PATHS WITH PURPOSE



JAT TRANSFORMING SPACES™

JAT Holdings PLC | Annual Report 2025/26

PATHS WITH PURPOSE

The paths we take are shaped through long-term vision, evolving opportunities, expanding capabilities, and the ambition to move beyond familiar ground. Though distinct, they move toward a shared direction.

For JAT Holdings, the year under review reflects that continuing evolution. Across industries, markets, and capabilities, the Group continued to advance through deliberate expansion, operational strengthening, and strategic diversification.

The theme *Paths with Purpose* captures the spirit of that journey. It reflects the many paths the Group has taken over time, spanning industries, markets, and geographies, each connected by a common direction shaped by clarity, resilience, and long-term intent.

This idea is brought to life through flowing pathways symbolising JAT's growing international presence and the connections forged across regions and industries. Layered textures, illuminated routes, and warm metallic tones reflect both the strength of the Group's foundations and its forward-looking ambition, capturing a journey defined by movement, transformation, and purposeful growth.

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ABOUT THIS REPORT



Welcome to our Ninth Integrated Annual Report, a compelling and comprehensive account of how JAT continued to evolve during the year under review while expanding its foray into new industries, markets, and capabilities. It also reflects how JAT pursues multiple pathways, each guided by purpose and aligned towards a shared direction of creating sustainable and lasting value for all its stakeholders.

GENERAL DISCLOSURES

Entities included in the organisation's sustainability reporting/reporting boundary

GRI 2-2, GRI 2-4

This Report covers the operations of JAT Holdings PLC (JAT or the Company) and its group companies (collectively referred to as the Group). Both the financial and non-financial information in the Report present a consolidated view of the Group, unless otherwise stated. During the year, four new entities were incorporated into the Group structure of JAT Holdings PLC. A comprehensive depiction of the Group is available on page 10

Reporting period, frequency and contact point

GRI 2-3

This Report is prepared in line with the Company's established annual reporting cycle and presents both financial and sustainability information for the financial year from 1 April 2025 to 31 March 2026. It builds on the Company's previous report for the year ended 31 March 2025, ensuring continuity in disclosure and reporting practices.

Where relevant, comparative information from the preceding reporting period has been included to facilitate meaningful analysis. In addition, significant developments occurring after the end of the reporting period, from 31 March 2026 up to the Board approval date of 2 June 2026, have been incorporated where considered material.

We remain committed to enhancing the quality, relevance, and transparency of our Annual Report. Your feedback is important to us, and we welcome your insights and suggestions. Please direct them to;

Rizna Dilshard
Finance Director
rizna@jatholdings.com

Restatements of information

GRI 2-4

The information disclosed for prior reporting periods has not been restated.

External assurance

GRI 2-5

In enhancing the credibility of our reporting, both financial and sustainability, we have obtained several external assurances, a full list of which is available on page 6



REPORTING STANDARDS AND FRAMEWORKS

Mandatory Reporting Frameworks

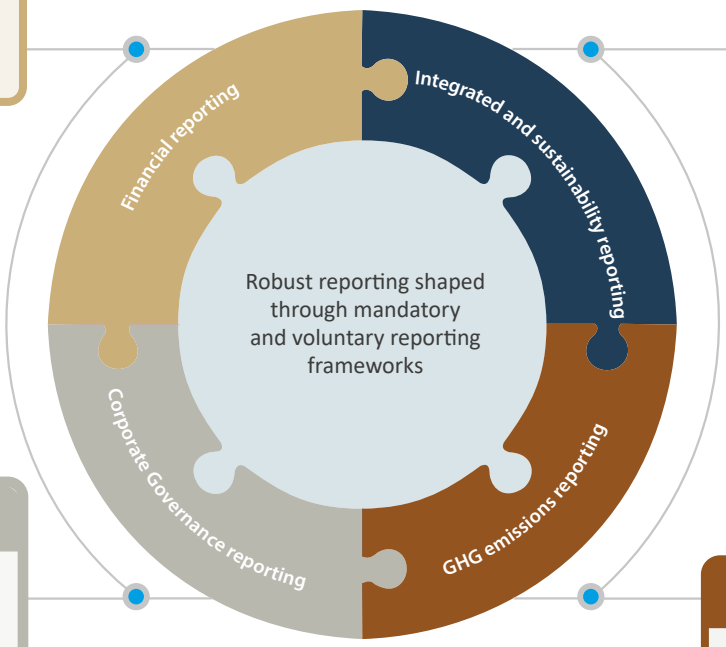
- Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka
- Companies Act No. 7 of 2007 (as amended)
- Listing Rules of Colombo Stock Exchange

Mandatory Reporting Frameworks

- SLFRS S1 General Requirements for Disclosures of Sustainability-related Financial Information and SLFRS S2 Climate-related Disclosures

Voluntary Reporting Frameworks

- Integrated Reporting Framework of the International Integrated Reporting Council
- Global Reporting Initiative (GRI) Standards (2021)
- Sustainability Accounting Standards Board (SASB) Standards – Chemicals
- "Guidelines for Presentation of Annual Reports 2025" issued by the Institute of Chartered Accountants of Sri Lanka
- Non-Financial Reporting Guideline issued by the Institute of Chartered Accountants of Sri Lanka
- Gender Parity Reporting Framework of the Institute of Chartered Accountants of Sri Lanka
- Guide on communicating sustainability issued by the Colombo Stock Exchange



Mandatory Reporting Frameworks

- Listing Rules of the Colombo Stock Exchange

Voluntary Reporting Frameworks

- Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka (2023)

Voluntary Reporting Frameworks

- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard

ABOUT THIS REPORT

ASSURANCE ON REPORTING

	Financial Statements and Related Disclosures	Integrated and Sustainability Reporting	Corporate Governance
Internal Assurance	• Internal Audit • Robust framework of internal controls • Reporting to the Board Audit Committee and Board of Directors	• Board Review • Assessment of non-financial information by the Corporate Sustainability function	• Robust governance frameworks
External Assurance	• Independent Auditors' Report by Messrs. Ernst & Young	• Independent Assurance on Integrated Reporting by Deloitte Partners • Independent Assurance on GRI Reporting by Deloitte Partners	

Strengthening Our Disclosures

This year, we further enhanced our reporting to improve the clarity and effectiveness of how we communicate value creation. These refinements reflect evolving stakeholder expectations, developments in the external landscape, JAT's commitment to transparent corporate communication, and insights drawn from judges' reports of annual report award programmes in which JAT's Annual Report for the financial year 2024/25, themed A World of Possibilities, participated and received recognition.

- Adoption of SLFRS S1 and S2 Sustainability Reporting Standards in line with mandatory timeline applicable to JAT Holdings PLC as one of the top 100 listed companies in the Colombo Stock Exchange
- Enhanced inter-connectivity of information across the Report, depicting Material Matters, Strategic Priorities and Capital interlinkages where possible
- Comprehensive listing of risks and opportunities that affect all six Capitals of the Group in its value creation process

Guiding Your Reading Experience – The Navigation Icons

To improve clarity and ease of reference, we have incorporated navigation icons throughout this report. These visual cues highlight linkages between sections, guide readers to related information, and illustrate the integrated relationships that underpin our value creation process, enabling a more seamless reading experience, whilst also preserving conciseness of our Report.

NAVIGATION ICONS

Six capitals deployed in our value creation process

- Financial Capital
- Manufactured Capital
- Human Capital
- Intellectual Capital
- Social & Relationship Capital
- Natural Capital

Our stakeholder universe

- Shareholders
- Customers
- Employees
- Suppliers and Business Partners
- The Government and Related Entities
- Community

Our strategic priorities

- Profitable Growth
- Global Market Expansion
- Digitalisation and Operational Excellence
- Innovation
- Nurturing Talent
- ESG Considerations

Other icon references

- Way Forward
- Page Reference

Forward-Looking Statements

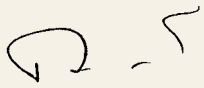
This Report contains forward-looking statements relating to the Group's expected future performance, outlook, and strategic direction, based on assessments made at the time of publication. However, due to the dynamic and uncertain nature of the external environment, actual outcomes may differ from those expressed or implied as a result of unforeseen circumstances or factors beyond the Group's control. The Group assumes no obligation to update or revise such statements following the publication of this Report. Accordingly, readers are advised to exercise caution and not place undue reliance on these statements. Forward-looking statements included in this Report have not been reviewed by the Group's auditor.

Key sections containing such forward-looking statements under "Way Forward"

Reflections from the Chairman – Page 26
Managing Director's Message – Page 28
Chief Executive Officer's Review – Page 30
Our Strategy – Page 110
Capitals Management Report – Page 130

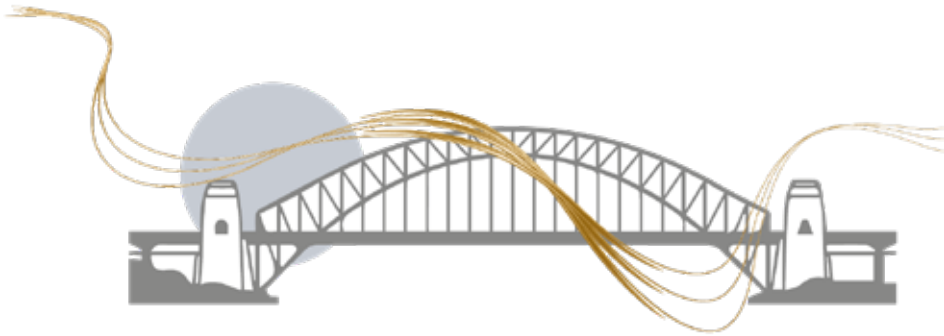
Board Responsibility Statement

The integrity of this Annual Report is ultimately up to the Board of Directors of JAT Holdings PLC. We reaffirm that the Annual Report for the financial year ended 31 March 2026 covers all material issues and accurately portrays the Group's overall performance. We also reaffirm that the Report was created in accordance with the recommendations included in the International Integrated Reporting Council's Integrated Reporting Framework.



Dr. Sivakumar Selliah
Chairman

02 June 2026



ABOUT THIS REPORT

OUR REPORTING JOURNEY

JAT has long been committed to producing high-quality annual reports aligned with leading global reporting standards. This year marks a significant milestone with the first-time adoption of the Sustainability Reporting Standards SLFRS S1 and SLFRS S2, as they became mandatory application from the financial year ended 31 March 2026.

Our listing on the Colombo Stock Exchange in 2021 represented a transformative step in our growth journey and strengthened our commitment to transparent and meaningful reporting. This is our fifth Annual Report as a listed company, building on four earlier reports prepared prior to listing, reflecting our long-standing focus on effective stakeholder communication.

Each year since listing has unfolded against a dynamic national backdrop, with Sri Lanka navigating significant economic and social challenges. Our reports therefore, just as much as they chronicle JAT's progress, reflect the resilience of both the Group and the country. They capture how JAT has navigated the evolving landscapes whilst continuing to create sustainable value for all our stakeholders. The recognition our reports have received through multiple awards further affirms our commitment to clear, impactful, and evolving corporate reporting.

	Key Reporting Features/ Enhancements	Awards
 FY22	• Enhanced disclosures of the Group's strategic agenda • Early adoption of the new GRI Standards (2021) • Adoption of the Gender Parity Reporting Framework of CA Sri Lanka Increased use of connected performance drivers showcasing connectivity between financial and non-financial performance	**TAGS Awards 2022 conducted by CA Sri Lanka** • **Gold award winner** – Emerging listed companies • **Silver award winner** – Trading sector
 FY23	• Strengthened sustainability reporting framework with independent external assurance • Incorporated the Directors' Statement on Internal Controls, ensuring transparency in the Group's internal control framework	**TAGS Awards 2023 conducted by CA Sri Lanka** • **Gold award winner** – Emerging listed companies • **Silver award winner** – Trading sector **Excellence in Integrated Reporting Awards 2023 by CMA Sri Lanka** • Next 10 Best Integrated Reports Awards
 FY24	• Adoption of the SASB – Chemicals sector standard in sustainability reporting • Introduction of a "Way Forward" section under key discussions establishing the strategic outlook for the future • Taking preliminary steps towards the adoption of IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2: Climate Related Disclosures	**TAGS Awards 2024 conducted by CA Sri Lanka** • **Bronze award winner** – Manufacturing Sector Group turnover upto Rs. 20 Bn **Excellence in Integrated Reporting Awards 2024 by CMA Sri Lanka** • **Gold award winner** – Trade and Commerce Sector • 10 Best Integrated Reports **ACCA Sustainability Reporting Awards 2024** • Runner up – Retail and Trading Sector
 FY25	• Enhanced sustainability reporting, including the adoption of a second SASB sector standard, viz., Multiline and Specialty Retailers & Distributors • Additional disclosures made on JAT's climate related risks and opportunities	**TAGS Awards 2025 conducted by CA Sri Lanka** • **Bronze award winner** – Manufacturing Sector Group turnover Rs. 10-50 Bn **Excellence in Integrated Reporting Awards 2025 by CMA Sri Lanka** • **Gold award winner** – Trade and Commerce Sector • **Merit award** for overall excellence **ACCA Sustainability Reporting Awards 2024/25** • **Runner up** – Retail and Trading Sector
 FY26	Our ninth Integrated Annual Report and fifth as a listed company, further strengthening the depth, clarity, and quality of our disclosures and reporting framework	

WHO WE ARE

GRI 2-1

We are JAT Holdings PLC, envisioned to be the brand of choice to the finishing, living and furnishing industries in South Asia...

Our legacy

Since its inception in 1993, JAT Holdings PLC has evolved from a pioneering player in Sri Lanka's wood coatings industry into a dynamic and diversified manufacturing group with an expanding global footprint. What began as a focused venture in wood finishing and furnishing solutions has steadily transformed into a multi-sector enterprise spanning wood coatings, decorative paints, paint brushes and rollers, luxury kitchen solutions, ergonomic office furniture, and an emerging technology-driven industry, viz., electric vehicle charger production.

Built on a foundation of innovation, technical expertise, and an unwavering commitment to quality, we have swiftly established JAT as a trusted partner to professionals and consumers across Sri Lanka and South Asia. Over the years, the Group has strengthened its capabilities through backward vertical integration, advanced manufacturing, and strategic partnerships, enabling it to deliver high-performance solutions while maintaining strong operational resilience.

A Year that Redefined Us

Today, JAT stands at a defining point in its journey, embracing change, expanding its horizons, and diversifying its portfolio to remain relevant in an increasingly dynamic global environment. The year was marked by two major milestones for the Group, affirming its strength, stature, and dynamism.

Strategic Global Expansion

A key milestone in this journey was the acquisition of Mirotone (NZ) Limited, New Zealand's leading industrial wood coatings company and a globally respected 90-year-old brand. This strategic move enhances JAT's research and development capabilities, strengthens its manufacturing scale, and expands access to international markets, positioning the Group for growth across Australia and further into Europe and the Americas.

Entering Future-Focused Industries

The Group ventured into a forward-looking sector – electric mobility infrastructure through its EV charger manufacturing and charging network initiatives, reflecting JAT's commitment to innovation, sustainability, and building solutions for the future.

Sights firmly set on the future

Guided by entrepreneurial vision and supported by a skilled and passionate workforce, JAT continues to redefine its identity, from a traditional coatings specialist to a globally oriented, innovation-driven enterprise. By embracing transformation, pursuing strategic diversification, and expanding into new markets and technologies, the Group remains committed to strengthening its resilience and delivering sustainable value to customers, partners, and stakeholders worldwide.



VISION

Be the brand of choice to the finishing, living and furnishing industries in South Asia



MISSION

We are committed to building long-term relationships based on integrity, performance, value and exceeding customer satisfaction. We will continue to meet the changing needs of our clients with our highest quality and innovative solutions delivered by the most qualified people. We are more than a conglomerate. We are a dedicated team striving to bring growth to our community, helping to maintain existing businesses and assisting our clients in making their dreams become a reality



VALUES

- In-depth knowledge of the entire business
- Leadership at all levels
- Complete customer satisfaction
- Continuous improvement and Innovation

GROUP STRUCTURE AS OF 31 MARCH 2026

GRI 2-6

JAT Holdings PLC

JAT Exports (Pvt) Ltd

Global exports: Engaging in the export of a diverse range of paints and related products to our target markets

100%

Worldwide Resins & Chemicals (Private) Limited

Industrial chemical solutions: Delivering innovative and tailored chemical solutions for diverse sectors, including oil & gas, plastics, personal care, and food & beverage

100%

Brush Master (Pvt) Ltd

Exclusive paint brush manufacturing: Produces premium paint-related brushes under the Brush Master brand exclusively for JAT Holdings PLC

90.39%

JAT Global Private Limited

Market distribution: Importing, trading, and distributing JAT and Sherwin Williams products to Indian retail outlets, distributors, and industrial sectors

98.37%

JAT Exports DMCC

Global commodities operations: Engaging in diversified business activities aligned with the scope of the Dubai Multi Commodities Authority

100%

Volt Industrial Company (Pvt) Ltd

EV charging infrastructure: Developing and operating EV charging solutions that support Sri Lanka's transition towards cleaner and more accessible mobility.

84%

Mirotone Australia PTY LTD

Industrial wood coatings: Providing high-performance wood coating solutions for furniture, joinery, flooring, and interior wood applications across the Australian market.

100%

JAT Australia PTY Ltd

Strategic investments: Focusing on deploying capital in a diversified portfolio of companies to drive growth and create sustainable long-term value

100%

Asia Coatings (Pvt) Ltd

Wood coating manufacturing in Bangladesh: Strengthening JAT's footprint in South Asia by producing high-quality wood coatings, marking a significant step toward becoming a major regional brand

99.98%

JAT Paints Africa Limited

Supplying the construction industry in Republic of Kenya: Importing and distributing paints, wood coatings, and related accessories to support the country's construction sector

60%

Joint Venture

Seaform Bangladesh (Pvt) Ltd

Comprehensive furniture solutions: Importing and supplying wooden, steel, and leather furniture, along with other related furnishings

73.29%

Mirotone (NZ) Limited

High-performance coatings: Manufacturing and delivering high-performance coating solutions for furniture, joinery, flooring, and specialist interior applications across the New Zealand market.

100%

SEAFORM Perth PTY Ltd

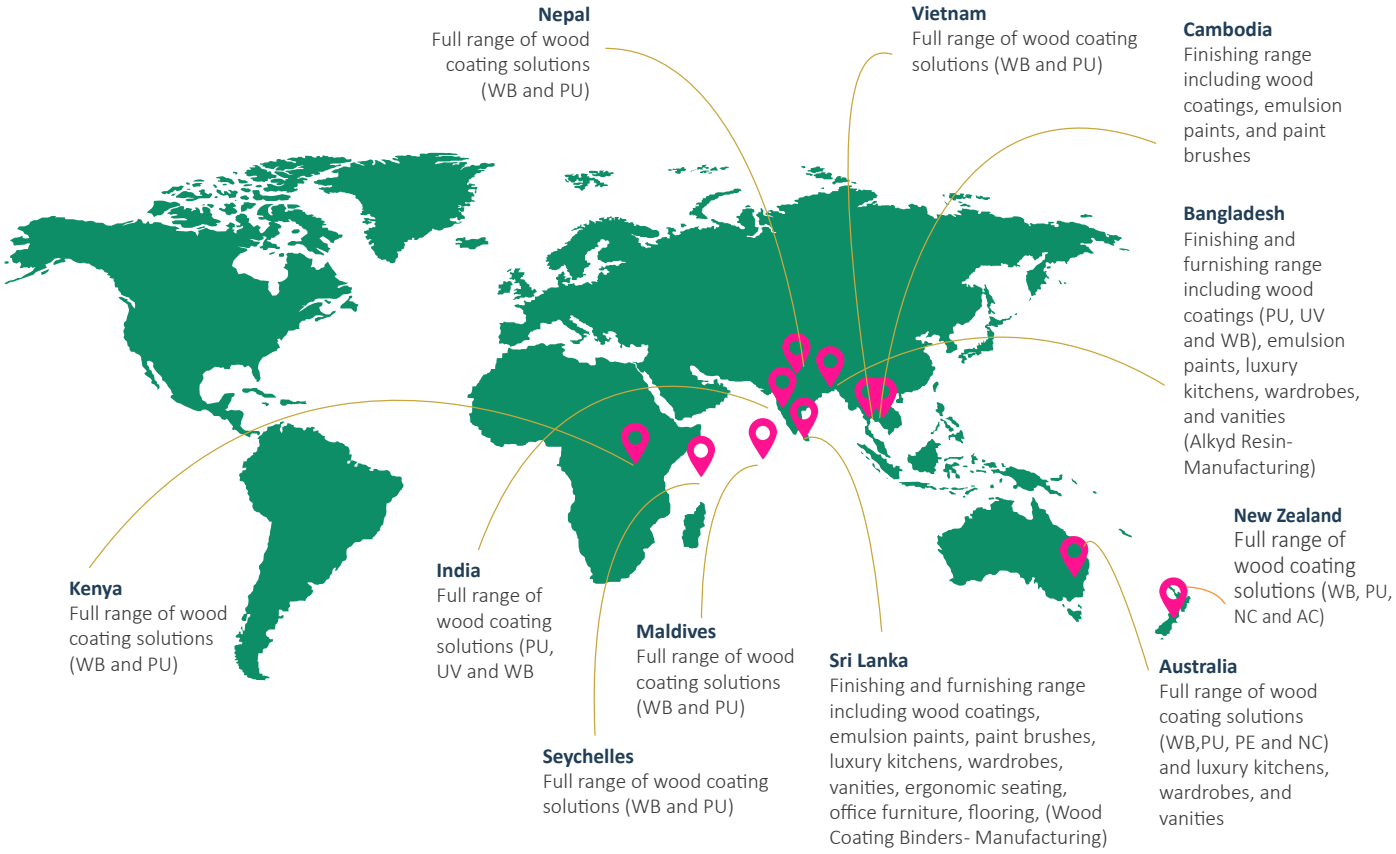
Premium kitchen & wardrobe solutions: Importing, marketing, selling, distributing, and installing SEA Kitchens and Wardrobes across Western Australia

50%

Joint Venture



GLOBAL PRESENCE



PRINCIPAL PRODUCT SEGMENTS

Wood Coating solutions

The Wood Coating category consists of a comprehensive range of interior and exterior, water-based and solvent-based products that provides the perfect, long-lasting finish for any type of wood.

