taxes in the period in which such a determination is made.

(iv) Fair value of financial instruments

The fair values of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions.

3. Significant Accounting Policies

3.1 Basis of consolidation

I. Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is measured at the acquisition date fair value. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred and included in administrative expenses.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration which is deemed to be an asset or liability that is a financial instrument and within the scope of SLFRS 09 financial instruments: Recognition and Measurement, is measured at fair value with changes in fair value either in profit or loss or as a change to other comprehensive income (OCI). If the contingent consideration is not within the scope of SLFRS 09 financial instruments, it is measured in accordance with the appropriate SLFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

II. Subsidiaries

Subsidiaries are investees that are controlled by the Group. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power to govern the financial and operating policies over the investee. The Financial Statements of subsidiaries are included in the consolidated Financial Statements from the date that control commences until the date that control ceases.

A list of the Group's subsidiaries is set out in note 10.1 to the Financial Statements.

There are no significant restrictions on the ability of subsidiaries to transfer funds to the Company (the parent) in the form of cash dividend or repayment of loans and advances.

III. Non-controlling interest

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted as equity transactions.

IV. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated.

V. Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any gains or losses arising on the loss of control is recognised in the income statement. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date the control is lost. Subsequently it is accounted for as an equity accounted investee or in accordance with the Group's accounting policy for financial instruments depending on the level of influence retained.

VI. Accounting under separate Financial Statements

Investments in subsidiaries, associates and joint ventures are measured at cost less accumulated impairment in the separate Financial Statements.

3.2 Foreign currency

I. Foreign currency transactions

Transactions in foreign currencies are translated to Sri Lanka Rupees at the exchange rate prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to Sri Lanka Rupees at the exchange rate prevailing as at the reporting date. The foreign currency gains or losses on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities which are measured at historical cost denominated in foreign currencies are translated to Sri Lanka Rupees at the exchange rate prevailing at the dates of the transactions. Non-monetary assets and liabilities that are measured at fair value denominated in foreign currencies are translated to Sri Lanka Rupees at the exchange rate prevailing at the dates that the fair values were determined. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.

3.3 Warranties

Costs incurred by the subsidiaries under the terms of the warranty agreement between principal suppliers are reimbursed to the subsidiaries.

Any amounts that are not reimbursed under the warranty agreement are charged to the statement of comprehensive income.

3.4 Expenditure

All expenditure incurred in running of the business and in maintaining the property, plant and equipment has been charged to revenue in arriving at the profit for the year. For the purpose of presentation of statement of comprehensive income, the Directors are of the opinion that function of expense method present fairly the elements of the enterprise's performance, hence such presentation method is adopted.

I. Capital expenditure

Expenditure incurred for the purpose of acquiring, expanding or improving assets of a permanent nature by means of which to carry on the business or for the purpose of increasing the earning capacity of the business has been treated as capital expenditure.

II. Repairs and maintenance expenses

All expenditure incurred in maintaining the property, plant and equipment in a state of efficiency has been charged to the statement of profit or loss in arriving at the profit of the year.

III. Other expenses

Other expenses are recognised in the statement of profit or loss on the basis of a direct association between the cost incurred and the earnings of specific items of income. Provisions in respect of other expenses are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.5 Financial instruments

I. Non-derivative financial assets

Initial recognition and measurement

Financial assets are recognised when and only when the Company becomes a party to the contractual provisions of the financial instruments. The Company determines the classification of its financial assets at initial recognition.

All financial assets are measured initially at their fair value plus transaction costs that are directly attributable to acquisition or issue of such financial instruments, except in the case of financial assets designated at fair value through profit or loss according to Sri Lanka Accounting Standard - SLFRS 09 on "Financial Instruments". Transaction costs in relation to financial assets at fair value through profit or loss are dealt with through the statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The financial assets include cash and cash equivalents, short term deposits, investments in unit trusts, treasury bills, equity shares and trade and other receivables.

Classification and subsequent measurement

At inception, a financial asset is classified into one of the following categories;

- Amortised cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVTPL)

As per SLFRS 9, the Group classifies its financial assets based on business model for managing the financial assets and the contractual terms of the cash flows measured at either;

- Amortised cost

- Fair value (either through other comprehensive income or through statement of profit or loss)

Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows;

(a) Financial assets measured at amortised cost

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

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

Any gains or losses arising on derecognition is recognised directly in profit or loss and presented in finance income/cost together with foreign exchange gains and losses. Cash and cash equivalents, trade and other receivables and receivables from related parties are measured at amortised cost.

(b) Financial assets measured at fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

Investment in long term equity securities are measured at FVOCI. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other finance income when the Group's right to receive payments is established.

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

As per SLFRS 09, all financial assets other than those classified at amortised cost or FVOCI are measured at FVTPL.

Financial assets at fair value through profit or loss include financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis as they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets and financial assets designated upon initial recognition at fair value through profit or loss.

Changes in the fair value of financial assets at FVTPL are recognised in other gains / (losses) in the statement of profit or loss as applicable.

Investments in unit trust and equity securities acquired for the purpose of trading are measured at FVTPL.

De-recognition

The Company and Group derecognise a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Impairment

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

For trade receivables, the Group applies the simplified approach permitted by SLFRS 09, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

II. Non derivative financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when and only when the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are recognised initially at fair value net of transaction cost that are directly attributable to the issue of the financial liability, which are not at fair value through profit or loss. Financial liabilities are classified as financial liabilities measured at amortised cost and financial liabilities at fair value through profit or loss

(FVTPL). The Group classifies its financial liabilities as measured at amortised cost.

Classification and subsequent measurement

Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Such financial liabilities measured at amortised cost includes trade and other payables, interest bearing borrowings, overdrafts, rent received in advance, customer deposits and amounts due to related companies etc.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

III. Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

IV. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Classification of financial assets

	Notes	SLFRS 09 measurement category
Classification of financial assets		
Non-current financial assets		
Financial assets at fair value through other comprehensive income		FVOCI
Preference shares	10.2	Amortised cost
Debenture	14.3	Amortised cost
Current financial assets		
Trade and other receivables	12	Amortised cost
Financial assets at fair value through profit and loss	14.2	FVTPL
Cash and bank	15	Amortised cost
Classification of financial liabilities		
Non-current financial liabilities		
Interest bearing loans and borrowings	17	Amortised cost
Rent received in advance	19.1	Amortised cost
Customer deposits	20	Amortised cost
Current financial liabilities		
Trade and other payables	19	Amortised cost
Interest bearing loans and borrowings	17	Amortised cost
Bank overdrafts	15.2	Amortised cost

3.6 Impairment – Non-financial Assets

The carrying value of the Group'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, the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGU).

The recoverable amount of an asset or cash generating unit is the greater of if it's value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("Cash Generating Unit or CGU") for the purposes of goodwill impairment testing, goodwill acquired in a business combination is allocated to the group of CGUs that is expected to benefit from the synergies of the combination. This allocation is subject to an operating segment ceiling test and reflects the lowest level at which that goodwill is monitored for internal reporting purposes.

An impairment loss is recognised if the carrying amount of asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

3.7 Liabilities and provisions

I. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as separate assets but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

II. Dividend payable

Provision for final dividend is recognised at the time the dividend is approved by the shareholders. Interim dividend payable is recognised when the Board approves such dividend in accordance with the provisions of the Companies Act No. 07 of 2007. Dividend for the year that are approved after the reporting period are disclosed under events after the reporting period in accordance with the Sri Lanka Accounting Standard LKAS 10.

3.8 Cash flow statement

The statements of cash flows has been prepared by using the "indirect method" of preparing cash flows in accordance with the Sri Lanka Accounting Standard - LKAS 07 on "statement of cash flows".

I. Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank balances and cash in hand balances. Cash and cash equivalents as referred to in the statement of cash flows comprised of those items as explained in note 15.

Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the cash flow statement. The statements of cash flows are given on page 209 to 210.

3.9 Taxation

I. Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except where the sales tax incurred on a purchase of assets or services is not recoverable from the

taxation authorities, in which case the sales tax is recognised as a part of the asset or part of the expense items as applicable. The amount of sales tax recoverable and payable in respect of taxation authorities is included as a part of receivables and payables in the statement of financial position.

II. Value Added Tax (VAT)

The Company and its subsidiaries are liable to pay Value Added Tax on taxable supplies and services at the specified rates where applicable.

III. Social Security Contribution Levy (SSCL)

Company and the Group is liable for Social Security Contribution Levy (SSCL), on the liable turnover specified in the Social Security Contribution Act No. 25 of 2022 at the rate of 2.5% with effect from 1 October 2022.

3.10 Capital commitments and contingencies

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefits is not probable or cannot be measured reliably. Capital commitments and contingent liabilities of the Group are disclosed in the respective notes to the Financial Statements.

3.11 Events after the reporting date

The materiality of the events after the reporting date has been considered and appropriate adjustments and provisions have been made in the Financial Statement wherever necessary.

4. Specific Accounting Policies

Set out below is an index of the specific accounting policies, the details of which are available on the pages that follow:

Accounting policy	Page
Property, plant and equipment	222
Investment property	231
Intangible assets	234
Leases	236
Investments	238
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Employee benefits	260
Deferred tax assets / liabilities	265
Revenue	268
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Income tax	273
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Financial risk management objectives and policies	287
Fair value measurement	295

5. Effect of New Accounting Standards

5.1 New Accounting Standards adopted by the Group

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing 01 April 2022:

I. Amendments to LKAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Costs of Fulfilling a Contract

In 25 March 2021, the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) issued amendments to LKAS 37 Provisions, Contingent Liabilities and Contingent Assets (LKAS 37) to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual reporting periods beginning on or after 1 January 2022.

II. Amendments to LKAS 16 Property, Plant & Equipment: Proceeds before Intended Use

In 25 March 2021, the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) issued LKAS 16 Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

III. Amendments to SLFRS 3 Business Combinations:

Updating a reference to conceptual framework

In 23 March 2021, the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) issued amendments to SLFRS 03 Business Combinations - Updating a Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

An exception was also added to the recognition principle of SLFRS 03 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of LKAS 37 or IFRIC 21 Levies, if incurred separately. At the same time, it was decided to clarify existing guidance in SLFRS 03 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

IV. SLFRS 01 First-time Adoption of Sri Lanka Financial Reporting Standards – Subsidiary as a first-time adopter

As part of its 2018-2020 annual improvements to SLFRS standards process, the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) issued an amendment to SLFRS 01 First-time Adoption of International Financial Reporting Standards (SLFRS 01). The amendment permits a subsidiary that elects to apply paragraph D16(a) of SLFRS 01 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to SLFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of SLFRS 01. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

V. SLFRS 09 Financial Instruments – Fees in the "10 per cent" test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to SLFRS standards process, the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) issued an amendment to SLFRS 09 Financial Instruments (SLFRS 09). The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted.

5.2 New Accounting Standards, amendments and interpretations issued but not yet adopted.

The new and amended accounting standards issued up to the date these Financial Statements are authorised for issue, but not yet effective for the current reporting period, are disclosed below. These standards and amendments will be adopted, if applicable, when they become effective.

I.SLFRS 17 Insurance Contracts

SLFRS 17 is a comprehensive new accounting standard for insurance contracts, covering recognition, measurement, presentation, and disclosure. It replaces SLFRS 4 and applies to all types of insurance contracts – including life, non-life, direct insurance, reinsurance – as well as certain guarantees and financial instruments with discretionary participation features:

The standard is built around the General Measurement Model, supported by two supplementary approaches:

- Variable Fee Approach (VFA): for contracts with direct participation features
- Premium Allocation Approach (PAA): a simplified model mainly for short-duration contracts

SLFRS 17 is effective for annual reporting periods beginning on or after 1 January 2026, with comparative figures required. Early adoption is allowed if the entity also applies SLFRS 9 Financial Instruments and SLFRS 15 Revenue from Contracts with Customers by the date SLFRS 17 is first applied. SLFRS 17 does not have a material impact on the Financial Statements.

II. SLFRS 18 Presentation and Disclosure in Financial Statements

SLFRS 18, which replaces LKAS 1, introduces significant enhancements to the way financial information is organised and communicated. The standard establishes new categories and subtotals in the statement of profit or loss to improve consistency and comparability across entities. It also requires entities to disclose management-defined performance measures (as specified in the standard), together with clear explanations and reconciliations. In addition, SLFRS 18 introduces strengthened requirements regarding the location, aggregation, and disaggregation of financial information. These changes are designed to ensure that Financial Statements present information more transparently and in a way that enhances users' understanding of an entity's financial performance and position.

SLFRS 18, and consequential amendments to the other accounting standards, are effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted.

The potential impact of SLFRS 18 on the Financial Statements and the related notes is currently being identified and evaluated.

III. SLFRS 19 Subsidiaries without public accountability:

Disclosures SLFRS 19 introduces reduced disclosure requirements for subsidiaries that do not have public accountability but continue to apply the full SLFRS recognition and measurement principles.

The purpose of SLFRS 19 is to lessen the financial reporting burden on qualifying subsidiaries by simplifying disclosure requirements, while still ensuring that Financial Statements remain high-quality, consistent, and comparable for users.

SLFRS 19 applies to Specified Business Enterprises, as defined in the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995. Subsidiaries that fall within this category and do not have public accountability are eligible to apply SLFRS 19.

The Standard becomes effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted

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

The amendments introduce enhancements to the classification, measurement, derecognition, and disclosure requirements for financial instruments. Their objective is to strengthen transparency, promote greater consistency in financial reporting, and respond to emerging market developments - particularly features such as sustainability linked terms and nature dependent electricity contracts.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early application is permitted.

6. Property, Plant and Equipment

Accounting policy

Property, plant and equipment is tangible items that are held for use in the production or supply of good or services or for administrative purposes and are expected to be used during more than one period.

I. Basis of recognition

Property, plant and equipment is recognised if it is probable that future economic benefits associated with the assets will flow to the Group and cost of the asset can be measured reliably. Purchased software that is integral to the functionality of the related equipment is capitalised as part of computer equipment.

II. Measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and subsequent costs. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for their intended use and the costs of dismantling and removing the items and restoring the site on which they are located.

III. Cost model

The Group applies cost model to property, plant and equipment and Power Plant related land except for other freehold land and buildings, records at cost of purchase or construction together with any incidental expenses thereon less accumulated depreciation and any accumulated impairment losses.

IV. Revaluation model

Freehold land and buildings are stated at cost at the time of acquisition and subsequently measured at fair value at the next valuation. Freehold land and buildings except Power Plant related land of the Group are revalued at regular intervals to ensure that the carrying amounts do not differ materially from the fair values at the reporting date. On revaluation of an asset, any increase in the carrying amount is recognised in other comprehensive income and accumulated in equity under the heading of revaluation reserve or used to reverse a previous revaluation decrease relating to the same asset, which was charged to the profit or loss. In this circumstance, the increase is recognised as income to the extent of the previous written down value. Any decrease in the carrying amount is recognised as an expense in comprehensive income or is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset. Upon disposal or retirement, any balance remaining in the revaluation reserve in respect of an asset is transferred directly to retained earnings.

V. Change in subsequent measurement from Revaluation model to Cost model

Subsidiaries of R I L Property PLC has changed subsequent measurement of Power Plant related land, Civil Construction, Electro mechanical equipment, Solar PV generation system and Engineering Quarters from revaluation model to cost model. Using the revaluation model for assets in the hydro power plants and the solar power plant results in fair value fluctuations which involves significant uncertainties in the Financial Statements. These assets are not held for sale but are used for ongoing operational purposes. Applying the cost model avoids unnecessary volatility in reported values and provides information that is more reliable due to the consistency and more relevant to the users of the Financial Statements.

VI. Subsequent costs

The cost of replacing significant parts of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within that part will flow to the Group and its cost can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are charged to the statement of comprehensive income as incurred.

VII. De-recognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. The gains or losses arising from derecognition of an item of property, plant and equipment is included in statement of comprehensive income when the item is derecognised. When replacement costs are recognised in the carrying amount of an item of property, plant and equipment, the remaining carrying amount of the replaced part is derecognised. Major inspection costs are capitalised. At each such capitalisation, the remaining carrying amount of the previous cost is derecognised.

VIII. Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of comprehensive income on straight-line basis over the estimated useful lives of each item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. When parts of an item of property, plant and equipment have different useful lives than the underlying asset, they are identified and accounted separately as major components of property, plant and equipment and depreciated separately based on their useful life.

The estimated useful lives are as follows:

Asset category	Group	Company
Buildings	20-60 years	60 years
Plant and machinery	4-10 years	–
Office equipment	2-5 years	5 years
Furniture and fittings	4-10 years	5 years
Motor vehicles	4-5 years	4 years
Computers and accessories	4-5 years	4 years
Fixtures and fittings	4-10 years	5 years
Electronic equipment	–	5 years
Tools and utensils	4-10 years	5 years
Maintenance equipment	5 years	5 years
Electrical fixtures and fittings	4-10 years	–
Engineering quarters	20 years	–
Solar pv generation system		
Ground solar plants	20 years	–
Rooftop solar plants	20 years	–
Civil construction		
Intake weir	35-37 years	–
Headrace channel	35-37 years	–
De-silting tank	38-42 years	–
Spillway gate	32-37 years	–
Forebay tank	37-38 years	–
Penstock	35-37 years	–
Power house	35-37 years	–
Rest rooms	35-37 years	–
Electro Mechanical Equipment		
Turbines	21-43 years	–
Generators	23-43 years	–
Transformers and power Lines	25-40 years	–
Voltage panel	23-40 years	–
Crane	23-40 years	–

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a Disposal Group that is classified as held for sale) and the date that the asset is derecognised.

Leasehold improvements are capitalised and depreciated over the term of the lease or useful life whichever is shorter.

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

IX. Borrowing cost

As per LKAS 23 on "Borrowing costs", the Group capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset. A qualifying asset is an asset which takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are recognised in the statement of comprehensive income in the period it is incurred.

X. Capital work in progress

Capital expenses incurred during the year which are not completed as at the reporting date are shown as capital work in progress, whilst the capital assets which have been completed during the year and in use have been transferred to property, plant and equipment.

6.1 Group

	Land	Power plant related land	Buildings	Plant and machinery	Office equipment	Furniture and fittings	Motor vehicles	Computers and accessories
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
At cost/valuation								
Balance as at 1 April 2024	7,865,500	164,363	2,576,777	551,527	113,201	100,930	647,528	215,593
Effect of change in accounting policy for subsequent measurement of Property, plant and equipment	–	(84,141)	–	–	–	–	–	–
Balance as at 1 April 2024-Restated	7,865,500	80,222	2,576,777	551,527	113,201	100,930	647,528	215,593
Additions	–	178,922	36,801	56,697	30,506	11,627	64,223	18,297
Revaluations	357,250	–	211,236	–	–	–	–	–
Disposals	–	–	(47,229)	–	(1,958)	(51)	(37,687)	(13,996)
Transfers, reclassifications and adjustments	–	–	–	(5,297)	14,956	–	12,566	–
Transfer from capital work-in- progress	–	–	10,938	13	454	340	–	–
As at 31 March 2025 – Restated	**8,222,750**	**259,144**	**2,788,523**	**602,940**	**157,159**	**112,846**	**686,630**	**219,894**
As at 1 April 2025 – Restated	8,222,750	259,144	2,788,523	602,940	157,159	112,846	686,630	219,894
Prior period adjustment	–	–	–	–	–	–	–	–
Additions	–	13,469	20,254	86,539	45,442	27,663	406,406	58,560
Revaluations	1,381,170	–	72,062	–	–	–	–	–
Disposals	–	–	(43,060)	–	(1,276)	(903)	(102,690)	(2,239)
Transfers, reclassifications and adjustments	–	–	–	–	–	–	(12,158)	–
Transfer from capital work-in-progress	–	–	195,502	–	7,174	982	–	–
Derecognition of capital work-in-progress	–	–	–	–	–	–	–	–
Restoration cost	–	–	–	–	–	–	–	–
Impairment provision	–	–	–	–	–	–	–	–
As at 31 March 2026	**9,603,920**	**272,613**	**3,033,281**	**689,479**	**208,499**	**140,588**	**978,188**	**276,215**
Accumulated depreciation								
Balance as at 1 April 2024	–	–	450,013	400,792	93,557	89,066	598,534	191,648
Effect of change in accounting policy for subsequent measurement of Property, plant and equipment	–	–	–	–	–	–	–	–
Balance as at 1 April 2024 – Restated	–	–	450,013	400,792	93,557	89,066	598,534	191,648
Depreciation for the year	–	–	117,403	33,128	11,664	4,208	35,439	10,094
Disposals	–	–	(43,832)	–	(1,188)	(51)	(37,687)	(11,210)
Transfers, reclassifications and adjustments	–	–	–	(2,386)	12,043	–	12,566	–
As at 31 March 2025 – Restated	**–**	**–**	**523,584**	**431,534**	**116,076**	**93,223**	**608,852**	**190,532**
As at 1 April 2025 – Restated	–	–	523,584	431,534	116,076	93,223	608,852	190,532
Depreciation for the year	–	–	136,207	52,713	20,388	7,518	42,395	14,229
Disposals	–	–	(43,060)	–	(754)	(458)	(101,188)	(1,943)
Transfers, reclassifications and adjustments	–	–	–	–	–	–	(61)	–
As at 31 March 2026	**–**	**–**	**616,731**	**484,247**	**135,710**	**100,283**	**549,998**	**202,818**
Carrying amount as at 31 March 2024	7,865,500	80,222	2,126,764	150,735	19,644	11,864	48,994	23,945
Carrying amount as at 31 March 2025	8,222,750	259,144	2,264,939	171,406	41,083	19,623	77,778	29,362
Carrying amount as at 31 March 2026	9,603,920	272,613	2,416,550	205,232	72,789	40,305	428,190	73,397

	Fixture and fittings LKR '000	Tools and utensils LKR '000	Maintanace equipment LKR '000	Electrical fixtures and fittings LKR '000	Solar PV generation system LKR '000	Engineering quarters LKR '000	Civil construction LKR '000	Electro mechanical equipment LKR '000	Work in progress LKR '000	Total LKR '000
	306	1,911	4,799	152,587	1,978,747	1,315	1,216,026	1,070,994	125,644	16,787,748
	–	–	–	–	200,669	–	(268,770)	(505,565)	–	(657,807)
	306	1,911	4,799	152,587	2,179,416	1,315	947,256	565,429	125,644	16,129,941
	–	510	–	4,963	–	–	18,949	–	1,278,054	1,699,549
	–	–	–	–	–	–	–	–	–	568,486
	–	(135)	–	–	499	–	–	–	–	(100,557)
	–	–	–	–	–	–	–	–	(500)	21,725
	–	–	–	75	–	–	14,791	–	(26,611)	–
	306	**2,286**	**4,799**	**157,625**	**2,179,915**	**1,315**	**980,996**	**565,429**	**1,376,587**	**18,319,144**
	306	2,286	4,799	157,625	2,179,915	1,315	980,996	565,429	1,376,587	18,319,144
	–	–	–	–	–	–	–	–	25,520	25,520
	–	7,663	490	25,724	2,077	–	–	170	3,265,612	3,960,069
	–	–	–	–	–	–	–	–	–	1,453,232
	–	–	(197)	(90)	–	–	–	–	–	(150,455)
	–	–	–	–	–	–	–	–	–	(12,158)
	–	–	–	2,332	4,335,713	24,690	–	–	(4,566,393)	–
	–	–	–	–	–	–	–	–	(475)	(475)
	–	–	–	–	24,431	–	–	–	–	24,431
	–	–	–	–	(18,323)	–	–	(14,270)	–	(32,593)
	306	**9,949**	**5,092**	**185,591**	**6,523,813**	**26,005**	**980,996**	**551,329**	**100,851**	**23,586,715**
	306	1,305	4,713	127,737	56,610	822	–	–	–	2,015,103
	–	–	–	–	345,170	–	269,648	245,370	–	860,188
	306	1,305	4,713	127,737	401,780	822	269,648	245,370	–	2,875,291
	–	212	62	9,443	112,039	329	23,948	18,749	–	376,718
	–	(135)	–	–	–	–	–	–	–	(94,103)
	–	–	–	–	–	–	–	–	–	22,223
	306	**1,382**	**4,775**	**137,180**	**513,819**	**1,151**	**293,596**	**264,119**	**–**	**3,180,129**
	306	1,382	4,775	137,180	513,819	1,151	293,596	264,119	–	3,180,129
	–	1,088	72	11,522	233,777	823	23,948	18,228	–	562,908
	–	–	(197)	(90)	–	–	–	–	–	(147,690)
	–	–	–	–	–	–	–	–	–	(61)
	306	**2,470**	**4,650**	**148,612**	**747,596**	**1,974**	**317,544**	**282,347**	**–**	**3,595,286**
	–	606	86	24,850	1,777,636	493	677,608	320,059	125,644	13,254,650
	–	904	24	20,445	1,666,096	164	687,400	301,310	1,376,587	15,139,015
	–	**7,479**	**442**	**36,979**	**5,776,217**	**24,031**	**663,452**	**268,982**	**100,851**	**19,991,429**

6.2 Company

	Buildings LKR '000	Office equipment LKR '000	Furniture and fittings LKR '000	Motor vehicles LKR '000	Computers and accessories LKR '000	
At cost / valuation						
As at 1 April 2024	445,679	5,176	3,983	73,832	17,290	
Additions	–	151	163	–	121	
Revaluations	64,951	–	–	–	–	
Disposals, transfers	(37,153)	(2)	(9)	(1,943)	(274)	
As at 31 March 2025	**473,477**	**5,325**	**4,137**	**71,889**	**17,137**	
As at 1 April 2025	473,477	5,325	4,137	71,889	17,137	
Additions	–	3,290	290	–	13,082	
Revaluations	90,570	–	–	–	–	
Disposals, transfers	(43,060)	(68)	(8)	(15,881)	(2,045)	
As at 31 March 2026	**520,987**	**8,547**	**4,419**	**56,008**	**28,174**	
Accumulated depreciation						
As at 1 April 2024	–	4,245	3,823	58,246	15,039	
Depreciation for the year	37,153	294	99	7,315	1,173	
Disposals, transfers	(37,153)	(2)	(9)	(1,943)	(274)	
As at 31 March 2025	**–**	**4,537**	**3,913**	**63,618**	**15,938**	
As at 1 April 2025	–	4,537	3,913	63,618	15,938	
Depreciation for the year	43,060	845	101	4,611	948	
Disposals, transfers	(43,060)	(10)	(8)	(15,881)	(1,787)	
As at 31 March 2026	–	5,372	4,006	52,348	15,099	
Carrying amount as at 31 March 2026	**520,987**	**3,175**	**413**	**3,660**	**13,075**	
Carrying amount as at 31 March 2025	473,477	788	224	8,271	1,199	

6.3 During the Financial Year, the Group acquired property, plant and equipment to the aggregate value of LKR 3,960 Mn. (2024/25 – LKR 1,700 Mn.) Cash payments amounting to LKR 3,960 Mn. (2024/25 – LKR 1,700 Mn.) were made during the year for purchase of property, plant and equipment.