SAYERLACK · MIROTONE · BORMA WACHS · Masters · J CHEM · CoatEx

Decorative paints & other accessories

Comprehensive paint and application solutions, combining high-performance coatings with professional – grade brushes, rollers, and accessories for consistent results across every surface.

WHITE by JAT · Harris · Wallz · Brushmaster · JAT Hydro · KOLORZ

Furnishing solutions & projects

Luxury interior solutions tailored for modern living spaces.

SEAFORM · HermanMiller · OPPEIN · COLAN · KNAUF CEILING Solutions · BURG · dasso · schäfer

Electric Vehicle (EV) Charging solutions

Sustainable energy solutions for the next generation of transport.

VOLT CHARGE



PATHS OF PROGRESS

Year in Review

JAT Holdings' year reflects deliberate expansion and strategic evolution. Operational milestones and new acquisitions underscore how multiple initiatives can move in parallel while contributing to a unified growth trajectory. Every decision demonstrates foresight, discipline, and long-term intent.

A WINNING PROPOSITION

RECOGNITION AND CERTIFICATIONS

JAT's pursuit of excellence is reflected in the numerous recognitions and certifications earned across its operations. These accolades and accreditations reflect the Group's leadership within the industry while reaffirming its commitment to quality, innovation, sustainability, and responsible business practices. Together, they demonstrate JAT's adherence to globally recognised standards and its continued impact across diverse socio-economic spheres.

AWARDS AND ACCOLADES



Overall Excellence

- Gold winner in the Manufacturing sector (Paints and Luxury Home and Office Furnishing) category at the Best Management Practices Company Awards 2025 organized by the Institute of Chartered Professional Managers of Sri Lanka (CPM)
- 40 Outstanding Companies at the Best Management Practices Company Awards 2025 organized by the Institute of Chartered Professional Managers of Sri Lanka (CPM)
- Bronze winner in the Manufacturing sector at CNCI Achiever Awards 2025 organized by Ceylon National Chamber of Industries

Excellence in Corporate Reporting

- Bronze winner in the Manufacturing sector (Group Turnover 10-50Bn) at TAGS Awards 2025 organized by the Institute of Chartered Accountants of Sri Lanka
- Gold winner in the Trade and Commerce sector at CMA Excellence in Integrated Reporting Awards 2025 organized by the Institute of Certified Management Accountants of Sri Lanka
- Merit winner at CMA Excellence in Integrated Reporting Awards 2025 organized by the Institute of Certified Management Accountants of Sri Lanka.

Excellence in Sustainability

- Runner-up in the Retail and Trading sector at ACCA Sustainability Reporting Awards 2024/25 organized by the Association of Chartered Certified Accountants (ACCA)

Excellence in Marketing

- Bronze winner in the Real Estate/ Building Material/Hardware at Best Use of Digital in a Marketing Campaign at SLIM Digis 2.5

RANKINGS

- Ranked 3rd in the Home Finishing category in the LMD Customer Excellence Survey
- Recognised among Sri Lanka's 100 Leading Listed Companies by LMD
- Recognised among Sri Lanka's Most Respected Corporate Entities by LMD
- Listed among Sri Lanka's Top 50 Corporate Brands in the LMD Brand Annual rankings
- Ranked among Sri Lanka's Leading Home Finishing brands in the LMD Brand Annual rankings
- Recognised among Sri Lanka's Most Valuable brands by Echelon & Brand Finance rankings
- Ranked No. 47 in the LMD Most Awarded Companies list

ACCREDITATIONS

Sri Lanka

JAT Holdings PLC

- ISO 9001:2015 QMS Certification by Otabu Certification Pvt. Ltd
- ISO 14001:2015 EMS Certification by Otabu Certification Pvt. Ltd
- ISO 45001:2018 OHSMS Certification by Otabu Certification Pvt. Ltd
- ISO 14064-1 GHG Emission Verification by National Cleaner Production Centre, Sri Lanka
- ECO Label Certification by National Cleaner Production Centre Sri Lanka
- Authorized Responsible Care Logo by Lanka Responsible Care Council
- Green Seal Certification for 'WHITE by JAT interior' by Green Seal Incorporation
- Green Seal Certification for 'WHITE by JAT exterior' by Green Seal Incorporation
- Green Seal Certification for 'Master All in One Wood Coating' by Green Seal
- Environmental Protection License by Central Environmental Authority
- AA(lka); Stable Outlook by Fitch Ratings



Brush Master (Pvt) Ltd

- ISO 9001:2015 QMS Certification by Otabu Certification Pvt. Ltd.
- ISO 14001:2015 EMS Certification by Otabu Certification Pvt. Ltd.
- ISO 45001:2018 OHSMS Certification by Otabu Certification Pvt. Ltd.



Bangladesh

Asia Coatings (Pvt) Ltd

- ISO 9001:2015 QMS Certification by United Certification (UNI-CERT)
- ISO 14001:2015 EMS Certification by United Certification (UNI-CERT)
- ISO 45001:2018 OHSMS Certification by United Certification (UNI-CERT)



PERFORMANCE HIGHLIGHTS

GRI 201-1

Financial Highlights		2025/26	2024/25	Y-o-y change (%)
Profitable Growth				
Revenue	Rs. Mn	12,642	11,625	9%
Gross Profits	Rs. Mn	4,794	4,012	20%
Operating Profit	Rs. Mn	1,846	1,823	1%
Profit Before Tax	Rs. Mn	1,694	1,606	6%
Profit After Tax	Rs. Mn	1,525	1,779	-14%
PAT Margin	%	12%	15%	-3%
Economic Value Generated	Rs. Mn	13,032	11,914	9%
Economic Value Distributed	Rs. Mn	11,058	10,563	5%
GP margin	%	38%	34%	3%
GP Increase	Rs. Mn	782	623	26%
Return on assets	%	9%	11%	-3%
Return on Capital Employed	%	15%	18%	-3%
Return on Equity	%	13%	17%	-5%
Interest Cover	Times	5.84	6.01	4%
Financial Stability				
Total Assets	Rs. Mn	17,796	16,021	11%
Total Liabilities	Rs. Mn	5,714	5,630	1%
Total Equity	Rs. Mn	12,082	10,391	16%
Shareholders' Funds	Rs. Mn	12,012	10,413	15%
Non-Controlling Interest	Rs. Mn	69	(22)	414%
Total Debt (After Acquisition)	Rs. Mn	3,647	3,348	9%
Net Debt (After Acquisition)	Rs. Mn	2,189	1,908	15%
Gearing Ratio	%	21 %	24%	-1%
Net Debt (Cash)/Equity- (After Acquisition)	Times	0.18	0.18	0%
Debt/Total Assets	Times	0.20	0.21	-5%
Working Capital Management				
Current Ratio	Times	2.19	2.02	8%
Liquidity Ratio	Times	1.41	1.24	14%
Quick Asset Ratio	Times	1.54	1.50	14%
Inventory Days	Days	154	150	3%
Debtor Days	Days	139	130	7%
Creditor Days	Days	26	44	-41%
Shareholder Information				
Earnings per share	Rs.	2.92	3.50	-17%
Dividends per share	Rs.	0.44	0.80	-45%
Net assets per share	Rs.	23.13	20.36	14%
No. of Shares in Issue	No.	522,436,476	510,407,773	2%
Closing Price	Rs.	39.00	26.90	45%
Market Capitalization	Rs. Bn	20.38	13.73	48%
P/E Ratio	Times	13.4	7.7	73%
Dividend Payout	%	15%	23%	-8%
Dividend Cover	Times	6.63	4.38	52%
Dividend Yield	%	1%	3%	-2%

Manufactured Capital		2025/26	2024/25	Y-o-y change (%)
Property Plant and equipments	Rs. Mn	3,837	3,637	6%
Capital Expenditure	Rs. Mn	398	439	-9%
Efficiency Ratio	%	75%	76%	-2%
Compliance with safety standards within the factory	%	100%	100%	0%

Human Capital		2025/26	2024/25	Y-o-y change (%)
Total Employees	No.	545	509	7%
Payment to Employees	Rs. Mn	1,764	1059	67%
Female Representation	Rs. Mn	18%	18%	0%
New Recruits During the Year	%	142	158	-10%
Attrition	%	27%	24%	3%
Employee Retention Rate	%	79%	75%	4%
Promotions	No.	49	70	-30%
Investment in Training	Rs. Mn	10	7	43%
Total Training Hours	Hours	5013	7016	-29%
Average Training Hours per Employee	Hours	9	14	-34%
Workplace Injuries	No.	6	5	20%
Fatalities	No.	0	0	0%

Intellectual Capital		2025/26	2024/25	Y-o-y change (%)
Investment in R&D	Rs. Mn	47	55	17%
New Products Launched	No.	15	4	275%
Products in Pipeline	No.	10	6	67%
Strength of R&D Team	No.	10	9	11%
Employees with Service Exceeding 10 Years	No.	123	93	32%
Total Awards Won	No.	8	13	-38%
ISO Standards Sustained	No.	4	3	33%

Social and Relationship Capital		2025/26	2024/25	Y-o-y change (%)
Payments to Suppliers	Rs. Mn	10,445	9,326	12%
Total Suppliers	No.	1,576	1,545	2%
Total Distributors	No.	26	26	0%
Loyalty Base	No.	185,853	171,352	8%
Qualified Painters under Pintharu Abhiman	No.	251	258	-3%
Investment in CSR	Rs. Mn	58	43	35%
Long-term Community Empowerment Projects in Effect	No.	7	7	0%

Natural Capital		2025/26	2024/25	Y-o-y change (%)
Energy Consumption	GJ	6,401	3,474	84%
Renewable Energy Generation	GJ	1,479	867	70%
Energy Intensity	GJ/Rs. Mn	0.0005	0.0003	59%
Water Consumption	ML	21	18	17%
Solid Waste Disposed	MT	387	203	91%
Carbon Footprint	tCO2e	1123.2	2171.6	-48%
Effluent discharged	ML	0.523	0.434	21%
Per product Carbon footprint	tCO2e/L	0.0001	0.0005	-74%
Per Employee Carbon footprint	tCO2e	2	4	-52%

Governance		2025/26	2024/25	Y-o-y change (%)
Board of Directors	No.	9	9	0%
Independent Directors	%	44%	44%	0%
Female Representation at the Board	%	22%	22%	0%
Board Meetings Held	No.	10	9	11%
Total Board Sub-committees in Function	No.	5	5	0%
Voluntary Board Sub-committees in Function	No.	1	1	0%
Instances of Non-compliance on Enivironment, Social or Economic Aspect	No.	0	0	0%

MILESTONES


Incorporation of JAT Holdings PLC
1993
First company to introduce PU wood coatings to Sri Lanka which revolutionized the wood finishing market with innovating wood coatings
1996
First company to introduce water base wood coatings in Sri Lanka & region thereby transforming South Asia's wood coating industry
2000
Entered the Bangladeshi market with Sayerlack, J Chem & Borma Wachs
2001
Entered the Maldives market with Sayerlack & Borma Wachs
2005
Private placement with 6% of total market value
2014
1995
Partnered with Sayerlack, the global leader in wood coatings
1998
First company to introduce islandwide training on wood finishing for applicators, architects, institutes, wood working industries
1999
Partnered with Borma Wachs, Europe's largest wood cosmetics producers to become the first company to introduce Water Base Putty into the Sri Lankan market
2010
Launched Brush Master, the premium paint brush made with Dupont filament
2011
Partnered with Herman Miller, the global leader in ergonomic office furniture, thereby entering the office furnishing market
2013
Entered the Indian market with Sayerlack
2019
Acquired exclusive agency for Harris paint brushes


2017
Partnered with SEA Group (Germany) introducing state-of-the-art kitchens and wardrobes
2020
Entered the African Market
2020
Introduced the Experience Centre concept
2021
Launched premium quality decorative paint, WHITE by JAT
2021
Through an IPO, JAT listed in the Colombo Stock Exchange, offering 16% to the public
2021
Initiated JAT Pintharu Abhiman
2022
Launched the state-of-the-art Research & Development centre at SLINTEC
2022
Launched cutting-edge manufacturing facility in Bangladesh
2024
Incorporated an Alkyd Resin manufacturing plant in Bangladesh
2024
Incorporated an Acrylic Binder manufacturing plant in Sri Lanka
2024
Opened JAT Lifestyle Studio in Colombo
2024
Opened SEAFORM showroom in Australia
2025
Opened a JAT Tech Centre in Cambodia
2025
Commenced EV charger manufacturing and charging network initiative
2025
Acquired Mirotone (NZ) Limited and Mirotone, a globally recognized wood coating brand from Australia

KEY EVENTS

2025 Jun

Employee Blood Donation Drive



An employee blood donation drive was conducted to encourage voluntary participation in support of lifesaving healthcare needs. The initiative reflected the Group's commitment to community wellbeing while creating an opportunity for employees to contribute meaningfully beyond the workplace.

2025 Jun

Volt Charge Sri Lanka



JAT Holdings PLC along with its subsidiary Volt Industrial Company (Pvt) Ltd accelerated its expansion in the EV charging solutions sector during the year, leveraging Sri Lankan engineering excellence and advanced manufacturing capabilities to drive innovation and sustainable mobility.

2025 Sep

JAT Annual Cricket Match



The Annual Cricket Match brought employees together in a spirit of teamwork, sportsmanship and healthy competition. The event supported engagement across departments, strengthening internal relationships and reinforcing the value of collaboration beyond day-to-day work.

2025 Oct

JAT Pintharu Abhiman - 3rd Edition



The third edition of Pintharu Abhiman concluded with its final workshop in Colombo, recording 3,400 painter registrations across eight key locations. The programme continued to strengthen skills development, industry recognition and JAT's engagement with Sri Lanka's professional painter community.

2025 Oct

SpeechCraft Programme and SpeakEasy Sessions



The SpeechCraft Programme was launched alongside the first SpeakEasy session to strengthen employees' public speaking, presentation and confidence-building skills. The initiatives created a structured platform for professional development through practical learning, expert exposure and knowledge sharing with business leaders.

2025 Oct

JAT Excellencia



JAT Excellencia 2025 recognised outstanding employee achievements, performance excellence and contributions to organisational success. The event reinforced a culture of appreciation, accountability and continuous improvement, celebrating individuals and teams who demonstrated strong commitment to the Group's progress.

2025 **Nov**

Mirotone Acquisition Announcement



The announcement of JAT's acquisition of Mirotone was executed through a coordinated media and communications campaign, delivering strong visibility across leading digital and print platforms. The milestone strengthened JAT's positioning as a Sri Lankan-born multinational with an expanding international footprint and deeper capabilities in industrial wood coatings.

2025 **Dec**

JAT Learning Management System Implementation



A digital learning management system was implemented to support structured employee training, skill development and knowledge sharing. The platform strengthens access to learning resources across the organisation and reinforces the Group's focus on continuous capability building.

2026 **Jan**

Launch of JAT Painters Club



The JAT Painters Club was launched as a targeted engagement initiative to strengthen participation within the emulsion category. Established through regional club structures, the programme recognises and rewards painters based on product usage, supporting trade loyalty and deeper engagement with professional painter communities.

2026 **Feb**

JAT Future Leader Programme



The JAT Future Leaders Programme was introduced to identify and develop high-potential employees across the organisation. The initiative focuses on strengthening leadership capability, strategic thinking and decision-making skills, supporting succession readiness and the development of future business leaders.

2026 **Mar**

ACL International Women's Day Celebration



Asia Coatings (Pvt) Ltd. marked International Women's Day 2026 through an employee engagement initiative that recognised the contribution of women across the organisation. The celebration reinforced ACL's commitment to respect, inclusion and shared success.

2026 **Mar**

ACL Iftar Mahfil



Asia Coatings (Pvt) Ltd. hosted its annual Iftar Mahfil during Ramadan, bringing together stakeholders and partners in a spirit of faith, gratitude and fellowship. The evening featured a Dua Mahfil and strengthened relationships through meaningful engagement and shared reflection.

DRIVING FUTURE GROWTH THROUGH DIVERSIFICATION



WHERE LEGACY MEETS VISION

A defining step in JAT's evolution into a global coating platform

In one defining move, JAT Holdings PLC stepped beyond regional boundaries and onto a larger global stage. The acquisition of Mirotone, a 90-year-old industrial wood coatings leader from New Zealand, marks both an expansion in geography, and the powerful convergence of two companies united by craftsmanship, innovation, manufacturing excellence, and bold ambition. It has brought together Mirotone's legacy and developed-market expertise with JAT's agile, growth-driven multinational vision, creating a stronger platform positioned to compete across international coatings markets.

Strategic Convergence

JAT Holdings PLC	Mirotone (NZ) Limited
Strong presence across South Asian and emerging international markets	90-year brand legacy established in 1935
Advanced R&D and manufacturing capability	Market leader in industrial wood coatings in New Zealand
Backward vertical integration through binder and alkyd resin manufacturing	Long-standing expertise in developed markets
Expertise in water-based and industrial coating technologies	Strong industrial customer relationships across Australasia
Established market leadership across multiple regional segments	Recognised for technical quality and customer service excellence

MIROTONE
Leading the way in coating systems since 1935

KEY STATS

LKR 489 Mn
investment

Access to every continent through international brand

30
Competent employees added to our talent pool

Production facilities in New Zealand

LKR 293 Mn
added to our property, plant and equipment

"Mirotone is more than an acquisition for JAT, it is the coming together of legacy, innovation, and ambition, reflecting the entrepreneurial spirit that has always defined JAT: the courage to think beyond borders, expand with conviction, and take Sri Lankan capability, innovation, and manufacturing excellence onto the global stage."

Aelian Gunawardene
Managing Director, JAT Holdings



NEW PATHWAYS FOR GROWTH

Relaunching in Australia

Reintroduction of Mirotone into the Australian market with renewed manufacturing, distribution, and product capability

Product Innovation

Acceleration of formulation development and advanced coating technologies through shared R&D expertise

Retail Expansion

Expansion into architectural and exterior water-based coating segments through an enhanced portfolio offering

International Reach

Strengthening access to developed and emerging markets across Oceania and beyond

STRENGTHENING THE GLOBAL PLATFORM

The acquisition strengthens JAT's ability to operate across multiple stages of the coatings value chain while expanding access to developed-market customer ecosystems, advanced manufacturing knowledge, and technically specialised product segments.

Combined with JAT's backward integration capabilities and regional manufacturing footprint, the acquisition positions the Group to scale more efficiently while accelerating innovation and long-term growth.



BROADENING HORIZONS THROUGH EV INFRASTRUCTURE

Recognising the transformative potential of electric mobility, JAT Holdings expanded into the sector through the incorporation of Volt Industrial Company, broadening the Group's horizons into a rapidly evolving technology-driven industry. More than a charging network operator, Volt has established an integrated platform spanning local engineering, manufacturing, software development, and infrastructure deployment. Through continued investment in innovation and the expansion of its nationwide charging network, Volt is helping address a critical enabler of EV adoption while supporting Sri Lanka's transition toward cleaner transportation. The business reflects JAT's approach to identifying future-focused opportunities, building capability ahead of demand, and investing in sectors positioned to contribute to long-term economic and environmental progress.

VOLT CHARGE



THE DISTANCE WE'VE COME

15,000+
Registered users

80+
Charging stations across all provinces

2,000+
Installed chargers across all provinces

Largest EV charger network in Sri Lanka

MARK OF QUALITY AND EXCELLENCE

TÜV Rheinland certified for safety and quality

reddot winner 2024
Red Dot Design Award (2024)

iF Design Award (2024)

Good Design Award (2024)

Powering Sri Lanka's economic and research frontiers

- Sri Lana based manufacturing and engineering services
  - Full traceable manufacturing process with automated firmware and testing capability
  - Scalable resource base with handle peak manufacturing demands
  - Sri Lanka based R&D and manufacturing
- Fully integrated R&D team supported by state-of-the-art EV charger design and testing capabilities
- Continuous innovation to keep pace with evolving EV charging technologies
- Development of customised hardware and software solutions
- Expansion of EV charging software capabilities to integrate with energy providers, smart cities, governments, and related stakeholders

Advancing Sustainable Mobility

- Supports
  - o Reduction in transport emissions
  - o Transition to clean energy mobility
- Enables
  - o EV adoption across consumer and enterprise segments
- Aligns with
  - o National sustainability and decarbonisation goals
- Smart charging supports
  - o Efficient electricity usage and grid stability





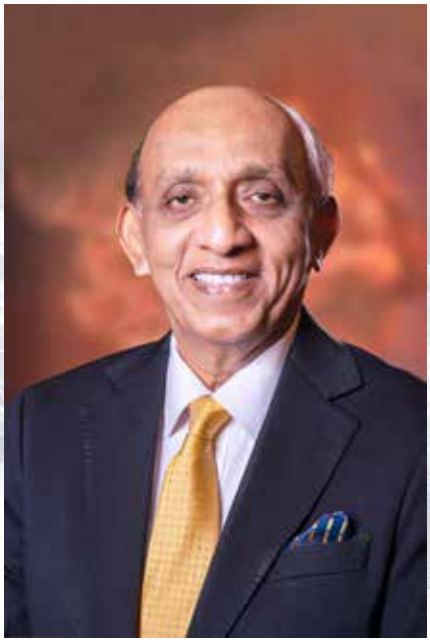
PATHS OF PRUDENCE

Leadership and Governance

Leadership and governance at JAT Holdings provide the structure, discipline, and oversight required to guide the Group's continued progress. Through considered decision-making, responsible conduct, and strategic accountability, the organisation remains anchored by prudence as it advances across its operations.

REFLECTIONS FROM THE CHAIRMAN

GRI 2-22



Dear Stakeholders,

It is my pleasure and privilege, as Chairman of JAT Holdings PLC, to present to you the Integrated Annual Report and audited financial statements for the financial year ended 31 March 2026.

The year under review stands among the most defining chapters in JAT's journey thus far. It was a year in which the Group expanded its global presence with conviction, strengthened its multinational identity, and continued to move forward on multiple fronts, all connected through a shared strategic direction; Paths with Purpose, the theme that aptly defines this year's Report.

Among the most significant milestones of the year was the acquisition of the Mirotone (NZ) Limited of New Zealand, a strategic step that marked JAT's entry into a developed-market industrial coatings platform with a legacy spanning nearly nine decades. More than a geographic expansion, this acquisition represents a meaningful strengthening of JAT's global ambitions, manufacturing capabilities, international market reach, and dollarised revenue composition. It reflects our confidence in building a globally relevant coatings and finishing solutions platform rooted in Sri Lankan enterprise, manufacturing excellence, and long-term value creation. With the New Zealand acquisition, JAT now operates in more than 10 countries across multiple continents.

Navigating Diverse Operating Landscapes

As a Group with manufacturing and operational presence across multiple geographies, the year also reinforced the importance of resilience, adaptability, and strategic foresight in navigating differing economic and political realities.

Sri Lanka – A year of stabilisation and gradual recovery

Sri Lanka experienced a period of cautious but encouraging recovery during the year under review, following the severe economic dislocation experienced in recent years.

This progress was reflected in several key economic indicators. GDP growth recorded a commendable 5%. Of particular relevance to JAT, the construction sector posted notable growth, generating positive spillover effects across related industries such as wood coatings, paints, and furnishing solutions.

Inflation remained largely contained within manageable levels during the year, supported by disciplined monetary policy and improving supply-side conditions, while interest rates remained relatively stable and accommodative. The gradual improvement in consumer purchasing power and business sentiment created a more supportive operating environment compared to preceding years.

Climate realities becoming increasingly evident

One of the most sobering events of the year was the devastating impact of Cyclone Ditwah, which resulted in significant human loss and widespread economic disruption across several regions of Sri Lanka. The incident served as a stark reminder of the growing intensity and frequency of climate-related events and reaffirmed the vulnerability of island nations such as Sri Lanka to acute physical climate risks.

Importantly, it also highlighted the critical importance of organisational resilience, preparedness, and agility. Businesses that proactively integrate climate considerations into strategy, operations, and risk management are far better positioned to withstand disruption, recover swiftly, and sustain continuity amidst increasingly unpredictable environmental realities.

Bangladesh – Resilience amidst uncertainty

Bangladesh remained a strategically important yet challenging market for JAT during the year under review. The country continued to navigate the after-effects of political transition, elevated inflation, currency pressures, and subdued business confidence, all of which impacted industrial activity and consumer demand.

These conditions had a direct bearing on our Bangladesh operations, particularly through Asia Coatings (Pvt) Limited and the Group's manufacturing facility and Alkyd Resin Plant. Nevertheless, Bangladesh continues to remain a market of long-term strategic relevance for JAT, supported by its industrial potential, scale, and growing demand for value-added coatings solutions.

New Zealand – Strengthening our global footprint

New Zealand presented a challenging yet strategically attractive operating environment during the year. While economic growth remained subdued during 2025.

Against this backdrop, the acquisition of Mirotone represents a transformative milestone for JAT. As a trusted industrial wood coatings brand with strong recognition across New Zealand and Australasia, Mirotone provides JAT with a credible platform to participate in premium coatings segments and strengthen its international presence across developed markets.

This acquisition also meaningfully advances JAT's long-term strategy of enhancing the dollarised composition of revenue streams, diversifying geographic exposure, and building a globally integrated coatings platform capable of delivering sustainable value across multiple stakeholder groups.

Strengthening Value Creation Across Stakeholders

Driven by the expansion and strengthening of operations during the year, your Group reported a profit after tax of Rs. 1.5 Bn. While profitability moderated compared to the exceptional performance recorded in the previous year, it is encouraging to note the strong revenue momentum achieved during the year, with revenue increasing to Rs. 12.6 Bn, reflecting a year-on-year growth of 9%.

The Group's financial performance translated into a return on equity of 12.6% and earnings per share of Rs. 2.92 continuing to deliver value to shareholders amidst evolving operating conditions.

Beyond financial outcomes, the value created by the Group continued to extend meaningfully across a broad stakeholder base. Our employees across all geographies benefited through sustained employment generation, learning and development opportunities, and continued investment in creating a progressive and empowering workplace culture. Our customers continued to benefit from enhanced product innovation, improved service delivery, and access to internationally benchmarked coatings and furnishing solutions supported by the Group's expanding global capabilities.

The Group also continued to strengthen long-standing partnerships with suppliers, distributors, and business partners, contributing towards shared economic growth across the value chain. Meanwhile, communities continued to benefit from the Group's social investment initiatives, particularly flagship programmes such as JAT Pintharu Abhiman, which continued to uplift and empower the painter community through professional recognition, skills development, and social advancement.

Governance as a Foundation for Sustainable Growth

One of the enduring strengths underpinning JAT's success has been the robustness of its governance culture. Even prior to becoming a listed entity on the Colombo Stock Exchange, the Company operated with the discipline, accountability, and governance mindset expected of a publicly listed corporate.

The resilience of our business, the prudence exercised in expansion decisions, and the overall health and sustainability of the organisation continue to benefit immensely from this strong governance foundation.

During the year, the Company continued to be guided by a highly experienced Board comprising professionals with diverse expertise spanning corporate leadership, international business, finance, marketing, strategy, innovation, and governance.

The dynamism of the Board is reflected in the depth of discussion, constructive challenge, and strategic insight brought into deliberations covering matters ranging from mergers and acquisitions to operational performance, risk management, technology, innovation, and long-term strategic positioning. Importantly, innovation and entrepreneurial thinking continue to receive strong support and encouragement from the Board.

Key areas of Board focus during the year included strategic expansion initiatives, integration of acquired operations, strengthening governance frameworks across international markets, climate and sustainability oversight, enterprise risk management, cybersecurity and data governance, succession planning, and long-term capital allocation priorities.

As JAT increasingly positions itself as a globally connected Sri Lankan multinational, governance surrounding technology, cybersecurity, digital resilience, and data protection also received heightened attention amidst the Group's growing reliance on digital infrastructure and data-driven operations.

Embedding Sustainability into Strategy

Sustainability-linked priorities continued to receive significant attention during the year as the Group progressively advanced from intent and discussion towards deeper integration and meaningful action. In this journey, the newly introduced SLFRS S1 and SLFRS S2 Sustainability Reporting Standards provided valuable guidance, in shaping reporting practices, as well as, and but more importantly in strengthening strategic thinking, governance structures, and operational priorities around sustainability-related matters.

We recognise that sustainability is not a destination, but an evolving journey requiring continuous learning, adaptation, and long-term commitment. Importantly, we increasingly view sustainability not merely as a compliance obligation, but as an enabler of resilience, innovation, preparedness, and future opportunity creation.

Our teams responsible for driving environmental, social, and governance priorities continued to advance multiple initiatives throughout the year.

Appreciation

I wish to extend my sincere appreciation to my fellow Board members for their guidance, insight, and unwavering commitment throughout yet another dynamic year. Their stewardship and strategic counsel have continued to play an invaluable role in shaping the Company's direction and sustaining its momentum.

On behalf of the Board, I also wish to acknowledge our Managing Director, the Chief Executive Officer and the senior leadership team for their strategic vision, execution capability, and leadership during a year marked by both opportunity and complexity.

Most importantly, I extend my heartfelt gratitude to our employees across Sri Lanka and our international operations. Their agility, resilience, professionalism, and enduring commitment continue to form the very foundation of JAT's progress. The bold strides we are taking as a Group would not have been possible without the strength, adaptability, and dedication demonstrated by our teams across all geographies.

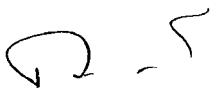
I also wish to thank our customers, business partners, and shareholders for the trust and confidence they continue to place in JAT and for accompanying us on this continuing journey of growth and transformation.

Looking Ahead

As we look ahead, we remain driven by the ambition to move beyond familiar ground and continuously explore new opportunities across markets, industries, and capabilities. Though distinct in nature, these pursuits remain connected through a shared strategic direction: Paths with Purpose.

We will continue to strengthen our presence across each of our geographies and business segments while remaining committed to delivering the best of Sri Lanka to the world and bringing the best of the world to Sri Lanka. As a proudly Sri Lankan multinational enterprise, we aspire to continue serving as a conduit for connecting global value across borders through innovation, manufacturing excellence, and purposeful growth.

Wishing you all continued wellbeing and success.



Dr. Sivakumar Selliah
Chairman

2 June 2026

MANAGING DIRECTOR'S REVIEW



Dear stakeholders,

JAT Holdings stands at a genuinely exciting moment in its history, one defined not simply by growth, but by the kind of purposeful, internationally oriented growth that we have long worked towards. This year, strategic intent became strategic reality, and I am pleased to present an account of the Group's performance and progress for the financial year ended 31 March 2026.

To our shareholders, employees, customers, partners, and all who have accompanied us on this journey: thank you. Your continued trust is both the foundation and the motivation for everything we do.

Forging Forward With Confidence

From its earliest days, JAT's ambition has extended well beyond the borders of Sri Lanka. We have always believed that a Sri Lankan enterprise, rooted in local capability and innovation, can compete and succeed on the global stage. This year, that belief was affirmed with greater clarity and conviction than ever before.

Over several years, the Group has systematically strengthened its people, systems, operational processes, and governance structures in deliberate preparation for an international acquisition that would open access to developed markets, global customers, and advanced technologies. That opportunity arrived in the form of Mirotone (NZ) Limited.

We have long observed that mergers and acquisitions represent a natural, time-tested pathway for consolidation and growth within the global industrial and wood coatings industry. The acquisition of Mirotone was therefore not an opportunistic transaction, but the realisation of a carefully constructed long-term strategy.

A Strategic Acquisition With Global Potential

The acquisition of Mirotone (NZ) Limited marks a transformative step in JAT's international journey. Through this transaction, the Group has secured meaningful access to the Australian, New Zealand, and Southeast Asian markets, extending the reach of a Sri Lankan-born brand across some of the most commercially significant geographies in the Asia-Pacific region.

Beyond market access, the acquisition has substantially strengthened our research and development capabilities. Mirotone's established technical expertise in developed-market coatings, combined with JAT's own culture of manufacturing agility and product engineering, creates a powerful platform for formulation innovation and product leadership.

I take pride in noting that our Sri Lankan R&D Centre continues to lead the development and refinement of advanced coating formulations, while production for certain international markets is now being undertaken right here in Sri Lanka. This is a meaningful demonstration of the technical depth and manufacturing capability that Sri Lanka possesses, and of JAT's role in showcasing that potential to the world.

Expanding Beyond Traditional Boundaries

While JAT's heritage and core strength remain firmly anchored in wood coatings and paints, the Group continues to evolve into new and future-focused areas of business. This is a reflection of both the changing world around us and our commitment to long-term relevance.

Our electric vehicle charging solutions business "Volt Charge", established in partnership with some of Sri Lanka's top technical minds, has grown into an increasingly significant vertical for the Group. Today, JAT stands among Sri Lanka's leading manufacturers of both fast and home EV charging solutions, supported by an expanding national charging network.

This initiative aligns naturally with Sri Lanka's sustainability aspirations and with the broader global transition towards cleaner, lower-carbon transportation. Our contribution extends beyond hardware: we are actively working with public and private sector stakeholders to strengthen the wider EV ecosystem, improving affordability, accessibility, and the long-term viability of EV adoption across the country. I am proud of the capable, passionate teams driving this business forward. Their vision and dedication continue to define what is possible.

Placing The Customer At The Centre of Everything We Do

Across all our businesses, the customer remains the constant at the heart of our decision-making. Over the years, JAT and the brands within our portfolio have become synonymous with one defining attribute: quality. Sustaining and building on that reputation requires continuous effort, and this year was no different.

We accelerated research and development activity across Sri Lanka and Bangladesh to deliver enhanced, market-relevant solutions tailored to evolving customer requirements. In parallel, we continued to improve operational efficiencies and integrate technology into our manufacturing and business processes. This enables us to offer superior products at increasingly competitive price points.

During the year, we also made a deliberate move to expand our Business-to-Consumer presence beyond our traditional Business-to-Business focus — recognising the significant opportunity that exists within the retail segment and our ability to create a more direct, meaningful impact on end customers.

Strengthening Operational Capabilities

The Group's manufacturing operations remain one of its most important strategic investments and enduring competitive strengths. Across Sri Lanka and Bangladesh, JAT has built an integrated manufacturing platform designed to support product quality, operational agility, continuous innovation, and regional expansion.

In Sri Lanka, operations continued across wood coatings, decorative paints, paint brushes, rollers, and related solutions, supported by the Group's Acrylic Binder Manufacturing Plant in Horana. In Bangladesh, wood coating production was complemented by the establishment of an

Alkyd Resin Manufacturing Plant. A greater backward vertical integration and enhanced control over critical raw material inputs within the value chain.

A notable operational milestone during the year was the 76% expansion in capacity of our water-based acrylic binder plant in Sri Lanka expanding our range of binder we are able to produce, undertaken in direct anticipation of growing export demand, including the additional volumes required to serve the Australian market under the Mirotone platform.

Creating Value Through ESG Priorities

At JAT, we are increasingly clear that sustainable value creation extends well beyond financial performance. Our approach to economic, environmental, social, and governance priorities continues to mature as we deepen our commitment to responsible and resilient growth.

Economically, the Group continued to generate broad-based value across its stakeholder ecosystem through revenue growth, employment creation, tax contributions, foreign exchange earnings, and sustained investment in expansion, innovation, and capability development.

From an environmental perspective, our focus on reducing our operational footprint was sustained through the JAT Chemical Conscious Journey — our guiding framework for responsible chemical usage, resource optimisation, and environmentally conscious manufacturing. Selected products continued to be aligned with internationally recognised standards, including US-based Green Seal certification requirements, ensuring our adherence to globally accepted environmental benchmarks.

Our people remain our greatest enabler of progress. During the year, the Group invested significantly in employee wellbeing, capability building, and professional development, with employee-related benefits totalling Rs. 1,764 Mn. We also launched JEM – JAT Elevate Me, our integrated digital learning and engagement platform designed to support continuous learning, collaboration, and growth across the organisation.

We remain deeply appreciative of our business partners and suppliers, many of whom have stood by Sri Lanka and JAT through some of the country's most challenging periods. Their loyalty reflects partnerships built on genuine trust and mutual long-term commitment. During the year, 55% of supplier payments were directed towards local suppliers and service providers, reinforcing our contribution to the domestic business ecosystem.

Acknowledgements

I wish to extend my deepest appreciation to our Chairman and Board of Directors for their wise counsel, strategic guidance, and steadfast support. Their stewardship provides both the direction and the confidence with which we continue to navigate transformation and growth.

I am equally grateful to our Chief Executive Officer, senior management, and leadership teams across all geographies. Their relentless focus, resilience, and commitment to execution have been essential in making this a year of genuine progress.

To our employees across Sri Lanka and international markets, thank you. Your dedication, adaptability, and belief in our shared purpose are the lifeblood of JAT's success. The bold steps we are taking as an organisation would not be possible without your enduring strength.

I also extend sincere thanks to our customers, suppliers, distributors, principals, and business partners across numerous geographies. Your trust in JAT and in the brands we represent continues to strengthen our capacity to grow, innovate, and create lasting value.

Finally, to our shareholders and all stakeholders: thank you for believing in JAT's long-term vision and for accompanying us on this continuing journey of transformation, resilience, and growth.

Here For Good — And Defining Success

At JAT, our purpose extends beyond growth alone. We aspire to build a globally recognised Sri Lankan enterprise that demonstrates, with every milestone, the remarkable capability, resilience, and innovative spirit that this country possesses.

Success, for us, is not measured solely through financial outcomes. It is measured through the strength of the brand we are building, one synonymous with quality, technological leadership, and trust. It is measured through our ability to evolve continuously with the world, to deliver ever-better products and solutions to our customers, and to remain deeply people-centric in recognising that our employees are our most enabling asset.

Above all, it is measured through our ability to sustain balanced, responsible, long-term growth that creates enduring value for all who are part of the JAT story.

The Way Forward

As we look ahead, we are genuinely excited about the commencement of supplies to the Australian market under the Mirotone brand with products formulated by our own research and development teams and manufactured in Sri Lanka. This milestone is a meaningful symbol of where JAT stands today and where it is headed.

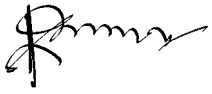
We will continue expanding our coatings portfolio with technology-driven products tailored to the specific climatic and environmental conditions of the markets we serve, including a key product launch planned for the Sri Lankan market in the coming year.

The Group will also continue to advance its strategic roadmap across geographies and business verticals in a manner that is disciplined, Board-approved, and carefully balanced between growth ambition, financial resilience, and long-term sustainability.

We are mindful, of course, of the global uncertainties that characterise the current environment. Geopolitical tensions, supply chain disruptions, and volatility in energy and freight markets present real challenges for internationally connected businesses. Yet we remain confident in the Group's strategic foresight, diversified operating model, and demonstrated capacity to adapt with agility and composure.

This year's Annual Report theme, Paths with Purpose, captures something important about JAT at this moment. The many paths we are pursuing across geographies, business verticals, and strategic priorities may differ in form, but they are unified by a common direction: purposeful, sustainable value creation anchored in clarity, ambition, and integrity.