6.4 During the Financial Year, the Company acquired property, plant and equipment to the aggregate value of LKR 18 Mn. (2024/25 – LKR 1 Mn.) Cash payments amounting to LKR 18 Mn. (2024/25 – LKR 1 Mn.) were made during the year for purchase of property, plant and equipment.

6.5 During the Financial Year, the Group has capitalised borrowing cost of LKR 191.8 Mn., relating to the acquisition of property, plant and equipment. (2024/25 - 39 Mn.).

6.6 The revalued buildings during the year consist of the owner occupied area of the investment property comprising 8,549 sq. ft. The details of valuation are disclosed in note 6.12.

6.7 There were no compensation received/ receivable from third parties for items of property, plant and equipment that were impaired, lost or given up.

6.8 No restrictions existed on the title of the property, plant and equipment of the Group as at the reporting date, and there were no temporarily idle property, plant and equipment as at the reporting date.

	Fixture and fittings LKR '000	Electronic equipment LKR '000	Tools and utensils LKR '000	Maintenance equipment LKR '000	Total LKR '000
	306	1,749	1,871	4,799	554,685
	–	–	307	–	742
	–	–	–	–	64,951
	–	(1,749)	(135)	–	(41,265)
	306	**–**	**2,043**	**4,799**	**579,113**
	306	–	2,043	4,799	579,113
	–	–	967	490	18,119
	–	–	–	–	90,570
	–	–	–	(197)	(61,259)
	306	**–**	**3,010**	**5,092**	**626,543**
	306	1,749	1,282	4,713	89,403
	–	–	172	62	46,268
	–	(1,749)	(135)	–	(41,265)
	306	**–**	**1,319**	**4,775**	**94,406**
	306	–	1,319	4,775	94,406
	–	–	271	72	49,908
	–	–	–	(197)	(60,943)
	306	–	1,590	4,650	83,371
	–	**–**	**1,420**	**442**	**543,172**
	–	–	724	24	484,707

6.9 There were no items of property, plant and equipment pledged as security for liabilities, other than disclosed in note 17.2

6.10 Valuation of the land and buildings of the Company as at 31 March 2026 was independently carried out by Mr. J.M.Senanayaka Bandara, a chartered valuation surveyor who has recent experience in valuing properties of similar location and categories.

Valuation of the land and buildings United Motors Lanka PLC as at 31 March 2025 was independently carried out by Mr. J.M. Senanayaka Bandara, a chartered valuation surveyor. During 2025/26 the Valuer of the land and buildings of United Motors Lanka PLC was changed to KPMG Real Estate and Valuation Services (Pvt) Ltd, a qualified independent valuer who possess appropriate professional qualifications and recent experience in the location and category of the properties.

Subsidiaries of R I L Property PLC has changed subsequent measurement of Power Plant related land, Civil Construction, Electro mechanical equipment, Solar PV generation system and Engineering Quarters from revaluation model to cost model.

6.11 During the Financial period, Company revised the estimated useful lives of owner occupied building from 20 years to 60 years based on company's robust maintenance practices and industry benchmarking. The revision was treated as a change in accounting estimate change and applied prospectively in accordance with LKAS 8.

	LKR '000
Depreciation under previous useful life (20 years) – 2025/26	43,060
Depreciation under revised useful life (60 years) – 2025/26	9,284
Reduction in depreciation due to revision of useful life	33,776

6.12 Details of land and buildings owned by the Group are as follows.

Location/ address	Owned by	Buildings		Land extent			
		No. of building units	Sq./Ft	Acre	Rood	Perch	
33, Park Street, Colombo 02	R I L Property PLC (R I L)	1	8,549	–	–	–	
100 & 100A, Hyde Park Corner, Colombo 02	United Motors Lanka PLC Group (UML)	10	81,794	1	3	0.54	
143 & 145 Majeed Place, Orugodawatte		27	126,382	7	–	15.14	
Vauxhall Street, Colombo 02		2	825	–	1	10.35	
Meetotamulla, Orugodawatte		1	3,494	–	1	28.86	
Maligawa Road, Ratmalana		25	89,262	9	3	36.50	
Navatkuli, Jaffna		3	9,475	1	–	25.69	
Off Naththandiya Road, Dankotuwa		4	57,838	7	2	10.71	

6.13 Details of Power Plant related lands owned by the Panasian Power PLC are as follows.

Location/ address	Owned by	
Ratturugala, Rathnapura - Panasian Power PLC	Panasian Power PLC Group (PAP)	
Walapane, Nuwaraeliya – Manelwala Hydropower (Pvt) Ltd.		
Walapane, Padiyapelella – Padiyapelella Hydropower Limited		
Munwatta, Padiyapelella – Padiyapelella Hydropower Limited(Phase II)		
Maho – Panthree Solaro Energy (Pvt) Ltd.		
Maradankadawala – Rajarata Sustainable Development (Pvt) Ltd.		
Maradankadawala - Finergreen Rajarata (Pvt) Ltd		
Matara - Panthree Solaro Energy (Pvt) Ltd		
Matara - Solar Power Generation Matara (Pvt) Ltd		
Pannala - Panthree Solaro Energy (Pvt) Ltd		
Thirappane - Finergreen Rajarata (Pvt) Ltd		
Thirappane - Rajarata Sustainable Development (Pvt) Ltd		
Beliatta - Eco Green Solar Solutions (Pvt) Ltd.		
Kurunegala - PAP MHPL Solar (Private) Limited		
Ampara - PAP MHPL Solar (Private) Limited		
Matara - PAP SPGM Solar (Private) Limited		
Mho - PAP PTS Solar (Private) Limited		
Anuradhapura - PAP EGSS Solar (Private) Limited		
Hiyare - PAP EGSS Solar (Private) Limited		
Baddegama - PAP EGSS Solar (Private) Limited		

	Land extent			Valuation technique	Fair value hierarchy	Unobservable inputs	Significant unobservable valuation inputs	Correlation to Fair value
	Cost/carrying value LKR '000	Change for the period LKR '000	Total value LKR '000					
	–	–	–	Income approach	Level 3	35% from rental income 6.2%	Anticipated maintenance cost Yield/discount rate	Negatively correlated sensitivity
	4,699,000	631,000	5,330,000	Market approach	Level 3	LKR 19 Mn. per perch	Price per perch of land	Positively correlated sensitivity
	1,466,000	396,300	1,862,300	Market approach	Level 3	LKR 1.6 Mn. - 1.75 Mn. per perch		
	854,250	25,150	879,400	Market approach	Level 3	LKR 17.5 Mn. per perch		
	119,000	18,720	137,720	Market approach	Level 3	LKR 2 Mn. per perch		
	918,000	279,400	1,197,400	Market approach	Level 3	LKR 0.75 Mn. per perch		
	60,500	23,100	83,600	Market approach	Level 3	LKR 0.45 Mn. per perch		
	106,000	7,500	113,500	Market approach	Level 3	LKR 15 Mn. per perch		
	8,222,750	1,381,170	9,603,920					

	Land extent			Cost/ carrying value LKR '000	Change for the period LKR '000	Total value LKR '000
	Acre	Rood	Perch			
	4	–	34.76	259,144	13,469	272,613
	2	2	32.30			
	7	1	27.00			
	8	–	24.00			
	5	–	6.00			
	5	–	28.25			
	5	–	28.25			
	4	–	–			
	8	–	–			
	3	–	7.00			
	4	–	–			
	4	–	–			
	4	2	34.00			
	20	–	–			
	21	2	15.10			
	21	–	6.00			
	18	2	15.00			
	22	2	15.25			
	19	–	7.04			
	19	2	22.05			

6.14 Cost of fully depreciated assets which are still in use as at reporting date is as follows.

As at 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Buildings	182,076	173,973	–	–
Fixture and fittings	306	306	306	306
Office equipments	89,139	84,932	4,273	3,850
Furniture and fittings	83,340	80,871	3,744	3,694
Motor vehicles	596,045	597,348	47,607	44,628
Computers and accessories	166,700	161,844	13,923	13,450
Electronic equipments	93,621	83,178	–	–
Tools and utensils	271,467	224,601	1,076	1,014
Maintenance equipments	4,586	4,613	4,586	4,613
Reference books	107	107	–	–
	1,487,387	1,411,773	75,515	71,555

6.15 The carrying amount of revalued property, plant and equipment if they were carried at cost less depreciation and impairment, would be as follows;

As at 31 March	GROUP					
	2026			2025		
	Cost LKR '000	Accumulated depreciation LKR '000	Carrying value LKR '000	Cost LKR '000	Accumulated depreciation LKR '000	Carrying value LKR '000
Freehold land	920,319	–	920,319	920,319	–	920,319
Buildings	1,699,193	954,152	745,041	1,483,438	860,580	622,858
Total	**2,619,512**	**954,152**	**1,665,360**	**2,403,757**	**860,580**	**1,543,177**

As at 31st March	COMPANY					
	2026			2025		
	Cost LKR '000	Accumulated depreciation LKR '000	Carrying value LKR '000	Cost LKR '000	Accumulated depreciation LKR '000	Carrying value LKR '000
Building	175,333	82,641	92,692	175,333	75,125	100,208
Total	**175,333**	**82,641**	**92,692**	**175,333**	**75,125**	**100,208**

7. Investment Property

Accounting policy

I. Basis of recognition

Investment properties are properties held either to earn rental income or for capital appreciation or both but not for sale in the ordinary course of business, used in the production in the ordinary course of business, used in the production or supply of goods or services or for administrative purposes. Investment properties are recognised if it is probable that future economic benefits that are associated with the investment property will flow to the Group and cost of the investment property can be reliably measured.

Investment property comprises freehold land, freehold buildings together with the integral parts of such properties.

II. Measurement

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions, as appraised by an independent valuer, annually.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit or loss during the financial period in which they are incurred.

Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the period in which they arise. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the SLFRS 13.

III. Derecognition

Investment properties are derecognised when disposed, or permanently withdrawn from use because no future economic benefits are expected.

IV. Reclassification of investment property

When the use of a property changes from owner occupied to investment property, the transfers are recorded at carrying amount following the cost model as per LKAS 40 Accounting for investment property.

If an investment property becomes owner occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes.

	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
As at 1 April	18,147,475	17,169,828	18,161,523	17,169,828
Subsequent expenditure on investment property	22,190	110,965	22,190	125,013
Capital work-in-progress	13,416	–	13,416	–
Net gain from fair value adjustment	2,120,300	866,682	2,120,300	866,682
As at 31 March	**20,303,381**	**18,147,475**	**20,317,429**	**18,161,523**

7.1 Investment properties consist of freehold land and commercial units given on rental in buildings constructed on freehold land at No. 33, Park Street, Colombo 02 and No. 45, Morgan Road, Colombo 02.

7.2 There were no items of investment property pledged as security for liabilities, other than disclosed in note 17.2.

7.3 Details of investment properties - Group/Company

Property	Extent	Valuation date	Value as at 31 March 2026	Value as at 01 April 2025	Valuation technique	Fair value hierarchy
Land						
No. 33, Park Street, Colombo 02	2A-2R-14.87P	31-Mar-26	LKR 18.5 Mn. per perch	LKR 16.5 Mn. per perch	Market approach	Level 3
No. 45, Morgan Road, Colombo 02	0A-3R-39.91P	31-Mar-26	LKR 12.5 Mn. per perch	LKR 12 Mn. per perch	Market approach	Level 3
Buildings						
No. 33, Park Street, Colombo 02						
PARKLAND building	192,964.29 Sq. Ft.	31-Mar-26	LKR 330 - 570 per Sq. Ft	LKR 306 – 540 per Sq. Ft	Income approach	Level 3
PARKLAND 1 building	67,589.72 Sq. Ft.	31-Mar-26	LKR 355 - 620 per Sq. Ft	LKR 170 – 529 per Sq. Ft	Income approach	Level 3

7.4 The significant assumptions used by the valuer are as follows :

	2026	2025	Sensitivity
Anticipated maintenance cost	35% from annual rent income	35% from annual rent income	Negatively correlated sensitivity
Yield/discount rate	6.20%	6.20%	Negatively correlated sensitivity
Risk and other factors	8% from net annual rent income	7.5% from net annual rent income	Negatively correlated sensitivity
Price per perch LKR Mn. No. 33, Park Street, Colombo 02	18.50	16.50	Positively correlated sensitivity
Price per perch LKR Mn. Morgan Road, Colombo 02	12.50	12.00	Positively correlated sensitivity
Future rental income per Sq.Ft.	LKR 330 - 620	LKR 170 - 540	Positively correlated sensitivity

7.5 The below table sets out information about significant unobservable inputs used in measuring fair value of land and building as at 31 March 2026.

Significant unobservable input	Land / Buildings	
	No 33 Park Street Colombo 2	No 45 Morgan Road, Colombo 2
Estimated price per perch	LKR 18.5 Mn. per perch	LKR 16.5 Mn. per perch
Estimated market rent per square feet	LKR 330 – 620 per Sq. Ft	–
Anticipated maintenance cost	35% from annual rent income	–
Yield/Discount rate	6.20%	–

7.6 Sensitivity analysis of assumptions employed in investment property valuation

Group/Company

The table below presents the sensitivity of the valuation to changes in the most significant assumptions underlying the valuation of investment property, in respect of the year 2026.

The sensitivity of the statement of profit or loss and statement of financial position is the effect of the assumed changes in each aspect (taken individually, while other variables are held constant) on the profit or loss and carrying value of investment property for the year.

Yield/discount rate increase/(decrease)	Maintenance cost increase/(decrease)	Investment property valuation LKR '000	Fair value gain/(loss) on investment property LKR '000
1%		18,154,700	(2,149,313)
-1%		22,952,500	2,648,487
	5%	19,110,100	(1,193,913)
	-5%	21,174,200	870,187

7.7 Fair value of the investment property is ascertained by independent valuations carried out by Mr. J. M. Senanayaka Bandara, a chartered valuation surveyor, who has recent experience in valuing properties of similar location and category. In determining the fair value of building the capitalisation of net income method has been used, which is based upon assumptions including future rental income, anticipated maintenance costs, appropriate discount rate and in determine the fair value of land, make reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size and location. The appraised fair values are approximated within appropriate range of values.

7.8 Amount recognised in the statement of profit or loss for the investment property.

Year ended 31 March	Notes	GROUP / COMPANY 2026 LKR '000	GROUP / COMPANY 2025 LKR '000
Rental income from the investment property	22.2	1,033,170	1,321,499
Other related services	22.2	542,878	135,996
		1,576,048	1,457,495
Direct operating expenses for the investment property		(185,333)	(183,035)
Fair value (loss)/gain		2,120,300	866,682

7.9 The carrying amount of revalued land and buildings under investment property if they were carried at cost less depreciation and impairment, would be as follows;

Year ended 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Cost	7,203,660	7,181,470	7,217,708	7,195,518
Accumulated depreciation	(2,423,925)	(2,177,544)	(2,425,330)	(2,178,246)
Carrying value	**4,779,735**	**5,003,926**	**4,792,378**	**5,017,272**

7.10 Leasing arrangements

Minimum lease payments receivable on leases of investment property as follows;

Year Ended 31 March	GROUP / COMPANY	
	2026 LKR '000	2025 LKR '000
Less than one year	1,577,681	1,021,609
One to two years	1,171,716	697,174
Two to three years	802,866	383,130
Three to four years	605,393	95,934
Four to five years	57,223	14,375
	4,214,879	**2,212,222**

The investment property is leased to tenants under operating leases with rentals payable as per the lease terms.

8. Intangible Assets

Accounting policy

An intangible asset is an identifiable non monetary asset without physical substance held for use in the production or supply of goods or services, or for administrative purpose.

I. Basis of recognition and measurement

Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably.

Software

All licenced computer software costs incurred by the Group, which are not integrally related to associated hardware, which can be clearly identified, reliably measured and is probable that they will lead to future economic benefits, are included in the statement of financial position under the category of intangible assets and carried at cost less amortisation and any accumulated impairment losses.

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

Right to generate hydropower

Right to generate hydropower, which can be clearly identified and reliably measured with the probability of leading to future economic benefits, are capitalised under intangible assets.

Right to generate solar power

Right to generate solar power, which can be clearly identified and reliably measured with the probability of leading to future economic benefits, are capitalised under intangible assets.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. If the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree less the net amount of the fair value of the assets acquired and liabilities assumed is recognised. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. The negative goodwill is recognised immediately in the statement of comprehensive income. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold net of disposal proceeds.

II. Useful economic lives and amortisation

Intangible assets are amortised using below mentioned estimated useful economic life on a straight line basis. They are assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted if required.

Asset Category	GROUP	COMPANY
Computer software	2 -10 years	4 years
Right to generate hydropower	20 years	–
Right to generate solar power	20 years	–

III. De-recognition

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

IV. Reversal of impairment

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Reversals of impairment losses are recognised in the income statement.

	GROUP					COMPANY	
	Computer software LKR '000	Right to generate hydro power LKR '000	Right to generate solar power LKR '000	Goodwill LKR '000	Total LKR '000	Computer software LKR '000	Total LKR '000
Cost							
1 April 2024	318,812	21,190	87,400	468,414	895,816	23,659	23,659
Additions	693	500	–	–	1,193	–	–
As at 31 March 2025	**319,505**	**21,690**	**87,400**	**468,414**	**897,009**	**23,659**	**23,659**
As at 1 April 2025	319,505	21,690	87,400	468,414	897,009	23,659	23,659
Additions	3,274	599	–	–	3,873	148	148
Disposals	–	–	–	–	–	–	–
As at 31 March 2026	**322,779**	**22,289**	**87,400**	**468,414**	**900,882**	**23,807**	**23,807**
Amortisation/impairment							
1 April 2024	172,823	20,891	14,142	465,524	673,380	21,432	21,432
Amortisation for the year	29,617	317	4,370	–	34,304	957	957
As at 31 March 2025	**202,440**	**21,208**	**18,512**	**465,524**	**707,684**	**22,389**	**22,389**
As at 01 April 2025	202,440	21,208	18,512	465,524	707,684	22,389	22,389
Amortisation for the year	29,325	101	4,370	–	33,796	754	754
As at 31 March 2026	**231,765**	**21,309**	**22,882**	**465,524**	**741,480**	**23,143**	**23,143**
Carrying amount as at 31 March 2025	117,065	482	68,888	2,890	189,325	1,270	1,270
Carrying amount as at 31 March 2026	**91,014**	**980**	**64,518**	**2,890**	**159,402**	**664**	**664**

8.1 The right to generate hydro power and solar power represent the amounts paid to purchase exclusive rights to generate hydro and solar power.

8.2 The goodwill consisted of acquisitions made by R I L Property PLC. * Arose from the acquisition of subsidiary United Motors Lanka PLC amounting to LKR 2.89 Mn. on 29 December 2017 which had acquired 50% shares in Unimo Enterprise Limited (formerly known as Associated United Motors Limited) which was acquired on 03 October 2002.

8.3 Assessment of impairment of goodwill

Goodwill impairment is tested annually. The recoverable amount of Cash Generating Unit (CGU) was based on higher of fair value less costs of disposal and value in use. Net assets of CGUs were considered as the fair value as the assets and liabilities reflect approximately the fair value of such assets and liabilities considering the valuation of property plant and equipment and short-term maturity of the rest of the assets and liabilities. This fair value measurement is categorised as level 3 measurement. Significant unobservable input is the net assets CGUs and has a positive correlated sensitivity with the fair value.

There is no impairment of goodwill as at reporting date.

8.4 During the Financial Year, the Group acquired intangible assets to the aggregate value of LKR 3.9 Mn. (2024/25 – LKR 1.2 Mn.). Cash payments amounting to LKR 3.9 Mn. (2024/25 – LKR 1.2 Mn.) were made during the year for purchase of intangible assets.

8.5 During the Financial Year, the Company has acquired intangible assets of LKR 0.15 Mn. (2024/25 - Nil). Cash payments amounting to LKR 0.15 Mn. (2024/25 - Nil) were made during the year for purchase of intangible assets.

8.6 Cost of fully amortised computer software of Group amount to LKR 49 Mn. (2024/25 - LKR 41 Mn.) and Company amount to LKR 21.7 Mn. (2024/2025 – LKR 21 Mn.) as at the reporting date.

8.7 There were no restrictions existed on the title of the intangible assets of the Group and Company as at the reporting date. Further there were no items pledged as security for liabilities.

8.8 There were no significant intangible assets controlled by the entity but not recognised as assets because they did not meet recognition criteria or because they were acquired or generated before SLFRS 3 – Business Combinations was effective.

9. Leases

Accounting policy

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Group as a lessee – The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

I. Leased assets

The Group's lease hold property includes land and buildings. Rental contract is typically made as per the initial rental or lease agreements. Rental contracts may contain both lease and non-lease components. It has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

II. Right of use assets

Right of use assets are measured at cost, less any accumulated amortisation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes:

- The amount of lease liabilities recognised,
- Initial direct costs incurred, and
- Lease payments made at or before the commencement date less any lease incentives received.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets are depreciated on a straight line basis over the shorter of its estimated useful life or the lease term. Right of use assets are subject to impairment.

III. Lease liabilities

On adoption of SLFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of LKAS 17 Leases. These liabilities were measured on a present value basis.

Lease liabilities include the net present value of the fixed payments (including in substance fixed payments), less any lease incentives receivable.

Since the interest rate implicit in the lease is not readily determinable, the Group uses incremental borrowing rate as the discount rate. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in similar economic environment.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities remeasured if there is a modification, a change in the lease term, a change in the in substance fixed lease payments or a change in the assessment to purchase the underlying asset.

9.1 Right-of-Use Assets

As at 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Cost				
At the beginning of the year	1,313,595	1,052,554	–	–
Adjustments	(27,408)	(63,893)	–	–
Additions during the year	160,880	324,934	121,523	–
At the end of the year	1,447,067	1,313,595	121,523	–
Accumulated amortisation				
At the beginning of the year	882,531	793,318	–	–
Adjustments	(13,540)	(53,083)	–	–
Amortisation for the year	150,685	142,297	1,688	–
At the end of the year	1,019,676	882,532	1,688	–
Carrying amount at the end of the year	**427,391**	**431,063**	**119,835**	**–**

9.2 Lease Liabilities

As at 31 March	Note	GROUP		COMPANY	
		2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
At the beginning of the year		443,401	269,374	–	–
Additions during the year		207,518	311,703	85,973	–
Interest expense		60,756	44,911	788	–
Adjustments		(4,198)	(10,812)	–	–
Payments made		(205,497)	(171,775)	–	–
At the end of the year		501,980	443,401	86,761	–
Classified as non-current liabilities		367,614	329,241	63,054	–
Classified as current liabilities		134,366	114,160	23,707	–
		501,980	443,401	86,761	–
Amounts recognised in profit or loss					
Interest on lease liabilities	24.1	58,640	42,573	788	–
Maturity analysis of lease liability - discounted					
Less than 2 years		212,279	173,797	42,622	–
2- 5 years		155,343	147,852	44,139	–
5-10 years		69,406	77,554	–	–
Over 10 years		64,952	44,198	–	–
		501,980	443,401	86,761	–
Maturity analysis of lease payment - undiscounted					
Less than 2 years		361,047	268,274	46,590	–
2- 5 years		282,450	227,435	62,795	–
5-10 years		133,821	170,813	–	–
Over 10 years		120,380	66,572	–	–
		897,698	733,094	109,385	–

10. Investments

Accounting policy

Investments in subsidiaries

Investment in subsidiaries are initially recognised at cost in the Financial Statements. Following initial recognition investments in subsidiaries are recorded at cost less accumulated impairment in the Financial Statements of the Company. The net assets of each subsidiary are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated and the impairment loss is recognised to the extent of its negative net assets.

Subsidiaries are investees that are controlled by the Parent. Control exists when the Parent is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power to govern the financial and operating policies over the investee.

The cost of an acquisition is measured at fair value of the consideration of acquired identifiable assets, liabilities and contingent liabilities are at the date of acquisition. Subsequent to the initial measurement, the Company continues to recognise the investment in subsidiaries at cost. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

All subsidiaries in the Group have a common Financial Year which ends on 31 March. Financial Statements of the subsidiaries are prepared using uniform and consistent accounting policies and all intra group balances, unrealised gains and losses resulting from intra group transactions, intra group income and expenses eliminated in full. There are no significant restrictions on the ability of subsidiaries to transfer funds to the Company (the parent) in the form of cash dividend or repayment of loans and advances.

Prinicipal business activities of subsidiaries are mentioned in page 186.

Investment in preference shares

Refer the accounting policy in note 3.5.

Investment in equity accounted investee

The Group's interests in equity accounted investees comprise interests in a joint venture. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of the profit or loss and Other Comprehensive Income of equity accounted investees, until the date on which significant influence or joint control ceases.

10.1 Investments in subsidiaries

As at 31 March	Note	COMPANY			
		2026		2025	
		Holding %	LKR '000	Holding %	LKR '000
Panasian Power PLC		75	2,010,876	75	2,010,876
United Motors Lanka PLC		51	4,013,827	51	4,013,827
R-E-D Capital Asia (Pvt) Ltd	10.1.1	37	74,759	37	74,759
PARKLAND Intergrated Solutions (Pvt) Ltd	10.1.3	100	–	100	–
PARKLAND Solutions (Pvt) Ltd	10.1.2	100	1,000	–	–
Total investments in subsidiaries			**6,100,462**		**6,099,462**

As at 31 March	Net assets Price per share		Quoted Price per share	
	2026	2025	2026	2025
Panasian Power PLC	3.43	4.04	19.60	6.90
United Motors Lanka PLC	18.11	14.28	30.00	86.10

10.1.1 Acquisition of R-E-D Capital Asia (Pvt) Ltd by R I L Property PLC

R-E-D Capital Asia (Pvt) Ltd is a subsidiary of the Panasian Power PLC Group. The Company invested LKR 74.75 Mn. in the equity capital of R-E-D Capital Asia (Pvt) Ltd to acquire a direct equity interest of 37%, increasing the Company's equity interest to an effective holding of 75.25% in R-E-D Capital Asia (Pvt) Ltd. This transaction effectively reduced the ownership interest of Panasian Power PLC. Consideration has been paid via the conversion of interest accrued on the loan of LKR 500 Mn. granted by the Company to R-E-D Capital Asia (Pvt) Ltd amounting to LKR 71 Mn. into equity, with the remainder of the consideration paid in cash. Effects of this transaction on the equity attributable to owners of the Parent are presented in the Statement of Changes in Equity.