We look forward to the journey ahead, and we are glad you are with us.



Aelian Gunawardene
Managing Director

2 June 2026

CHIEF EXECUTIVE OFFICER'S REVIEW



Dear stakeholders,

The year under review was one marked by purposeful expansion, disciplined execution, and resilient performance amidst an increasingly dynamic operating environment. As we continued strengthening JAT's presence across multiple geographies and business verticals, our focus remained firmly centred on enhancing operational excellence, delivering stakeholder value, and positioning the Group for its next phase of growth.

Alongside the Group's continued expansion, we remained focused on building long-term capability across manufacturing, research and development, digital integration, and international operations. The year also marked an important phase in JAT's evolution as a more globally connected organisation with expanding technical and operational capability across markets.

Delivering resilient financial performance

The Group recorded a total revenue of Rs. 12.6 Bn for the year under review, reflecting a year-on-year growth of 9%.

This performance is particularly noteworthy given the disruptions experienced during the year, including supply chain interruptions and temporary demand slowdowns arising from the impact of Cyclone Ditwah in Sri Lanka. Despite these challenges, the Group demonstrated resilience through operational agility, diversified revenue streams, disciplined execution, and the continued expansion of its international operations.

Importantly, the increase in cost of sales was contained to 3%- Rs. 7.9 Bn compared to revenue growth of 9%, reflecting the strong cost discipline, operational efficiencies, and procurement management maintained across the Group. Consequently, the Group recorded a gross profit margin of 37.9%.

Selling and distribution expenses and administrative expenses increased by 31% and 44% respectively during the year, largely in line with the Group's ongoing international expansion and investments in market development. Encouragingly, these investments contributed towards stronger market penetration, enhanced brand visibility, and expanding revenue opportunities across geographies.

Meanwhile, disciplined treasury management, prudent funding strategies, and favourable exchange rate movements enabled the Group to reduce total finance costs by 17% to Rs. 293 Mn during the year.

Accordingly, the Group recorded a profit before tax of Rs. 1.7 Bn and a profit after tax of Rs. 1.5 Bn for the year under review.

The Group's balance sheet also continued to strengthen during the year, increasing to Rs. 17.8 Bn, reflecting a year-on-year growth of 11%. It is particularly encouraging to note that total equity increased by 16% to Rs. 12.1 Bn, while 68% of the Group's asset base continued to be funded through equity capital. This reflects the financial resilience and disciplined capital management philosophy maintained by the Group amidst an ambitious growth trajectory.

Empowering our people across geographies

Our people continue to remain the driving force behind JAT's progress and transformation.

The acquisition of Mirotone (NZ) Limited created new opportunities for employees to take on broader responsibilities and greater international exposure as JAT continued expanding across markets.

As the Group expanded, several functions underwent restructuring and operational reengineering to align with evolving business requirements and international operating models, with a number of our staff posted as representatives in foreign operations.

The operational structures, collaborative culture, and digital ways of working established over the years have enabled the Group to effectively manage operations across geographically dispersed markets while maintaining responsiveness and operational cohesion. We also continued to consciously strengthen our talent pipeline and succession capabilities, recognising the importance of building future-ready leadership and technical competencies to support the Group's long-term ambitions.

Driving diversity and inclusion also remained an important area of focus. We are pleased to note that women represented 18% of the Group's workforce during the year, reflecting encouraging progress within sectors traditionally dominated by males.

Driving innovation, manufacturing excellence, and digital transformation

Innovation, manufacturing capability, and operational excellence remained central to JAT's long-term competitiveness and growth ambitions.

During the year, the Group further strengthened its in-house research and development capabilities across polymer science, analytical chemistry, and material engineering.

The R&D function continued to play a critical role in enhancing formulation efficiency, product quality, cost optimisation, and technical innovation across the Group's coatings portfolio.

During the year, multiple new formulations were successfully developed for the Mirotone brand to suit Australian climatic conditions and performance requirements, alongside the introduction of specialised lacquer products and interior wall filler solutions for local and export markets.

Operational enhancements within the R&D and manufacturing processes also contributed towards improved binder quality, enhanced coating performance, and greater process consistency, including the successful implementation of process improvements that achieved zero-defect outcomes in selected binder processes.

Collaboration with international institutions, suppliers, and technical partners further enhanced the Group's formulation development and product testing capabilities.

As JAT expands globally, our R&D capability increasingly serves as a strategic differentiator, enabling the Group to deliver technology-driven, market-relevant, and cost-efficient solutions across multiple geographies.

Technology also continued to play an increasingly strategic role in enabling operational agility, manufacturing efficiency, and enterprise-wide decision-making.

Automation initiatives across key operational areas continued to reduce manual intervention, improve process accuracy, and strengthen productivity, particularly as the Group expanded into increasingly complex international operating environments.

The Group also progressed further in its transition towards smart manufacturing through the deployment of IoT-enabled systems, automated production processes, and real-time operational dashboards across selected operations.

At the same time, enterprise systems and analytics capabilities were strengthened through enhanced data integration, centralised reporting structures, and improved business intelligence tools, enabling more timely and insight-driven decision-making across the organisation.

As digital integration expanded across the Group, strengthening cybersecurity, data governance, and digital resilience remained a key priority. During the year, JAT further strengthened its cybersecurity framework through enhanced infrastructure, vulnerability assessments, employee awareness programmes, and initiatives aligned with the requirements of Sri Lanka's Personal Data Protection Act and broader global best practices.

Standing together through adversity

The impact of Cyclone Ditwah during November 2025 caused significant disruption across several parts of Sri Lanka, affecting communities, businesses, and livelihoods. During this difficult period, JAT Holdings PLC responded swiftly through donations, relief assistance, and support extended to affected employees and communities.

The Group also mobilised a broader response by serving as a collection and coordination centre for donations, facilitating employee volunteer participation, and deploying transport resources to support relief efforts where required.

These efforts reflected the culture of unity and support that continues to be embedded within the Group.

Elevating the painter community

One of JAT's most impactful and long-standing social empowerment initiatives continues to be JAT Pintharu Abhiman, the Group's flagship programme dedicated to uplifting Sri Lanka's painter community through professional recognition, technical competency development, and economic empowerment.

Implemented in collaboration with the National Apprentice and Industrial Training Authority and amplified via the MTV/MBC network, the programme continued expanding island-wide during the year, conducting workshops across the country.

Several important milestones were achieved during the year, including registrations from over 3,400 painters and the successful completion of the programme's 24th workshop island-wide, since programme inception. The initiative also continued supporting painters in progressing towards NVQ certification, further strengthening professional standards and long-term livelihood opportunities within the industry.

Today, JAT Pintharu Abhiman continues to evolve into an important platform supporting professional growth and long-term industry upliftment within Sri Lanka's painter community.

Recognising excellence across multiple frontiers

During the year under review, JAT Holdings PLC received numerous accolades across areas including business performance, innovation, branding, sustainability, and responsible corporate conduct. These recognitions reflect the continued progress made by the Group across business performance, innovation, governance, and brand credibility.

Appreciation

As we reflect on another transformative year for the Group, I extend my sincere appreciation to all those who contributed towards JAT's continued progress across every geography in which we operate.

To our employees across Sri Lanka, Bangladesh, New Zealand, and other international markets, thank you for your resilience, professionalism, adaptability, and commitment. Your ability to adapt, collaborate across markets, and continue delivering excellence amidst dynamic operating conditions has been instrumental in sustaining the Group's momentum amidst evolving operating conditions.

I also extend my appreciation to our Board of Directors, Managing Director, and senior leadership teams for their guidance, confidence, and strategic clarity in driving the Group forward with purpose and discipline.

To our dealers, distributors, principals, suppliers, customers, and shareholders, thank you for your continued trust, confidence, and partnership as we continue strengthening JAT's global journey.

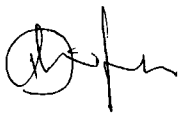
Way Forward

JAT today stands as a stronger, more agile, and globally connected organisation, supported by a growing multinational presence, expanding technical capability, and a portfolio of strong home-grown and internationally recognised brands.

As we move forward, our focus remains clear: to continue strengthening the Group's position across strategic markets while investing in the capabilities, systems, and innovation required to support long-term sustainable growth.

This year's theme, Paths with Purpose, aptly reflects the journey we continue to undertake as a Group. While the paths we pursue may differ across geographies, capabilities, and business verticals, they remain connected by a shared direction shaped by discipline, resilience, ambition, and long-term intent. It is this shared sense of purpose that will continue guiding JAT as we build the Group's next phase of growth.

Thank you for continuing to walk the many paths with us.



Nishal Ferdinando
Director/Chief Executive Officer

2 June 2026

BOARD OF DIRECTORS





From left to right :
Richard Gunawardene Non-Executive Director/Non-Independent
Hussain Akbarally Non-Executive Director/Independent
Dr. Sivakumar Selliah Chairman - Non-Executive Director/Independent
Joycelyn Gunawardene Non-Executive Director/Non-Independent
Aelian Gunawardene Founder and Managing Director/Executive Director
Anika Williamson Non-Executive Director/Non-Independent
Nishal Ferdinando Executive Director/Chief Executive Officer
Devaka Cooray Non-Executive Director/Independent
Eng. Manju Haththotuwa Non-Executive Director/Independent

BOARD OF DIRECTORS

LR 9.10.4



Dr. Sivakumar Selliah

Chairman – Non-Executive/ Independent

Dr. Selliah is the Chairman of the Board of Directors of JAT Holdings PLC. He has over two decades of diverse experience in serving on the Boards of companies in varied fields such as Manufacturing, Banking, Insurance, Logistics, Packaging, Healthcare, Renewable Power generation, Plantation, Retail etc. Dr. Selliah holds an MBBS degree and a Master's Degree (M.Phil).

He currently serves on the Boards of many Public listed and Private companies. Has extensive experience on serving on Board sub committees as Chairman or member which include, Human Resource and Remuneration committee, Investment committee, Strategic Planning committee, Related Party Transaction committee, Nomination and Governance committee, Audit committee, and Risk Management committee etc.

Dr. Selliah serves as a Non-Executive director on the following company boards given below. Dr. Selliah is a non-executive Director of Commercial Bank of Ceylon PLC, Lanka Tiles PLC, Lanka Walltiles PLC, ACL Cables PLC, Swisstek (Ceylon) PLC, Arunodhaya Private ltd, and Arunodhaya Industries Pvt Ltd. He is also the Chairman of Cleanco Lanka Private Ltd, Vydexa Lanka Power Corporation Pvt Ltd and Andysel Private Ltd. He serves as Chairman of Orysys Ltd and Soul Corporation Pvt Ltd. He is a Director of Arunodhaya Investments Pvt Ltd. He has served on many other listed and unlisted company Boards in the past.

Dr.Selliah has served as a Senior Lecturer in the Faculty of Medicine, University of Kelaniya for many years in the past and served on several committees. He has also been Head of the Department of Physiology for many years during this period at the faculty. He served as a Member of the University Council at the University of Colombo in the past.



Aelian Gunawardene

Founder & Managing Director/ Executive Director

Aelian Gunawardene is not just a leader; he is the architect of JAT Holdings' remarkable success story. With over three decades of pioneering leadership, he has transformed a visionary enterprise into a regional powerhouse, setting benchmarks in innovation, market conversion, brand excellence, team building, and financial strength.

Since founding JAT Holdings in 1993, Aelian has been the driving force behind its ascent to market dominance, both in Sri Lanka and across international frontiers. A master strategist and seasoned marketing professional, his bold initiatives have redefined industry standards, earning JAT Holdings an unmatched reputation for quality, innovation, service, and trust.

Under Aelian's stewardship, JAT Holdings has achieved historic milestones, including becoming the first Company in Asia to introduce water-based wood coatings. The organization remains Sri Lanka's only private company to have secured a Moody's ICRA "A+ Stable" rating for four consecutive years, a testament to unwavering financial resilience. This was further reinforced by a National Long-Term Fitch Rating of "AA (lka) Stable" following its successful listing on the Colombo Stock Exchange in 2021, a rating it has maintained every year since, bolstering investor confidence.

Aelian's visionary leadership has earned him consistent national and industry-wide recognition, with multiple accolades and listings among Sri Lanka's leading business personalities. In 2017, he was honoured with the prestigious title of Sri Lanka's Entrepreneur of the Year. He has also been featured among LMD's Businesspeople of the Year, included in LMD's Sri Lankan Businesspeople A-List and the 100 Club, recognized among the Captains of Business, and featured in the Sri Lanka Inc. A-Listers special issue, all of which reflect his continued standing within the country's corporate landscape.

Currently, he serves as the President of the Paint Manufacturers Association of Sri Lanka, playing a key role in representing and advancing the interests of the industry. In addition, he has strategically diversified his business interests into the mineral resources exploration and mining sector as well as the real estate sector, further expanding his contribution across multiple areas of the economy.

Beyond business, Aelian embodies leadership with purpose, shaping industries, mentoring future leaders, and steering JAT Holdings toward even greater horizons. His story is not just one of success, but of relentless entrepreneurship, ambition, integrity, and excellence.



Nishal Ferdinando

Chief Executive Officer/Executive Director

Nishal Ferdinando is a dynamic, results oriented leader with a strong track record of performance in high paced organizations with over 15 years of experience functioning at CEO and Executive Director Level. He was the youngest Director on the Board of Access Projects (Access Group of Companies) at the age of 27 and functioned as the Executive Director for the company for 7 years. Thereafter in 2017, he joined JAT Holdings PLC as the Chief Executive Officer and was appointed to the board in 2021.

He lead the JAT Holdings IPO successfully in 2021 to be listed in the CSE, set up a fully owned subsidiary in Bangladesh to manufacture wood coatings, established JVs in Kenya and Australia , ventured into the EV charging space through Volt Charge which is a subsidiary of JAT and acquired Mirotone

New Zealand Limited a 60 year old company and the leader in wood coatings in NZ.

Under his leadership, JAT Holdings has won several international and national level awards. Further the company has been listed in the top 100 most respected companies, top 20 most awarded companies and the top 100 listed companies on consecutive, multiple occasions in his tenure and was also awarded a Fitch AA rating.

In addition to being the CEO / Director of JAT Holdings PLC, he is the Chairman of Asia Coatings Ltd (Bangladesh), Director of JAT Paints Africa, Mirotone New Zealand Ltd and Volt Industrial Company.

He is an Alumni of the Harvard Business School, holds an MBA from the University of Wales, an Advanced Diploma in Management Accounting from Chartered Institute of Management Accountants (UK) and a Post Graduate Certificate in Project Management from University of Southern Queensland.



Devaka Cooray
Non-Executive Director/Independent

Devaka is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and the Chartered Institute of Management Accountants of the United Kingdom.

He is the Chairman of United Motors PLC, U M L Property Developments Ltd, U M L Heavy Equipment Ltd, Unimo Enterprises Ltd, Dutch Lanka Trailer Manufacturers Ltd and Dutch Lanka Engineering (Pvt) Ltd. He is also the Managing Director of Management Systems (Pvt) Ltd. He serves as Senior Independent Director of Hatton National Bank PLC, Independent Director of JAT Holdings PLC, HVA Foods PLC, Jetwing Symphony PLC, The Lighthouse Hotel PLC, George Steuart and Company, Secretarial Services (Pvt) Ltd and The Children Heart Project of Sri Lanka.

He has worked with Ernst & Young for over 40 years of which 30 years was as a Senior Assurance and Talent Partner. He functioned as the Deputy Managing Partner from 2016 to 2019 and served as a member of Ernst & Young's Management Committee from the time the Management Committee was established in 1998 until his retirement in 2019. He was instrumental in establishing the Ernst & Young Practice in the Republic of Maldives in 1995 and functioned as the Partner responsible for the overall management of the Maldivian Practice from its inception. He represented Sri Lanka and Maldives for a number of years in the EY ASEAN Regional Partner Forum. He was seconded to EY USA for a year, where practical experience was gained by being part of assurance teams that performed audit engagements on several large enterprises.

Devaka also spearheaded the Ernst and Young Sri Lanka/ Maldives Family Business Centre for Excellence which was instrumental in sending several eminent second-generation family members to business schools worldwide. He has also served as a member of the Council of the Chartered Institute of Management Accountants UK.



Eng. Manju Haththotuwa
Non-Executive Director/Independent

Eng. Manju has over 35 years of professional experience across private, public and development sectors. He has a proven track-record in successfully leading organizations, building high performance teams, and mobilizing resources that deliver results across Europe, Asia, Africa, the Middle East, Canada, and USA.

In the Development Sector, Manju joined the World Bank as a practitioner and a thought leader in technology enabled innovation, infrastructure development, and private sector growth strategies. He has led a multi-billion-dollar portfolio of private sector development projects in the Asia, Africa, and Middle East regions leading experts including senior government leaders, Ministers, Governors, CEOs, Prime Ministers, and Presidents in his areas of expertise. His recent responsibilities include heading the private sector, financial sector, and innovation teams in the GCC group of countries based at the World Bank HQ in Washington, DC for 17 years.

In the Private Sector, Manju has held leadership positions as Chairperson to the Board of Directors/MD/CEO of 8 publicly listed companies & also 4 PE/VC investments, in verticals spanning finance, infrastructure, property development, agri-business, healthcare, education & ICT/deep tech including, Bio Carbon Fuels (USA), Ceylon Oxygen, Kotmale Holdings, Central Securities, e-Channelling, Kelsey Developments, Next Ventures, V-Capital, Sithro Garments, JAT holdings PLC. As Executive Director/COO, he set up and led global operations and corporate facilities of Millennium IT (USA, UK, India, Singapore & Sri Lanka), including the conceptual design, construction and operation of its 16-acre tech campus.

In the Public Sector Manju was the founding Managing Director of the National ICT Agency of Sri Lanka and Country CIO, which pioneered the first national scale e-Transformation Program - e-Sri Lanka (e-SL) which digitized 600+ government services reached 14,000 villages, and reduced the 'cost of doing business' for 1000+ businesses. Manju also served as the Advisor to H.E. the President of Sri Lanka on Technology, Innovation, PPPs and Infrastructure.

Manju is a UK and Australia Chartered Professional Engineer, Associate of the City & Guilds, London, holds an MBA with a Distinction from the University of London and BSc (Hons) in Civil Engineering from Imperial College of Science & Technology, London. Manju is also an alumnus of the Harvard Kennedy School Leadership Program.

BOARD OF DIRECTORS



Hussain Akbarally
Non-Executive Director/Independent

Hussain Akbarally currently serves as an Executive Director of Akbar Brothers (Pvt) Ltd and its subsidiaries, Sri Lanka's largest exporter of Ceylon Tea and one of the country's most prominent conglomerates.

The Group has a broad portfolio spanning Power Generation, Property Management, Manufacturing, Hospitality, Agriculture, Logistics and Manufacturing.

Hussain has played a pivotal role in driving strategic expansion, particularly in Energy, Hospitality, and Private Equity investments, helping strengthen long-term value creation and international partnerships. His leadership is characterized by a strong focus on governance, sustainability, and operational excellence.

In addition to his role at Akbar Brothers, Hussain serves on the listed boards of Windforce PLC and JAT Holdings PLC. He is the Chairman of Glowbal Outlets and Glowbal Retail (Pvt) Ltd, a company specializing in reverse logistics and retail lifecycle solutions, with commitment to innovation and circular economy practices. He also serves as a Director of Barista Sri Lanka and The Colombo Coffee Company, where he contributes to brand growth, market expansion, and strategic oversight within the food and beverage sector.

Hussain holds a Bachelor's degree in Science from the University of Melbourne and an MBA from Harvard Business School. He is a Past Chapter Chair of the YPO Colombo Chapter, where he actively contributed to leadership development and peer learning among business leaders, and has also served as Treasurer of the Ceylon Motor Sports Club, supporting the governance and growth of the sport in Sri Lanka.

Beyond his professional commitments, Hussain has a personal interest in classic automobiles, art, and architecture, pursuits that reflect his appreciation for craftsmanship, heritage, and design excellence. With extensive experience across emerging and mature markets, he continues to play an influential role in shaping enterprise growth, cross-border investments, and sustainable business models.



Joycelyn Gunawardene
Non-Executive Director/Non-Independent

Joycelyn Gunawardene is a dynamic force in the world of marketing, blending 18+ years of advertising brilliance with sharp business acumen. As a Non-Executive Director at JAT Holdings, she infuses the boardroom with fresh perspectives, strategic foresight, and a deep understanding of consumer psychology, which is key behind the company's sustained market leadership.

With a proven track record in brand building and promotional excellence, Joycelyn's expertise extends beyond traditional marketing. Her current role as Executive Director of Brush Master (Private) Limited showcases her ability to navigate competitive landscapes and unlock growth, making her an indispensable voice in JAT Holdings' strategic evolution since joining the Board in 2015.

Armed with a Bachelor of Science in Psychology (University of New South Wales, Australia), she deciphers consumer behaviour with precision, ensuring JAT Holdings stays ahead of market trends. Her dual strengths, academic rigour and hands-on industry experience—enable data-driven decisions that enhance shareholder value and long-term sustainability.

Joycelyn champions innovation with purpose, ensuring JAT Holdings doesn't just adapt to change but defines it.



Anika Williamson
Non-Executive Director/Non-Independent

Anika Williamson is a Non-Executive Director at JAT Holdings PLC, appointed to the Board in 2020. With over a decade of experience spanning banking, finance, property development, and import and export industries, she has been instrumental in shaping financial strategies and corporate governance within the organization.

Anika holds a Double Degree in Accounting and Entrepreneurship from Curtin University, Australia, where she was a member of the prestigious Pro Vice Chancellor's Chapter. Her leadership extends across multiple key roles within the JAT Group, including Executive Director of JAT Global (Private) Limited, Director and Company Secretary of JAT Exports DMCC, Managing Director of Asia Coatings Enterprises (Pvt) Ltd, and Finance Director of JAT Property Group (Private) Limited, the latter to which she was appointed in 2020. She additionally serves as a Director of Gammaa Extracts (Pvt) Ltd, reflecting her continued expansion into new business ventures.

Beyond her corporate responsibilities, Anika serves as a Board Director of the American Chamber of Commerce in Sri Lanka, where she contributes to advancing trade and investment interests between Sri Lanka and the United States. She is also a strong advocate for gender-balanced leadership and plays an active role in fostering diversity and inclusion within JAT Holdings' Board of Directors and the broader Sri Lankan corporate landscape.



Richard Gunawardene

Non-Executive Director/Non-Independent

Richard Gunawardene brings over a decade of strategic leadership, entrepreneurial vision, and operational experience to the Board of JAT Holdings PLC. Having commenced his career within the family business, Richard has worked across multiple divisions of the Group in a variety of operational and leadership capacities—progressing from marketing and showroom operations to his current role on the Board. His hands-on understanding of the business, combined with a strong commercial mindset, has contributed significantly to the growth and diversification of the JAT Group.

Beyond his role at JAT Holdings, Richard leads and oversees several ventures spanning real estate, construction, mining, infrastructure, sustainability, wellness, and industrial solutions. He is the Founder of JAT Property Group, a luxury real estate development company; Gammaa Extracts Pharmaceuticals (PVT) Ltd, focused on medicinal cannabis and wellness; James Global Minerals (PVT) Ltd, specializing in mineral sands processing and export; Flexospan Steel Buildings (PVT) Ltd, which provides advanced industrial and steel building solutions; and Bio Carbon Fuels (PVT) Ltd, a waste-to-energy company focused on sustainable fuel and energy solutions with an ambitious regional expansion strategy. His involvement across diverse sectors reflects a forward-thinking approach to innovation, industrial development, and long-term value creation.

With a strong focus on strategic expansion, sustainability, and modern brand building, he continues to play a key role in positioning the Group for the future.

A founding member of the Entrepreneurs' Organization Sri Lanka, Richard Gunawardene remains committed to fostering entrepreneurship, innovation, and sustainable business growth both locally and internationally.

CORPORATE MANAGEMENT COMMITTEE



AELIAN GUNAWARDENE
Founder & Managing Director

Please see under the profiles of the Board of Directors on page 34.



NISHAL FERDINANDO
Chief Executive Officer

Please see under the profiles of the Board of Directors on page 34.



WASANTHA GUNARATHNE
Director – Sales & Technical

Wasantha holds over three decades of experience in Sales, Marketing and Technical training in both local and international markets at JAT Holdings. He has pioneered the introduction of waterbased wood coatings to Sri Lanka. He brings in wide international exposure including specialized training and exposure working with business principals in Italy, UK and USA. He holds an MBA from Anglia Ruskin University, UK. Wasantha is a member of the panel of judges of the National Sales Awards Conducted by Sri Lanka Institute of Marketing (SLIM – NSA).



RIZNA DILSHARD
Director – Finance, Corporate Planning and Processes

Rizna joined JAT in 2015 and brings over 25 years of extensive experience as a senior finance professional. She is a Fellow Member (FCMA) of the Chartered Institute of Management Accountants (CIMA) and possesses broad expertise across finance and management, manufacturing, retail, import and export trade, and corporate governance.

In her role as Director – Finance, Corporate Planning and Processes, Rizna overseas the Group's finance operations, process excellence function, and corporate planning activities, encompassing both local and overseas subsidiaries. Since 2016, she has served as Finance Director of JAT, playing a pivotal role in strengthening financial governance, enhancing operational efficiencies, and supporting strategic decision making at Group level.

Rizna has been recognized by the CIMA Institute of Sri Lanka as a prize winner for achieving the best results at the final examination. Her deep technical knowledge, combined with substantial practical experience, enables her to provide strong leadership in financial strategy formulation, driving sustainable growth and profitability while embedding sound governance, ethical practices, and social responsibility across the organisation.



AJITH BANDARA
Director – Research and Development

Ajith was appointed as a General Manager at JAT Holdings in October 2019 with 19 years of experience in the industry. He has completed his bachelor's degree in the field of Chemistry at the University of Kelaniya and MBA at University of Colombo. He has worked at leading multinational paint and coating companies for over 20 years. He also has garnered international exposure through attending training programs, workshops and conferences conducted by globally recognized institutions such as universities, Coating Associations etc.



SHAMARA WANNIARACHCHI
Director | Country Head – Bangladesh

Shamara joined JAT Holdings in March 2019, bringing 13 years of experience in leading manufacturing and trading company. He has held key positions, including Head of Manufacturing, General Manager – Manufacturing, General Manager – Manufacturing and Supply Chain Management and Country Head – Bangladesh, before his promotion to Director | Country Head – Bangladesh. Shamara holds an MBA from the University of Colombo and a BSc. (Hons) in Engineering from the University of Moratuwa. He is a Passed Finalist of Chartered Institute of Management Accountants (CIMA), an Associate Member of the Institute of Engineers, Sri Lanka (IESL), and JASTECA.



DILSHAN RODRIGO
Director – Marketing

Dilshan joined JAT Holdings in November 2019 and currently serves as Director – Marketing, bringing over 20 years of multi-disciplinary experience in building, shaping, and leading both global and local brands. In his role, he drives the Group's brand strategy, innovation agenda, and market expansion efforts, contributing to the continued strengthening of JAT's corporate and product brand portfolio. He holds a degree in Computer Science and a Postgraduate Diploma in IT from Brunel University, UK, and an MBA from the Postgraduate Institute of Management (PIM), affiliated with the University of Sri Jayewardenepura. He is also an Associate Member of the Chartered Institute of Marketing (CIM), UK.



SOMASUNDARAM SIVASUBRAMANIAM
Senior General Manager – Treasury

Siva joined JAT Holdings in 1999. He has obtained an Associate Membership (ACA) from the Institute of Chartered Accountants, Sri Lanka and holds an MBA in Finance from Cardiff Metropolitan University UK. Moreover, he has completed the Professional Diploma in Treasury Management and Financial Markets awarded by the Corporate Campus. He possesses industry experience of over 30 years and provides sound treasury management services.



GAVIN VANDORT
Senior General Manager – Projects and Retail Furnishing

Gavin commenced work at JAT in February 2007 and has over 19 years of industry experience related to sales, marketing, implementation, and operations in the specialised commercial interior contracts sector. He has been instrumental in acquiring international franchises, in interior related brands to the JAT furnishing portfolio. Furthermore, he has led from the front in acquiring prestigious projects for the Company while actively contributing to JAT Holdings' top and bottom line.



SUDATH SILVA
General Manager – Human Resources

Sudath joined JAT Holdings PLC in April 2023 as the General Manager Human Resources. He has worked as the Head of Human Resources in many leading conglomerates in Sri Lanka and carries 20 plus years of experience in the field of Human Resources Management, Administration and Quality & Compliance. He holds an MBA from the Post Graduate Institute of Management which is affiliated to the University of Sri Jayawardhanapura and a bachelor's degree in philosophy (B.Ph) from the Pontifical Urban University in Rome. He also has a Post Graduate Diploma in Labour Studies from the University of Colombo and a National Diploma in Human Resource Management from the Institute of Personal Management Sri Lanka. He is also an Associate Member of the Institute of Personal Management, Sri Lanka. He has completed his ACC (Associate Certified Coach) from the International Coaching Federation and a Certified Instructor on Japanese Management Training Program offered from The Overseas Human Resources & Industry Development Association in HIDA Japan.



NIROSHA THAWALAMPITIYA
General Manager – Commercial

Nirosha joined JAT Holdings in 2007 and currently serves as General Manager – Commercial. With over 22 years of experience in Supply Chain Management and international exposure across diverse industries, she brings strong commercial and operational expertise to the company. She leads procurement and supply chain functions with a clear focus on cost optimisation, quality assurance, and uninterrupted supply continuity. A results-driven and collaborative leader, she is committed to strengthening supplier partnerships, enhancing cost efficiencies, and leveraging technology to support informed and strategic commercial decisions.



SHALINDA RAJAPAKSHA
Head of IT and ERP

Shalinda joined JAT Holdings in 2018 and currently serves as AGM – Head of IT and ERP, bringing extensive experience across information technology, enterprise systems, and digital transformation. In his role, he leads the Group's IT function and oversees business application capabilities across the organisation, driving JAT's digital transformation agenda while strengthening systems, processes, and operational efficiency across the business.

Prior to joining JAT, he built experience across the corporate sector, following an academic career that included serving as a Demonstrator at the University of Kelaniya and as a Visiting Lecturer at the Sri Lanka Institute of Advanced Technological Education. He holds a BSc from the University of Kelaniya and an MSc in Information Technology from the University of Colombo. He is also affiliated with BCS, The Chartered Institute for IT.



DR. BESHAN KULAPALA
Director – Volt Industrial Company (Pvt) Ltd

Dr. Beshan is Co-Founder, Director, and CEO of Volt Industrial Company (Pvt) Ltd, a subsidiary of JAT Holdings PLC, focused on EV charging and high-tech engineering solutions. He previously co-founded Vega Innovations, where he led the development of South Asia's first electric supercar and launched Chargenet and Aigrow. He spent nine years as an Engineering Manager at Intel Corporation and currently serves as an independent non-executive director of Ceylon Tea Brokers PLC and as a UGC-appointed member of the University of Colombo School of Computing (UCSC) Board of Management. He holds a PhD in Electrical Engineering and an MBA, both from Arizona State University.

CORPORATE GOVERNANCE

Chairman's Statement on Corporate Governance

Dear Stakeholders,

As JAT Holdings PLC continues to evolve into a more diversified and internationally positioned Group, the importance of strong governance, disciplined oversight, and responsible decision-making has never been more significant. The year under review marked another pivotal phase in JAT's growth journey, shaped by strategic expansion, new investments, and continued transformation across the business lines locally and globally.

Strengthening Leadership for the Future

As the Group expands into new markets, industries, and operational complexities, the Board also placed considerable focus on strengthening organisational capability and leadership continuity. During the year, significant progress was made in talent development, succession planning, and leadership pipeline building to ensure the organisation remains equipped for its next phase of growth.

Management development initiatives, cross-functional exposure, structured capability-building programmes, and succession planning efforts were further strengthened with the objective of nurturing future leadership talent and enhancing organisational resilience over the long term.

Advancing Sustainability and ESG Oversight

The year also marked an important step forward in strengthening the Group's sustainability governance and reporting journey.

During the year, the Company also adopted the Sri Lanka Sustainability Disclosure Standards – SLFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 Climate-related Disclosures for the first time and this was formally brought under the purview of the Board of Directors, reflecting the growing importance of environmental, social, and governance (ESG) considerations within the Group's broader governance framework.

We recognise that sustainability reporting and climate-related governance remain evolving areas, both locally and globally. Nevertheless, the Board remains committed to continuously strengthening the Group's sustainability-related governance, disclosures, processes, and long-term resilience as we move forward.

Compliance

LR 9.1.3

The Company's compliance with Section 9 of the Listing Rules of the Colombo Stock Exchange and the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka in 2023 is set out within this report, which is being followed by the Company.

The Board confirms that appropriate governance structures, policies, and processes remain in place to support ethical conduct, regulatory compliance, accountability, and effective oversight across the Group. The Directors have declared all material interests in contracts involving the Company and have abstained from deliberations and voting where relevant, ensuring transparency and integrity in decision-making.

The Board has also reviewed the effectiveness of the Group's internal control and risk management framework covering financial, operational, and compliance areas and obtained reasonable assurance regarding its adequacy and effectiveness.

Further, to the best of Board's knowledge, there were no material breaches of laws or regulations, nor any material instances of non-compliance by the Company during the year under review. The Group remains committed to maintaining high standards of corporate governance, ethical conduct, and regulatory compliance across all jurisdictions in which it operates.



Dr. Sivakumar Selliah
Chairman





Corporate Governance Highlights

Board activities

- HR & Remuneration Committee and Related Party Transactions Review Committee were restructured
- 10 Board Meetings held
- 12 Sub-Committee meetings held

Areas of Focus

- Strategic growth through acquisitions
- Expansion into regional markets
- Financial discipline by embedding performance targets
- Disciplined capital allocation through KPI-linked oversight
- Digital transformation by enhancement of efficiency and agility
- Financial integrity through regular review of compliance and statutory reports
- Operational efficiencies through backward vertical integration
- Product developments and innovations
- Align performance with the long-term goals
- Commitment towards ESG
- Monitoring the fluctuations of macro-economic factors for gradual recovery of all operating markets

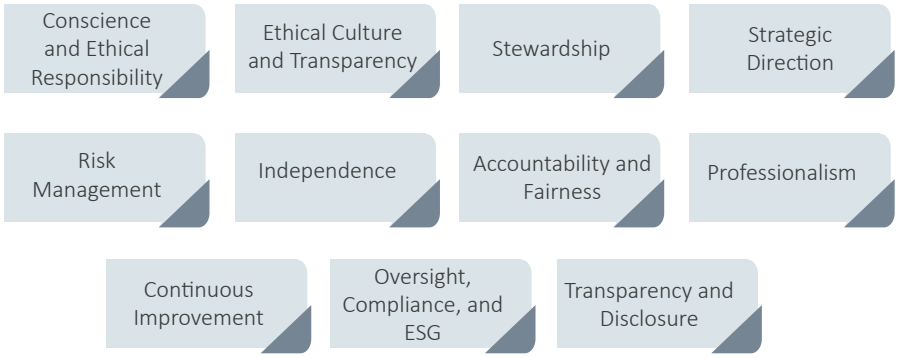
OUR APPROACH TO CORPORATE GOVERNANCE

GRI 3-3

The Group's corporate governance philosophy underpins the achievement of ethical and stewardship obligations while driving the creation of long-term stakeholder value.

By adopting an integrated approach to governance, considering both the social and environmental implications of its operations, we are focusing on building strong relationships with the community and customers while striving for sustainable development. By establishing policies and procedures to ensure that suppliers and outsourced providers comply with the social and environmental governance norms, the Group adheres to sustainability principles, including health and safety, pollution prevention, climate change mitigation, and sustainable resource use, which are embedded in its operations. In addition, the internal control systems which are well-managed and controlled ensures effective decision making and risk management. Moreover, the balance in the Board together with the five sub-committees strengthens the governance framework and structure of the Group, by adhering to a comprehensive and integrated strategy that engages with key stakeholders, ensuring sustainable growth and strong relationships across all levels of our business model.

CORE PRINCIPLES IN JAT CORPORATE GOVERNANCE FRAMEWORK



Conscience and Ethical Responsibility

JAT operates with a strong sense of conscience, reflecting its ethical duty and accountability in all activities and decisions. This encompasses adherence to legal and regulatory requirements, ethical business practices, and a commitment to social and environmental sustainability. The Board believes that conducting business with a clear conscience underpins financial performance while strengthening trust and shareholder confidence.

Ethical Culture and Transparency

Ethics at JAT are founded on shared principles, values, and standards guiding behaviour and decision-making across the Group. The Board sets the tone from the top in fostering an enterprise-wide ethical culture rooted in integrity, honesty, transparency, and accountability. This includes compliance with laws and regulations, avoidance of conflicts of interest, promotion of diversity and inclusion, respect for human rights, environmental protection, and open engagement with stakeholders.

Openness is reinforced through effective communication, grievance management, regular feedback mechanisms, an open-door policy, and timely, accurate disclosures on strategy, performance, decision-making, and corporate responsibility.

Stewardship

As stewards of the Company, Board members exercise independent judgment in overseeing Management and safeguarding shareholders' interests. The Board promotes a culture of integrity and provides strategic guidance to Management to support sustainable, long-term value creation.

Strategic Direction

The Board plays an active advisory and oversight role in shaping JAT's strategic direction. This includes setting long-term goals aligned with the Company's vision, approving business strategies, financial objectives, and capital plans, and monitoring performance against strategic objectives while considering opportunities and risk appetite.

CORPORATE GOVERNANCE

Risk Management

The Board oversees JAT's risk governance framework and promotes a strong risk management culture throughout the organization. It regularly reviews the Company's risk profile against its risk appetite to ensure that risks undertaken are appropriately managed and aligned with sustainable shareholder value creation.

Independence

The independence of the Board is fundamental to effective oversight. Robust processes are in place to assess the independence of Directors, considering all direct and indirect material relationships with the Company.

Accountability and Fairness

The Board is accountable for its decisions and their outcomes. It sets clear objectives, establishes performance targets, regularly reviews performance, and ensures timely corrective actions where necessary. Fairness is upheld through consistent, impartial decision-making and equitable treatment of all stakeholders.

Professionalism

The Board upholds the highest standards of professionalism, ethics, and competence. Directors act with integrity, maintain strong professional knowledge, communicate effectively, and treat all stakeholders with respect and dignity.

Continuous Improvement

The Board is committed to continuously enhancing corporate governance policies and practices to align with evolving best practices and regulatory requirements. Regular reviews ensure that governance structures effectively support stewardship responsibilities, independent oversight, and shareholder protection.

Oversight, Compliance, and ESG

The Board holds ultimate responsibility for the management and oversight of the Company. This includes ensuring regulatory compliance, effective risk management and internal controls, accurate and timely financial reporting, ESG integration and reporting, IT and HR governance, and maintaining strong stakeholder relationships.

Transparency and Disclosure

The Group follows international best practices in financial and non-financial reporting. The Integrated Annual Report serves as the primary communication to stakeholders and is subject to external assurance. The Group is committed to the adoption of IFRS S1 and S2 Standards, with disclosures on readiness and early adoption clearly reported. Report content is guided by a rigorous materiality assessment, ensuring full and transparent disclosure of all material matters.