10.1.2 Investment in *PARKLAND* Solutions (Pvt) Ltd by R I L Property PLC

During the year, the Company invested in 100,000 Ordinary shares for a consideration of LKR 1 Mn. to acquire 100% ordinary shares.

10.1.3 Investment in *PARKLAND* Intergrated Solutions (Pvt) Ltd by R I L Property PLC

PARKLAND Integrated Solution (Private) Limited, a wholly owned subsidiary of R I L Property PLC, commenced business operations during the current Financial Year and has been consolidated into the Group Financial Statements from the current year onwards.

10.2 Investment in preference shares

As at 31 March	GROUP		
	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000
Powergen One (Private) Limited	–	–	4,154
	–	–	4,154

10.3 Investment in joint ventures

As at 31 March		GROUP		
	Holding %	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000
Powergen One (Private) Limited	50	14,586	15,466	12,984
		14,586	15,466	12,984

Powergen One (Pvt) Ltd was incorporated on 27th December 2017 as a Joint Venture between Panasian Investments (Pvt) Ltd, which is a fully owned subsidiary of Panasian Power PLC, and Magna wealth (Pvt) Ltd, to install and operate 400 kWp rooftop solar power plant in the rooftop of factory owned by Magna Wealth (Pvt) Ltd located in Borelasgamuwa, Sri Lanka.

10.3.1 Share of net results of joint ventures

Year ended 31 March	Powergen One (Pvt) Ltd	
	2026 LKR '000	2025 Restated LKR '000
Revenue	3,339	5,367
Depreciation	(2,676)	(2,661)
Net finance income/ (cost)	146	1,226
Profit/(loss) after tax	(2,346)	5,532
Depreciation on unrealised profit on sale of property, plant and equipment	293	293
Group share of results of equity accounted investee net of tax (50%)	(880)	3,059
Total comprehensive income	(2,346)	5,532

10.3.2 Reconciliation for carrying amount of joint ventures

As at 31 March	Powergen One (Pvt) Ltd		
	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000
Initial investment	12,515	12,515	12,515
Group share of unrealised profit	(5,863)	(5,863)	(5,863)
Retained earnings	11,608	12,781	10,592
Depreciation on unrealised profit	2,321	2,028	1,735
Dividend paid	(5,995)	(5,995)	(5,995)
Net investment in joint venture	**14,586**	**15,466**	**12,984**

10.3.3 Financial highlights of joint ventures

As at 31 March	Powergen One (Pvt) Ltd		
	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000
Non current assets	37,733	36,098	37,467
Current assets (including cash and cash equivalents)	3,149	3,736	6,725
Non-current liabilities	–	–	(4,154)
Current liabilities	(3,997)	(603)	(6,339)
Net assets (100%)	**36,885**	**39,231**	**33,699**
Cash & cash equivalents	1,000	2,732	5,281

10.4 Advances paid for acquisition/Investments

As at 31 March	2026 LKR '000	2025 LKR '000
Lower Kothmale Oya Power Two (Private) Limited	–	20,000
Medakubura Mini Hydropower Project	–	2,115
Advance paid for New Projects	3,009	–
	3,009	**22,115**

10.5 Summarised information of subsidiary that have significant non-controlling interest is provided below:

	United Motors Lanka PLC			Panasian Power PLC		
	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000
Summary of the statement of comprehensive income period ended 31 March						
Revenue	52,354,988	11,774,363	11,577,472	2,008,514	1,542,728	1,490,347
Profit/(loss) after tax	3,560,798	35,641	(295,706)	1,614,348	272,356	127,311
Other comprehensive income	960,124	398,113	486,825	1,889	(2,339)	(1,326,754)
Total comprehensive income	**4,520,922**	**433,754**	**191,119**	**1,616,237**	**270,017**	**(1,199,443)**
Total comprehensive income,						
Owners of the parent	2,305,670	221,215	97,471	628,899	170,376	(1,141,334)
Non-controlling interest	2,215,252	212,539	93,648	987,338	99,641	(58,109)
Summary of the statement of financial position As at 31 March						
Non-current assets	14,361,698	12,466,547	12,030,558	8,302,775	4,372,705	2,997,486
Current assets	18,646,154	14,661,143	9,453,054	1,358,397	1,701,665	1,011,448
Total assets	**33,007,852**	**27,127,690**	**21,483,612**	**9,661,172**	**6,074,370**	**4,008,934**
Non-current liabilities	2,202,979	1,732,258	1,705,096	5,142,688	2,996,043	1,900,228
Current liabilities	12,532,922	10,988,551	5,654,040	1,542,837	1,512,492	877,373
Total liabilities	**14,735,901**	**12,720,809**	**7,359,136**	**6,685,525**	**4,508,535**	**2,777,601**
Total equity attributable to equity holders of the Company	9,648,269	7,677,084	7,533,057	1,787,261	943,189	704,333
Total equity attributable to non-controlling interest	8,623,682	6,729,799	6,591,419	1,188,386	622,646	527,001
Total equity	**18,271,951**	**14,406,883**	**14,124,476**	**2,975,647**	**1,565,835**	**1,231,334**
Summary of the statement of cash flows Year ended 31 March						
Net cash inflow/(outflow) from operating activities	(129,117)	(3,391,781)	1,805,881	(285,625)	1,002,733	783,902
Net cash inflow/(outflow) from investing activities	1,016,853	384,609	(1,877,192)	(3,213,017)	(1,498,403)	(147,309)
Net cash inflow/(outflow) from financing activities	(1,093,789)	3,377,191	(110,958)	2,600,174	1,108,973	(160,776)
Net increase/(decrease) of cash and cash equivalents	**(206,053)**	**370,019**	**(182,269)**	**(898,468)**	**613,303**	**475,817**

11. Inventories

Accounting policy

Inventories are measured at the lower of cost and net realisable value. The cost of inventories that are not interchangeable are recognised by using specific identification of their individual cost and other inventories are based on weighted average cost formula. The cost of inventories includes expenditure incurred in purchasing the inventories and other costs incurred in bringing them to their present location and condition. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Accordingly, the costs of inventories are accounted as follows:

Inventory Type	Cost measurement basis
Raw materials	Actual cost on a weighted average basis
Goods in transit	Actual cost
Work in progress	Actual cost
Stock in trade	
Motor vehicles	Actual cost
Solar power panels,inverters and other accessories	Actual cost
Other stock in trade	Weighted average basis
Consumable stock	Weighted average basis / FIFO basis

Provisions are made for all slow-moving and obsolete items of inventory to reflect the lower of cost or net realisable value.

As at 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Stock in trade	11.1	9,022,217	4,976,940	–	–
Work in progress		877,063	479,634	–	–
Goods in transit	11.3	1,441,241	966,533	–	–
Consumable stock		18,887	72,655	18,887	18,398
		11,359,408	**6,495,762**	**18,887**	**18,398**

11.1 Stock in trade

As at 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000
Motor vehicle's spare parts	995,417	803,283
Motor vehicles	5,256,253	2,336,724
Lubricants	832,344	861,797
Tyres	35,668	72,300
Trailers	1,097,415	507,232
3D printers	470	1,339
Equipment and machinery	236,113	74,334
Solar power panels, inverters and other accessories.	78,800	–
Others	489,737	319,931
	9,022,217	**4,976,940**

11.2 Provision for slow moving inventories

As at 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000
At the beginning of the year	31,289	35,109
Change/(reversal) during the year	(4,262)	(3,820)
At the end of the year	**27,027**	**31,289**

11.3 Goods in transit

As at 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000
Equipment & machinery	4,148	–
Spare parts and lubricants	95,065	945,483
Vehicles	1,248,490	–
Trailers	25,921	21,050
Tyres	67,617	–
	1,441,241	**966,533**

11.4 Inventories & trade receivables pledged as security for liabilities of Group entities are as follows;

Company	Bank	Facility	Amount pledged as security LKR '000	Balance outstanding LKR '000
Unimo Enterprises Limited	National Development Bank PLC	Overdraft, Short term loans, Letter of Credit	105,000	–
	Commercial Bank of Ceylon PLC	Overdraft, Short term loans, Letter of Credit	525,000	525,000
	Standard Chartered Bank	Overdraft, Short term loans, Letter of Credit	350,000	–
UML Heavy Equipment Limited	Commercial Bank of Ceylon PLC	Overdraft, Short term loans, Letter of Credit	160,000	160,000
Dutch Lanka Trailer Manufacturers Limited	National Development Bank PLC	Overdraft, Short term loans, Letter of Credit	1,344,919	575,098
	Commercial Bank of Ceylon PLC	Overdraft, Short term loans, Letter of Credit	63,000	31,513
	Sampath Bank PLC	Overdraft, Short term loans, Letter of Credit	65,024	16,926
Dutch Lanka Engineering (Pvt) Limited	Sampath Bank PLC	Overdraft, Short term loans, Letter of Credit	35,000	21,293

12. Trade and Other Receivables

Refer the accounting policy in note 3.5.

As at 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Trade debtors		4,982,061	2,483,636	41,070	49,239
Impairment allowance	12.3	(79,008)	(83,119)	(19)	(6,891)
		4,903,053	2,400,517	41,051	42,348
Advances and prepayments		1,241,026	1,216,708	33,750	19,292
Deposits		32,487	30,723	18,191	18,176
Loans to employees	12.5	3,130	5,084	–	2,060
Other receivable		1,074,301	2,456,209	122,874	12,694
LC margin		12,690	–	–	–
Facilitation fee receivable		105,854	18,236	–	–
		7,372,541	**6,127,477**	**215,866**	**94,570**

12.1 Classification as trade receivables

Trade receivables are amounts due from customers/tenants for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 07 - 90 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Fair values of trade receivables

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

Impairment and risk exposure

A trade receivable is considered to be in default when the payment is overdue by more than 90 days, or when the customer is assessed to be unlikely to pay their outstanding receivable, based on historical payment patterns and other relevant factors.

The Group's exposure to credit risk and impairment losses related to trade and other receivables are disclosed in note 37.1.

12.2 Trade receivables pledged as security for liabilities are given in note 11.4.

12.3 Impairment allowance for trade receivables

As at 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
At the beginning of the year	83,119	71,781	6,891	9
During the year (reversal) / provision	7,588	18,602	(6,872)	6,882
Bad debt written off during the year	(11,699)	(7,264)	–	–
At the end of the year	**79,008**	**83,119**	**19**	**6,891**

12.4 Straight Line adjustment on lease rentals receivable

As at 31 March	GROUP/COMPANY	
	2026 LKR '000	2025 LKR '000
Non- current	84,175	68,738
	84,175	68,738

12.5 Loans to employees

As at 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
At the beginning of the year	5,084	5,182	2,060	2,420
Loans disbursed during the year	75,593	14,396	–	–
Recovered during the year	(77,547)	(14,494)	(2,060)	(360)
At the end of the year	**3,130**	**5,084**	**–**	**2,060**

No loans have been granted to the Directors of the Company and Group.

13. Income tax (receivable)/payable

As at 31 March	Notes	GROUP		COMPANY	
		2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
At the beginning of the year		194,449	213,035	3,115	618
Prior period adjustment		37	–	–	–
Income tax on current year profit	26.2	1,671,056	391,895	5,049	3,890
Under/(over) provision in respect of prior year		16,822	(5,005)	(3,116)	–
WHT receivable /ESC set off against income tax		(9,647)	(42,357)	(301)	(723)
Income tax paid		(1,164,096)	(363,119)	(2,835)	(670)
At the end of the year		**708,621**	**194,449**	**1,912**	**3,115**
Income tax receivable		(6,449)	(26,254)	–	–
Income tax payable		715,070	220,703	1,912	3,115
		708,621	**194,449**	**1,912**	**3,115**

14. Other Investments

Refer the accounting policy in note 3.5.

14.1 Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

As at 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 LKR '000
Equity securities	14.1.3	10,730	117,176
Fair value gain/(loss)		(9,782)	(30,976)
		948	86,200

14.1.1 Amounts recognised in profit or loss and other comprehensive income

During the year, the following gains were recognised in profit or loss and other comprehensive income.

Year ended 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 LKR '000
Changes in fair value recognised in other comprehensive income - FVOCI		33,080	70,929
Dividend from equity securities held at FVOCI recognised in profit or loss in finance income	24.2	–	18,719
		33,080	89,648

14.1.2 Disposal of equity investments

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings. During the year Group reclassified below gains from FVOCI reserve to retained earnings as a result of disposal of equity investments fair value through other comprehensive income.

Year ended 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000
Net gain on disposal of equity investments at fair value through other comprehensive income		
- attributable to owners of the parent	6,057	2,164
- attributable to non-controlling interest	5,820	2,080
	11,877	4,244

14.1.3 Equity securities designated at fair value through other comprehensive income

As at 31 March	GROUP					
	2026			2025		
	No. of shares	Cost LKR '000	Market value LKR '000	No. of shares	Cost LKR '000	Market value LKR '000
DFCC Bank PLC	–	–	–	805,282	106,456	85,360
MTD Walkers PLC	90,259	5,531	–	90,259	5,521	–
Softlogic Finance PLC	89,709	5,171	556	89,709	5,171	484
Lanka IOC PLC	28,000	28	392	28,000	28	356
		10,730	**948**		**117,176**	**86,200**

14.2 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss (FVTPL) comprise equity securities which are held principally for the purpose of trading in the near term.

As at 31 March	Notes	GROUP		COMPANY	
		2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Equity securities	14.2.2	1,342,074	971,142	714,273	422,643
Increase/(decrease) in market value		45,346	(24,111)	149,635	3,757
		1,387,420	947,031	863,908	426,400
Other investments designated as FVTPL	14.2.3	262,259	1,515,431	93,879	182,715
		1,649,679	**2,462,462**	**957,787**	**609,115**

14.2.1 Amounts recognised in profit or loss

As at 31 March	Notes	GROUP		COMPANY	
		2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Changes in fair value on equity securities at FVTPL	24.2	199,749	72,772	157,268	56,556
Dividend from equity securities held at FVTPL recognised in profit or loss	24.2	68,603	9,249	53,842	1,050
Net gains on disposal of Financial assets at FVTPL	24.2	219,741	111,795	132,140	–
		488,093	193,816	343,250	57,606

14.2.2 Equity securities designated at fair value through profit or loss

As at 31 March	GROUP					
	2026			2025		
	No. of shares	Cost LKR '000	Market value LKR '000	No. of shares	Cost LKR '000	Market value LKR '000
Central Finance Company PLC	–	–	–	120,781	25,806	23,461
Commercial Bank of Ceylon PLC	1,961,809	294,336	398,210	3,224,274	455,219	467,070
Dipped Products PLC	799,995	52,764	39,077	225,000	13,018	12,375
John Keells Holdings PLC	944,761	23,127	17,313	2,250,000	53,922	45,450
LOLC Finance PLC	900,000	25,710	4,716	900,000	25,710	5,310
Royal Ceramics Lanka PLC	303,425	13,638	12,901	–	–	–
Sampath Bank PLC	1,255,000	164,427	181,931	984,875	121,083	120,648
Sanasa Development Bank PLC	54,297	5,212	2,829	54,297	5,211	1,966
Singer Finance (Lanka) PLC	–	–	–	65,944	3,768	356
Softlogic Finance PLC	65,944	3,768	404	–	–	–
Tokyo Cement Company (Lanka) PLC	188,300	19,991	16,552	–	–	–
L B Finance PLC	–	–	–	274,299	23,675	23,535
Distilleries Company of Sri Lanka PLC	155,166	6,805	8,362	637,127	20,181	23,191
ACL Cables PLC	400,000	41,171	33,619	121,064	13,369	14,770
Hatton National Bank PLC	872,500	268,236	309,083	65,934	21,059	19,945
CIC Holdings PLC	500,000	12,349	14,783	–	–	–
Hayleys PLC	26,500	4,344	5,315	98,210	11,914	13,455
Vallibel Finance PLC	255,453	27,288	23,238	–	–	–
Vallibel One PLC	245,000	26,858	22,263	343,951	22,424	20,258
Access Engineering PLC	500,000	31,798	33,125	1,200,046	40,910	46,202
Pan Asia Banking Corporation PLC	1,055,818	64,764	52,722	850,000	29,724	30,175
Browns Investments PLC	1,000,000	7,989	6,032	3,600,000	28,759	26,280
JAT Holdings PLC	–	–	–	305,500	8,020	8,218
Teejay Lanka PLC	513,060	27,486	14,205	513,060	27,487	26,166
Watawala Plantations PLC	–	–	–	650,000	19,883	18,200
Sunshine Holdings PLC	1,084,411	37,804	31,525	–	–	–
Lanka Tiles PLC	100,000	5,663	4,519	–	–	–
Dankotuwa Porcelain PLC	500,000	10,365	7,515	–	–	–
Pan Asia Banking Corporation PLC	305,691	17,456	15,437	–	–	–
Ceylon Cold Stores PLC	160,570	19,078	16,353	–	–	–
HAYCARB PLC	170,000	20,842	18,407	–	–	–
DFCC Bank PLC	279,205	42,389	38,030	–	–	–
National Development Bank PLC	217,868	32,773	28,006	–	–	–
Seylan Bank PLC	297,371	33,643	30,948	–	–	–
		1,342,074	1,387,420		971,142	947,031

As at 31 March	COMPANY					
	2026			2025		
	No. of shares	Cost LKR '000	Market value LKR '000	No. of shares	Cost LKR '000	Market value LKR '000
Sampath Bank PLC	1,035,000	136,268	150,334	537,875	65,916	65,890
Commercial Bank of Ceylon PLC	1,861,809	277,448	378,014	2,501,833	356,727	360,510
John Keells Holding PLC	600,000	14,865	11,040	–	–	–
Pan Asia Banking Corporation PLC	305,691	17,456	15,437	–	–	–
Hatton National Bank PLC	872,500	268,236	309,083	–	–	–
		714,273	863,908		422,643	426,400

14.2.3 Other investments designated at fair value through profit or loss

As at 31 March	GROUP			
	2026		2025	
	No. of units '000	Market value LKR '000	No. of units '000	Market value LKR '000
Investment in unit trusts	6,524	262,259	28,363	1,515,431
	6,524	**262,259**	**28,363**	**1,515,431**

As at 31 March	COMPANY			
	2026		2025	
	No. of units '000	Market value LKR '000	No. of units '000	Market value LKR '000
Investment in unit trusts	2,288	93,879	5,098	182,715
	2,288	**93,879**	**5,098**	**182,715**

14.3 Other financial assets at amortised cost

Accounting policy

Classification of financial assets at amortised cost

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and;
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

As at 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Non-current				
Guarantee deposit	–	391	–	–
Investment in fixed deposit	508,063	466,370	–	–
	508,063	**466,761**	**–**	**–**
Current				
Investment in fixed deposit	579,059	193,917	412,266	43,365
	579,059	**193,917**	**412,266**	**43,365**

15. Cash and Bank Balance

Refer the accounting policy in note 3.5.

15.1 Favourable balances

As at 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Cash at bank	607,905	1,511,950	81,349	30,816
Call deposits	65,043	71,273	–	–
Short term deposits	34,809	249,941	–	–
Cash in hand	24,884	16,581	542	597
Cash and bank balances	**732,641**	**1,849,745**	**81,891**	**31,413**

15.2 Unfavourable balances

As at 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Overdraft	(182,934)	(364,048)	(23,930)	(105,841)
Total cash and cash equivalents for the purpose of cash flow statement	**549,707**	**1,485,697**	**57,961**	**(74,428)**

16. Equity

16.1 Stated capital

As at 31 March	GROUP/COMPANY			
	2026		2025	
	Number '000	LKR '000	Number '000	LKR '000
As at 1 April	800,000	7,360,000	800,000	7,360,000
As at 31 March	**800,000**	**7,360,000**	**800,000**	**7,360,000**

Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

16.2 Retained earnings

	GROUP			COMPANY	
	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000	2026 LKR '000	2025 LKR '000
As at 1 April	11,451,270	10,287,381	11,027,633	10,958,168	9,774,789
Effect of change in accounting policy of Property,Plant & Equipment from revaluation model to cost model	–	–	(740,252)	–	–
Profit for the year	4,881,742	1,359,930	–	2,876,334	1,347,681
Other comprehensive income for the year	303,555	(36,041)	–	904	(4,302)
Dividend paid	(440,000)	(160,000)	–	(440,000)	(160,000)
As at 31 March	**16,196,567**	**11,451,270**	**10,287,381**	**13,395,406**	**10,958,168**

16.3 Revaluation reserve

The revaluation reserve represents the surplus related to the revaluation of property, plant and equipment.

16.4 Fair value through other comprehensive income reserve

Fair value through other comprehensive income comprises the cumulative net change in the fair value of equity instruments until the investments are derecognised or impaired.

17. Interest Bearing Loans and Borrowings

Refer the accounting policy in note 3.5.

17.1 Movement

As at 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
As at 1 April 2025	13,853,265	9,420,511	3,348,244	3,773,898
Loans obtained and interest accrued	47,489,318	35,718,259	895,403	454,330
Repayment	(45,201,919)	(31,285,505)	(1,395,879)	(879,984)
As at 31 March 2026	**16,140,664**	**13,853,265**	**2,847,768**	**3,348,244**
Repayable within one year	9,260,779	8,391,921	795,905	406,879
Repayable after one year	6,879,885	5,461,344	2,051,863	2,941,365
As at 31 March 2026	**16,140,664**	**13,853,265**	**2,847,768**	**3,348,244**

17.2 Security and repayment terms

As at 31 March	Lender	Interest rate (%)	Term of the loan	Maturity period	Repayment terms
Company					
R I L Property PLC	Commercial Bank of Ceylon PLC	AWPLR + 0.5	12 Years	November 2027	Payable in 08 annual installments commencing from November 2022 (Interest to be serviced monthly)
	Commercial Bank of Ceylon PLC	AWPLR + 0.5	12 Years	November 2029	Payable in 08 annual installments commencing from November 2022 (Interest to be serviced monthly)
	Commercial Bank of Ceylon PLC	AWPLR + 0.5	5 Years	December 2028	60 monthly installments commencing from December 2023
	Commercial Bank of Ceylon PLC	AWPLR + 0.5	6 Year	February 2029	54 equal monthly installments commencing from September 2024
	DFCC Bank PLC	AWPLR + 0.5	7 Years	July 2028	Payable in 07 annual installments commencing from July 2022
	Seylan Bank PLC	AWPLR + 0.4	8 Years	October 2029	Payable in 95 monthly installments of LKR 6,250,000 commencing from November 2021
	Commercial Bank of Ceylon PLC	10.75	6 Years	January 2032	Payable in 65 monthly installments of LKR 4,750,000 commencing from August 2026
Panasian Power PLC	Sampath Bank PLC	AWPLR + 1	7 Years	June 2025	84 monthly installments
	Commercial Bank of Ceylon PLC	AWPLR + 1.5	3.5 Years	December 2026	42 monthly installments (Including 3 months grace period)
Padiyapelella Hydropower Limited	Sampath Bank PLC	AWPLR + 1	10 Years	May 2028	120 monthly installments
Panasian Investments (Private) Limited	National Development Bank PLC	AWPLR +1.5	3 Months (These are short-term import loans)	June 26	Maximum 120 days from Date of grant
	Union Bank of Colombo PLC	AWPLR + 1	3 Months (These are short-term import loans)	May 26	Maximum 120 days from Date of grant

Facility amount LKR '000	Security offered	2026 LKR '000	2025 LKR '000
2,600,000	Quaternary Mortgage Bond No.1333 dated 18 December 2017 for LKR 2.6 Bn. executed over the property at No. 33, Park Street, Colombo 02 owned by R I L Property PLC.	556,402	610,828
2,500,000		643,918	698,983
50,000	Leeway available in following mortgage bonds - Primary 1568 - dated on 23 Oct 2015 - Tertiary - 126 -dated on 08 Jan 2016 - Quaternary -1333 -dated on 18 Dec 2017	26,676	36,672
600,000	Leeway available in following mortgage bonds - Primary 1568 - dated on 23 Oct 2015 - Tertiary - 126 -dated on 08 Jan 2016 - Quaternary -1333 -dated on 18 Dec 2017	287,200	421,600
2,700,000	A tri-partite agreement entered in between the bank, the Company and Acuity Brokers (Pvt) Ltd to assign up to 392,450,248 ordinary shares of the Panasian Power PLC held by the Company in favour of DFCC Bank PLC	874,842	1,196,031
600,000	Additional Mortgage Bond to be executed for LKR 1 Bn. over property situated at No. 33, Park Street, Colombo 02 owned by R I L Property PLC.	308,730	384,130
150,000	Leeway available in following mortgage bonds - Primary 1568 - dated on 23 Oct 2015 - Tertiary - 126 -dated on 08 Jan 2016 - Quaternary -1333 -dated on 18 Dec 2017	150,000	–
		2,847,768	3,348,244
200,000	Primary mortgage bond of LKR 320 Mn. over project lands together with project assets including civil structers,power generating plants machinery and other equipment of Manelwala mini hydro power project.	–	6,815
150,000	Corporate guarantee for LKR 150,000,000/- of R I L Property PLC	34,614	80,768
500,000	Primary mortgage bond of LKR 490 Mn. over project lands together with project assets including civil structers,power generating plants machinery and other equipment of Padiyapelella Mini hydropower Project. Primary mortgage bond for LKR 10 Mn. over 100% of shares issued by Padiyapelella Hydropower Ltd and owned by Panasian Power PLC and Palace Path Holding (Pvt) Ltd, supported by an irrevocable power of attorney from the shareholders in favour of Sampath Bank PLC with the right to transfer the shares mortgaged to the bank	107,000	167,000
150,000	Lien over fixed deposit and LKR 150 Mn. corporate guarantee from Panasian Power PLC Primary Mortgage over stocks and book debts for LKR 150 Mn.	59,071	8,195
100,000	Mortgage over stock, Book debt for LKR 300 Mn. and LKR 300 Mn. corporate guarantee from Panasian Power PLC	39,184	15,369