STEERING INSTRUMENTS OF THE GROUP'S GOVERNANCE FRAMEWORK

External Instruments

- Companies Act No. 07 of 2007
- Companies (Amendment) Act No. 12 of 2025
- Listing rules of the Colombo Stock Exchange
- Code of Best Practice on Corporate Governance issued by the Chartered Accountants of Sri Lanka in December 2023
- Integrated Reporting Framework of the International Integrated Reporting Committee
- Compliance with the guidelines of the Sri Lanka Accounting Standards (LKAS and SLFRS)
- Sri Lanka Accounting and Auditing Standards Act No. 115 of 1995
- Directives/Regulations of the Securities and Exchange Commission of Sri Lanka Act No. 36 of 1987 and its amendments thereto, as repealed by the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021
- Acts, Circulars, and Gazettes issued by the Taxation Authorities for Corporates
- Shop and Office Employees Act No. 19 of 1954 and amendments thereto
- Customs Ordinance No. 17 of 1869
- Exchange Control Act No. 22 of 2017
- Industrial Disputes Act No. 43 of 1950
- Factories Ordinance No. 45 of 1942
- Personal Data Protection Act No. 9 of 2022
- United Nations Sustainable Development Goals (UNSDGs)
- Global Reporting Initiative's (GRI) Universal Standards 2021
- Gender Parity Reporting Framework (2019) of CA Sri Lanka
- United Nations Global Compact (UNGC)
- Women's Empowerment Principles
- Social and Environmental Certification Requirements
- UN Guiding Principles on Business and Human Rights

Internal Instruments

- Articles of Association
- Organizational structure
- Board and Sub-Committees Terms of Reference
- Code of Ethics
- Internal controls systems and manuals
- Board-approved policy framework
- Internal Code of Corporate Governance for Board of Directors and Key Management Personnel



Key Internal Policies

LR 9.2.1, 9.2.3

GRI 2-23, 2-24

Governance and Board Oversight

- Policy on matters relating to the Board of Directors
- Policy on Board Committees
- Policy on Corporate Governance, Nominations and Re-election
- Policy on Corporate Disclosures
- Policy on Whistleblowing
- Policy on Anti-Bribery and Corruption
- Policy on Relations with Shareholders and Investors
- Policy on Control and Management of Company Assets and Shareholder Investments

Ethics and Conduct

- Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities
- Code of Conduct (including policies on gifts, entertainment, facilitation payments, proprietary and confidential information)
- Policy on Communications and Ethical Advertising

Human Resources and Workplace Practices

- Recruitment and Selection Policies
- Learning and Development Policies
- Policy on Employee Performance Management
- Rewards and Recognition Policy
- Disciplinary Procedure
- Policy on Grievance Handling
- Policy on Remuneration

Risk, Compliance, and Internal Controls

- Policy on Risk Management and Internal Controls
- Policy on Bidding for Contracts (including Government contracts)
- IT policies and procedures, including data protection, classification and security
- Group accounting procedures and policies
- Policy on Related Party Transactions

Inclusion, Equity, and Wellbeing

- Policies on Equal Opportunities, Non-Discrimination, Career Management and Promotions
- Policies on Diversity, Equity, and Inclusion (including Gender Policy)
- Policy Against Sexual Harassment
- Policies on Forced, Compulsory, and Child Labour and Child Protection

Sustainability and ESG

- Policy on Environmental, Social and Governance (ESG) Sustainability
- Group Sustainability, Environmental, and Economic Policies
- Policies on Products and Services

GOVERNANCE STRUCTURE

LR 9.3.1

GRI 2-9

The Board of Directors is the apex governing authority and is supported by 5 Sub-Committees which have oversight responsibility on matters delegated to them, thereby ensuring that adequate resources and time are devoted to assessing these functions. The composition and objectives of each of these Board Sub-Committees are clearly set out in the Terms of References. Please refer to the Reports of the Sub-Committees from page 218 to page 231 of this Report for further information.

The Governance Structure is graphically illustrated below:

EXTERNAL AUDITORS → **SHAREHOLDERS**

BOARD OF DIRECTORS

The Board is collectively responsible for formulating the Group's strategic vision and providing leadership for the creation and delivery of sustainable stakeholder value.

Audit and Risk Management Committee	Human Resources and Remuneration Committee	Related Party Transactions Review Committee	Nominations and Governance Committee	Investment Committee
Areas of Oversight				
• Risk management and internal control • Financial reporting and financial control • Additional assurance on the reliability of financial statements • Internal audit • External audit including assessing the independence of external auditors • Compliance with legal and regulatory requirements	• Determine the remuneration policy of the Company's Executive Directors and Senior Management • Determine the overall individual remuneration packages which include compensation on termination of employment • Evaluate the fees and perquisites of the Chairman, the Managing Director, CEO and the independent Directors of the Board • Succession Planning	• Review in advance all proposed related party transactions of the Group prior to the transaction being entered into • Monitor that all related party transactions are transacted on normal commercial terms and are not prejudicial to the interests of the entity and its minority shareholders • Review the economic and commercial substance of both recurrent/ non-recurrent related party transactions	• Evaluate and recommend the appointment/ reappointment/election/ re-election of Directors to the Board • Evaluate and recommend suitable internal and external candidates to higher levels of management • Maintain Board balance	• Review investments proposed by the Company's management and provide recommendations to the Board of Directors of the Company
Skills				
• Finance & Accounting • International Business • Corporate Leadership	• Finance & Accounting • International Business • Corporate Leadership	• Finance & Accounting • International Business • Corporate Leadership	• Finance & Accounting • Corporate Leadership • Marketing & Advertising	• Finance & Accounting • International Business • Corporate Leadership
Composition				
3 Non-Executive Independent Directors	3 Non-Executive Independent Directors	4 Non-Executive Independent Directors	2 Non-Executive Independent Directors 1 Non-Executive Independent Director	2 Non-Executive Independent Directors 1 Non-Executive Non-Independent Director

GROUP INTERNAL AUDIT | **MANAGING DIRECTOR**

CHIEF EXECUTIVE OFFICER

CORPORATE MANAGEMENT COMMITTEE

MANAGEMENT TEAM

EMPLOYEES

The impact of Non-Executive Directors

Collectively, the Non-Executive Directors bring a wealth of value adding knowledge, ranging from domestic and international experience to functional know-how, thus ensuring adequate Board diversity in accordance with principles of Corporate Governance. Furthermore, every member of the Board brings independent judgment on various business issues.

The Group's Non-Executive Directors contribute to value creation and shareholder rights by providing:

- Independent counsel
- Un-biased perspectives
- Objective advice
- Act in the best interests of all shareholders
- Domain-specific, specialist insights

The Chairman meets with the Non-Executive Directors without the presence of Executive Director's whenever necessary.

EFFECTIVE LEADERSHIP

LR 9.16

GRI 2-12, 2-13

As the apex governing body, the Board of Directors is responsible for setting the Group's strategic direction, effectively managing risks within the Group's risk appetite and setting the right ethical tone at the top. Comprising of senior professionals who are luminaries in their respective fields, the Board also plays a vital role in shaping organizational culture and driving accountability, transparency, and integrity across the organisation. This generates and delivers sustainable stakeholder value, which is the ultimate enforcer of the Group's corporate Governance Standards.

The Board collectively and Directors individually, recognise their duty to ensure that procedures and processes are in place to ensure that the Company complies with all applicable laws and regulations. In order to preserve the independence of the Board and to strengthen the decision-making, the Board seeks independent professional advice when deemed necessary. The Governance Framework outlines the procedure to be followed in obtaining independent professional advice.

Moreover, the Board receives adequate information from the Management in a timely manner. The Board receives regular reports and presentations on strategies and developments in relation to its business lines and performance. The Chairman ensures that all Directors are briefed adequately on issues arising at Board meetings.

The Board Charter outlines the following as the Board's role and responsibilities.

Strategic Planning	Board is responsible for setting the strategic direction of the organization, including approving strategic plans, setting long-term goals, and monitoring progress.
Policy and Decision Making	Board establishes policies and makes key decisions that guide the Company's operations. This includes approving budgets, setting performance targets, and making decisions on major investments, acquisitions, or divestitures.
CEO Selection and Oversight	Board hires, evaluates, and sets compensation for the CEO. It provides oversight of the CEO's performance and ensures that the CEO is leading the Group effectively and in alignment with the Board's expectations.
Risk Management and Compliance	Board oversees the Group's risk management practices, including identifying and mitigating risks, ensuring compliance with applicable laws and regulations, and implementing effective internal controls.
Financial Oversight	Board monitors the Company's financial performance, including reviewing and approving financial reports, budgets, and financial policies and publishing quarterly and the Annual Report on time. Board also ensures that the Company's financial resources are used effectively and that appropriate financial controls are in place.
Stakeholder Relations	Board represents the interests of shareholders or stakeholders and maintains effective communication and engagement with them. This includes providing regular updates on the Company's performance, addressing stakeholders' concerns, and acting in the best interests of the Company and its stakeholders.
Board Composition and Governance	Board is responsible for establishing and maintaining effective governance practices within the Group. This includes setting the size and composition of the Board, establishing Board Sub-Committees, defining Board roles and responsibilities, and ensuring compliance with corporate governance principles and regulations.
Ethical and Legal Responsibilities	Board upholds the highest ethical standards within the Group and ensures compliance with applicable laws and regulations. This includes establishing and monitoring a Code of Conduct, addressing conflicts of interest, and promoting a culture of integrity and accountability.
Succession Planning	Board plans for the succession of leadership in the Group, including identifying and developing potential successors for key leadership positions, and ensuring a smooth transition during times of leadership changes.
Performance Evaluation	Board evaluates its own performance, as well as the performance of the CEO and other top executives, to ensure effectiveness and accountability.
Crisis Management	Board provides guidance and oversight during times of crisis or emergencies, such as natural disasters, financial crises, or reputational issues, to ensure the Company responds effectively and mitigates risks.
Legal and Fiduciary Duties	Board has legal and fiduciary duties to act in the best interests of the Company and its shareholders or stakeholders, and to fulfil its obligations under applicable laws, regulations, and corporate governance principles.
ESG	Board ensures that business is handled in accordance with environmental, social, and governance considerations.
IT Governance and Strategy	Board ensures the ICT roadmap aligns with business strategy and monitor implementation via ICT dashboard

The Board continues to demonstrate effective leadership by actively guiding Management in the execution of the Company's strategy, ensuring that decisions are measurable, performance-driven, and aligned with long-term value creation. Key areas of oversight during the year are outlined below:

- **Strategic Direction and Market Expansion**

The Board provided clear strategic guidance on growth initiatives, including the evaluation of acquisition opportunities such as the Mirotone brand. In addition, Management was advised to actively explore expansion into new regional markets, including Thailand, Cambodia, Laos, and Myanmar, reinforcing the Company's regional growth agenda.

- **Financial Performance and Accountability**

The Board strengthened financial discipline by embedding explicit financial performance targets within Management KPIs. This included directives on debt reduction targets, ensuring accountability for capital structure optimisation and financial sustainability.

- **Capital Allocation and Cash Flow Discipline**

Robust governance was exercised over capital allocation, with Board oversight linked directly to KPI frameworks. Emphasis was placed on maintaining strong free cash flow discipline to support strategic investments while safeguarding financial resilience.

- **Digital Transformation Oversight**

The Board provided leadership in driving digital transformation initiatives, overseeing the progress of multiple projects aimed at enhancing operational efficiency and business agility.

- **Financial Reporting and Compliance**

The Board maintained rigorous oversight of financial integrity through the regular review and noting of finance compliance reports and statutory submissions, ensuring adherence to all regulatory and reporting requirements.

Through these measures, the Board ensured that strategic priorities were effectively translated into measurable outcomes, reinforcing a culture of accountability, financial discipline, and sustainable growth.

BOARD COMPOSITION

LR 9.8.1, 9.8.2

As of the end of March 2026, the Board comprises 9 Directors including 2 Executive and 7 Non-Executive Directors of whom 4 are Independent. 4 of the Non-Executive Directors, which is the majority, are independent in terms of the criteria defined by CSE rule 9.18.2 on Corporate Governance, fulfils the minimum guidelines prescribed by the Code. The Board evaluates the independence yearly using annual declarations submitted by the Directors according to the CSE rule 9.18.3. This process ensures whether such Directors are independent of the management and free of any business or other relationship that could interfere with the exercise of their unfettered and independent judgment.

The Board is diverse in its expertise, skills, experience, and demographics, which aligns with the current and future needs of the Company. The Board brings rich perspectives to the Board, enhancing the depth of discussions and quality of decision-making. Please refer page 34 for brief profiles of the Board of Directors. Board refreshments happen regularly, and appointments follow a transparent and rigorous process with the recommendations of the Nominations & Governance Committee. The Board periodically assesses its skill composition to ensure that its expertise remains relevant in driving the Group's strategic agenda.

BOARD MEETING ATTENDANCE

LR 9.10.4

All Directors have attended a majority of the meetings and have devoted their time adequately. Dedicate adequate time and effort to matters of the Board and the Company Board meetings and Board Committee meetings are scheduled well in advance and the relevant papers are circulated a week prior to the meeting using electronic means to ensure that Directors have sufficient time to review the same and call for additional information or clarifications, if required and after a meeting to follow up on issues consequent to the meeting.

	Board Meetings	Audit and Risk Management Committee Meetings	Human Resources and Remuneration Committee Meetings	Related Party Transactions Review Committee Meetings	Investment Committee Meetings	Nominations and Governance Committee Meetings
Dr. S. Selliah	10/10	4/4	1/1	4/4	-	1/1
Aelian Gunawardene	10/10	-	-	-	-	-
Nishal Ferdinando	10/10	-	-	-	-	-
Hussain Akbarally	10/10	4/4	1/1	4/4	2/2	-
Devaka Cooray	9/10	4/4	1/1	4/4	2/2	1/1
Eng. Manju Haththotuwa	9/10	-	-	0/2	-	-
Joycelyn Gunawardene	10/10	-	-	-	-	1/1
Anika Williamson	10/10	-	-	-	2/2	-
Richard Gunawardene	10/10	-	-	-	-	-

All Board meetings are conducted as per a pre-determined agenda. The notices of Board meetings along with the agenda and Board papers are circulated among the Directors at least 4 (four) days prior to the scheduled meeting, giving adequate time for the Directors to review and request any additional information or clarifications needed in order to prepare for the meetings.

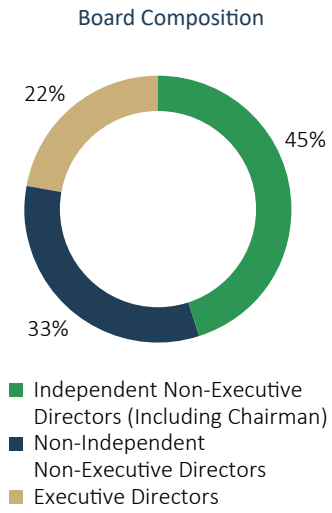
The Board papers include

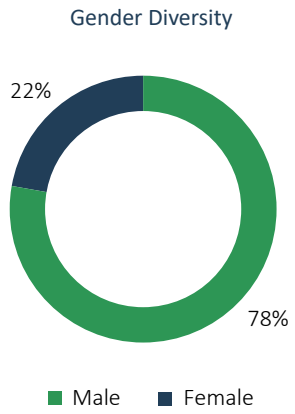
- Financial and operational information including progress on agreed Key Performance Indicators and information on the external operating environment
- Operational and financial compliance statements confirming regulatory compliance and other matters considered necessary in accordance with the policies of the Company and the Board
- These statements include information regarding breaches of internal controls or fraud detected during the period together with any action taken or confirm the absence thereof
- Information on human resources, including appointments and resignations of Directors and KMPs of the Company
- Information on capital expenditure
- Related party transactions by Key Management Personnel
- Documents to which the Company seal has been affixed to
- Environmental, social, and governance (ESG) related risks and opportunities (if any) during the period
- Cyber security-related risks, mitigative measures and a security breach report (if any) during the period
- Resolutions on other matters referred to the Board
- Market share performance
- Company asset utilization

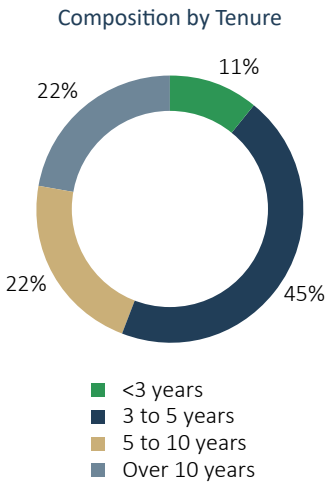
In such instances where decisions are made by way of special resolutions, all relevant information pertaining to the resolution is sent along with the relevant resolution to enable the Directors to clearly understand the purpose for which a resolution is being circulated.

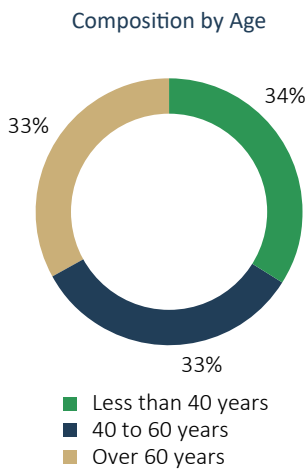
BOARD DIVERSITY

GRI 2-9, 405-1











INDUCTION AND TRAINING

GRI 2-17

Upon being appointed to the Board, all Directors undergo an induction, which serves to provide an overview of the Group's operations. Directors are also expected to consistently refresh their knowledge, keeping abreast of all relevant developments and thereby contributing to the overall effectiveness of decision-making. They are given the opportunity to have sufficient exposure and expertise in their relevant areas to fulfil their duties and responsibilities owing to the Board. Every Director receives appropriate training, if necessary, when first appointed to the Board. This training curriculum encompasses both general aspects of directorship and matters specific to the industry. The Board regularly reviews and agrees on the training and development needs of the Directors, to effectively discharge their duties. Moreover, as members of professional organizations, Directors also attend continuous development programmes of these organisations.

Directors have access to the management team through regular updates and reporting to the Board.

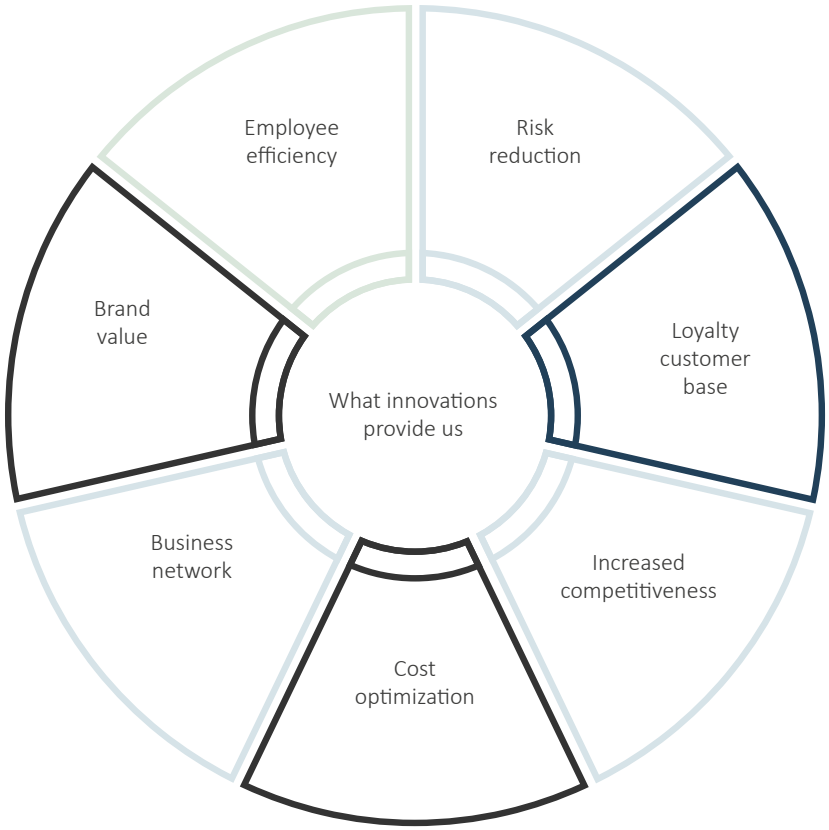
Induction Programme Covers

- Group's governance procedures
- Regulatory requirements and listing rules
- Market positions and business strategies
- Presentations by the management team

Annual update is given to existing Directors on Corporate Governance, Listing Rules, securities market regulation and other applicable laws and regulations.

BOARD'S SUPPORT OF INNOVATION

The Board of Directors always defines and fosters innovative priorities, establishes an innovative culture, provides adequate resources, and makes critical choices about innovation within the Company. As a result, this will aid in aligning IT strategy with business strategy in order to provide medium to long-term value for shareholders. Long-term development of the Group, Operational excellence, organizational effectiveness and customer satisfaction are the major perspectives on innovation.