As at 31 March	Lender	Interest rate (%)	Term of the loan	Maturity period	Repayment terms
Eco Green Solar Solutions (Private) Limited	Sampath Bank PLC	AWPLR + 1	6 Years	May 2026	84 monthly installments (including 12 months grace period)
		AWPLR + 1	9 Years	February 2029	120 monthly installments (including 12 months grace period)
Solar Power Generation Matara (Pvt) Ltd	Sampath Bank PLC	AWPLR + 1	11 Years	July 2031	132 Monthly Instalments (Including 12 Month grace period)
Panthree Solaro Energy (Pvt) Ltd	Sampath Bank PLC	AWPLR + 1	11 Years	November 2031	132 Monthly Instalments (Including 12 Month grace period)
	Seylan Bank PLC	Quarterly AWPLR +1.25	5 Years	December 2027	59 Monthly installments (Including 4 months grace period)
		Quarterly AWPLR +1.5	10 Years	June 2031	120 Monthly Installments (Including 72 months grace period)
		Quarterly AWPLR +1.25	5 Years	January 2028	60 Monthly Installments (Including 4 months grace period)
		Quarterly AWPLR +1.5	10 Years	June 2031	120 Monthly Installments (Including 72 months grace period)
Pap Solar One (Private) Limited	National Development Bank PLC	AWPLR + 2 & 10.125	4.5 Years	September 2027	54 Monthly Installments
Rajarata Sustainable Development (Pvt) Ltd	National Development Bank PLC (Restructured Facilities)	AWPLR + 3.25	7 Years	March 2030	84 Monthly Installments (Including 9 months grace period)
		AWPLR +0.25	3.5 Years	September 2026	42 Monthly Installments (Including 9 months grace period)
Finergreen Rajarata (Pvt) Ltd	National Development Bank PLC (Restructured Facilities)	AWPLR + 3.25	5 Years	February 2028	59 Monthly Installments (Including 9 months grace period)
		AWPLR + 0.25	4 Years	February 2027	47 Monthly Installments (Including 9 months grace period)
PAP PTS Solar (Pvt) Ltd	DFCC Bank PLC	12.9 per annum	9 Years	January 2034	108 Monthly Installments (Including 12 months grace period)
PAP SPGM Solar (Pvt) Ltd	DFCC Bank PLC	13	9 Years	March 2034	108 Monthly Installments (Including 12 months grace period)
PAP EGSS Solar (Pvt) Ltd	Commercial Bank of Ceylon PLC	First 5 years 12.25 & Balance 4 years at AWPLR + 1.25	9 Years	January 2034	108 Monthly Installments (Including 12 months grace period)

Facility amount LKR '000	Security offered	2026 LKR '000	2025 LKR '000
50,000	Primary Mortgage Bond of LKR 85 Mn. over project assets (excluding land), including buildings, machinery, equipment, documents, approvals, licences, permits, receivables, and book debts in favour of Sampath Bank PLC	1,560	13,560
70,000	Primary Mortgage Bond of LKR 50 Mn. over 100% of the borrower's shares, supported by blank share transfer forms and an irrevocable power of attorney in favour of Sampath Bank PLC	38,400	39,950
240,000	Primary Mortgage over free hold rights of project land marked as lot II and lot 1 a sum of LKR 260 Mn. Additional Mortgage bond for LKR 260 Mn. over entirety of shares issued to solar Power Generation Matara (Private) Limited supported by an irrecoverable power of attorney	128,000	152,000
120,000	Primary mortgage over land, project assets and documents for LKR 130 Mn. Additional mortgage bond for LKR 90 Mn. and for LKR 40 Mn. over entirety of shares issued by Panthree Soalro Energy (Private) Limited	68,000	80,000
60,000	Primary mortgage over land, project assets and documents for LKR 130 Mn. and Corporate guarantee for LKR 130 Mn. from Panasian Power PLC	26,100	37,650
70,000		70,000	70,000
54,000	Primary mortgage over land, project assets and documents for LKR 119 Mn. and Corporate guarantee for LKR 119 Mn. from Panasian Power PLC	23,900	34,900
65,000		65,000	65,000
325,000	LKR 325 Mn. Corporate Guarantee from Panasian Power PLC	65,092	87,292
112,650	Primary mortgage over the movable project assets including machinery, documents. licences, approvals, agreements, contracts, bonds, cash flows, book debts, insurance proceeds and receivables.	108,375	111,375
68,769	Primary mortgage over 100 % shares of the Borrower held by J Dissanayake and Pap Solar One (Private) Limited. LKR 230 Mn. Corporate Guarantee from Panasian Power PLC	21,014	63,052
112,650	Primary mortgage over the movable project assets including machinery, documents. licences, approvals, agreements, contract, bonds, cash flows, book debts, insurance proceeds and receivables	111,300	111,900
67,808	Primary mortgage over project lands (freehold and leasehold) upon the borrower obtaining title to the said lands. Primary mortgage over 100 % shares of the borrower held by Pap Solar One (Private) Limited LKR 230 Mn. corporate guarantee from Panasian Power PLC	27,527	57,538
970,000	Primary mortgage over leasehold land together with building & everything else thereon for LKR 925 Mn.	663,461	347,445
970,000	Primary mortgage over freehold land together with all the project assets including proposed building , completed solar plant, and electrical grid for LKR 925 Mn.	768,696	350,866
845,000	Primary mortgage bond over freehold lands and immovable project assets in Baddegama for LKR 925 Mn. Primary mortgage bond over movable project assets including book debts, insurance proceeds, and receivables, project documents in Baddegama for LKR 600 Mn. Primary mortgage of for LKR 100 Mn. over shares owned by R-E-D Capital Asia (Pvt) Ltd and additional share issue in future, Special power of attorney in favour of the bank with the right to transfer the shares mortgaged to Commercial bank.	604,677	415,586

As at 31 March	Lender	Interest rate (%)	Term of the loan	Maturity period	Repayment terms
	Commercial Bank of Ceylon PLC	First 5 years 12.25 & Balance 4 years at AWPLR + 1.25	9 Years	January 2034	108 Monthly Installments (Including 12 months grace period)
	Commercial Bank of Ceylon PLC	First 5 years 12.25 & Balance 4 years at AWPLR + 1.25	9 Years	November 2033	108 Monthly Installments (Including 12 months grace period)
PAP MHPL Solar (Pvt) Ltd	Hatton National Bank PLC	First 04 years at 11.5% per annum (April 2025 to 30th November 2025 rate 12%), thereafter AWPLR + 0.5% (monthly review)	8 Years	April 2033	96 monthly installments (including 12 months grace period)
		First 04 years at 11.5% per annum (April 2025 to 30th November 2025 rate 12%), thereafter AWPLR + 0.5% (monthly review)	8 Years	April 2033	96 monthly installments (including 12 months grace period)
Loan Processing Fee					
United Motors Lanka PLC	Bank of Ceylon	8.5	90 Days	2026	Short Term Loan
Unimo Enterprises Ltd.	Sampath Bank PLC	8	180 Days	September 2025	Short - term Loan
	Commercial Bank of Ceylon PLC	7.8 - 7.9	120 Days	June 2025 & July 2025	Short - term Loan
	Hatton National Bank PLC	7.8 & 8	120 Days	April 2025 & July 2025	Short - term Loan
	Pan Asia Banking Corporation PLC	7.8	90 Days	April 2025 & May 2025	Short - term Loan

Facility amount LKR '000	Security offered	2026 LKR '000	2025 LKR '000
801,000	Primary mortgage bond over leasehold lands and immovable project assets in Hiyare for LKR 251 Mn. Primary mortgage bond over movable project assets including book debts, insurance proceeds, and receivables, project documents in Hiyare for LKR 600 Mn. Primary mortgage for LKR 100 Mn. over shares owned by R-E-D Capital Asia (Pvt) Ltd and additional share issue in future, Special power of attorney in favour of the bank with the right to transfer the shares mortgaged to Commercial bank.	717,015	205,772
825,000	Primary mortgage bond over leasehold lands and immovable project assets in Anuradhapura for LKR 105 Mn. Primary mortgage bond over movable project assets including book debts, insurance proceeds, and receivables, project documents in Anuradhapura for LKR 770 Mn. Primary mortgage for LKR 100 Mn. over shares owned by R-E-D Capital Asia (Pvt) Ltd and additional share issue in future, Special power of attorney in favour of the bank with the right to transfer the shares mortgaged to Commercial bank.	604,372	339,976
	Primary mortgage bond for LKR 950 Mn. over movable project assets of the development of 5MW ground mounted solar project at Ampara Primary mortgage bond for LKR 950 Mn. over lease hold right of immovable property situated at Ampara Assignment of all project documents, receivable of the borrower, insurance ect favour of the bank by way of further and additional mortgage bond Mortgage bond for LKR 42,000,010 over 4,200,001 no of shares of the borrower along with a special power of attorney 03 months debt service reserve to be built up within a period of 18 months from the date of commencement of commercial operation	806,049	–
	Primary mortgage bond for LKR 950 Mn. over movable project assets of the development of 5MW ground mounted solar project at Ampara Assignment of all project documents, receivable of the borrower, insurance ect favour of the bank by way of further and additional mortgage bond Mortgage bond for LKR 42,000,010 over 4,200,001 no of shares of the borrower along with a special power of attorney 03 months debt service reserve to be built up within a period of 18 months from the date of commencement of commercial operation	806,049	–
		(25,109)	(24,537)
1,000,000	Clean basis	119,176	–
763,000	Corporate Guarantee given by UML	–	627,784
2,197,886	Corporate Guarantee given by UML/Stocks & Debts	–	1,394,069
1,921,000	Corporate Guarantee given by UML/Stocks & Debts	–	1,506,683
1,011,000	Corporate Guarantee given by UML	–	1,004,455

As at 31 March	Lender	Interest rate (%)	Term of the loan	Maturity period	Repayment terms
	Bank of Ceylon	7.95 & 8	30 Days	March 2025 & April 2025	Short - term Loan
	Nations Trust Bank PLC	7.98	60 Days	April 2025	Short - term Loan
	National Development Bank PLC	8.87	60 Days	June 2025	Short - term Loan
	People's Bank	8	90 Days	June 2025	Short - term Loan
	Commercial bank of Ceylon PLC	8.71	180 Days	2026	Short - term Loan
	National Develepment Bank	7.75	180 Days	2026	Short - term Loan
	Hatton National Bank PLC	8.75	180 Days	2026	Short - term Loan
	DFCC Bank PLC	8.7	180 Days	2026	Short - term Loan
	Sampath Bank	8.7	120 Days	2026	Short - term Loan
UML Heavy Equipment Limited	Pan Asia Banking Corporation PLC	8.7	90 Days	June 2025	Short Term Loan
	Commercial bank of Ceylon PLC	9.15 & 9.30	30 Days	April 2025 & July 2025	Short Term Loan
	Commercial Bank of Ceylon PLC	8.78 – 9.18	30 – 90 Days	2026	Short Term Loan
Dutch Lanka Engineering (Pvt) Ltd.	Pan Asia Banking Corporation PLC	8.65	90 Days	2026	Short Term Loan
	Hatton National Bank PLC	9.43 - 10.19	Import Loan & Shot term Loan	June 2025 - July 2025	Import Loan & Short Term Loan
	Hatton National Bank PLC	10	Term Loan	–	36 Months
	Sampath Bank PLC	11	Import Loan	April 2025	Import Loan
	National Development Bank PLC - USD	6.5 - 7	Import Loan	May 2025 - September 2025	Import Loan
	National Development Bank PLC - USD	6.5	Short - Term Loan	June 2025	Short - Term Loan
	National Development Bank PLC - LKR	9	Short - Term Loan	July 2025	Short - Term Loan
	Commercial bank of Ceylon PLC	9.43	Short - Term Loan	April 2025 - July 2025	Short - Term Loan
	Commercial bank of Ceylon PLC	9.32	90 Days	2026	Short - Term Loan
	National Development Bank PLC	9	180 Days	2026	Short - Term Loan
	National Development Bank PLC	6	180 Days	2026	Short - Term Loan
	Bank of Ceylon	6	120 Days	2026	Short - Term Loan
	Hatton National Bank PLC	10.28	120 Days	2026	Short - Term Loan
	Hatton National Bank PLC	10.5	48 months	2028	Short - Term Loan
	Sampath Bank PLC	11.28	120 Days	2026	Short - Term Loan

Facility amount LKR '000	Security offered	2026 LKR '000	2025 LKR '000
850,000	Corporate Guarantee given by UML	–	752,337
600,000	Corporate Guarantee given by UML	–	602,673
166,000	Corporate Guarantee given by UML	–	119,530
500,000	Corporate Guarantee given by UML	–	502,228
2,248,331	Corporate Guarantee given by UML/Stocks & Debts	2,206,453	–
94,784	Corporate Guarantee given by UML	94,784	–
1,633,093	Corporate Guarantee given by UML	1,635,608	–
234,518	Corporate Guarantee given by UML	234,854	–
1,485,913	Corporate Guarantee given by UML	1,209,069	–
345,000	Corporate Guarantee given by UML	–	345,000
141,129	Corporate Guarantee given by UML	–	141,129
379,778	Corporate Guarantee given by UML	379,778	–
340,000	Corporate Guarantee given by UML	340,000	–
42,417	Corporate Guarantee from M/S Dutch Lanka Trailer Manufacturers Ltd.	–	42,431
50,000	Lien over Company Fixed Deposits (A/c Nos. 082300018039 & 082300014949)	–	41,720
5,667	Mortgage Bond for LKR 10 Mn. over Machinery and Mortgage Bond for LKR 35 Mn. over Stock and Book debts of the Company	–	5,667
491,686	Primary Mortgage Bond No 747	–	491,686
5,158	Primary Mortgage Bond No 747	–	5,158
25,000	Primary Mortgage Bond No 747	–	25,000
60,000	Fixed Deposit LKR 170 Mn.	–	60,000
80,000	Fixed Deposit	80,000	–
105,000	Land, Stocks & Debts	105,000	–
620,948	Land, Stocks & Debts	620,948	–
143,755	Land, Stocks & Debts	143,755	–
145,257	DLT Co. Guarantee, Stocks & Debts	145,257	–
25,160	Fixed Deposit	25,160	–
13,707	Fixed Deposit LKR 170 Mn.	13,707	–
		16,140,664	13,853,265

17.3 The Group has complied with the financial covenants of its borrowing facilities during the year ended 31 March 2026. There are no any default loans as at 31 March 2026

18. Employee Benefits GRI 201-3

Accounting policy

I. 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 recognised for the amount expected to be paid under short term cash bonus or profit sharing plans 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.

II. Defined contribution plans

A defined contribution plan is a post employment plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of comprehensive income in the periods during which services are rendered by employees.

Employees' Provident Fund

The Group and its employees (except United Motors Lanka PLC) contribute 12%, 10% and 8% respectively of the salary of each employee to the Employees' Provident Fund manage by the Central Bank of Sri Lanka.

The United Motors Lanka PLC and its employees' contribute 12% and 10% respectively of the salary of each employee to the approved Private Provident Fund.

Employees' Trust Fund

The Group contribute 3% of the salary of each employee to the Employees' Trust Fund managed by Central Bank of Sri Lanka. Contributions to defined contribution plans are recognised as an expense in the statement of comprehensive income as incurred.

III. Defined benefit plans - retiring gratuity

A defined benefit plan is a post employment benefit plan other than a defined contribution plan. The Group is liable to pay retirement benefits under the Payment of Gratuity Act No. 12 of 1983. The liability for the gratuity payment to an employee arises only on the completion of 5 years of continued service with the Company. The net obligation of the Company in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods and discounted to determine its present value. Any unrecognised past service costs and fair value of any plan assets are deducted.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the Projected Unit Credit (PUC) method. Remeasurement of the net defined benefit liability, which comprises actuarial gains and losses, are recognised immediately in other comprehensive income. The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined liability, taking in to account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit or loss and other comprehensive income.

The Company recognises all actuarial gains and losses arising from defined benefit plan immediately in other comprehensive income and all expenses related to defined benefit plan in employee benefit expenses in profit or loss. Key actuarial assumptions used have been disclosed in note 18.6 to the Financial Statements.

Subsidiaries

All the subsidiaries have adopted actuarial valuation method in line with Group accounting policies. United Motors Lanka PLC (UML)'s liability arising on retirement benefits of employees is partly externally funded.

18.1 Retirement benefits obligation – gratuity

As at 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
As at 1 April		542,311	452,286	43,258	28,823
Current service cost	18.4	106,248	48,229	4,109	5,079
Interest cost	18.4	7,762	54,274	5,998	3,459
Actuarial gains/(losses)	18.4	34,443	52,125	(1,291)	6,146
Payments made during the year		(39,409)	(64,603)	(4,451)	(249)
As at 31 March	18.2	**651,355**	**542,311**	**47,623**	**43,258**

18.2 The above retirement benefit obligation is attributable to following entities

As at 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
R I L Property PLC	47,623	43,258	47,623	43,258
Panasian Power PLC	19,987	17,644	–	–
United Motors Lanka PLC (UML)	583,745	481,409	–	–
	651,355	**542,311**	**47,623**	**43,258**

18.3 Reimbursable right asset of UML is stated below:

As at 31 March	Note	GROUP 2026 LKR '000	GROUP 2025 LKR '000
Employees joined before 1992/93 mutual fund	18.3.1	170	117
Employees joined after 1992/93 reimbursable right	18.3.2	577	514
		747	**631**

18.3.1 Retiring gratuity is a defined benefit plan covering employees of the United Motors Lanka PLC (UML). UML's liability arising on retirement benefits of employees joined prior to 1992/93 is partly externally funded through investments in NDB Mutual Funds and the value of this fund as at 31 March 2026 is LKR 170,059 (2025 - LKR 117,231).

18.3.2 Movement in fair value of reimbursable right

As at 31 March	Note	GROUP 2026 LKR '000	GROUP 2025 LKR '000
At the beginning of the year		514	–
Return on reimbursable right	18.4	57	–
Actuarial gains/(losses) in other comprehensive income	18.4	6	514
Fair value of the reimbursable right at the end of the year		**577**	**514**

18.4 Expense recognised statement of profit or loss and other comprehensive income

Year ended 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Expense recognised in statement of profit or loss				
Defined benefit obligation				
Current service cost	106,248	48,229	4,109	5,079
Interest cost	7,762	54,274	5,998	3,459
Reimbursable right				
Return on reimbursable right	57	–	–	–
Expenses recognised in other comprehensive income				
Defined benefit obligation				
Actuarial gains/(losses)	34,443	52,125	(1,291)	6,146
Reimbursable right				
Actuarial gains/(losses)	(6)	(514)	–	–
Dividend adjustment to reimbursable right	–	(30)	–	–

18.5 The retirement benefit obligations is based on the actuarial valuation performed by Mr. M. Poopalanathan, AIA, of Messrs Actuarial and Management Consultants (Pvt) Limited. The valuation method used by the actuary is the "Projected Unit Credit Method", the method recommended by LKAS 19 - "Employee Benefits".

18.6 Key actuarial assumptions

As at 31 March	R I L Property PLC 2026	R I L Property PLC 2025	Panasian Power PLC 2026	Panasian Power PLC 2025	United Motors Lanka PLC 2026	United Motors Lanka PLC 2025
Discount rate as at 31 March	10%	10%	11%	10%	10%	11%
Future salary escalation	10%	10%	10%	10%	10%	10%
Retirement age	60 years	60 years	60 years	60 years	60 years	60 years
Staff turnover rate	16%	16%	8%	15%	18%–21%	20%

18.7 Sensitivity of assumptions employed in actuarial valuation

The following table demonstrates the sensitivity to a reasonably possible change in the key assumptions employed with all other variables held constant in the employee benefits liability measurement.

The sensitivity of the statement of comprehensive income and statement of financial position is the effect of the assumed changes in discount rate and salary increment rate on the profit or loss and employment benefit obligation for the year.

Increase/(decrease) in discount rate	Increase/(decrease) in salary escalation rate	GROUP		COMPANY	
		Effect on the present value of defined benefit obligation			
As at 31 March		2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
1%	–	36,766	3,249	45,354	39,189
–1%	–	58,304	82,278	50,104	43,166
–	1%	280,703	84,537	50,300	43,337
–	–1%	(3,056)	940	45,134	38,998

* The figures in brackets indicate a decrease and the other figures indicate an increase.

18.8 Maturity profile of the defined benefit obligation

As at 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Within the next 12 months	74,249	103,215	6,686	7,467
Between 1 and 2 years	166,608	154,430	10,234	9,220
Between 3 and 5 years	189,299	96,465	11,077	7,010
Beyond 5 years	221,199	188,201	19,626	19,561
	651,355	**542,311**	**47,623**	**43,258**

18.9 Expected average working life

As at 31 March	R I L Property PLC		Panasian Power PLC		United Motors Lanka PLC	
	2026	2025	2026	2025	2026	2025
Expected average working life (years)	5.40	5.40	9.20	5.86	5.13	4.42

19. Trade and Other Payables

Refer the accounting policy in note 3.5

As at 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Trade payable		1,885,554	1,731,230	8,499	14,056
Retention payable		5,285	6,943	5,285	6,943
Rent received in advance	19.1	95,797	160,830	95,797	160,830
Customer deposits	20.1	105,637	150,630	105,637	150,630
Taxes payable		352,394	712,238	66,102	21,295
Advances received from customers	19.2	1,196,802	735,862	218,487	119,113
Accrued charges		1,305,661	590,147	29,525	23,578
Other payable		329,608	289,341	142,389	208,781
		5,276,738	**4,377,221**	**671,721**	**705,226**

19.1 Rent received in advance

As at 31 March	GROUP/COMPANY 2026 LKR '000	GROUP/COMPANY 2025 LKR '000
Current	95,797	160,830
Non-current	538,732	305,676
	634,529	**466,506**

Movement in rent received in advance

As at 31 March	GROUP/COMPANY 2026 LKR '000	GROUP/COMPANY 2025 LKR '000
As at 1 April 2025	466,506	457,018
Advances received	334,233	119,739
Revenue recognised	(166,210)	(110,251)
As at 31 March 2026	**634,529**	**466,506**

19.2 Advances received from customers

	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
As at 1 April 2025	735,862	292,875	119,113	105,240
Advances received	43,703,580	6,585,253	677,045	522,384
Revenue recognised	(43,242,640)	(6,142,266)	(577,671)	(508,511)
As at 31 March 2026	**1,196,802**	**735,862**	**218,487**	**119,113**

20. Customer Deposits

Refer the accounting policy in note 3.5

As at 31 March	GROUP/COMPANY	
	2026 LKR '000	2025 LKR '000
Customer deposits	460,549	355,821
Fair value adjustment	29,439	24,535
	489,988	**380,356**

20.1 Customer deposits classified under

As at 31 March	GROUP/COMPANY	
	2026 LKR '000	2025 LKR '000
Current liabilities	105,637	150,630
Non-current liabilities	384,351	229,726
	489,988	**380,356**

21. Deferred Tax Assets/(Liabilities)

Accounting policy

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the tax base of assets and liabilities, which is the amount attributed to those assets and liabilities for tax purposes. Significant management judgements are required to determine the amount of deferred tax assets/liabilities that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Refer note 26 for more details on taxation.

As at 31 March	Notes	GROUP			COMPANY	
		2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000	2026 LKR '000	2025 LKR '000
Deferred tax assets	21.1	2,119,041	974,656	1,151,313	–	–
Deferred tax liabilities	21.2	(5,249,944)	(4,435,290)	(4,395,820)	(3,032,547)	(2,384,165)
Net deferred tax liabilities		(3,130,903)	(3,460,634)	(3,244,507)	(3,032,547)	(2,384,165)

Deferred tax has been computed using the current tax rate of 30% as at 31 March 2026

Capital gain tax applicable on realisation of investment assets have been calculated using the tax rate of 30% as at 31 March 2026.

The movement in the deferred tax account is as follows,

As at 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 Restated LKR '000	GROUP 2024 Restated LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
At the beginning of the year		(3,460,634)	(3,244,507)	(2,406,152)	(2,384,165)	(2,119,500)
Acquisition of subsidiary		–	–	29,399	–	–
Recognised in profit or loss	26.2	742,372	(76,377)	(672,927)	(633,742)	(258,169)
Recognised in other comprehensive income	26.3	(412,641)	(139,750)	(194,827)	(14,640)	(6,495)
At the end of the year		(3,130,903)	(3,460,634)	(3,244,507)	(3,032,547)	(2,384,165)

21.1 Composition of deferred tax assets

As at 31 March	GROUP 2026 LKR '000	GROUP 2025 Restated LKR '000	GROUP 2024 Restated LKR '000
Property, plant and equipment	(289,897)	(25,192)	4,669
Retirement benifit obligation	48,195	44,880	123,573
Provisions	245,067	178,921	252,762
Lease liabilities	38,514	50,472	54,554
Tax loss	2,134,769	789,511	715,755
Intangible assets	–	381	–
Right of use assets	(43,279)	(52,239)	–
Gain on revaluation of land	(14,328)	(12,078)	–
Net deferred tax assets	**2,119,041**	**974,656**	**1,151,313**

21.1.1 The Group recognise a deferred tax asset on a tax losses amounting to LKR 2,134.77 Mn. (2025 - LKR 789.51 Mn.) that are available to offset against future taxable profits of the companies in which the tax losses arose.

21.2 Composition of deferred tax liabilities

As at 31 March	GROUP			COMPANY	
	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000	2026 LKR '000	2025 LKR '000
Property, plant and equipment	(672,706)	(803,108)	(719,205)	(103,696)	(89,445)
Retirement benefit obligation	146,913	116,816	12,059	14,287	12,326
Gain on revaluations of land and buildings	(3,380,142)	(2,700,593)	(2,396,009)	(1,197,412)	(924,412)
Investment property	(1,745,726)	(1,382,634)	(1,289,302)	(1,745,726)	(1,382,634)
Right of use assets	(45,994)	(27,965)	(50,821)	–	–
Leased liabilities	53,785	34,828	3,390	–	–
Tax loss	202,714	202,714	38,779	–	–
Intangible assets	156	(83)	430	–	–
Provisions	191,056	124,735	4,859	–	–
Net deferred tax liability	**(5,249,944)**	**(4,435,290)**	**(4,395,820)**	**(3,032,547)**	**(2,384,165)**

21.3 The Group has applied IFRIC 23- Uncertainty over income tax treatments in these Financial Statements, and accordingly the Group has made a provision for uncertain income tax.

Provision for uncertain income tax

Due to uncertainties that exist in the interpretation of the Inland Revenue Act No. 24 of 2017 relating to

I. tax on realised gains on freehold land, significant judgement was exercised to determine the provision for deferred tax liability required for gains on realisation of freehold land.

ii. eligibility of amalgamated companies to claim Enhanced Capital Allowances, significant judgement was exercised in recognising a deferred tax asset relating to such claims.

Sensitivity analysis on gains on Freehold Land

In the event it is deemed by the tax authorities that freehold land be considered as "Capital Assets used in the business", the Company and the Group would have to make an additional deferred tax charge in the statement of profit or loss for the period ended 31 March 2023 amounting to LKR 309 Mn. (Company) and LKR 309 Mn. (Group), other comprehensive income amounting to LKR 367 Mn. (Group) and Non-controlling interest amounting to LKR 352 Mn. (Group). The consequential increase in the deferred tax liability on the statement of financial position for the Company is LKR 309 Mn. and Group LKR 1,028 Mn.

In the event it is deemed by the tax authorities that freehold land be considered as "Investment Assets", the Company and the Group would have to reverse the deferred tax provision. The impact in the statement of profit or loss for the period ended 31 March 2023 would amount to a reduction in deferred tax of LKR 309 Mn. (Company) and LKR 309 Mn. (Group), other comprehensive income amounting to LKR 367 Mn. (Group) and Non-controlling interest amounting to LKR 352 Mn. (Group). The consequential decrease in the deferred tax liability on the statement of financial position for the Company is LKR 309 Mn. and Group LKR 1,028 Mn.

Sensitivity analysis on claiming enhances capital allowances on amalgamated companies

If it is determined by the tax authorities that the amalgamated companies qualify to claim Enhanced Capital Allowances, an additional deferred tax asset of LKR 217.8 Mn. would be recognised at the Group level, resulting in a total deferred tax asset of LKR 2,336.84 Mn. LKR 54.45 Mn. would be attributable to non controlling interest based on 25% ownership interest in the subsidiary.

Conversely, if the tax authorities determine that the amalgamated companies are not eligible to claim Enhanced Capital Allowances, the Group's deferred tax asset would be reduced by LKR 217.8 Mn., resulting in a total deferred tax asset of LKR 1,901.20 Mn. LKR 54.45 Mn. would have to be reversed from non controlling interest based on 25% ownership interest in the subsidiary.

It is assumed 50:50 probability for the claiming enhances capital allowances on amlagamated companies.

22. Revenue

Accounting policy

I. Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

A five-step model with reference to SLFRS 15, Revenue from contracts with customers is applied before the revenue is recognised;

1. Identify the contract with customers.
2. Identify the separate performance obligations.
3. Determine the transaction price of the contract.
4. Allocate the transaction price to each of the separate performance obligations. and;
5. Recognise the revenue as each performance obligation is satisfied.

Company

I. Rental income

Rental income includes rental income from properties leased out to tenants under operating leases and income from other related services. Rental income from operating leases is recognised on a straight line basis over the lease term in accordance with the SLFRS 16.

II. Other related services

Under SLFRS 15, revenue is recognised upon satisfaction of a performance obligation. The revenue recognition occurs at a point in time when control of the asset is transferred to the customer, generally, on delivery of the goods and services.

United Motors Lanka PLC

I. Sale of goods and services

United Motors Lanka PLC (UML) sells a range of brand new and used motor vehicles, spare parts, lubricants, tyres, heavy machinery and equipment, generators, 3D printers, customised 3D products, 3D certification courses and provides after sales services to customers. Vehicle sales are recognised when control or the legal title of the vehicle is transferred to the customer.

Revenue of all other products has been recognised when the products are delivered to the customer/dealer and there is no unfulfilled obligation that could affect the customer's/dealer's acceptance of the products. Revenue from services are recognised upon completion of job/service obligation.

Revenue from these sales is recognised based on the price specified in the contract, net of trade/volume discounts. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made on cash basis or with a credit term of 30-90 days, which is consistent with the industry practices.

Free service arrangements

United Motors Lanka PLC (UML) & it's subsidiaries sell vehicles bundled with free services to the customers with limitations on mileage or usage period. UML generally provide three labour free services with the vehicle. UML unbundle and defer revenue component applicable to free service arrangements and free services are recognised as a separate performance obligation in accordance with SLFRS 15.

II. Warranties

Costs incurred by the United Motors Lanka PLC under the terms of the warranty agreement between principal suppliers are reimbursed to the United Motors Lanka PLC. Any amounts that are not reimbursed under the warranty agreement are charged to the Statement of Comprehensive Income.

Warranty obligation

A standard warranty period/mileage is agreed with the principal for new vehicle sales. The cost incurred by United Motors Lanka PLC (UML) & it's subsidiaries in respect of replacements within the warranty period, is reimbursed by the principal provided that the claims are within the terms agreed with the principal from the date of imports. UML has no warranty liability in respect of past sales which can occur in future, as the cost is reimbursed by the principal other than in a situation where UML gives warranty period commencing from the date of sale which is beyond the warranty period given by the principal.

Extended warranty given by UML only provides assurance that a product will function as expected in accordance with the specifications set out in the manufacturer's warranty. Further, the warranty is intended to only safeguard the customer against existing defects and does not provide any incremental service to the customer. Therefore, extended warranty is not accounted for as a separate performance obligation.

Panasian Power PLC

I. Sale of Electricity

Panasian Power PLC sells electricity to National System Operators (Pvt) Ltd credit basis. At the time of transmission of the electricity to National System Operators (Pvt) Ltd, Company meets its performance obligation. Revenue is recognised when the goods are delivered to the customers.

II. Sale of Solar Plant and Inverters

Panasian Power PLC's subsidiaries sells panels and inverters to the customers on cash or credit basis. At the time of delivery of the goods to the customers, Company meets its performance obligation. Revenue is recognised when the goods are delivered to the customers.

***PARKLAND* Integrated Solutions (Private) Limited**

PARKLAND Integrated Solutions (Private) Limited provides facility and project management services to customers. Under SLFRS 15, revenue is recognised upon satisfaction of a performance obligation. The revenue recognition occurs over the period of time where services are provided.

***PARKLAND* Solution (Private) Limited**

I. Vehicle rental income

PARKLAND Solutions (Private) Limited earns rental income from vehicle leased out to customers under operating leases, Vehicle rental income from operating leases is recognised over the lease term in accordance with the SLFRS 16.

II. Facility management services

Revenue is recognised upon satisfaction of a performance obligation. The revenue recognition occurs over the period of time where services are provided.

Year ended 31 March	Notes	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Continuing operations					
Rental and other related services	22.2	1,576,048	1,457,495	1,576,048	1,457,495
Automobile sales and other related services	22.3	52,259,119	11,768,132	–	–
Supply of renewable energy and other related services	22.4	2,008,514	1,501,728	–	–
		55,843,681	14,727,355	1,576,048	1,457,495

22.1 Timing of revenue recognition

Year ended 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Revenue recognised at point in time	54,810,511	13,405,856	542,878	135,996
Revenue recognised over the period	1,033,170	1,321,499	1,033,170	1,321,499
	55,843,681	14,727,355	1,576,048	1,457,495

22.2 Rental and other related services

Year ended 31 March	GROUP/COMPANY 2026 LKR '000	GROUP/COMPANY 2025 LKR '000
Rental	1,033,170	1,321,499
Other related services	542,878	135,996
	1,576,048	1,457,495

22.3 Automobile sales and other related services

Year ended 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000
Vehicles	39,228,775	1,898,794
Spare parts, repairs and service	4,929,959	4,125,997
Lubricants and car care products	2,366,701	2,009,378
Local charges	12,580	57,187
Equipment and machinery	593,073	446,463
Trailers	4,592,318	2,755,753
Tyres	535,151	469,862
3D printers and services	562	4,698
	52,259,119	11,768,132

The vehicle sales include transactions where United Motors Lanka PLC Group acts as an agent in facilitating sales in respect of vehicle permit holders. A net revenue of LKR 175.9 Mn (2025: LKR 282.7 Mn) has been recognised during the year in this regard. The gross revenue and cost of sales relating to these transactions for the year ended 31 March 2026 amounted to LKR 980.1 Mn and LKR 804.2 Mn (2025: LKR 1,882.7Mn and LKR 1,600.1 Mn) respectively.

22.4 Supply of renewable energy and other related services

Year ended 31 March	GROUP	
	2026 LKR '000	2025 LKR '000
Supply of electricity	1,728,246	854,558
Sale of solar inverters	238,854	175,708
Sale of solar panels	16,475	124,340
Turnover from EPC	21,349	184,469
Inverter service income	3,353	2,581
Billing under the standardised power purchase agreement	237	160,072
	2,008,514	1,501,728

23. Other Income and Gains

Accounting policy

Income earned in other sources, which are not directly related to the ordinary course of business are recognised as other income.

The following specific criteria are used for the purpose of recognising income.

Profit or loss on disposal of property, plant and equipment

The gains or losses on the sale of property, plant and equipment are determined on the difference between the carrying amount of the property, plant and equipment at the time of disposal and the proceeds of disposal, net of expenses incurred on disposal. This is recognised in the year in which significant risks and rewards of ownership are transferred to the buyer.

Sundry income

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 under sundry income on a net basis.

Dividend income

Dividend income other than financial assets at the FVTPL and FVOCI is recognised in profit or loss on the date the Group's right to receive payment is established.

Year ended 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Continuing operations				
Income from carbon credit sales	–	2,152	–	–
Dividend income from subsidiaries	–	–	452,141	163,935
Unclaimed dividend	2,432	–	–	–
Profit on disposal of property, plant and equipment	120,935	29,531	33,285	13,559
Award received from principal	17,453	9,765	–	–
Facilitation fee	12,320	14,177	19,552	19,603
Income from solar PV system	37,094	40,221	–	–
Commission income	7,468	6,079	–	–
Valuation fee	141	–	–	–
Sundry income	79,491	36,987	6,088	1,574
Service income	4,123	834	–	–
Insurance claim	93,484	10,799	–	–
	374,941	150,545	511,066	198,671

24. Finance Expenses and Income

Accounting policy

Finance expenses comprise interest payable on all financial liabilities such as term loans, overdrafts, finance leases and fair value losses on financial assets at fair value through profit or loss. Interest expenses are recognised using the effective interest method.

Finance income comprises interest income, income from unit trusts, profit from disposal of marketable securities, dividend income, fair value gains on financial assets at fair value through profit or loss and all other income received or receivable as a result of holding financial asset.

Interest income is recognised as it accrues using the effective interest method in the statement of profit or loss and other comprehensive income.

The interest component of finance lease payment is recognised in the Financial Statements using effective interest rate method.

Foreign currency gains and losses are reported separately as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

Dividend income on financial assets at the FVTPL and FVOCI are recognised in the statement of profit or loss on an accrual basis when the Group's right to receive the dividend is established.

Gains/ losses on the disposal of investments held by the Group have been accounted under finance income after deducting from the proceeds on disposal, the carrying amount of such assets and the related selling expenses.

24.1 Finance expenses

Year ended 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Continuing operations				
Interest on overdraft	10,007	13,535	–	–
Interest on bank loans	1,352,429	927,407	290,324	350,618
Finance charges on rent deposit	29,439	24,535	29,439	24,535
Interest on lease liabilities	58,640	42,573	788	–
Losses on foreign exchange	–	348	–	276
Amortisation of loan processing fee	3,027	1,633	–	–
Bank guarantee charges	10,940	3,075	–	–
	1,464,482	1,013,106	320,551	375,429

24.2 Finance income

Year ended 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Continuing operations				
Interest on repo/fixed deposits	31,991	37,821	–	376
Income from unit trust investments	85,719	203,316	6,012	6,839
Interest on call deposits	89,668	77,508	7,029	1,293
Interest on money market	3,209	2,570	3,114	2,570
Gains on foreign exchange	58,339	47,622	12,189	1,470
Income from debenture investments	–	4,761	–	4,761
Net gains on disposal of financial assets at fair value through profit or loss	219,741	111,795	132,140	–
Interest income security deposit	1,598	2,458	1,598	2,458
Dividend income on financial assets at the fair value through profit or loss	68,603	9,249	53,842	1,050
Dividend income on financial assets fair value through other comprehensive income	–	18,719	–	–
Gain on fair value of financial assets at fair value through profit or loss - other than unit trust	199,749	72,772	157,268	56,556
Gain on fair value of financial assets at fair value through profit or loss - unit trust	–	10,511	–	–
Interest income on loan to sub-subsidiary	–	–	3,193	58,763
Impairement loss on borrowings	–	16,353	–	–
	758,617	615,455	376,385	136,136

25. Profit Before Tax

Result from continuing operating activities is stated after charging all expenses including the following:

Year ended 31 March	Notes	GROUP		COMPANY	
		2026 LKR '000	2025 Restated LKR '000	2026 LKR '000	2025 LKR '000
Directors' emoluments and fees		396,127	263,245	68,920	54,509
Depreciation	6	562,908	376,718	49,908	46,268
Amortisation of intangible assets	8	33,796	34,304	754	957
Amortisation of right of use assets	9	150,685	142,297	1,688	–
Employees benefits including the followings					
- Staff cost		3,390,386	2,365,689	366,008	319,103
- Defined contribution plan costs - EPF & ETF		285,008	235,519	26,177	23,771
- Defined benefit plan costs - gratuity		114,010	102,503	10,107	8,538
Auditor's remuneration - statutory audit & related services		16,449	15,296	1,772	1,662
Auditor's remuneration - non audit services		4,281	564	293	231
Donations		23,901	6,855	10,000	–
(Reversal)/write down of inventory	11.2	(4,262)	(3,820)	–	–
Impairment losses/(reversal) for trade receivables	12.3	7,588	18,602	(6,872)	6,882
Tax compliance/consultancy charges		1,983	1,784	–	–

26. Income Tax Expense

Accounting policy

I. Income tax

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised directly in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current income tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment made to tax payable in respect of previous years.

Tax exposures

In determining the amount of current and deferred tax, the Group considers the impact of tax exposures, including whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities. Such changes to tax liabilities would impact tax expense in the period in which such a determination is made.

II. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base of the assets and liabilities as at the reporting date.

Deferred tax is not recognised for;

- Temporary differences on the initial recognition of assets and liabilities in transactions that are not a business combination and at the time of transaction that affect neither accounting nor taxable profit or loss,
- Temporary differences relating to investments in subsidiaries, to the extent that the Group is liable to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date.

The principal temporary difference arise from depreciation on property plant and equipment, investment property, tax losses carried forward, right of use assets, lease liabilities, retirement benefit obligations, provisions, intangible assets and gain on revaluations of land and buildings.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, based on the level of future taxable profit forecasts and tax planning strategies.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

26.1 Corporate Income Tax

The corporate income taxes of companies in the Group have been computed in accordance with the Inland Revenue Act No. 24 of 2017 (as amended) and details are as follows,

Company	In terms of the Inland Revenue Act No.24 of 2017 (as amended)	In terms of BOI agreements
R I L Property PLC	30% Standard rate	12 Years tax holiday ending 2027
United Motors Lanka PLC	30% Standard rate	–
UML Heavy Equipment Limited	30% Standard rate	–
UML Property Developments Limited	30% Standard rate	–
Unimo Enterprises Limited	30% Standard rate	–
Dutch Lanka Trailer Manufactures Limited	30% Standard rate	–
Dutch Lanka Engineering (Pvt) Ltd	30% Standardrate	–
Panasian Power PLC	30% Standard rate	–
Manelwala Hydropower (Pvt) Ltd (MHPL)	20%	As per BOI agreement, concessionary rate
Padiyapelella Hydropower Limited (PHL)	20%	As per BOI agreement, concessionary rate
Panasian Investments (Pvt) Ltd (PAI)	30% Standard rate	–
Lower Kothmale Oya Power Two (Pvt) Ltd	30% Standard rate	–
Panasian Power Zambia Limited	30% Standard rate	–
Solar Power Generation Matara (Pvt) Ltd	30% Standard rate	–
Eco Green Solar Solutions (Pvt) Ltd	30% Standard rate	–
Powergen One (Pvt) Ltd (PGO)	30% Standard rate	–
PAP Solar One (Pvt) Ltd (PAPSO)	30% Standard rate	–
Finergreen Rajarata (Pvt) Ltd	30% Standard rate	–
Rajarata Sustainable Development (Pvt) Ltd	30% Standard rate	–
Panthree Solaro Energy (Pvt) Ltd	30% Standard rate	–
Finergreen Ridiyagama (Pvt) Ltd	30% Standard rate	–
Finergreen Gonnoruwa (Pvt) Ltd	30% Standard rate	–
Finergreen Mattala (Pvt) Ltd	30% Standard rate	–
Panasian Solar (Pvt) Ltd	30% Standard rate	–
Solar One Asia (Pvt) Ltd	30% Standard rate	–
R-E-D Capital Asia (Pvt) Ltd	30% Standard rate	–
PAP EGSS Solar (Pvt) Ltd	30% Standard rate	–
PAP PTS Solar (Pvt) Ltd	30% Standard rate	–
PAP MHPL Solar (Pvt) Ltd	30% Standard rate	–
PARKLAND Integrated Solutions (Pvt) Limited	30% Standard rate	–
PARKLAND Solutions (Pvt) Limited	30% Standard rate	–

26.2 Amounts recognised in profit or loss

Year ended 31 March	Note	GROUP 2026 LKR '000	GROUP 2025 Restated LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
From continuing operations					
Current income tax charge	13	1,671,056	391,895	5,049	3,890
Under/(over) provision in respect of prior periods		16,822	(5,005)	(3,116)	–
Tax on dividend paid by subsidiaries		70,190	24,262	–	–
		1,758,068	**411,152**	**1,933**	**3,890**
Deferred income tax					
Deferred taxation charge	21	(742,372)	76,377	633,742	258,169
Income tax (income) / expense reported in the statement of profit or loss from continuing operations		**1,015,696**	**487,529**	**635,675**	**262,059**

26.3 Amounts recognised in OCI

Year ended 31 March	GROUP 2026 LKR '000	GROUP 2025 Restated LKR '000	COMPANY 2026 LKR '000	COMPANY 2025 LKR '000
Items that will not be reclassified to profit or loss tax (expense)/benefit				
Revaluation of property, plant and equipment	(423,052)	(155,273)	(14,253)	(8,339)
Remeasurement of retirement benefit obligation	10,433	15,497	(387)	1,844
Remeasurement of retirement benefit obligation - Non controlling interest	(22)	26	–	–
	(412,641)	(139,750)	(14,640)	(6,495)

26.4 A reconciliation between tax expense and the product of accounting profit from continuing operations multiplied by the statutory tax rate is as follows:

Year ended 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Profit before tax from continuing operations	8,629,033	1,965,227	3,512,009	1,609,740
Tax effect of adjustment on consolidation	1,175,580	345,717	–	–
Exempt dividend and other non business income	(3,367,654)	(2,339,537)	(2,990,029)	(1,771,228)
	6,436,959	(28,593)	521,980	(161,488)
Add : disallowable items	2,247,865	2,818,391	287,468	1,041,136
Deduct : allowable & exempted items	(8,077,705)	(1,847,667)	(792,618)	(866,682)
Assessable income/(loss) from business	607,119	942,131	16,830	12,966
Interest income/tax profit or loss on disposal of property plant & equipment	78,183	150,638	–	–
Total statutory income/assessable income	685,302	1,092,769	16,830	12,966
Tax losses set off against income tax	(797,901)	(63,412)	–	–
Taxable income net of tax losses	(112,599)	1,029,357	16,830	12,966
Current year tax losses not utilised	5,703,963	405,667	–	–
Taxable income	5,591,364	1,435,024	16,830	12,966
Taxable income liable at 30%	5,528,630	1,049,702	16,830	12,966
Taxable income liable at 20%	61,134	383,722	–	–
Taxable income liable at 15%	1,600	1,600	–	–
	5,591,364	1,435,024	16,830	12,966
Income tax using the corporate tax rate				
At 30%	1,658,589	314,911	5,049	3,890
At 20%	12,227	76,744	–	–
At 15%	240	240	–	–
Current tax	1,671,056	391,895	5,049	3,890
Effective tax rate (%)	30	27	30	30

26.5 Tax losses from continuing operations

Year ended 31 March	GROUP 2026 LKR '000	GROUP 2025 LKR '000
Tax loss at the beginning of the year	6,650,473	5,942,502
Tax loss write off during the period	–	149,983
Adjustment in respect of previous years	12,558	191,372
Tax losses for the year including disallowed finance cost	5,940,368	430,028
Tax losses set off during the year	(797,901)	(63,412)
Tax loss at the end of the year	11,805,498	6,650,473

26.6 Amendment of Income Tax Returns

In terms of section 136 of the Inland Revenue Act No.24 of 2017 (as amended) (Inland Revenue Act), the Company has amended its self-assessment returns furnished for the years of assessment 2018/2019 and 2019/2020 on the basis that in terms of section 11 of the Inland Revenue Act, the Company is entitled to claim the expenses incurred during the year in the production of income from the business (non-BOI) and investment.

As per the settlement reached with the Department of Inland Revenue for the years of assessment 2018/2019 and 2019/2020, the Company has refund of LKR. 921,276 for the Y/A 2018/2019 and balance income tax liability of LKR. 749,108 for the Y/A 2019/2020.

This settlement is documented in the determination issued by the Tax Appeals Commission for the Year of Assessment 2020/2021 and was agreed upon by both parties.

27. Segment Information

Accounting policy

An operating segment is a distinguishable component of Group that is engaged in either in providing products or services (business segment) or in providing products and services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The Group has four reportable segments. These segments offer different products and services and are managed separately as they require different marketing strategies.

Segment results, assets and liabilities include items directly attributable to a segment. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, investment property and intangible assets.

Intersegment pricing is determined on an arm's length basis.

The activities of the Group are within Sri Lanka. Consequently, the economic environment in which the Company operated is not subject to risk and rewards that are significantly different on a geographical basis. Hence, disclosure by geographical region is not provided. The Group mainly comprises from,

- R I L Property PLC (Company) - Property renting and other related services.
- Panasian Power PLC (Subsidiary) - Engaged in renewable energy generation and management.
- United Motors Lanka PLC (Subsidiary) - Importation and sale of vehicles, spare parts, lubricants, tyres, after sales services and other related services.
- *PARKLAND* Intergrated Solution (Private) Limited - Providing facility and project management services.
- *PARKLAND* Solutions (Private) Limited - Vehicle renting and facility management services.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment.

Segment results :

Year ended 31 March	Rental and other related services (Company)		Renewable energy generation and management		
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000
Revenue	1,576,048	1,457,495	2,008,514	1,542,728	–
Inter segment revenue	–	–	–	(41,000)	–
Revenue from external customers	1,576,048	1,457,495	2,008,514	1,501,728	–
Segment results					
Gross profit	1,390,715	1,274,460	1,316,569	858,876	–
Other income	511,066	198,671	113,818	13,647	–
Overhead expenses	(565,906)	(490,780)	(499,378)	(282,513)	–
Fair value gain on investment property	2,120,300	866,682	–	–	–
Net finance income/(expenses)	55,834	(239,293)	(434,444)	(188,190)	–
Net results from equity accounted investees - Joint venture	–	–	(880)	3,059	–
Net profit/(loss) before tax	3,512,009	1,609,740	495,685	404,879	–
Income tax (expenses)/reversal	(635,675)	(262,059)	1,118,663	(132,523)	–
Profit for the year from continuing operations	2,876,334	1,347,681	1,614,348	272,356	–
Changes in the fair value of financial assets at fair value through other comprehensive income	–	–	–	–	–
Revaluation of property, plant and equipments	90,570	64,951	–	–	–
Actuarial gain/(loss) on retirement benefit obligation	1,291	(6,146)	2,588	(3,176)	–
Tax effects on other comprehensive income	(14,640)	(6,495)	(699)	837	–
Total comprehensive income for the year, net of tax	2,953,555	1,399,991	1,616,237	270,017	–
As at 31 March					
Segment assets and liabilities					
Assets	28,852,434	25,862,561	9,661,172	6,074,370	4,008,934
Liabilities	7,635,345	7,125,251	6,685,525	4,508,535	2,777,601
Capital expenditure	40,457	125,755	3,114,653	1,496,607	–
Depreciation and amortisation	50,662	47,225	286,244	155,978	–
Amortisation of right of use assets	1,688	–	15,294	12,580	–
As at 31 March					
Segment cash flows					
Net cash from/(used in) operating activities	983,184	657,300	(285,625)	1,002,733	–
Net cash flows from / (used in) investing activities	458,582	(141,358)	(3,213,017)	(1,498,403)	–
Net cash flows from / (used in) financing activities	(1,309,377)	(625,073)	2,600,174	1,108,973	–

	Automobile sales and other related services			Vehicle lease and Facility management services	Inter/intra segment eliminations		Consolidated	
	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000	2026 LKR '000	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
	52,354,988	11,774,363	–	2,026	(97,895)	(47,231)	55,843,681	14,727,355
	(95,869)	(6,231)	–	(2,026)	97,895	47,231	–	–
	52,259,119	11,768,132	–	–	–	–	55,843,681	14,727,355
	10,618,106	3,707,695	–	1,965	(21,094)	(20,279)	13,306,261	5,820,752
	185,525	112,949	–	–	(435,468)	(174,721)	374,941	150,546
	(5,415,618)	(3,721,888)	–	(713)	15,891	17,020	(6,465,724)	(4,478,161)
	–	–	–	–	–	–	2,120,300	866,682
	(328,529)	29,832	–	486	788	–	(705,865)	(397,651)
	–	–	–	–	–	–	(880)	3,059
	5,059,484	128,588	–	1,738	(439,883)	(177,980)	8,629,033	1,965,227
	(1,498,684)	(92,947)	–	–	–	–	(1,015,696)	(487,529)
	3,560,800	35,641	–	1,738	(439,883)	(177,980)	7,613,337	1,477,698
	33,080	70,929	–	–	–	–	33,080	70,929
	1,362,662	503,535	–	–	–	–	1,453,232	568,486
	(38,316)	(42,259)	–	–	–	–	(34,437)	(51,581)
	(397,302)	(134,092)	–	–	–	–	(412,641)	(139,750)
	4,520,924	433,754	–	1,738	(439,883)	(177,980)	8,652,571	1,925,782
	33,007,852	27,127,690	21,483,612	180,626	(6,390,140)	(6,367,561)	65,311,944	52,697,060
	14,735,901	12,720,809	7,359,136	177,889	407,107	417,047	29,641,767	24,771,642
	742,124	203,393	–	88,898	(12,158)	–	3,973,974	1,825,755
	259,737	207,819	–	61	(61)	–	596,643	411,022
	135,391	129,717	–	–	(1,688)	–	150,685	142,297
	(129,117)	(3,391,781)	–	152,359	(60,043)	32,251	508,399	(1,699,497)
	1,016,853	384,609	–	(91,421)	(489,365)	338,754	(2,226,947)	(916,398)
	(1,093,789)	3,377,191	–	1,000	585,550	(312,468)	782,558	3,548,623

28. Earnings Per Share (EPS)

Accounting policy

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. The weighted average number of ordinary shares outstanding during the year and the previous year are adjusted for events that have changed the number of ordinary shares outstanding, without a corresponding change in the resources such as a bonus issue.

28.1 The following reflects the income and share data used in the basic earnings per share computation.

	GROUP		COMPANY	
Year ended 31 March	2026	2025 Restated	2026	2025
Profit attributable to equity holders of the parent (LKR '000)	4,881,742	1,359,930	2,876,334	1,347,681
Weighted average number of ordinary shares (In '000s)	800,000	800,000	800,000	800,000
Basic earnings per share (LKR)	6.10	1.70	3.60	1.68

28.2 There were no potentially dilutive ordinary shares outstanding at any time during the year.

29. Dividend Per Share (DPS)

	COMPANY			
Year ended 31 March	2026		2025	
	Dividend Per Share LKR	Dividend LKR '000	Dividend Per Share LKR	Dividend LKR '000
First and final dividend for 2025/26 and 2024/25	1.00	800,000	0.55	440,000
	1.00	800,000	0.55	440,000

As required by Section 56(2) of the Companies Act No. 07 of 2007 (as amended), the Board of Directors has confirmed that the Company satisfies the solvency test in accordance with Section 57 of the Companies Act No. 07 of 2007 (as amended), prior to recommending the dividend and has obtained a certificate from the auditors, prior to the distribution.