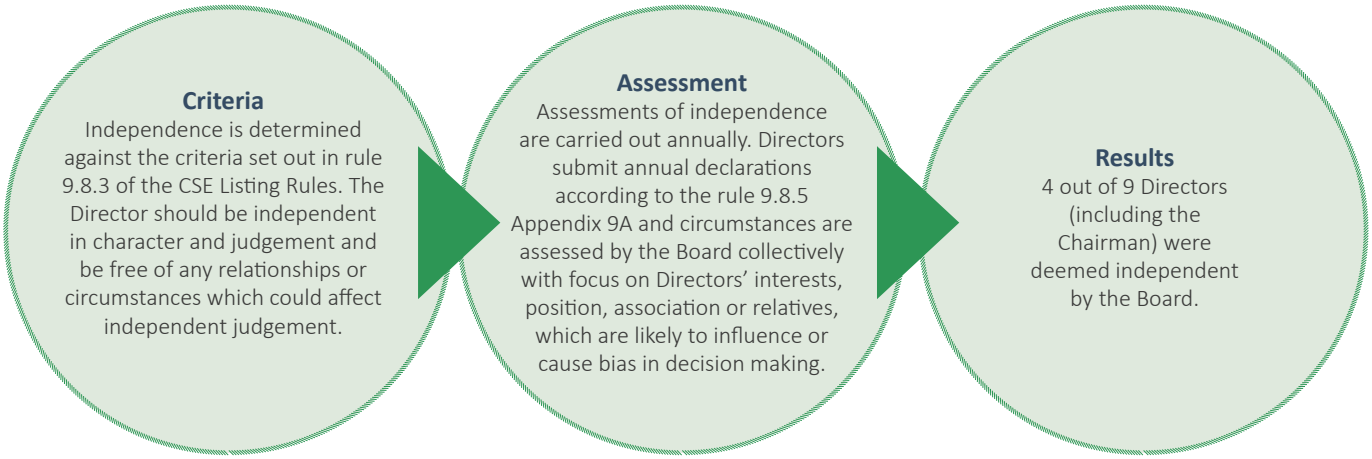
REFRESHMENTS OF THE BOARD AND SUCCESS

Through an improved succession structure, the Board focuses on balancing the requirement for continuity with the introduction of new ideas. According to the Articles of Association, at each AGM, one-third of the Directors (excluding Chairman, Managing Director and CEO) will retire and being eligible will offer themselves for re-election. As the Board of Directors retire, the Nominations and Governance Committee seeks and proposes persons with the necessary abilities, experience, and values in keeping with the Group's strategic ambitions and future requirements.

BOARD INDEPENDENCE

Stakeholders, stock exchanges, and regulatory organizations around the world are placing a greater emphasis on independence of the Board. JAT believes that in order for a Board to be effective, corporations must take steps, both in their structures and nomination methods, to support independent decision-making while limiting any conflicts of interest. There is evidence that the stated vision of improved governance and greater independence can be realized through multiple checks and balances, while not jeopardizing a corporate's basic operating model. These checks and balances may include, among other things, the implementation of various assurance methods, the use of systematic and comprehensive Board review processes, and independent director-led participation. To that aim, JAT will continue to prioritize increasing the Board's independence while maintaining a balance with the Group's operational model, which handles the complexities of a diverse conglomerate context.

All Directors submit annual declarations of independence or non-independence in accordance with the Articles of Association, stipulations of the Listing Rules of the CSE and the guidelines of the Code of Best Practice.



POWERS RESERVED FOR THE BOARD

- Approving all acquisitions, divestitures, and capital management activities
- In accordance with section 221 of the Companies Act No.07 of 2007, the Board Secretary is appointed
- Seeking expert guidance where necessary at the Company's expense
- Examining, revising, and approving governance frameworks and guidelines

BOARD AND SUBCOMMITTEE PERFORMANCE EVALUATION

LR 9.7.5

GRI 2-18

The Board acknowledges that reviewing the performance of the Board and its Committees is critical to monitoring the Board's and Committees' effectiveness. The Board and Board Committees are evaluated on a yearly basis. Each Director separately completes a questionnaire to assess the Board's and its Committees' performance. Executive Directors evaluate Non-Executive Directors and vice versa. The tabulated data are then used to improve efficacy.

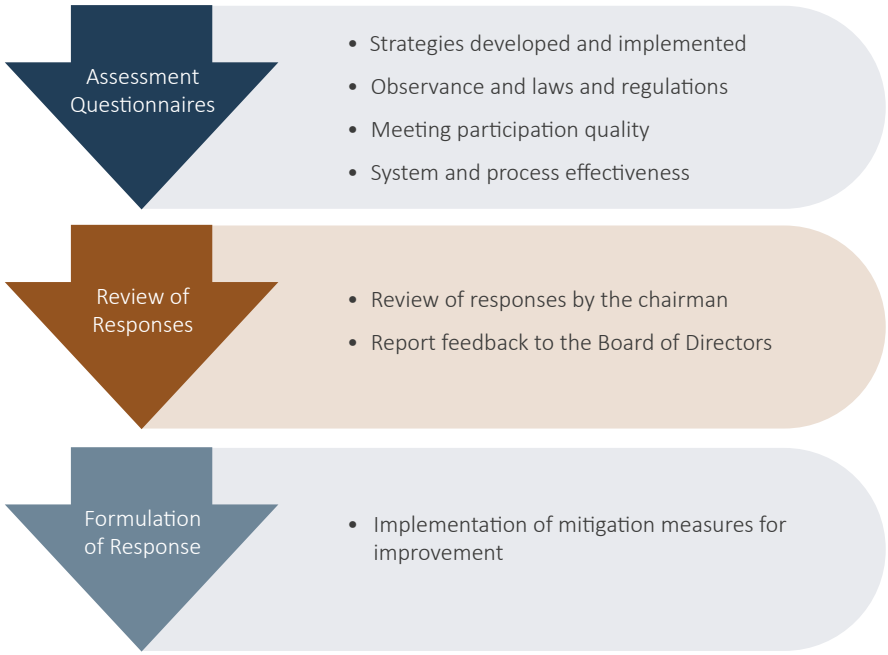
Each Director independently completes a questionnaire to assess the performance of the Board, and that of its Committees. The tabulated results are used to make improvements in effectiveness. The Chairman also discusses any improvements required with individual Directors and Board Committee Chairs. In addition, the Board also periodically considers 360-degree appraisals for Executive Directors and Key Management personnel to further strengthen governance.

The evaluation result this year indicated that the Board operated effectively and performed well in the governance aspects of the Group, and that the members were satisfied with the composition and operational effectiveness of the relevant Board Committees.

The CEO is entrusted by the Board to conduct day-to-day operations effectively to attain strategic targets/goals. CEO/Managing Director's performance targets are aligned with the business strategies of the Company. Financial and non-financial targets are set at the beginning of every financial year by the Board which is in line with the short, medium and long term objectives of the Company. At the end of each financial year the Non-Executive Directors, Chairman and the Managing Director assess the performance of the CEO through the set targets/Key Performance Indicators (KPIs) and the actual performance.

Board Evaluation Measures	Committee Evaluation Measures
• Strategy implementation • Achievement of performance objectives • Conduct of Board's performance evaluation • Risk management practiced in the company • Board composition, skills and training • Compensation philosophy • Succession planning done by the company • Performance of the CEO • Compliance & latest developments in the legal environment • Communication with shareholders • Stakeholder interest • Internal controls • Financial performance	• Committee's composition • Conduct of committee meetings • Effectiveness of meetings held • Delivery of information to the Board • Execution of responsibilities

Board Evaluation Process



Evaluation of the Executive Directors

When evaluating the executive directors both financial and non-financial targets are being considered, which are being set at the beginning of the year through the annual corporate plan. The final outcome of the evaluation of the Board serves as a basis for enhancements in governance and strategic decision making.

STRUCTURES AND BALANCE OF POWER

LR-9.6.1

GRI 2-11, 2-12, 2-13

Role of Chairman, Managing Director and CEO

The Chairman, MD and the CEO of the Company are different persons with clearly defined and separated power and authority.

Segregation of duties

Chairman	Managing Director	Chief Executive Officer
• Ensuring that Board proceedings are conducted in a proper manner • Facilitating and encouraging the expression of diverse views by Board members • Lead and manage the business of the Board • Determine corporate governance • Ensuring shareholder concerns are addressed	• Provides assurance to the Board related to identification, assessment of risk and adequacy of Internal Audit • Ensure alignment between Board of Directors and management • Conceptualizing ideas and networking • Provide leadership in attaining Company's strategic objectives while ensuring the Board is promptly provided with precise, reliable, and transparent information regarding the overall performance and standing	• Effectively lead the Company's daily operations and ensure the effective implementation of the strategic direction Ensure succession planning of the executive team • Account for strategy and sustainable growth of Company • Report on the performance to the Board

There is a clear division of responsibilities between the Board and the executive leadership of the Group's business. These responsibilities are clearly set out in writing and agreed upon by the Board. The Chairman provides leadership to the Board, setting the tone at the top and ensuring that all governance procedures are carried out in accordance with the laid-out framework. As the founding entrepreneur, the Group's Managing Director plays the leading role in setting the Group's strategic direction through conceptualizing ideas and engaging with relevant stakeholders. Operation of the Group is the responsibility of the CEO who is accountable for implementing the Group's strategy, building the talent pool in line with the strategic aspirations, and embodying the corporate culture and values of the Group.

Appraisal of CEO

The appraisal of the CEO follows a transparent and robust process with performance being assessed annually by the Managing Director. The assessment includes a comparison against pre-defined targets and evaluating reasons for non-achievement if any and it aims to evaluate the CEO's achievements, leadership qualities, and alignment with the organization's vision and values.

BOARD OVERSIGHT FOR COMPLIANCE

The Board is responsible for ensuring that JAT adheres to all applicable laws, rules, regulations, codes, and standards. This commitment is carried out by a zero-tolerance approach to non-compliance, with the Company's compliance team in charge of monitoring compliance with all applicable rules, regulations, and statutes. The Internal Audit team also gives impartial assurance about the Company's compliance status at any given time. The JAT Board encourages the early implementation of new regulations as part of its overall commitment to compliance.

Moreover, the Board of Directors has taken proactive measures to familiarize themselves with relevant laws, rules, and regulations, ensuring compliance with Listing Rules and relevant capital market provisions. They remain vigilant in staying informed about any changes to these regulations, thereby upholding commitment to legal compliance and regulatory adherence within the organization.

Board Responsibility for Internal Control and Financial Reporting

The Board of Directors has built a full-fledged internal control system to ensure that day-to-day business activities are managed efficiently and effectively in accordance with the Company's strategic objectives. Aside from that, the Board maintains a comprehensive reporting suite to communicate the Company's performance and financial situation to stakeholders. As a publicly traded business, the principal document in the reporting suite is JAT's Board-approved Integrated Annual Report, which is created to provide a balanced and transparent assessment of the Company's financial status, performance, and future prospects. Aside from that, the Company releases quarterly financial reports and other CSE information. All such information is made available to the CSE and is published in the press.

Role of the Board in Promoting Ethics and Values

GRI 205-2

Based on the Board-approved Code of Conduct, all the aspects like conflict of interest, bribery and corruption, money laundering, entertainments and gifts, accurate accounting and record keeping, fair and transparent procurement practices, Corporate opportunities, confidentiality, fair dealing, protection and proper use of Company assets, sexual harassment, discrimination and abuse, compliance of laws, rules and regulations, and encouraging the reporting of any illegal, fraudulent or unethical behaviour which is whistleblowing are covered and, the Board sets the tone from the top to instill the correct behaviours among the Company's personnel. These rules and procedures are intended to instill appropriate behaviours and provide advice to employees so that they may always carry out their responsibilities with the utmost integrity and fairness. Regular training is provided to staff to raise knowledge of these behaviour regulations and to impress upon them the need to adhere to these covenants. The Board ensures compliance with the Code and non-compliance may reasons to go for disciplinary action. There were no instances of non-compliance with the Code of Ethics by Directors or employees.

DIRECTORS' REMUNERATION

GRI 2-19, 2-20

The Board always ensures that the level of remuneration is attractive enough to motivate and retain Executive Directors. The Remuneration Committee assists the Board by suggesting and approving remuneration for Executive Directors.

CONFLICT OF INTEREST

GRI 2-15

Each Board member shall make every effort to keep his or her personal interests separate from the interests of the Company. The Board of Directors does not participate in or vote on any Board resolution in which they have a significant interest. Each Director files an annual statement outlining his or her relationship with the Company, which is then disclosed to the Board via the Related Party Transaction Review Committee. All such interests are also noted in the Company's Interest Register, which is kept by the Company Secretary.

ACCESS TO INFORMATION

Directors have access to timely, relevant, and accurate information, which enables them to discharge their duties effectively. The Company Secretary, under the direction of the Chairman, is responsible for ensuring that the Board and its Sub-Committees receive such information for review in sufficient time ahead of each meeting. Prior to Board meetings, Directors are typically provided with information including periodic operational and financial performance reports, budgets and forecasts and information on stakeholder concerns, among others.

Board Minutes

- Matters considered by the Board and deliberations
- Summary of information used for Board deliberations
- Testimonies and confirmations from the senior management
- Board knowledge and understanding of risk to which the Bank is exposed
- Decisions and Board resolutions

COMPANY SECRETARY

The Company Secretary ensures the Company's compliance with legal and regulatory requirements. They act as a liaison between the Company and regulatory authorities, maintain statutory records, and advise the Board on governance matters. They also play a role in ensuring Board decisions are implemented and documented.

Key Responsibilities

Compliance

Ensuring the Company adheres to the Companies Act and other relevant regulations, including filing annual returns, maintaining statutory registers, and notifying the Registrar of Companies of changes.

Governance

Advising the Board on governance matters, ensuring compliance with corporate governance codes, and facilitating effective communication between the Board and stakeholders.

Secretarial Duties

Preparing and maintaining minutes of Board meetings, organizing meetings, and ensuring proper documentation of resolutions.

Record Keeping

Maintaining statutory registers, such as registers of members, Directors, interest register, beneficial owners register and those with significant control, and ensuring accurate records are kept.

Stakeholder Liaison

Acting as a bridge between the Company and its stakeholders, including shareholders, regulators, and government authorities.

Beyond the Basics:

- The role of Company Secretary has evolved to include providing legal and regulatory insights, assisting in strategic planning, and supporting risk management initiatives
- The Company Secretary is also involved in registering charges created by companies, certifying annual returns, and authenticating annual reports
- The Company Secretary ensures the company's compliance with all relevant laws and regulations, including the Companies Act
- The Company Secretary plays a crucial role in ensuring that the decisions of the board of directors are properly implemented and documented

In essence, the Company Secretary is a key officer who ensures efficient and compliant administration of the company, while also playing a vital role in its governance and communication with stakeholders.

The Board of Directors appoints and replaces the Company Secretary. The attendance register is monitored by the Company Secretary to verify compliance. The internal Corporate Governance Code contains the Company Secretary's obligations as defined in statutes and other regulations.

JAT's internal Code of Corporate Governance includes a provision allowing all Directors to have access to the advice and services of the Company Secretary.

Role of Company Secretary at Board and Sub Committee Meetings

The Company Secretary is crucial in organizing Board and Sub Committee meetings and deliberations. The Company Secretary shall ensure that all Directors have complete and timely access to necessary data prior to each meeting.

Pre Board meetings

Coordinate with the Board of Directors and management to develop the agenda for the Board meeting. Prior to each meeting, the agenda and all Board materials are distributed electronically/ physically to Board members. Specific reports and timetables are also distributed with Board papers as necessary. Ensures that prior meeting minutes are distributed to Board members. Board members can instantly contact the Company Secretary for clarification.

During Meetings

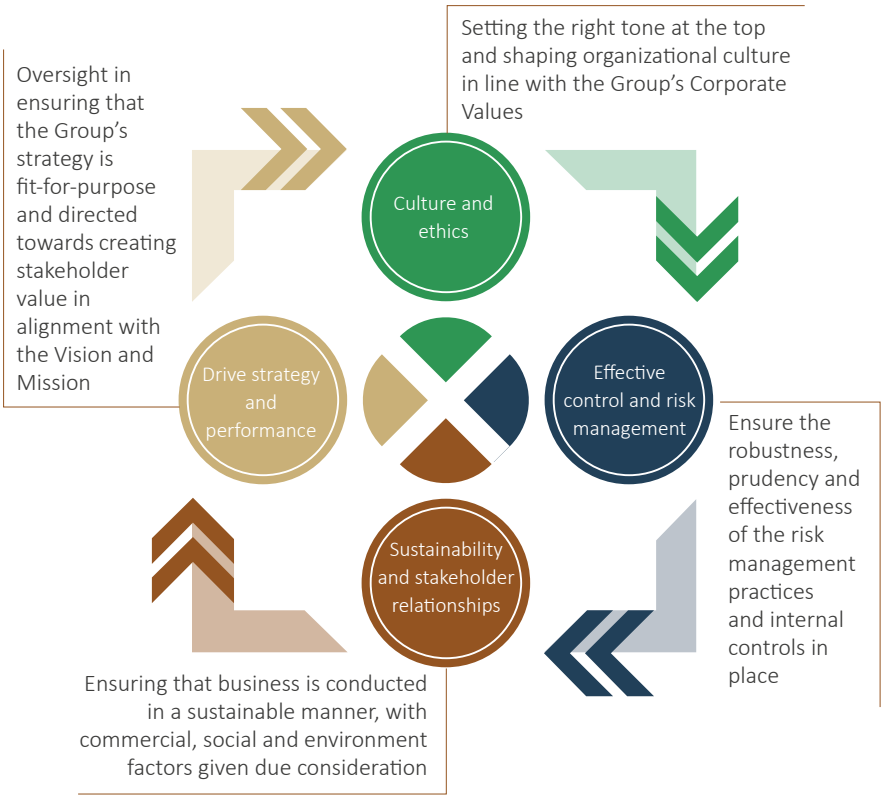
Minutes of talks and decisions are recorded in the Board minute books in an appropriate manner.

Post Board meeting

Board minutes are prepared and distributed to the Board prior to the following meeting

GOVERNANCE CONTRIBUTION TO VALUE CREATION

GRI 2-12, 2-13, 2-23, 2-24, 205-2



Drive Strategy and Performance

GRI 3-3

The Board provides oversight on the overall performance of the Group, ensuring that strategy and performance are aligned with the Group's vision, mission and purpose. The business governance process commences from the point of preparing the Annual Plan and is based on the Group's future strategic direction and short-term, medium-term and long-term objectives; the plan is approved by the Board following proactive discussion and consideration of market dynamics. The Executive Directors closely monitor the performance on a regular basis and the Chairman and Board of Directors review the performance against defined objectives at all Board meetings.

Culture and Ethics

The Board is responsible for setting the right ethical tone at the top, thereby contributing towards shaping an organizational culture that is aligned with our values. The Group's organizational culture provides a good foundation for understanding the expectations of both what is expected in both internal and external stakeholder interactions. Key tools in place which contribute towards shaping the Group's culture are set out below:

Code of Ethics

The Company's Code of Conduct and Business Ethics are applicable to all employees and the Board of Directors. In addition, whoever represents the Company and is authorized to act on behalf of the Company has to abide by the above-mentioned Code of Conduct and Business Ethics.

The Code sets out the expected conduct of employees when interacting with stakeholders and includes,

- Exercising honesty and diligence when performing one's duties
- Avoid situations of personal interest which might conflict with the interests of the Company
- Maintain confidentiality of price-sensitive and other information
- Safeguard company assets
- Avoid conduct that will affect badly on the Company image
- Considerations on labour and human rights as well as social and environmental sustainability
- Maintaining good international relationships with suppliers, investors, customers, and other stakeholders
- Acceptance of gifts is prohibited which could be deemed as a method of bribing
- Engagement in social media is not recommended within the office working hours

Whistleblowing Policy

The Board-approved Whistleblowing Policy provides a secure, confidential, and structured mechanism for employees and stakeholders to report suspected misconduct, unethical practices, fraud, or legal violations. Reports can be made directly to the Chairman, Managing Director, or designated whistleblowing channels, with the assurance that anonymity will be preserved wherever possible. Two-way communication is maintained throughout the process, enabling follow-up and ensuring that concerns are addressed transparently. The policy strictly protects whistleblowers from any form of retaliation, including demotion or penalization, for raising concerns in good faith.

Anti-Corruption and Anti-Bribery Policy

JAT maintains a zero-tolerance policy against bribery, corruption, and workplace harassment. Strict disciplinary actions are enforced against employees involved in offering or accepting bribes, facilitation payments, or unacceptable gifts. The Anti-Bribery and Anti-Corruption Policy is communicated to all employees through induction programs, the employee handbook, and ongoing training.

The policy outlines the Group's robust framework to prevent bribery and corruption across all its operations. Key aspects include:

- A strict zero-tolerance stance on bribery, kickbacks, facilitation payments, and improper gifts or hospitality
- Clear compliance requirements and internal controls covering all employees, Directors, contractors, agents, and third parties acting on the Group's behalf
- Regular training and awareness programs to ensure all parties understand and uphold the policy's principles
- Rigorous due diligence, accurate record keeping, and risk assessments to prevent and detect misconduct
- A strong emphasis on safe reporting mechanisms, ensuring whistleblowers are protected from retaliation

All Group stakeholders, including business partners and third parties, are required to adhere to the standards set out in the Group's Anti-Bribery and Anti-Corruption Policy.