30. Related Party Disclosures

Accounting policy

The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with parties who are defined as related parties as per LKAS 24 - "Related Party Disclosures".

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is charged.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year end are unsecured, subject to interest, and settled through cash payments, the transfer of shares, other financial instruments, or a combination thereof. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2026, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2025: Nil). This assessment is undertaken each Financial Year through examining the financial position of the related party and the market in which the related party operates.

30.1 Parent and ultimate controlling party

Company does not have an identifiable parent of its own.

30.2 Transactions with key management personnel (KMP)

Transactions, arrangements and agreements involving key management personal (KMP) and their close family members (CFM)

According to LKAS 24 "Related Party Disclosures", key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly Board of Directors and Senior Managers and identified sector heads have been classified as key management personnel of the Group.

Close family members (CFM) of the KMP are those family members who may be expected to influence, or be influenced by, that KMP's in their dealing with the entity. They may include;

- The individual's domestic partner and children,
- Children of the individual's domestic partner; and
- Dependents of the individual or the individual's domestic partner.

CFM are related parties to the entity. There were no transactions with CFM during the year.

30.2.1 Loans to Directors

No loans have been given to the Directors of the Group.

30.2.2 Key management personnel compensation

Directors, Senior Managers and identified sector heads of the Company and the identified sector heads of the subsidiaries have been classified as KMPs.

Year ended 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Short term employment benefits	1,205,479	594,501	172,653	138,385
	1,205,479	594,501	172,653	138,385

30.2.3 Other transactions with key management personnel

The names of Directors of R I L Property PLC, who are also Directors of subsidiaries are stated on page 14 to 21.

Details of Directors and their share holdings are given on page 301 (shareholders information). There were no other transactions with key management personnel other than those disclosed in note 30.2.2 to the Financial Statements.

30.3 Transaction with the subsidiaries and related entities

30.3.1 The Companies within the Group engage in trading transactions under relevant commercial terms and conditions.

30.3.2 Transactions with subsidiaries

Nature of transaction	Subsidiaries							
	Panasian Power PLC and Group		United Motors Lanka PLC and Group		*PARKLAND* Intergrated solutions (Pvt) Ltd		*PARKLAND* Solutions (Pvt) Ltd	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
As at 1 April	245,949	223,703	–	–	8,370	–	–	–
Recurrent transactions								
Services provided	9,192	10,787	–	–	–	–	–	–
Advance paid for the services	–	–	–	–	63	8,370	42	–
Lease rental paid in advance	–	–	–	–	–	–	(63,450)	–
Services obtained	–	–	(6,971)	(6,231)	–	–	(2,390)	–
Reimbursement of expense	523	–	(523)	–	–	–	–	–
Purchase of solar panels	–	(43,952)	–	–	–	–	–	–
Loan interest	3,193	58,763	–	–	–	–	–	–
Loan granted	–	310,000	–	–	–	–	–	–
Non-recurrent transactions								
Investment made	–	(74,759)	–	–	–	–	(1,000)	–
Net settlements made/(received) during the year	(258,772)	(238,593)	7,444	6,231	–	–	64,450	–
As at 31 March	**85**	**245,949**	**(50)**	**–**	**8,433**	**8,370**	**(2,348)**	**–**
Included under								
Trade and other receivables	85	272	–	–	8,433	8,370	42	–
Trade and other payables	–	(4,323)	(50)	–	–	–	(2,390)	–
Amounts due from related parties	–	250,000	–	–	–	–	–	–
	85	245,949	(50)	–	8,433	8,370	(2,348)	–

R I L Property PLC has granted loan LKR 500 Mn. to R-E-D Capital Asia (Pvt) Ltd which is a subsidiary of Panasian Power PLC. Interest has been charged at the rate of AWPLR + 2% amounting to LKR 3.19 Mn. and was included under finance income. This loan was fully settled during the Financial Year.

30.3.3 Transactions with other related entities

Name of the Company	Relationship	Nature of Transaction	2026 LKR '000	2025 LKR '000
RRY Investments (Pvt) Ltd	Common Directorship	**Recurrent transactions**		
		As at 1 April	–	–
		Services provided	15,132	7,079
		Net settlements made/(received) during the year	(13,968)	(7,079)
		As at 31 March	**1,164**	**–**

31. Assets Pledged

The assets pledged as at 31 March 2026 have been disclosed in note 11.4 and note 17.2 to these Financial Statements.

32. Events After the Reporting Period

Refer the accounting policy in note 3.11

Dividend on ordinary shares
R I L Property PLC

After satisfying the solvancy test, in accordance with Section 57 of Companies Act, No. 07 of 2007 (as amended), the Board of Directors recommend a first and final dividend of LKR 1.00 per share for the year ended 31 March 2026 amounting to LKR 800 Mn., which is to be approved at the forth coming Annual General Meeting.

United Motors Lanka PLC

After satisfying the solvency test, in accordance with Section 57 of the Companies Act, No. 07 of 2007 (as amended), the Board of Directors of United Motors Lanka PLC recommended final dividend of LKR 0.4 per share for the year ended 31 March 2026 amounting to LKR 403.6 Mn., which is to be approved at the forthcoming Annual General Meeting,

33. Capital Commitments

Refer the accounting policy in note 3.10

33.1 R I L Property PLC

R I L Property PLC has commitment amounting to LKR 288 Mn, relating to construction of *PARKLAND* 1 6th Floor project. These commitments are expected to be settled over next 06 months and will be financed through bank borrowing and equity.

There are no significant capital commitments made by the Group as at the reporting date other than disclosed above.

34. Contingent Liabilities

Refer the accounting policy in note 3.10.

34.1 R I L Property PLC

The corporate guarantee of LKR 150 Mn. granted on 1 April 2022 to the Commercial Bank of Ceylon PLC on behalf of Panasian Power PLC was reduced to LKR 80 Mn. with effect from 20 June 2025. The outstanding amount of loan as at 31 March 2026 is LKR 34.6 Mn.

The Company has given a corporate guarantee amounting to LKR 149.6 Mn. to Seylan Bank PLC for term loan facility to *PARKLAND* Solution (Private) Limited on 21 April 2026. There is no outstanding amount of loan as at 31 March 2026. The loan amounting LKR 149.6 Mn. was granted to *PARKLAND* Solution (Private) Limited subsequent to the reporting date.

34.2 United Motors Lanka PLC and its subsidiaries

Corporate guarantees issued by United Motors Lanka PLC to its subsidiaries.

Name of Company	Name of bank	Facility	Amount pledged as security LKR '000	Outstanding as at 31.03.2026 LKR '000	Outstanding as at 31.03.2025 LKR '000
Unimo Enterprises Ltd	Sampath Bank PLC	Letter of credit, overdraft and term loans	1,770,000	1,352,277	902,565
	Standard Chartered Bank		500,000	–	–
	Bank of Ceylon		1,000,000	–	749,000
	People's Bank		2,000,000	130,989	–
	Pan Asia Banking Corporation PLC		1,000,000	–	1,000,000
	Commercial Bank of Ceylon PLC		1,750,000	1,750,000	1,000,000
	National Development Bank PLC		1,750,000	1,352,606	1,358,664
U M L Heavy Equipment Ltd	Pan Asia Banking Corporation PLC		400,000	400,000	40,000
	DFCC Bank PLC		100,000	–	–
	Commercial Bank of Ceylon PLC		366,000	366,000	–
Total			10,636,000	5,351,872	5,050,229

Unimo Enterprises Limited has given bank guarantees to Sri Lanka Customs amounting to LKR 1961 Mn. (2025 - LKR 924 Mn.) for excise duty concession in respect of vehicles assembled but to be approved by the Cabinet appointed committee.

The United Motors Lanka PLC has given bid bond/performance guarantees amounting to LKR 232 Mn. as at the reporting date. (2025 - LKR 339 Mn.)

34.3 Panasian Power PLC

Panasian Power PLC entered in to memorandum of understanding with the owners of Medakumbura Mini Hydro Power Project, to acquire the project upon receiving the "Letter of Intent" from the National Systmem Operator (Pvt) Ltd (NSO). The total purchase consideration for the above acquisition is LKR 10 Mn. with LKR 2 Mn. paid as an advance for acquisition. The balance LKR 8 Mn. will become payable upon receiving the Letter of Intent for the said project. Work is ongoing to secure approvals for the project.

There were no material contingent liability as at reporting date which require adjustment or disclosure in the Financial Statements other than disclosed below.

Corporate guarantees issued by Panasian Power PLC Group to its subsidiaries.

Name of Company	Issuer	Name of bank	Facility	Amount pledged as security LKR '000	Outstanding as at 31.03.2026 LKR '000	Outstanding as at 31.03.2025 LKR '000
Panasian Investment (Private) Limited	Panasian Power PLC	The National Development Bank PLC	Letter of credit, overdraft and term loans	150,000	59,071	8,195
		Sampath Bank PLC		150,000	–	–
		Union Bank of Colombo PLC		300,000	99,183	15,270
Panthree Solar Energy (Private) Limited	Panasian Power PLC	Seylan Bank PLC		130,000	96,100	107,650
		Seylan Bank PLC		119,000	88,900	99,900
Rajarata Sustainable development (Private) Limited	Panasian Power PLC	The National Development Bank PLC		230,000	129,389	174,427
Finergreen Rajarata (Private) Limited	Panasian Power PLC	The National Development Bank PLC		230,000	138,828	169,438
PAP SPGM Solar (Private) Limited	R-E-D Capital Asia (Pvt) Ltd	DFCC Bank PLC		1,135,000	766,799	350,000
PAP PTS Solar (Private) Limited	R-E-D Capital Asia (Pvt) Ltd	DFCC Bank PLC		1,135,000	660,194	345,744
Total				3,579,000	2,038,464	1,270,624

Panasian Power PLC has provided bank guarantees as follows,

Company name	Project	Bank	Bank guarantee value (LKR '000)	Expiry date
PAP EGSS Solar (Private) Limited	Anuradhapura/Baddegama/Hiyare	Commercial	116,100	15.05.2027
PAP EGSS Solar (Private) Limited	Anuradhapura/Baddegama/Hiyare	Commercial	274,046	15.05.2026
PAP PTS Solar (Private) Limited	Maho	DFCC	25,810	15.05.2027
PAP PTS Solar (Private) Limited	Maho/Matara	DFCC	242,174	15.05.2026
PAP MHPL Solar (Private) Limited	Kununegala/Ampara	HNB	271,910	15.05.2026
Solar One Asia (Pvt) Ltd	Deniyaya	Union	60,000	31.01.2027
Panthree Solaro Energy (Pvt) Ltd	Pannala/Maho	Seylan	4,565	15.05.2025
Panthree Solaro Energy (Pvt) Ltd	Matara 01	Sampath	6,746	15.08.2025
Solar Power Generation (Pvt) Ltd	Matara 02/03	Sampath	14,227	15.08.2025
Total			1,015,578	

35. Contingent Assets

Under and by virtue of Lease agreement No.109 dated 4 May 2017 attested by U. A. Kitulgoda, Notary Public, Perpetual Treasuries Limited (PTL) has leased from R I L Property PLC (the Company) an area of 7852sq. ft. (Blocks B and D) on the 18th floor ("Office Space") from and out of the building called '*PARKLAND*', bearing Assessment Nos. 33, 33A, 33B, 33C, 33D, 33D1/1 and 33D2/1, Park Street, Colombo 2, for a period of 4 years commencing from 1 May 2017 and ending on 30 April 2021.

Since PTL has failed and neglected to pay rent and other charges pertaining to the use and occupation of the office space from January 2018, the Company has formally demanded the amounts outstanding from the lessee. In response PTL has by letter dated 13 June 2018, stated that "their ability to perform their obligations under the lease agreement under reference, have been frustrated by the conduct of "Central Bank of Sri Lanka". In the circumstances, the Company has informed PTL that since it claims that its ability to perform its obligations under the lease agreement, has been frustrated, the said lease agreement remains discharged by frustration. Accordingly, the Company called upon PTL to immediately vacate the office space and to hand over possession thereof.

However, blocks B and D on the 18th floor were handed over to the Company by PTL only on 12 December 2018 and 15 May 2019 respectively. Therefore, the Company intends to claim liquidated damages of LKR 23.98 Mn. for overstay, in terms of the lease agreement.

36. Prior Period Adjustment

Change in subsequent measurement of Power Plant related land, Civil construction, Electro-mechanical equipment, Solar PV generation system and Engineering Quarters from revaluation model to cost model.

Subsidiaries of R I L Property PLC has changed subsequent measurement of Power Plant related land, Civil Construction, Electro mechanical equipment, Solar PV generation system and Engineering Quarters from revaluation model to cost model, Using the revaluation model for assets in the hydro power plants and the solar power plant results in fair value fluctuations which involves significant uncertainties in the Financial Statements. These assets are not held for sale but are used for ongoing operational purposes.

Applying the cost model avoids unnecessary volatility in reported values and provides information that is more reliable due to the consistency and more relevant to the users of the Financial Statements.

The change in accounting policy resulted in the restatement of each affected financial statement line item for the prior periods as follows:

Statement of financial position As at	31 March 2025 LKR '000	Increase/ (Decrease) LKR '000	31 March 2025 (Restated) LKR '000	31 March 2024 LKR '000	Increase/ (Decrease) LKR '000	31 March 2024 (Restated) LKR '000
(Extracts)						
Property, plant and equipment	16,472,867	(1,333,852)	15,139,015	14,772,645	(1,517,995)	13,254,650
Deferred tax liability	4,593,427	(158,137)	4,435,290	4,716,504	(320,684)	4,395,820
Deferred tax asset	977,750	(3,094)	974,656	1,202,205	(50,892)	1,151,313
Revaluation reserve	2,058,711	(280,974)	1,777,737	1,902,652	(363,394)	1,539,258
Retained earnings	12,236,098	(784,828)	11,451,270	11,027,633	(740,252)	10,287,381
Non controlling interests	7,460,444	(108,001)	7,352,443	7,260,189	(141,769)	7,118,420
Investment in joint ventures	10,466	5,000	15,466	10,196	2,788	12,984

Statement of profit or loss and other comprehensive income Year ended	31 March 2025 LKR '000	Profit Increase/ (Decrease) LKR '000	31 March 2025 (Restated) LKR '000
(Extracts)			
Cost of sales	(8,958,867)	52,264	(8,906,603)
Profit before income tax	1,918,483	46,744	1,965,227
Income tax	(395,227)	(92,302)	(487,529)
Share of profit of equity accounted investees-(net of tax)	848	2,211	3,059
Profit for the period	1,523,256	(45,558)	1,477,698
Other comprehensive income for the period			
Revaluation of property, plant and equipment	429,452	139,034	568,486
Deferred tax effect on revaluation	(132,826)	(22,447)	(155,273)
Other comprehensive income/(loss) for the year, net of tax	330,920	117,164	448,084
Revaluation of property, plant and equipment- share of equity accounted investees	(577)	577	–
Total comprehensive income for the period	1,854,176	71,606	1,925,782
Profit attributable to:			
Owners of the parent	1,404,826	(44,896)	1,359,930
Non-controlling interests	118,430	(662)	117,768
Total comprehensive income for the year attributable to:			
Equity holders of the parent	1,575,364	38,237	1,613,601
Non-controlling interests	278,812	33,369	312,181
Earnings per share			
Basic earnings per share attributable to ordinary equity holders of the parent	1.76	(0.06)	1.70

37. Financial Risk Management Objectives and Policies

The Group is exposed to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for identifying, analysing, evaluating and monitoring the risk and the management of capital of the Group. Further, quantitative disclosures are included throughout these consolidated Financial Statements.

Risk management framework

The respective Board of Directors of each Company has overall responsibility for the establishment and oversight of the respective Company's risk management framework.

Each Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk profile and controls, and to monitor risks and mitigate. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Board Audit and Risk Committee oversees how management monitors compliance with their risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by each Company. The Board Audit and Risk Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board Audit and Risk Committee.

The risk management has been further detailed in Risk Management Report given in pages 132 to 138.

37.1 Credit risk

Credit risk is the risk that a customer or counterparty will not meet its contractual obligations under financial instrument or customer contract, leading to a financial loss.

The Group is exposed to credit risk from its operating activities (primarily from trade receivables) and from its financing activities, including deposits with banks, foreign exchange transaction and other financial instruments.

The Group does an extensive and continuous evaluation of credit worthiness of its customers/financial institutions by assessing external credit ratings (if available) or historical information about default rates and change the credit limits and payment terms where necessary.

Impairment of financial assets

Trade receivables are subject to the expected credit loss model while cash and cash equivalents are also subject to the impairment requirements of SLFRS 9.

37.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

As at 31 March	Notes	GROUP		COMPANY	
		2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Carrying amount					
Trade receivables	12	4,903,053	2,400,517	41,051	42,348
Other receivables excluding advances & pre payments		1,228,462	2,510,252	141,065	32,930
Cash at bank and financial institutions		672,948	1,583,223	81,349	30,816
		6,804,463	6,493,992	263,465	106,094

37.1.2 Trade receivables

The management assesses the credit quality of the customer, taking into account their financial position, past experience and other factors. Sources of credit risks are identified, assessed and monitored and the Group has policies to manage the risks within various subcategories. The utilisation of credit limits are regularly monitored.

Maximum exposure to credit risk for trade receivables at the reporting date by category wise are as follows:

As at 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Public sector	1,263,631	366,826	–	–
Private sector				
Individual customers	170,852	22,422	149	107
Corporate customers	1,316,561	821,012	40,902	42,241
Dealers & distributors	1,215,500	703,762	–	–
Leasing companies	936,509	486,495	–	–
	4,903,053	**2,400,517**	**41,051**	**42,348**

37.1.3 Impairment losses

The aging of the trade receivables and impairment allowance at the reporting date was;

As at 31 March	Notes	GROUP		COMPANY	
		2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Below 60 days		3,946,659	1,871,019	41,053	39,851
61–120 days		613,350	233,470	–	9,366
121–180 days		284,086	248,688	–	–
181–240 days		51,074	37,157	–	6
241-300 days		13,288	18,939	–	–
301-360 days		4,240	12,356	–	15
>360 days		69,364	62,007	17	1
Carrying value		4,982,061	2,483,636	41,070	49,239
Allowance for impairment	12.3	(79,008)	(83,119)	(19)	(6,891)
		4,903,053	**2,400,517**	**41,051**	**42,348**

As at 31 March		GROUP									
		2026									
		Current	More than 60 days past due	More than 120 days past due	More than 180 days past due	More than 240 days past due	More than 300 days past due	More than 360 days past due	Collective model total	Specific total	Total
Expected loss rate	(%)	0.58%	1.17%	6.26%	6.94%	16.94%	37.03%	99.96%	2.96%	0.76%	4%
Gross carrying amount - trade receivables	(LKR '000)	1,434,057	355,395	27,239	7,757	7,422	3,351	38,252	1,873,473	–	1,873,473
Loss allowance - collective model	(LKR '000)	(8,261)	(4,141)	(1,705)	(538)	(1,257)	(1,241)	(38,237)	(55,380)	–	(55,380)
Gross carrying amount - trade receivables	(LKR '000)	2,512,602	257,955	248,414	43,317	5,866	889	39,545	–	3,108,588	3,108,588
Loss allowance - specific	(LKR '000)	–	–	–	(228)	–	–	(23,400)	–	(23,628)	(23,628)
Total	(LKR '000)	3,938,398	609,209	273,948	50,308	12,031	2,999	16,160	1,818,093	3,084,960	4,903,053

As at 31 March		COMPANY									
		2026									
		Current	More than 60 days past due	More than 120 days past due	More than 180 days past due	More than 240 days past due	More than 300 days past due	More than 360 days past due	Collective model total	Specific total	Total
Expected loss rate	(%)	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	–	0.05%
Gross carrying amount - trade receivables	(LKR '000)	41,053	–	–	–	–	–	17	41,070	–	41,070
Loss allowance - collective model	(LKR '000)	(19)	–	–	–	–	–	–	(19)	–	(19)
Gross carrying amount - trade receivables	(LKR '000)	–	–	–	–	–	–	–	–	–	–
Loss allowance - specific	(LKR '000)	–	–	–	–	–	–	–	–	–	–
Total	(LKR '000)	41,034	–	–	–	–	–	17	41,051	–	41,051

The allowance accounts in respect of cash at bank and financial institutions and financial assets at FVOCI and FVTPL are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible.

At that point the amounts are considered irrecoverable and are written off against the financial assets directly.

37.2 Liquidity risk

Liquidity risk is the risk that the Group may not have sufficient liquid financial resources to meet its obligations when they fall due. The Group manages the liquidity risk by carrying out cash flow forecasts and identifying future cash needs. Investments are planned ensuring money is available for settlements. Adequate banking facilities are approved and kept for use as and when necessary. Strong relationships have been built with banks to ensure that urgent borrowing needs are met at short notice.

The table below summarises the maturity profile of the Group and Company financial liabilities.

Group 2026	Less than 3 months LKR '000	3 to 12 months LKR '000	1 to 5 years LKR '000	More than 5 years LKR '000	Total LKR '000
Interest bearing loans and borrowings	1,355,415	7,905,365	5,496,022	1,383,862	16,140,664
Lease liabilities	38,724	94,390	234,523	134,343	501,980
Trade and other payable	4,865,707	209,599	–	–	5,075,306
Customer deposits	38,509	67,128	384,351	–	489,988
Income tax payable	635,077	79,993	–	–	715,070
Bank overdrafts	182,934	–	–	–	182,934
	7,116,366	8,356,475	6,114,896	1,518,205	23,105,942

Group 2025	Less than 3 months LKR '000	3 to 12 months LKR '000	1 to 5 years LKR '000	More than 5 years LKR '000	Total LKR '000
Interest bearing loans and borrowings	4,385,574	4,006,347	4,492,281	969,063	13,853,265
Lease liabilities	18,797	73,176	227,092	124,336	443,401
Trade and other payable	4,025,872	39,895	–	–	4,065,767
Customer deposits	23,427	127,203	229,726	–	380,356
Income tax payable	105,627	115,076	–	–	220,703
Bank overdrafts	364,048	–	–	–	364,048
	8,923,345	4,361,697	4,949,099	1,093,399	19,327,540

Company 2026	Less than 3 months LKR '000	3 to 12 months LKR '000	1 to 5 years LKR '000	More than 5 years LKR '000	Total LKR '000
Interest bearing loans and borrowings	61,252	734,653	2,051,862	–	2,847,767
Lease liabilities	8,707	16,798	61,255	–	86,760
Trade and other payable	260,688	209,599	–	–	470,287
Customer deposits	38,509	67,128	384,351	–	489,988
Income tax payable	1,912	–	–	–	1,912
Bank overdrafts	23,930	–	–	–	23,930
	394,998	1,028,178	2,497,468	–	3,920,644

Company 2025	Less than 3 months LKR '000	3 to 12 months LKR '000	1 to 5 years LKR '000	More than 5 years LKR '000	Total LKR '000
Interest bearing loans and borrowings	69,299	337,580	2,941,365	–	3,348,244
Trade and other payable	353,871	39,895	–	–	393,766
Customer deposits	23,427	127,203	229,726	–	380,356
Income tax payable	3,115	–	–	–	3,115
Bank overdrafts	105,841	–	–	–	105,841
	555,553	504,678	3,171,091	–	4,231,322

37.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks;

- Foreign exchange risk
- Interest rate risk
- Equity price risk

37.3.1 Foreign exchange risk

Foreign currency risk arises when future commercial transactions are denominated in a currency that is not the entity's functional currency. The Group is principally exposed to fluctuations in the value of the Japanese Yen (JPY), US dollar (USD), British Pound Sterling (GBP) against the Sri Lankan Rupee (LKR). The Group's functional currency is LKR in which most of the transactions are denominated, and all other currencies are considered foreign currencies for reporting purposes.

Changes in foreign currency exchange rates affect the Group's revenue and cost of purchases. Based on anticipated exchange rate movements forward booking is considered as a method to minimise risk. Import bills are negotiated at the most favourable time for the Group.

The exposure to currency risk as at the reporting date are as follows:

	GROUP		COMPANY
	USD '000	JPY '000	USD '000
Trade receivables as at 31 March 2026	3,120	–	50
Trade payables as at 31 March 2026	4,646	271,804	–

Sensitivity analysis

The following table demonstrates the sensitivity of Group / Company profits to a reasonable possible change in the US Dollar (USD) and Japanese Yen (JPY), exchange rate with all other variables held constant. The impact on the profit before tax due to change in the fair value of monetary assets and liabilities denominated in foreign currency are as follows;

	Increase/ decrease in exchange rate	Group effect on profit before tax LKR '000
US Dollar (USD)	+ 5 %	18,130
	– 5%	(18,130)
Japanese Yen (JPY)	+ 5 %	(27,319)
	– 5%	27,319

37.3.2 Interest rate risk

The Group's interest rate risk arises mainly from the short term borrowings and investment of excess funds in financial instruments. Borrowings at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash / investments held at variable rates. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The Group has cash and bank balances including deposits placed with government and reputed financial institutions. All available opportunities are considered before making investment decisions.

Proper working capital management is done to ensure that borrowing needs and investment opportunities are foreseen. Market interest rates are monitored closely to ensure borrowings and investments are at the best rate for the Group.

At the end of the reporting period the interest rate profile of the Group/Company's interest bearing financial instruments was as follows:

As at 31 March	GROUP		COMPANY	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Fixed rate instruments				
Financial assets	1,088,108	910,618	412,266	43,365
Financial liabilities	(1,981,750)	(340,780)	(150,000)	–
	(893,642)	569,838	262,266	43,365
Variable rate instruments				
Financial assets	1,126,167	1,941,831	957,787	609,115
Financial liabilities	(14,743,256)	(14,217,325)	(2,721,698)	(3,454,085)
	(13,617,089)	(12,275,494)	(1,763,911)	(2,844,970)

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonable possible change in variable interest, with all other variables held constant.

		GROUP	COMPANY
	Increase/ decrease in variable rate	Effect on profit before tax LKR '000	Effect on profit before tax LKR '000
31 March 2026 Variable rate instruments	+5%	(680,854)	(88,196)
	–5%	680,854	88,196

37.3.3 Equity price risk

Listed equity securities are susceptible to equity price risk arising from uncertainties of future values of the investment securities. The Group manages the equity price risk through diversification of its portfolio to different business segments.

The Group's equity risk management policies adopted as follows;

- Equity investment decisions are based on fundamentals rather than on speculation.
- Decisions are made based on in-depth industry and macroeconomic analysis as well as on research reports on the Company performance.

The table below shows the diversification of equity investments;

As at 31 March	GROUP			
	2026		2025	
Sector	LKR '000	%	LKR '000	%
Investment shares				
Banks, finance and insurance	–	–	85,360	99.03
Capital goods	–	–	484	0.56
Diversified holdings	556	58.65	356	0.41
Power & energy	392	41.35	–	–
Utilities	–	–	–	–
	948	100.00	86,200	100.00
Trading shares				
Banks, finance and insurance	1,057,196	76.20	639,804	67.56
Diversified holdings	39,398	2.84	52,662	5.56
Beverage, food & tobacco	62,272	4.49	67,671	7.15
Capital goods	95,752	6.90	119,877	12.66
Materials	88,819	6.40	20,593	2.17
Utilities	22,263	1.60	20,258	2.14
Consumer durables & apparel	21,720	1.57	26,166	2.76
Total	1,387,420	100.00	947,031	100.00

Sensitivity analysis

Investments in equity shares are subject to the performance of investee Company and the factors that effects the status of the stock market.

The following table demonstrates the sensitivity of the Group equity to a reasonably possible change in the market prices of the listed equity securities, with all other variables held constant.

As at 31 March		2026			
		GROUP		COMPANY	
	Change in year share price of all companies in which the Group /Company has invested	Effect on profit before tax as a result of gains/ losses on equity securities classified as at FVTPL LKR '000	Effect on other component of equity as a result of gains/ losses on equity securities classified as at FVOCI LKR '000	Effect on profit before tax as a result of gains/ losses on equity securities classified as at FVTPL LKR '000	Effect on other component of equity as a result of gains/ losses on equity securities classified as at FVOCI LKR '000
Investments in equity shares	+ 5%	69,371	47	43,195	–
	– 5%	(69,371)	(47)	(43,195)	–

37.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Group's operations. The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Group standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- Requirements for the reconciliation and monitoring of transactions;
- Compliance with regulatory and other legal requirements;
- Documentation of controls and procedures;
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- Requirements for the reporting of operational losses and proposed remedial action;
- Training and professional development;
- Ethical and business standards;
- Risk mitigation, including insurance when applicable.

Compliance with set procedures is supported by periodic reviews undertaken by Internal Audit. The results of internal audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Board Audit and Risk Commitee and Senior Management of the Group.

37.5 Capital management

Capital includes equity attributable to the equity holders of the parent and interest bearing term loans. The primary objective of the Group's capital management is to ensure that it maintains a healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions.

	GROUP		COMPANY	
	2026	2025	2026	2025
Debt to equity ratio (%)	65.07	67.75	13.94	18.43

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2026

38. Fair Values of Financial Instruments

Accounting policy

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable for the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Management of the Group determines the policies and procedures for both recurring fair value measurement, such as investment properties, property plant and equipment, land and buildings and other investments.

External valuer, Mr. J.M.S. Bandara and KPMG Real Estate and Valuation Services (Pvt) Ltd are involved in valuation of significant assets, such as investment properties, land and buildings excluding Power plant related lands.

Involvement of external valuers is decided upon annually by the Management

At each reporting date, the Management analyses the movements in the values of assets which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Group's external valuer, also compares the change in the fair value of each asset with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair value of financial instruments

Financial instruments of the Company/ Group include trade and other receivables, Cash and cash equivalents, interest bearing loans and borrowings, trade and other payables and rentals customer deposits and bank overdrafts. The fair values of these financial instruments are determined at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values;

- Cash and short-term deposits, trade receivables, trade payables and other current liabilities are approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Rentals and customer deposits are fair valued by using the appropriate market interest rates.
- Long-term variable rate as well as fixed rate borrowings approximate their carrying amounts largely due to the market based interest rates. Hence the carrying amounts of Group's/Company's financial instruments are reasonable approximations of their fair values.

38.1 Fair Value Measurement Hierarchy

The Group and the Company use the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation techniques:

Level1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level2: inputs other than quoted prices included within "level 1" that are observable for the assets or liabilities, either directly or indirectly

Level3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The carrying amounts of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

As at 31 March	Notes	Carrying amount GROUP 2026 LKR '000	Carrying amount GROUP 2025 LKR '000	Carrying amount COMPANY 2026 LKR '000	Carrying amount COMPANY 2025 LKR '000	Fair Value GROUP 2026 LKR '000 Level 1	Level 2	Level 3	Total
Financial assets measured at fair value - FVTPL - Others									
Equity securities	14.2.2	1,387,420	947,031	863,908	426,400	1,387,420	–	–	1,387,420
Investment in unit trusts	14.2.3	262,259	1,515,431	93,879	182,715		262,259	–	262,259
		1,649,679	**2,462,462**	**957,787**	**609,115**	**1,387,420**	**262,259**	**–**	**1,649,679**
Financial assets measured at fair value - FVOCI - equity instruments									
Equity securities	14.1.3	948	86,200	–	–	948	–	–	948
		948	**86,200**	–	–	**948**	–	–	**948**
Financial assets at amortised cost									
Fixed deposits	14.3	1,087,122	660,678	412,266	43,365	–	1,087,122	–	1,087,122
Trade and other receivables	12	7,372,541	6,127,477	215,866	94,570	–	7,372,541	–	7,372,541
Cash and bank	15.1	732,641	1,849,745	81,891	31,413	–	732,641	–	732,641
		9,192,304	**8,637,900**	**710,023**	**169,348**	–	9,192,304	–	9,192,304
Financial liabilities at amortised cost									
Interest bearing loans and borrowings	17.1	16,140,664	13,853,265	2,847,768	3,348,244	–	16,140,664	–	16,140,664
Rent received in advance	19.1	634,529	466,506	634,529	466,506	–	634,529	–	634,529
Customer deposits	20	489,988	380,356	489,988	380,356	–	489,988	–	489,988
Trade and other payables	19	1,885,554	1,731,230	8,499	14,056	–	1,885,554	–	1,885,554
Bank overdraft	15.2	182,934	364,048	23,930	105,841	–	182,934	–	182,934
		19,333,669	**16,795,405**	**4,004,714**	**4,315,003**	**–**	**19,333,669**	**–**	**19,333,669**

	Fair Value								Fair Value			
	GROUP				COMPANY				COMPANY			
	2025				2026				2025			
	LKR '000				LKR '000				LKR '000			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	947,031	–	–	947,031	863,908	–	–	863,908	426,400	–	–	426,400
	–	1,515,431	–	1,515,431	–	93,879	–	93,879	–	182,715	–	182,715
	947,031	**1,515,431**	**–**	**2,462,462**	**863,908**	**93,879**	**–**	**957,787**	**426,400**	**182,715**	**–**	**609,115**
	86,200	–	–	86,200	–	–	–	–	–	–	–	–
	86,200	**–**	**–**	**86,200**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
		660,678	–	660,678	–	412,266	–	412,266	–	43,365	–	43,365
	–	6,127,477	–	6,127,477	–	215,866	–	215,866	–	94,570	–	94,570
	–	1,849,745	–	1,849,745	–	81,891	–	81,891	–	31,413	–	31,413
	–	**8,637,900**	**–**	**8,637,900**	**–**	**710,023**	**–**	**710,023**	**–**	169,348	**–**	169,348
	–	13,853,265	–	13,853,265	–	2,847,768	–	2,847,768	–	3,348,244	–	3,348,244
	–	466,506	–	466,506	–	634,529	–	634,529	–	466,506	–	466,506
	–	380,356	–	380,356	–	489,988	–	489,988	–	380,356	–	380,356
	–	1,731,230	–	1,731,230	–	8,499	–	8,499	–	14,056	–	14,056
	–	364,048	–	364,048	–	23,930	–	23,930	–	105,841	–	105,841
	–	**16,795,405**	**–**	**16,795,405**	**–**	**4,004,714**	**–**	**4,004,714**	**–**	**4,315,003**	**–**	**4,315,003**

38.2 The following table shows the valuation technique used in measuring level 2 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Investments in unit trusts	Fair value is based on the published unit prices.	Based on published unit prices.	The estimated fair value will increase (decrease) if; The published unit prices are higher (lower)
Investments in commercial papers	Fair value is based on the interest rate	Based on the interest rate	The estimated fair value will increase (decrease) if; The interest rates are higher (lower)

38.3 Reconciliation of fair value measurement of "Level 3" financial instruments

The following table shows a reconciliation from the opening balance to the closing balance for level 3 fair values.

	GROUP			COMPANY	
	Lands LKR '000	Buildings LKR '000	Investment property LKR '000	Buildings LKR '000	Investment property LKR '000
As at 31 March 2024	7,865,500	2,126,764	17,169,828	445,679	17,169,828
Subsequent expenditure on investment property	–	–	110,965	–	125,013
Assets additions	–	36,801	–	–	–
Assets disposal	–	(3,397)	–	–	–
Total gains and losses recognised in other comprehensive income					
Revaluation (unrealised)	357,250	211,236	–	64,951	–
Transfer from capital work in progress	–	10,938	–	–	–
Depreciation charged	–	(117,403)	–	(37,153)	–
Net (loss)/gain from investment property fair valuation	–	–	866,682	–	866,682
As at 31 March 2025	8,222,750	2,264,939	18,147,475	473,477	18,161,523
Subsequent expenditure on investment property	–	–	22,190	–	22,190
Assets additions	–	20,254	–	–	–
Total gains and losses recognised in other comprehensive income					
Revaluation (unrealised)	1,381,170	72,062	–	90,570	–
Transfer from capital work in progress	–	195,502	13,416	–	13,416
Depreciation charged	–	(136,207)	–	(43,060)	–
Net (loss)/gain from investment property fair valuation	–	–	2,120,300	–	2,120,300
As at 31 March 2026	9,603,920	2,416,550	20,303,381	520,987	20,317,429

38.4 Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used by both the Group and Company in measuring level 3 fair values and the significant unobservable inputs used.

Assets and liabilities	Valuation technique	Significant unobservable inputs
Property Plant and Equipment		
Freehold land and buildings	**Market approach** Fair value of land is based on available property market data, available facilities and services, planning restrictions, title status, size/shape and other physical factors of the land.	The valuer has used a range of prices for each land based on investigated prices in order to determine the market value.
	Income approach In determining the fair value of building the capitalisation of net income method have been used, which is based upon assumptions including future rental income, anticipated maintenance costs, appropriate discount rate.	Anticipated maintenance cost Discount rate Risk and other factors Future rental income per sq.ft.
	Cost approach The valuations are based on two components: the depreciated cost of the building element and the market value of the land.	Rate per sq.ft. Depreciation rate
Investment Property	**Income approach and market approach** In determining the fair value of investment property the capitalisation of net income method have been used, which is based upon assumptions including future rental income, anticipated maintenance costs, appropriate discount rate and in determine the fair value of land, make reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size and location. The appraised fair values are approximated within appropriate range of values.	Anticipated maintenance cost Discount rate Risk and other factors Future rental income per sq.ft. Price per perch

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Shareholders Information

Twenty major Shareholders

	Name of shareholder	As at 31 March 2026 Shareholding	As at 31 March 2026 Percentage (%)	As at 31 March 2025 Shareholding	As at 31 March 2025 Percentage (%)
1.	Mr. M. A. Yaseen	235,808,848	29.48	238,058,848	29.76
2.	Mrs. R. R. Takahashi	189,209,571	23.65	154,209,571	19.28
3.	Mrs. S. M. Yaseen	61,670,528	7.71	61,670,528	7.71
4.	Mr. S. D. Yaseen	58,000,000	7.25	58,000,000	7.25
5.	Seylan Bank PLC/J N Lanka Holdings Company (Pvt) Ltd	13,992,572	1.75		
6.	Commercial Bank of Ceylon PLC A/C No. 01	12,610,964	1.58	24,610,964	3.08
7.	Mr. V. A. Yaseen	11,550,000	1.44	12,000,000	1.50
8.	Mr. O. Senanayake and Mr. D. R. Peiris, Mr. S. P. Perera	8,385,606	1.05	11,681,147	1.46
9.	Mr. J. A. Yaseen	7,413,047	0.93	12,000,000	1.50
10.	Mrs. L. E. M. Yaseen	5,868,832	0.73	45,868,832	5.73
11.	Seylan Bank PLC/ARRC Capital (Pvt) Ltd	5,282,212	0.66		
12.	Mr. A. S. Jayasinghe	4,523,264	0.57	4,823,264	0.60
13.	Seylan Bank PLC/R. A. Rishard	4,000,000	0.50	2,837,194	0.36
14.	Seylan Bank PLC/Hotel International (Pvt) Ltd	3,747,375	0.47	–	–
15.	Seylan Bank PLC/Gladstone Capital (Private) Limited	3,474,866	0.43	–	–
16.	Citizens Development Business Finance Account No. 02	3,436,325	0.43	–	–
17.	Sampath Bank PLC /J N Lanka Holdings Company (Private) Limited	3,115,845	0.39	–	–
18.	Mr. H. Yusoof	3,060,737	0.38	–	–
19.	Seylan Bank PLC/O. Senanayake	2,961,285	0.37	–	–
20.	Sherwood Capital (Pvt) Ltd	2,593,741	0.32	–	–

Public and non-public Shareholdings

Description	As at 31 March 2026 Number of shares	As at 31 March 2026 Number of shareholders	As at 31 March 2026 Percentage %	As at 31 March 2025 Number of shares	As at 31 March 2025 No of shareholders	As at 31 March 2025 Percentage %
Issued number of ordinary shares and Number of shareholders	800,000,000	6946	100	800,000,000	4176	100
Less – Shares held by non public	56,330	2	0.01	450,137,251	10	56.27
Shares held by the public and number of share holders	799,943,670	6944	99.99	349,862,749	4166	43.73
Floate adjusted market capitalisation (Under option 1 & 3 in each respective year ended) LKR Mn.	20,079			5,281		

Share Capital

Year ended 31 March	Number of shares in issue	Share Capital (LKR'000)
2013	50,000,000	500,000
2014	100,000,000	1,000,000
2015	200,000,000	2,000,000
2016	480,000,000	4,800,000
2017	480,000,000	4,800,000
2018	600,000,000	5,760,000
2019 - 2026	800,000,000	7,360,000

Distribution of Shareholders

Shareholdings	As at 31 March 2026			As at 31 March 2025		
	Number of shareholders	Number of shares	Percentage (%)	Number of shareholders	Number of shares	Percentage (%)
1 – 1,000	3,305	1,006,402	0.13	1,930	541,394	0.07
1,001 – 10,000	2,240	9,331,114	1.17	1,206	5,313,882	0.66
10,001 – 100,000	1,118	37,683,897	4.71	778	29,482,579	3.69
100,001 – 1,000,000	237	73,618,290	9.20	219	64,094,060	8.01
Over 1,000,000	46	678,360,297	84.80	43	700,568,085	87.57
Total	**6,946**	**800,000,000**	**100.00**	**4,176**	**800,000,000**	**100.00**

Categories of Shareholders

Categories of shareholdings	As at 31 March 2026			As at 31 March 2025		
	Shareholders	Number of shares	Percentage (%)	Shareholders	Number of shares	Percentage (%)
Local individuals	6,544	449,010,807	56.13	3,886	472,773,915	59.10
Local institutions	386	113,159,972	14.14	277	85,891,809	10.74
Foreign individuals	14	237,554,221	29.69	12	240,295,925	30.04
Foreign institutions	2	275,000	0.03	1	1,038,351	0.13
Total	**6,946**	**800,000,000**	**100.00**	**4,176**	**800,000,000**	**100.00**

Performance at the CSE

Market Price per share	As at 31 March 2026 Price	As at 31 March 2025 Price
Highest	38.80	17.50
Lowest	14.10	6.10
Last Traded Price	25.30	15.30

Shareholdings of Directors

Name of The Director	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Percentage (%)	No. of shares	Percentage (%)
1. Mr. A. Herath (Chairman)	–	–	–	–
2. Ms. H. Fernando (CEO)	–	–	–	–
3. Professor N. Gunawardena	–	–	–	–
4. Ms. C. Pietersz	–	–	–	–
5. Ms. V. Weerasekera	–	–	–	–
6. Mr. S. Mudalige	–	–	–	–
7. Mr. N. Fernando	–	–	–	–
8. Mr. V. Nawagamuwage	–	–	–	–

Glossary of Financial Terms

Accounting Policies
The specific principles, bases, rules and practices adopted by an entity in preparing and presenting Financial Statements.

Accrual Basis
Accrual Basis Recognition of the effects of transactions and other events when they occur without waiting for receipt or payment of cash or cash equivalent.

Actuarial Gain/Loss on Defined Benefit Plan
Gain or loss arising from the difference between estimates and actual experience in an entity's defined benefit plan.

Amortisation
The systematic allocation of the depreciable amount of an intangible asset over its useful life.

Amortised Cost
Amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and minus any reduction for impairment or un-collectability.

Assets Held for Sale
The carrying amount of the asset value which will be recovered through a sale transaction on rather than through continuing use.

Asset Turnover
Revenue including subsidiary Company revenue divided by average total assets.

Capital Employed
Total equity plus total borrowings.

Cash Equivalents
Short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash Generating Unit (CGU)
The smallest group of assets that independently generates cash flow and the cash flow is largely independent of the cash flows generated by other assets.

Contingencies
A condition or situation, the ultimate outcome of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events.

Contingent Assets/Liabilities
An asset or liability or potential gain or loss that may occur in the future depending on the outcome of a specific event.

Current Asset Ratio
Current assets divided by current liabilities.

Current Service Cost
Is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Debt/Equity Ratio
Debt as a percentage of equity attributable to shareholder.

Debt/Borrowings
Debt consist of interest bearing borrowings, bank overdrafts and lease liabilities.

Deferred Taxation
Sum set aside in the Financial Statements for taxation that may become payable/receivable in a Financial Year other than the current Financial Year. It arises because of temporary differences between tax rules and accounting conventions

Depreciation
The systematic allocation of the depreciable amount of an asset over its useful life.

Discontinued Operation
A component of an entity that has been classified as held for sale and represents a separate major line of business.

Discount Rate
A rate used to place a current value on future cash flows. It is needed to reflect the fact that money has a time value.

Dividend Cover
Profit after tax divided by gross dividends. This ratio measures the number of times dividend is covered by the current year's distributable profits.

Dividend Payout Ratio
Dividend per share divided by earnings per share, indicates the percentage of the Company's earnings that is paid out to shareholders in cash

Dividend Per Share (DPS)
Dividend paid and proposed, divided by the number of issued shares, which entitle for those dividends.

Dividend Yield
Dividend per share divided by the market value of a share.

Earnings Before Interest and Tax (EBIT)
Profit before tax excluding finance Expenses

Earnings Before Interest, Taxes, Depreciation, and Amortisation. (EBITDA)
Earnings Before Interest, Taxes, Depreciation, and Amortisation.

Earnings Per Share (EPS)
Profit attributable to equity holders of the parent divided by the weighted average number of ordinary shares outstanding during the period.

Effective Rate of Taxation
Tax expense divided by profit before tax.

Fair Value
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.

Fair Value through Profit or Loss Investments
A financial asset/liability acquired/ incurred principally for the purpose of selling or repurchasing it in the near term, part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking, or a derivative

Gearing
Proportion of total interest bearing borrowings to capital employed.

Impairment
This occurs when recoverable amount of an asset is less than its carrying amount.

Impairment Allowances
Impairment allowances are provisions held on the Statement of Financial Position as a result of the raising of a charge against profit for the incurred loss. An impairment allowance may either be identified or unidentified and individual (specific) or collective (portfolio).

Intangible Asset
An intangible asset is an identifiable non monetary asset without physical substance.

Interest Cover
Number of times interest charge is covered by earnings before interest and tax including finance income.

Key Management Personnel
Key Management Personnel are those person having authority and responsibility for planning and controlling the activities of the entity, directly or indirectly

Market Capitalisation
The value of an entity obtained by multiplying the number of ordinary shares in issue multiplied by its market value as at a date.

Market Price to Book Value
Market price per share over net asset value per share.

Market Value Added
Market capitalisation minus shareholder' funds.

Materiality
The relative significance of a transaction or an event, the omission or misstatement of which could influence the economic decisions of users of Financial Statements.

Net Assets
Total assets minus current liabilities, long term liabilities, and non-controlling interests

Net Assets Per Share
Net assets as at a Financial Year end divided by the number of shares in issue as at the current Financial Year end.

Non-Controlling Interest (NCI)
Equity in a Subsidiary not attributable, directly or indirectly, to a parent.

Parent Company
A Parent Company is a Company that owns enough voting stock in another equity firm to control management and operation by influencing electing its Board of Directors.

Price Earnings Ratio (P/E Ratio)
Market price of a share divided by the earnings per share.

Quick Asset Ratio
Current assets excluding inventories, divided by current liabilities.

Related Parties
One party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, directly or indirectly.

Related Party Transaction (RPT)
RPT is a transfer of resources, services or obligations between a reporting entity and a related party, regardless whether a price is charged.

Return on Assets
Profit after tax is divided by the total assets.

Return on Capital Employed (ROCE)
Profit before interest and tax as a percentage of capital employed.

Return on Equity (ROE)
Profit attributable to shareholders as a percentage of equity attributable shareholders.

Right-of-use Asset (ROU)
As asset that represents a lessee's right to use an underlying asset over the lease term.

Shareholders' Funds
Total of stated capital, other components of equity and revenue reserves and capital reserve.

Total Equity
Shareholders' funds plus non-controlling interest.

Working Capital
Current assets minus current liabilities.

Summary of the Financial Years

	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000
Operating Results			
Revenue	55,843,681	14,727,355	14,353,245
EBIT	10,094,395	2,975,274	2,843,114
Finance cost	(1,464,482)	(1,013,106)	(1,628,582)
Profit before tax	8,629,033	1,965,227	1,217,291
Income Tax expense	(1,015,696)	(487,529)	(457,012)
Profit for the year	7,613,337	1,477,698	760,279
Capital Employed			
Stated Capital	7,360,000	7,360,000	7,360,000
Revaluation Surplus	2,306,749	1,777,737	1,539,258
Other Component of Equity	(5,215)	(16,029)	(50,039)
Retained Earnings	16,196,567	11,451,270	10,287,381
Reserves of a disposal group held for sale	–	–	–
Non controlling Interest	9,812,086	7,352,443	7,118,420
Total Borrowings	16,825,578	14,660,714	9,904,549
Total Capital Employed	52,495,759	42,586,135	36,159,569
Assets Employed			
Property plant and equipment (PPE)	19,991,429	15,139,015	13,254,650
Non current assets other than PPE	23,620,743	20,402,430	19,468,220
Current assets	21,699,777	17,155,617	11,015,461
Current liabilities	15,569,887	13,468,053	7,320,840
Cash Flow			
Net cash flow from/(used in) operating activities	508,399	(1,699,497)	1,859,561
Net cash flow from/(used in) investing activities	(2,226,947)	(916,398)	(756,256)
Net cash flow from/(used in) financing activities	782,558	3,548,623	(1,339,795)
Net increase/(decrease) in cash and cash equivalents	(935,990)	932,728	(236,490)
Key Indicators			
Basic earnings per share	6.10	1.70	1.07
Net assets per share	32.32	25.72	23.92
Return on Equity (%)	18.9	6.6	4.5
Return on Capital Employed (%)	19.2	7.0	7.9
Debt/equity ratio (%)	65.1	71.3	51.8
Gearing (%)	32.1	34.4	27.4

GROUP						
2023	2022	2021	2020	2019	2018	2017
LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
12,892,654	14,446,794	14,490,038	10,823,587	13,955,664	4,476,968	960,374
2,281,682	1,991,775	1,638,134	1,372,606	2,174,778	2,607,353	1,271,726
(2,099,170)	(929,005)	(610,306)	(893,454)	(853,423)	(390,371)	(128,010)
179,360	1,064,608	1,027,828	479,152	1,321,355	3,736,017	1,143,716
(949,478)	(271,666)	56,808	(53,549)	(201,830)	7,931	62,764
(770,118)	792,942	1,084,636	425,603	1,119,525	3,743,948	1,206,480
7,360,000	7,360,000	7,360,000	7,360,000	7,360,000	5,760,000	4,800,000
1,292,325	1,305,892	838,391	610,572	251,107	204,284	119,242
(18,517)	(21,885)	(31,610)	(92,476)	(60,572)	(5,526)	–
10,192,461	10,930,127	10,283,852	9,711,908	9,887,632	8,982,769	5,510,131
–	–	91,277	–	–	–	–
7,124,908	7,368,953	6,339,103	5,870,863	6,310,762	6,223,062	–
9,563,124	8,909,923	5,399,867	9,143,788	7,048,418	7,817,866	1,065,792
35,514,301	35,853,011	30,280,880	32,604,655	30,797,347	28,982,455	11,495,165
13,353,504	13,392,680	8,563,418	8,667,607	7,892,174	7,625,861	625,133
18,014,425	16,971,035	16,266,166	16,334,188	14,906,540	13,056,835	11,630,281
10,560,322	12,623,982	10,957,332	11,583,489	10,552,100	10,550,667	312,046
6,250,285	7,077,835	5,379,949	7,248,953	5,287,486	5,548,267	617,672
(1,869,611)	(1,763,646)	7,667,976	(1,239,500)	(588,876)	680,663	255,458
1,408,441	835,332	(3,416,091)	(308,613)	(928,255)	(4,272,206)	(170,745)
251,895	780,858	(3,753,510)	1,209,888	708,494	4,153,239	(148,998)
(209,275)	(147,456)	498,375	(338,225)	(808,637)	561,696	(64,285)
(0.73)	0.86	1.08	0.78	1.15	6.12	2.51
23.53	24.47	23.18	21.99	21.80	24.90	21.73
(3.1)	3.50	3.6	3.3	5.2	24.3	11.6
6.4	5.6	5.4	4.2	7.1	9.0	11.1
50.8	45.5	29.1	52.0	40.4	52.3	10.2
26.9	24.9	17.8	28.0	22.9	27.0	9.3

	2026 LKR '000	2025 Restated LKR '000	2024 Restated LKR '000
Operating Results			
Revenue	1,576,048	1,457,495	1,287,840
EBIT	3,832,560	1,985,169	1,993,306
Finance cost	(320,551)	(375,429)	(687,825)
Profit before tax	3,512,009	1,609,740	1,305,481
Income Tax expense	(635,675)	(262,059)	(312,482)
Profit for the year	2,876,334	1,347,681	992,999
Capital Employed			
Stated Capital	7,360,000	7,360,000	7,360,000
Revaluation Surplus	461,683	419,142	362,530
Other Component of Equity	–	–	–
Retained Earnings	13,395,406	10,958,168	9,774,789
Reserves of a disposal group held for sale	–	–	–
Non controlling Interest	–	–	–
Total Borrowings	2,958,459	3,454,085	3,782,267
Total Capital Employeed	24,175,548	22,191,395	21,279,586
Assets Employed			
Property plant and equipment (PPE)	543,172	484,707	465,282
Non current assets other than PPE	26,622,565	24,330,993	23,449,210
Current assets	1,686,697	1,046,861	575,559
Current liabilities	1,517,175	1,221,061	907,580
Cash Flow			
Net cash flow from/(used in) operating activities	983,184	657,300	186,686
Net cash flow from/(used in) investing activities	458,582	(141,358)	226,425
Net cash flow from/(used in) financing activities	(1,309,377)	(625,073)	(406,235)
Net increase/(decrease) in cash and cash equivalents	132,389	(109,131)	6,876
Key Indicators			
Basic earnings per share	3.60	1.68	1.24
Net assets per share	26.52	23.42	21.87
Return on Equity (%)	13.6	7.2	5.7
Return on Capital Employed (%)	15.9	8.9	9.4
Debt/equity ratio (%)	13.9	18.4	21.6
Gearing (%)	12.2	15.6	17.8

COMPANY						
2023	2022	2021	2020	2019	2018	2017
LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
1,153,403	865,606	968,755	1,002,900	762,179	704,471	609,289
1,619,421	1,295,713	563,939	1,559,593	1,493,515	1,443,754	1,301,934
(1,016,513)	(455,952)	(245,483)	(390,882)	(478,678)	(300,665)	(122,118)
602,908	839,761	318,456	1,168,711	1,014,837	1,143,089	1,179,816
(673,675)	(71,457)	180,643	(168,576)	(211,032)	38,963	62,831
(70,767)	768,304	499,099	1,000,135	803,805	1,182,052	1,242,647
7,360,000	7,360,000	7,360,000	7,360,000	7,360,000	5,760,000	4,800,000
299,987	261,262	230,939	210,512	170,543	134,151	119,242
–	–	–	–	–	–	–
8,784,094	9,016,271	8,365,509	7,949,354	7,379,649	6,578,499	5,555,874
–	–	–	–	–	–	–
–	–	–	–	–	–	–
4,195,246	4,650,679	2,939,856	2,888,546	3,295,379	4,985,000	911,002
20,639,327	21,288,212	18,896,304	18,408,412	18,205,571	17,457,650	11,386,118
426,780	390,395	366,666	380,455	362,277	352,128	368,835
22,349,917	21,601,401	18,979,311	19,440,830	18,714,817	17,018,735	11,902,536
449,264	971,779	1,162,665	486,496	326,122	931,709	170,428
938,234	660,459	530,435	455,194	474,728	1,559,958	442,440
(25,609)	102,856	172,616	560,381	192,899	(28,234)	306,123
643,726	(1,691,641)	(124,276)	(33,845)	(228,526)	(4,799,405)	(81,228)
(629,803)	1,586,219	(11,638)	(525,183)	(110,339)	4,873,894	(148,998)
(11,686)	(2,566)	36,702	1,353	(145,966)	46,255	75,897
(0.09)	0.96	0.62	1.25	1.02	1.99	2.59
20.56	20.80	19.95	19.40	18.64	20.79	21.82
(0.4)	4.6	3.1	6.4	5.4	9.5	11.9
7.8	6.1	3.0	8.5	8.2	8.3	11.4
25.5	28.0	18.4	18.6	22.1	40.0	8.7
20.3	21.8	15.6	15.7	18.1	28.6	8.0

GRI Index

Statement of use	RIL Property PLC has reported in accordance with the GRI Standards for the period 1 April 2025 to 31 March 2026.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

Gri Standard/ Other Source	Disclosure
General disclosures	
GRI 2: General Disclosures 2021	2-1 Organisational details
	2-2 Entities included in the organisation's sustainability reporting
	2-3 Reporting period, frequency and contact point
	2-4 Restatements of information
	2-5 External assurance
	2-6 Activities, value chain and other business relationships
	2-7 Employees
	2-8 Workers who are not employees
	2-9 Governance structure and composition
	2-10 Nomination and selection of the highest governance body
	2-11 Chair of the highest governance body
	2-12 Role of the highest governance body in overseeing the management of impacts
	2-13 Delegation of responsibility for managing impacts
	2-14 Role of the highest governance body in sustainability reporting
	2-15 Conflicts of interest
	2-16 Communication of critical concerns
	2-17 Collective knowledge of the highest governance body
	2-18 Evaluation of the performance of the highest governance body
	2-19 Remuneration policies
	2-20 Process to determine remuneration
	2-21 Annual total compensation ratio
	2-22 Statement on sustainable development strategy
	2-23 Policy commitments
	2-24 Embedding policy commitments
	2-25 Processes to remediate negative impacts
	2-26 Mechanisms for seeking advice and raising concerns
	2-27 Compliance with laws and regulations
	2-28 Membership associations
	2-29 Approach to stakeholder engagement
	2-30 Collective bargaining agreements
Material topics	
GRI 3: Material Topics 2021	3-1 Process to determine material topics
	3-2 List of material topics

Location	Omission			Gri Sector Standard Ref. No.
	Requirement(S) Omitted	Reason	Explanation	
Page 14, 188, 212				
Page 4, 12-13, 62				
Page 4, 9, 62				
Page 4, 10, 201				
Page 4, 199				
Page 4, 10, 14-21, 54				
Page 12, 115-119				
Page 94, 115				
Page 14, 36-43, 64				
Page 179				
Page 14, 36				
Page 34, 64, 148				
Page 40, 64, 132				
Page 34, 55, 64, 159				
Page 145, 182-184				
Page 133, 156				
Page 34, 65, 152, 158				
Page 158, 184				
Page 155, 175-177				
Page 138, 175-177				
Omitted under corporate policy.	Annual total compensation ratio	Confidentiality constraints	Information is omitted because it is deemed confidential under internal corporate HR policies.	Not Applicable
Page 10, 29-31, 32-35				
Page 11, 58, 115				
Page 11, 58, 115				
Page 122, 133				
Page 115, 133, 175				
Page 4, 159, 175				
Page 26				
Page 4, 52, 60, 156				
Page 115				
Page 60				
Page 60, 310				

Gri Standard/ Other Source	Disclosure
Topic: Economic Performance	
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed
	201-2 Financial implications and other risks and opportunities due to climate change
	201-3 Defined benefit plan obligations and other retirement plans
	201-4 Financial assistance received from government
Topic: Local Procurement and National Employment Practices	
GRI 3: Material Topics 2021 GRI 204: Procurement Practices 2016 GRI 401: Employment 2016	3-3 Management of material topics
	204-1 Proportion of spending on local suppliers
	401-1 New employee hires and employee turnover
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
	401-3 Parental leave
Topic: Anti-corruption, Governance and Business Ethics	
GRI 3: Material Topics 2021 GRI 205: Anti-corruption 2016	3-3 Management of material topics
	205-1 Operations assessed for risks related to corruption
	205-2 Communication and training about anti-corruption policies and procedures
	205-3 Confirmed incidents of corruption and actions taken
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes
Topic: Managing Energy & GHG Emissions	
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 302: Energy 2016	302-1 Energy consumption within the organization
	302-2 Energy consumption outside the organization
	302-3 Energy intensity
GRI 303: Water and Effluents 2018	303-5 Water consumption
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions
	305-2 Energy indirect (Scope 2) GHG emissions
	305-3 Other indirect (Scope 3) GHG emissions
Topic: Health and Safety	
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system
	403-2 Hazard identification, risk assessment, and incident investigation
	403-9 Work-related injuries

Location	Omission			Gri Sector Standard Ref. No.
	Requirement(S) Omitted	Reason	Explanation	
Page 100-101				
Page 10, 204				
Page 67-72				
Page 209				
Page 311				
Page 54, 111				
Page 54, 111				
Page 115				
Page 115. Benefits include medical insurance, wellness programs, and hybrid work allowances.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Page 115				
Page 115				
Page 115, 175				
Page 115				
Page 115, 175				
Omitted under corporate policy.	Minimum notice periods regarding operational changes	Confidentiality constraints	Minimum notice periods are determined by local labor laws, but internal corporate operational guidelines remain confidential.	Not Applicable
Page 129				
Page 81, 86, 92				
Omitted as the metric is currently unavailable.	Energy consumption outside the organiSation	Information unavailable	This metric is currently not measured or aggregated across upstream and downstream value chains.	Not Applicable
Page 129. Building energy intensity is tracked via building management system dashboards.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Page 81				
Page 80				
Page 80				
Scope 3 calculations are deferred.	Other indirect (Scope 3) GHG emissions	Transition relief applied	Scope 3 calculations are deferred under the transitional provisions of SLFRS S2.	Not Applicable
Page 120				
Page 120. Group-wide policy and compliance systems cover all direct and contract workers.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Page 120				
Page 82, 92				

Gri Standard/ Other Source	Disclosure
Topic: Training and Education	
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee
	404-2 Programs for upgrading employee skills and transition assistance programs
	404-3 Percentage of employees receiving regular performance and career development reviews
Topic: Diversity, Equity and Inclusion	
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage
	202-2 Proportion of senior management hired from the local community
Topic: Community Wellbeing and Digital Safety	
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported
	203-2 Significant indirect economic impacts
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs
	413-2 Operations with significant actual and potential negative impacts on local communities
Topic: Customer Privacy	
GRI 3: Material Topics 2021	3-3 Management of material topics
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data
Topic: Risk Management	
GRI 3: Material Topics 2021	3-3 Management of material topics
Topic: Shareholders Value Creation	
GRI 3: Material Topics 2021	3-3 Management of material topics
Topic: Products & Services Innovation	
GRI 3: Material Topics 2021	3-3 Management of material topics
Topic: Digitalisation	
GRI 3: Material Topics 2021	3-3 Management of material topics
Topic: Infrastructure Investment ICT	
GRI 3: Material Topics 2021	3-3 Management of material topics
Topic: Green Suppliers	
GRI 3: Material Topics 2021	3-3 Management of material topics
Topic: Climate Change	
GRI 3: Material Topics 2021	3-3 Management of material topics

Location	Omission			Gri Sector Standard Ref. No.
	Requirement(S) Omitted	Reason	Explanation	
Page 120. Guided by the group's formal Training and Development Policy.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Page 120				
Page 120				
Page 120				
Page 113				
Page 14, 36-43, 115				
Page 115. No incidents of discrimination reported.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Page 115				
Page 14, 115				
Page 122				
Page 12, 122. Support provided through localized CSR projects and utility solar connectivity.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Page 12, 122				
Page 12, 122				
Page 12, 122. No significant negative impacts identified.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Page 108				
Page 108				
Page 133-135				
Page 48, 100				
Page 10, 94				
Page 34, 120. Rolling out Oracle ERP, eZuite, and Peoples HR platforms across segments.	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Page 14, 34				
Page 54, 111				
Page 67-76				

Circular to Shareholders

R I L PROPERTY PLC (PV/PB 68365 PQ)

Dear shareholder/s

17th Annual General Meeting

We wish to inform you that the Board of Directors of R I L Property PLC (the Company) have decided to hold the Annual General Meeting (AGM) for the year ended 31 March 2026 as an in-person meeting. Accordingly, the AGM will be held on 30 June 2026 at 11.30 am at the Lavender Hall, BMICH Colombo, Bauddhaloka Mawatha, Colombo 07.

Shareholders may access the Annual Report and Financial Statements on their mobile phones by scanning the following QR code.

Enclosed herewith is the notice of meeting and the proxy form of the AGM. The notice and the proxy form, will also be made available on the CSE website (www.cse.lk) and the Company's official website – www.rilproperty.lk. A member unable to attend the AGM is entitled to appoint a proxy for the meeting to attend and vote in his/her place by completing and sending the Form of Proxy. The duly completed Form of Proxy should be sent to reach the undersigned by post to Company's registered office situated at 33, Park Street, Colombo 02 or email to rilagm2026@rilproperty.lk or facsimile to +94112399915, not less than forty – eight (48) hours, before the time fixed for the meeting.

Should the shareholders wish to obtain a hard copy of the annual report, a written request should be submitted, by filling the request form available on the above links to reach the undersigned by post to Company's registered office situated at 33, Park Street, Colombo 02 or email to rilagm2026@rilproperty.lk or facsimile to +94112399915. A photo copy of the Annual Report will be sent within eight (08) market days from the date of receipt of your request.

In the event that you require assistance in accessing the above links, you may contact Mr. Janaka Karunarathne on +94112332850/1 any time between 8.30a.m. and 5.30p.m. on any working day.

The shareholders are hereby advised that if they wish to raise any queries, such queries should be sent to reach the undersigned by post to Company's registered office situated at 33, Park Street, Colombo 02 or email to rilagm2026@rilproperty.lk or facsimile to +94112399915, not less than five (05) days before the date of meeting. This is in order to enable the Company Secretary to compile the queries and forward the same for the attention of the Board of Directors, so that they could be addressed at the meeting.

For any queries regarding this circular, please contact the undersigned via email rilagm2026@rilproperty.lk

BY ORDER OF THE BOARD

R. Weudagedara
Company Secretary

5 June 2026

Encl : Form of request for annual report hard copy;
: Notice of meeting;
Form of Proxy;

Notice of Meeting

Notice is hereby given that the 17th Annual General Meeting (AGM) of R I L Property PLC will be held on 30 June 2026 at 11.30 am at Lavender Hall, BMICH Colombo, Bauddhaloka Mawatha, Colombo 07 for the following purposes:

(1) To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and its subsidiaries and the Statement of Accounts for the year ended 31 March 2026 together with the Report of the Auditors thereon;

(2) To re-elect Prof. N. D. Gunawardena who retires by rotation pursuant to the provisions of Article 83 of the Articles of Association of the Company, as a Director

(3) To re-elect Ms. V. Weerasekera who retires by rotation pursuant to the provisions of Article 83 of the Articles of Association of the Company, as a Director

(4) To elect Mr. V. Nawagamuwage, a Director of the Company, who was appointed during the Financial Year to fill a casual vacancy in terms of Article 89 of the Articles of Association of the Company;

(5) To declare a First and Final dividend of LKR 1 per share for the Financial Year ended 31 March 2026 as recommended by the Directors;

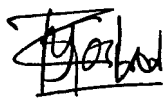
(6) To appoint Messrs. KPMG, Chartered Accountants as Auditors to hold office until the conclusion of the next Annual General Meeting and to authorise the directors to fix their remuneration;

(7) To authorise the Board of Directors to determine donations for the year ending 31 March 2027 and up to the date of the next Annual General Meeting;

(8) To consider any other business of which due notice has been given

BY ORDER OF THE BOARD

For and on behalf of **R I L Property PLC**



R. Weudagedara
Company Secretary

5 June 2026
Colombo

Notes

1. A duly registered and entitled holder of the Company's shares is entitled to attend, speak and vote at the AGM and is entitled to appoint a proxyholder to attend, speak and vote on a show of hands or on a poll on his/her behalf; The proxy so appointed shall be valid for any adjournment of the meeting as for the meeting to which it relates.
2. A proxyholder need not be a shareholder of the Company;
3. A proxy so appointed shall have the same right as the shareholder to vote on a show of hands as well as to speak at the AGM;
4. Members are encouraged to vote by Proxy through the appointment of a member of the Board of Directors to vote on their behalf and to include their voting preferences on the resolutions to be taken up at the Meeting in the Form of Proxy.
5. In the event the Appointor of the proxy attending the meeting, the authority of the proxy to attend, vote and/or in any way participate at the meeting shall stand automatically cancelled and revoked.
6. A shareholder shall not be entitled to appoint more than one proxy to attend on the same occasion.
7. The Form of Proxy is enclosed for this purpose. The completed Form of Proxy must be deposited at the Registered Office of the Company situated at 33, Park Street, Colombo 02 or email to rilagm2026@rilproperty.lk or facsimile to +94112399915 not less than forty-eight (48) hours before the appointed hour of the meeting;

Corporate Information

Name of the Company
R I L Property PLC

Legal Form
The Company was incorporated in Sri Lanka on 15 July 2009 as a Private Limited Liability Company under the Companies Act No.07 of 2007 (as amended). Subsequently it was converted into a Public Limited Liability Company on 13 September 2016 under the Companies Act No. 07 of 2007 (as amended). The Ordinary shares were listed on the Colombo Stock Exchange on 04 May 2017.

Company Registration Number
PV/PB 68365 PQ

Registered Office
No. 33, Park Street
Colombo 02
Tel : +94112332850-1
Fax : +94112399915

Board of Directors
Mr. A. Herath – Chairman
Ms. H. Fernando – Chief Executive Officer / Executive Director
Professor. N. Gunawardena
Ms. C. Pietersz
Ms. V. Weerasekera
Mr. S. Mudalige
Mr. N. Fernando
Mr. V. Nawagamuwage
(Appointed w.e.f. 22 January 2026)

Board Audit & Risk Committee
Ms. C. Pietersz – Chairperson
Ms. V. Weerasekera – Member
Mr. N. Fernando – Member
Professor. N. Gunawardena – Member

Board HR & Remuneration Committee
Professor. N. Gunawardena – Chairman
Mr. A. Herath – Member
Mr. N. Fernando – Member
Ms. V. Weerasekera – Member
(Appointed w.e.f 28 April 2026)
Mr. S. Mudalige – Member
(Resigned w.e.f 28 April 2026)

Board Related Party Transactions Review Committee
Mr. S. Mudalige – Chairman
Mr. A. Herath – Member
Ms. C. Pietersz – Member

Board Nominations and Governance Committee
Mr. N. Fernando – Chairman
Mr. A. Herath – Member
Ms. C. Pietersz - Member
Ms. V. Weerasekera – Member

Auditors
M/s. Ernst & Young
Chartered Accountants
Rotunda Towers
No. 109, Galle Road,
Colombo 03
Tel: +94112463500
Fax: +94117687869

Company Secretary
Ms. R. Weudagedara

Registrars
Central Depositary Systems (Pvt) Ltd
Ground Floor, M & M Centre
No. 341/5, Kotte Road,
Rajagiriya
Tel: +94112356444
Fax: +94112440396

Bankers
Commercial Bank of Ceylon PLC
Commercial House,
No.21, Sir Razik Fareed Mw,
Colombo 01
Tel: +94 11 471 8248

DFCC Bank PLC
No.73/5,Galle Road,
Colombo 03
Tel: +94112442442

Seylan Bank PLC
Seylan Towers,
No 90, Galle Rd,
Colombo 03
Tel: +94112456000

People's Bank
No.33,Park Street,
Colombo 02
Tel: +94112422346

Sampath Bank
No: 110, Sir James Peiris Mawatha,
Colombo 02.
Tel: +94112358358

Lawyers
Nithya Partners
Attorneys at Law
No. 97/A,Galle Road,
Colombo 03

Heritage Partners
Attorneys at Law
No. 4, Heritage House,
Malalasekara Pedesa,
Colombo 07

Subsidiaries
United Motors Lanka PLC
No. 100, Hyde Park Corner,
Colombo 02

Panasian Power PLC
Level 04, BTL Shipping House
No. 45/2, Braybrooke Street,
Colombo 02

***PARKLAND* Integrated Solutions (Pvt) Ltd**
Level 01, *PARKLAND*,
No. 33, Park Street,
Colombo 02

R-E-D Capital Asia (Pvt) Ltd
Level 04,BTL Shipping House
No.45/2,Braybrooke Street,
Colombo 02

***PARKLAND* Solutions (Pvt) Ltd**
(Incorporated w.e.f. 5 February 2026)
Level 01, *PARKLAND*,
No. 33, Park Street,
Colombo 02

Website
www.rilproperty.lk

Notes

Form of Request

To: Company Secretary
R I L Property PLC
33, Park Street, Colombo 02
Tel: +94112332850-1
Fax: +94112399915

R I L Property PLC – Request For A Printed Copy of the Annual Report – 2025/2026

We refer to your Circular to the Shareholders dated 5 June 2026.

Please forward a printed copy of the "Annual Report" for the Financial Year ended 31 March 2026.

My/Our details are as follows:

Full Name of the Shareholder	
Folio No. as appears in the address label	
Shareholder/s NIC/Passport No./ Company Registration No.	
CDS Acct. No	
Address	
Contact Number	

....

Signature of the Shareholder/s Date

Notes:

(1) Kindly perfect the Form of Request by filling in legibly all the details, address and by signing in the space provided; Please fill in the date of signature;

(2) If the Form of Request is signed by an Attorney, the relevant Power of Attorney should accompany the Form of Request;

(3) If the request is made by a Company or Corporation, this form must be executed under the common seal or be signed by its Attorney or by an Officer authorised to do so on behalf of such Company/ corporate body;

(4) In the case of a joint shareholding, the request may be executed by the Principal holder;

(5) Please send the duly completed Form of Request by post to Company's registered office situated at 33, Park Street, Colombo 02 or email to rilagm2026@rilproperty.lk or facsimile to +94112399915

(6) The personal information provided by the shareholders in connection with this Annual General Meeting, including CDS account details and contact information, will be collected and processed by the Company, for purposes related to shareholder administration, regulatory compliance, communication with shareholders and other matters connected with the Company's affairs. Such personal data will be processed in accordance with the applicable data protection laws and the Company's privacy policy, which is available on the Company's website.

Form of Proxy

I/We..... of

..... being a member/members of R I L Property PLC, hereby

appoint..... (N I C No.) of ..... of

..... failing him/ her

Mr. A. Herath	whom failing
Ms. H. Fernando	whom failing
Professor. N. Gunawardena	whom failing
Ms. C. Pietersz	whom failing
Ms. V. Weerasekera	whom failing
Mr. N. Fernando	whom failing
Mr. S. Mudalige	whom failing
Mr. V. Nawagamuwage	whom failing

as my/our proxy to represent me/us and* .....
to vote on my/our behalf at the 17th Annual General Meeting (AGM) of R I L Property PLC (the Company) to be held on 30 June 2026 at 11.30 am at Lavender Hall, BMICH Colombo, Bauddhaloka Mawatha, Colombo 07 and at any adjournment thereof. I/ We the undersigned hereby authorise my/our Proxy to vote on my/our behalf in accordance with the preference indicated below:

	For	Against	Abstained
(1) To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and its subsidiaries and the Statement of Accounts for the year ended 31 March 2026 together with the Report of the Auditors thereon			
(2) To re-elect Professor. N. Gunawardena who retires by rotation pursuant to the provisions of Article 83 of the Articles of Association of the Company, as a Director			
(3) To re-elect Ms. V. Weerasekera, who retires by rotation pursuant to the provisions of Article 83 of the Articles of Association of the Company, as a Director			
(4) To elect Mr. V. Nawagamuwage, a Director of the Company, who was appointed during the Financial Year to fill a casual vacancy in terms of Article 89 of the Articles of Association of the Company;			
(5) To declare a First and Final dividend of LKR 1 per share for the Financial Year ended 31 March 2026 as recommended by the Directors;			
(6) To appoint, Messrs. KPMG, Chartered Accountants, as Auditors to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration;			
(7) To authorize the Board of Directors to determine donations for the year ending 31 March 2027 and upto the date of the next Annual General Meeting.			
(8) To consider any other business of which due notice has been given.			

Signed on this ..... day of ..... Two Thousand and Twenty-Six.

.....
Signature/s

*If you wish your Proxy to speak at the meeting you should insert the words "to speak and" in the place indicated and initial such insertion.

Notes:

1. Instructions as to completion appear overleaf;
2. Please indicate with an "x" in the space provided how your proxyholder is to vote;
3. If there is in the view of the proxyholder doubt (by reason of the way in which the instructions contained in the proxy have been completed) as to the way in which the proxyholder should vote, the proxyholder shall vote as he thinks fit;

Instructions as to completion

1. To be valid, this completed Form of Proxy must be deposited at the Registered Office of the Company situated 33, Park Street, Colombo 02 or email to rilagm2026@rilproperty.lk or facsimile to +94112399915, not less than forty-eight (48) hours before the appointed hour of the meeting;
2. The full name and address of the proxyholder and of the shareholder appointing the proxyholder should be entered legibly in the Form of Proxy; Please fill in the date of signature;
3. If you wish to appoint any person other than directors as your proxy, please insert the relevant details in the space provided overleaf;
4. If the Form of Proxy is signed by the Power of Attorney, the respective Power of Attorney should accompany the completed Form of Proxy for registration, in the event it has already not being registered with the Company;
5. If the shareholder is a Company or a corporate body, the Form of Proxy should be executed under the common seal or be signed by its Attorney or by an Officer authorised to do so on behalf of such Company/corporate body;
6. Every alteration or addition to the Form of Proxy must be duly authenticated by the full signature of the shareholder signing the Form of Proxy. Such signatures should as far as possible be placed in proximity to the addition or alteration intended to be authenticated;
7. The use of the word "Member/s" herein is a reference to "Shareholder/s".
8. The personal information provided by the shareholders in connection with this Annual General Meeting, including CDS account details and contact information, will be collected and processed by the Company, for purposes related to shareholder administration, regulatory compliance, communication with shareholders and other matters connected with the Company's affairs. Such personal data will be processed in accordance with the applicable data protection laws and the Company's privacy policy, which is available on the Company's website.

Stakeholder Feedback Form

We value your feedback. To share your comments, queries, suggestions or requests for further information, please complete the details below and return this form to:

Roshini Weudagedara
Company Secretary
R I L Property PLC
Level 1, *PARKLAND*, No 33, Park Street, Colombo 02, Sri Lanka
e-mail : rilagm2026@rilproperty.lk
Tel : + 94112332850-1
Fax : +94112399915

WHICH STAKEHOLDER GROUP/S DO YOU BELONG TO? (YOU MAY TICK MORE THAN ONE)

Employee	☐	Public authority	☐
Shareholder	☐	Regulatory body	☐
Investor	☐	Student	☐
Customer	☐	Journalist	☐
Supplier	☐	NGO	☐
Service provider	☐	Special interest group	☐
Community	☐	Other	☐

	Excellent	Good	Fair	Poor
1. Rate your overall impression of this Report in terms of content and scope				
Informative	☐	☐	☐	☐
Transparent	☐	☐	☐	☐
Trustworthy	☐	☐	☐	☐
Comprehensive	☐	☐	☐	☐
User friendly	☐	☐	☐	☐
Quality and presentation	☐	☐	☐	☐

	Excellent	Good	Fair	Poor
2. Turnaround time and speed for response to shareholder's query/complaint				

	Excellent	Good	Fair	Poor
3. Timely receipt of documents, e.g. Notice, Annual Report, Dividend				

	Excellent	Good	Fair	Poor
4. Overall assessment of shareholder service standards of the Company				

5. Do you have any concerns, complaints or suggestions that you would like the Company to address?

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