Gift Policy

The Company has set clear reporting processes for situations where gifts, hospitality, or expenses exceed defined thresholds. Employees are required to inform their immediate supervisors or designated authorities and, in certain cases, obtain prior approval. Non-compliance with these requirements leads to disciplinary consequences, reinforcing the importance of responsible conduct and adherence to the Company's ethical standards.

The policy helps regulate the offering and receipt of business courtesies and gifts by the Group's employees.

- Its aim is to establish greater uniformity in the gifting culture through the setting of standard thresholds for gifts that are received or offered by Group employees
- The policy is applicable to gifts given or received within the Group and from third parties, and enforced across all permanent employees and the Board of Directors
- The policy sets out the definitions of the thresholds, procedures and reporting requirements

Furthermore, the Company prohibits any political contributions, whether financial or material, to political parties, causes, or candidates.

Anti-competitive behaviour

To uphold fair market practices, the Group has implemented strong measures against anti-competitive behaviour. These include:

- Ensuring the Group operates independently in its pricing decisions

- Avoiding participation in cartels or prohibited competitive activities within the paint segment
- Basing pricing solely on cost escalations, market supply, and demand dynamics

Share Trading Policy

The policy outlines the implications of 'insider trading' and the Group's recommendations in this regard.

- The policy advises all individuals connected to the Group and to whom this policy is applicable of the limitations placed by the Securities and Exchange Commission (SEC) Act of Sri Lanka and the Listing Rules of the Colombo Stock Exchange on those who intend to deal in the shares of the Company while in possession of unpublished price-sensitive information in relation to the Group and its businesses.

Preserving Human Rights

The Group has also put in place an anti-harassment policy that aims to promote an organizational culture that upholds widely accepted standards for human rights while reducing the possibility of human rights abuse. The following are important elements of the Policy:

- Fair treatment: Good opportunities and treatment in order to end prejudice
- Non-harassment: Establishing a workplace free from any type of harassment
- Eliminating child, forced, and involuntary labour from our operations as well as from along our value chain when dealing with suppliers and subcontractors
- Collective bargaining and freedom of association
- Equality and un-biasness

Measures to encourage ethical behaviour

To foster an ethical culture and promote ethical behaviour, the Group has put in place a number of practical methods and procedures. These actions consist of the following:

- Performance evaluations
- Consequences are handled in accordance with the Disciplinary Policy
- Ongoing training and awareness programmes
- Ethical Code of Conduct
- Ethical leadership
- Supplier and vendor screening
- Fair employment practices
- Conflict of Interest Policy
- Ethical decision-making framework
- Regular audits and monitoring
- Rewards and recognition
- External certifications
- Transparency in financial practices

EFFECTIVE CONTROL AND RISK MANAGEMENT

The Board oversees the Group's risk management and internal controls, including financial reporting and legal compliance. Committees like the Audit and Risk Management Committee assist in ensuring the adequacy of these systems. Non-executive Directors engage with auditors independently to assess internal controls. Measures are implemented to maintain accurate accounting records and timely dissemination of information to stakeholders.

Given the considerable shifts in the Group's external landscape during the year, the Board placed emphasis on the following risk exposures:



Risk management lines of defence



Internal Control

Internal controls are critical for the Company to prevent, detect, and mitigate problems that may arise from continuous business activities. The Audit and Risk Management Committee assists the Board in monitoring and evaluating the effectiveness of the Company's internal control environment. The review is mostly carried out through discussions and evaluation of reports presented by Internal Auditors, and External Auditors.

Continual Strengthening of Internal Controls

The Group's top priority over the next few years will continue to be adding operational components to transactional and financial internal controls in accordance with the best international practices. Internal controls are anticipated to be strengthened continuously through a streamlined process that optimizes and enables process audit information, life cycle management, and related procedures.

- Get rid of the inefficiency endemic to manual procedures
- Offer a system built around process enforcement
- Make it possible for management to follow up based on data that is centrally stored in a compliance repository
- By examining changes in the compliance posture, identify trends, actions taken, effectiveness, and potential for process improvement
- Improve the Group's capacity to stop and identify fraud.

Policy Framework

A comprehensive Board-approved policy framework ensures consistent treatment of strategic and operational issues; the policies are reviewed and revised regularly to the applicability to changing dynamics. The Group's key policies are presented under the 'Key Internal Policies' on page 43 above.

Integrated Governance Systems and Procedures

The Group's primary governance frameworks and practices are listed below. The JAT Internal Governance Structure is strengthened by these processes and procedures, which are measured against industry best practices.

- Strategy formulation and decision-making process
- Human resource governance
- Integrated risk management
- IT governance
- Tax governance
- Stakeholder management and effective communications
- Sustainability and product quality governance

Assurance Mechanisms

The Corporate Governance System's various supervisory, monitoring, and benchmarking components make up the assurance mechanisms, which are used to compare actuals to plan in order to identify deviations and indicate the need for prompt corrective action. In the Governance system, these systems also serve as safety nets and internal controls. JAT also does internal and external audits periodically, at least once a year.

Internal and external assurances for the integrity of systems, processes, controls, and financial and non-financial information are achieved.

Financial Statements Assurance	Internal Business Process, System, and Control Assurance	Assurance of the Integrated Report and non-financial data	Assurance on Management Systems
Independent audit report by External Auditor – Ernst & Young Chartered Accountants	Internal Auditors' Reports and the Audit and Risk Management Committee assurance of the Board	Independent assurance on Integrated Reporting, and GRI compliance by Deloitte Partners, ESG Statement and relevant standards on SASB	Independent audit and certifications on Quality Management System, Environmental Management System, Occupational Health and Safety Management System

Accountability and Audit

The Board is responsible for presenting a balanced and accurate assessment of the Company's performance, financial position and outlook. The financial statements are prepared in accordance with the Sri Lanka Financial Reporting Standards laid down by the Institute of Chartered Accountants of Sri Lanka. Our Annual Report is an Integrated Report and complies with the Global Reporting Initiative's GRI Standards.

The following specialized information requirements are also included in this Annual Report.

- o The Annual Report of the Board of Directors on the Affairs of the Company on pages 212 to 217 of this Report contains the declarations prescribed by the Code
- o The Statement of Directors' Responsibility is given on page 234 of this Report
- o Chief Executive Officer's and Chief Financial Officer's Responsibility Statement is given on page 233

External Auditors and Auditor Independence Policy

The Group's external auditors are Ernst & Young Chartered Accountants, and the auditor has not engaged in any services which are in the restricted category as stipulated by the CSE for external auditors. Measures in place to ensure the independence and objectivity of the external auditors as discussed furthermore in the Board Audit and Risk Management Committee Report on page 218.

Internal Audit

The Company has an independent internal audit function in place that provides reasonable assurance to the Board, Audit and Risk Management Committee, and Senior Management regarding internal controls and controls regulating financial statement production. Internal auditing is carried out in accordance with a risk-based Internal Audit Plan. Internal auditors report their findings and recommendations to the Audit Committee and the Board on a quarterly basis. External Auditors have access to Internal Audit Reports if they

desire. The Audit Committee examined the work of the Internal Audit function during the year and is pleased with its performance.

Employee Participation in Assurance

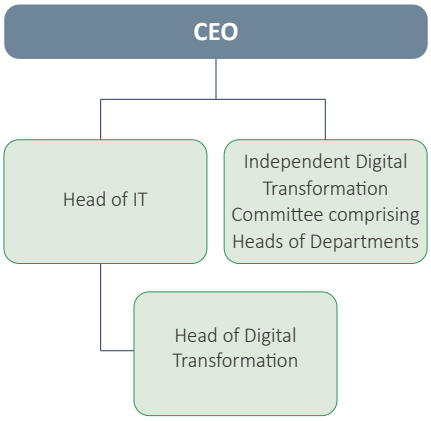
JAT is constantly working to introduce new and efficient channels for employee awareness and communication. The significance of top-down, bottom-up, and lateral communication in ensuring employee commitment to organizational goals has been thoroughly communicated through several communications released by the top management and the management. Although there are numerous opportunities for interaction between staff members and top management, the Group has established formal channels for this contact through feedback, which eliminates any threat of retaliation.

- Skip level meetings
- Exit interviews
- 360-degree evaluation
- Employee surveys
- Staff meetings
- Continuous reiteration and the practice of the 'Open-Door' policy

IT Governance and Oversight

Strong governance frameworks underpin JAT's digital transformation journey. The Group's IT policy, approved by the Board of Directors, provides strategic direction and ensures alignment with overall business objectives.

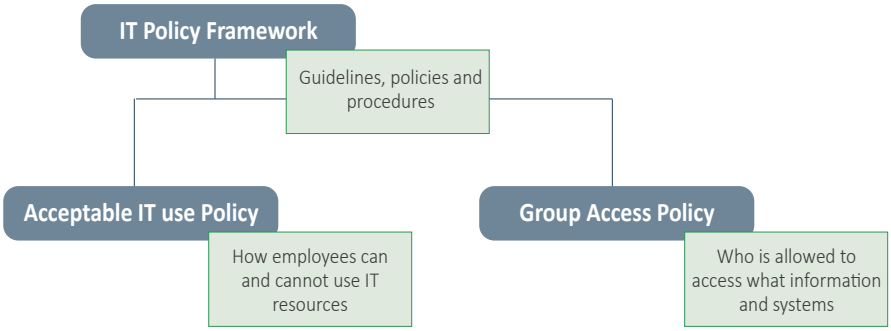
A dedicated Digital Transformation Committee oversees the implementation of key initiatives, engaging regularly with stakeholders across the organization. Structured processes, including standard operating procedures, periodic validations, and formal sign-off mechanisms, have been established to ensure consistency, accountability, and continuous improvement.



IT risk management

The Group's increased focus on digital platforms and e-commerce channels has increased vulnerabilities to IT risks. A robust IT governance process ensures that these risks are managed in a systematic manner and aligned with the Group's overall strategic and operational objectives. IT Governance is an integral part of the Group's Corporate Governance framework and ensures that the Group's IT agenda is aligned with the Group's overall strategic aspirations. The impact of IT Governance on operational areas of the Group is set out below.

Compliance	Investing in licensed software to ensure effective management of IT risks, access to the latest updates and managing compliance with a view to educate and mandate compliance in reporting within the Group
Operational efficiency	Streamlining processes such as inventory management and credit management so that integrity is maintained across the value chain through near real-time processing
Customer Convenience	A Sales Force automation system is in place to ensure customer records and going concern of the distributors is in place which allows access to real-time information and enhances customer convenience
Customer Privacy	The IT infrastructure is aligned accordingly to safeguard confidential customer-related information. IT policies and procedures are in place including data protection, classification and security, with adherence to the statutory requirements and customer rights under the Personal Data Protection Act, 2022
Green IT	Protecting the environment by reducing print through migration to emails/soft copies etc.
End-User Protection	Investing in end-user training and development to raise awareness of the possible consequences of cyber risks and to increase user adoption of system protections
Performance monitoring and reporting	For data driven decision making, performance analysis, and continuous improvement

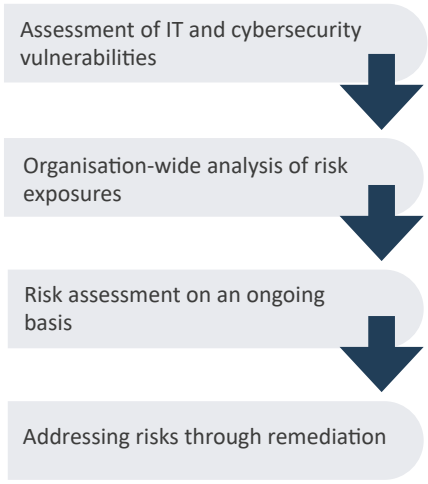


IT Value and Alignment

JAT has increased its IT implementation in recent years in order to optimize business processes. Investments in IT projects and systems, on the other hand, are made solely on the basis of their suitability for the linked initiatives. Furthermore, when judgments are made, elements such as cost savings, timely information, and the need to balance cost and benefits are taken into account.

IT and Cybersecurity Risk

A framework of robust IT policies, continued investments in state-of-the-art hardware and software, clear demarcation of responsibilities and a highly skilled IT team ensure that IT risks are managed proactively and consistently. The Group Head of IT holds overall responsibility for implementing the Board IT and cybersecurity strategy and the process of identifying and managing such risks is presented alongside.



Data governance and cybersecurity

With increasing digital integration, JAT places significant emphasis on data governance and cybersecurity. During the year, Group undertook targeted initiatives to enhance data accuracy, identifying and addressing gaps through structured verification processes.

To strengthen its cybersecurity posture, JAT engaged an independent IT security consulting firm to align its systems with the requirements of the Personal Data Protection Act and broader global best practices. Key measures implemented include vulnerability assessments of core systems, endpoint detection and protection mechanisms, and the deployment of cloud-based firewalls.

Regular cyber security awareness programmes ensure that employees remain vigilant, particularly in safeguarding sensitive data such as customer information within loyalty programmes.

In parallel, the Group recognises its increased exposure to IT and cybersecurity risks arising from ongoing digitalization and manages these risks through a robust governance framework. Strong IT policies clearly defined responsibilities under the three-lines-of-defense model, and oversight by a highly experienced IT function support consistent and holistic management of IT risks. IT risk assessments are conducted at least annually to identify vulnerabilities within the IT environment, with appropriate mitigation measures implemented to minimize potential threats. Cyber risk management is a standing agenda item at Board-level risk management discussions, supported by periodic independent reviews carried out by external auditors and consultants. The Board is kept informed of key cyber risks, observations arising from external reviews, and the effectiveness of controls in place to mitigate such risks.

SUSTAINABILITY AND STAKEHOLDER RELATIONSHIPS

LR-9.4.2

We are committed to preserving the rights of our shareholders and adopting an array of measures to ensure that shareholder views are heard and fully considered. With the Group's transformation into a publicly listed company, measures have been taken to strengthen the Investor Relations function. JAT also identifies significant stakeholders and determines material matters relevant to them. This process enables us to effectively address the concerns and expectations of our key stakeholders, fostering strong relationships and aligning our strategies with their priorities.

Stakeholder Engagement Process

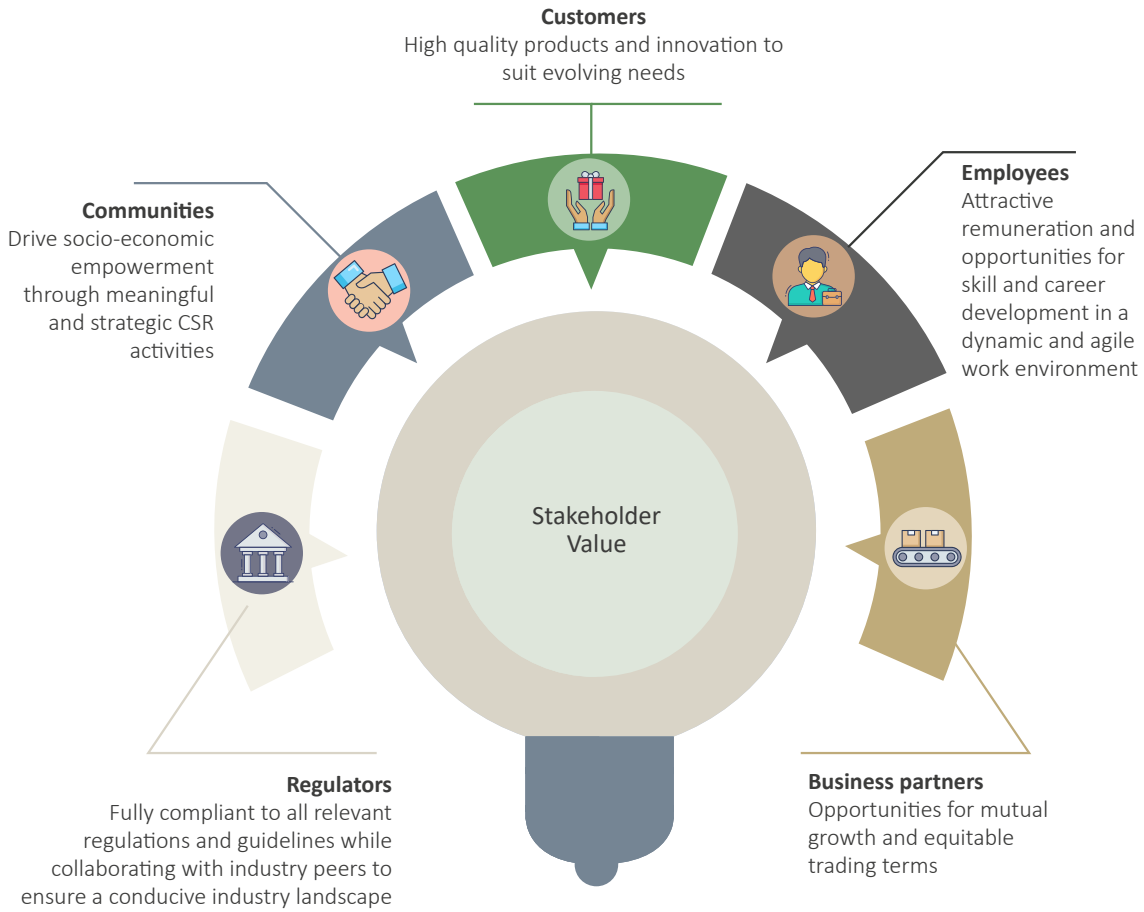


Engagement with Shareholders

Annual General Meeting	Dissemination of information	Investor Relations
The AGM provides shareholders with the opportunity to contribute their views and engages with the Board of Directors, including the Chairpersons of certain Sub-Committees and members of senior management. We encourage shareholder participation at AGMs, thereby fostering a constructive dialogue. Voting of the shareholders is crucial in carrying a resolution at the AGM/ EGM. The Chairman who plays the role of the agent and communicates the views and queries of the shareholders to the Board and the Key and Senior Management in order to ensure that the views are properly communicated to the Company.	The Group provides shareholders with timely information on performance and any other material developments through the corporate website, disclosure of quarterly financials in the CSE, press release and one-to-one engagement where relevant. Shareholders can access information and engage in dialogue which is coordinated through the Company Secretary.	A dedicated Investor Relations page on the Group's website ensures that shareholders are kept aware of emerging developments. Investor Relations Officer is available to communicate with shareholders if necessary. Investors and shareholders can directly communicate and share their views, and it will be communicated to the Board for necessary actions.

Engagement with other Stakeholders

Numerous formal and informal engagement channels enable the Group to understand and proactively respond to the expectations of stakeholders as described on page 97 of this Report. The value propositions we offer to our stakeholders are presented below:



Treatment of minority shareholders

Minority shareholders' interests are protected by the following mechanisms:

- All shareholders have equal voting and transfer rights
- Effective voting mechanisms to safeguard minority shareholders
- Process for communicating with minority shareholders; all shareholders have direct contact with the Company Secretary
- All paths open to minority owners in accordance with applicable rules and regulations are enabled

Shareholder Voting

The Company constantly encourages shareholders to attend AGMs and EGMs and utilize their voting rights. To that aim, JAT includes explicit information on voting processes with every notice of AGMs/ EGMs. Shareholders play an important role in the re-election of directors.

Constructive Use of AGM

The Board promotes shareholder engagement at the AGM and makes the necessary preparations. At the AGM, the Chairman welcomes questions from the audience and the Board members are accessible for discussion. Additionally, the Company's Key Management Personnel will be present at the AGM.

Transparency and Accountability	The AGM provides an opportunity for the Company's management to share information and updates with shareholders or members. This promotes transparency and accountability, as it allows shareholders or members to ask questions, seek clarifications, and hold the management accountable for the Company's performance and decisions.
Decision-making	The AGM serves as a forum for shareholders or members to make important decisions related to the Company's affairs. This includes approving financial statements, appointing or reappointing Directors, setting dividend policies, and approving changes to the Company's bylaws or articles of association.
Shareholder Engagement	The AGM allows shareholders or members to express their opinions, concerns, and suggestions, and fosters open between shareholders or members and the Company's leadership. This facilitates constructive dialogue and builds trust between the Company and its shareholders or members.
Education and Information Sharing	The AGM is used as a platform for educating shareholders or members about the Company's operations, strategies, and plans.
Networking and Relationship Building	The AGM brings shareholders or members together in a formal setting, providing an opportunity for networking and relationship building among the shareholders or members themselves, as well as with the Company's management and Board of Directors.
Conflict Resolution	The AGM serves as a platform for addressing and resolving conflicts among shareholders or members. It allows for open discussion and dialogue, providing an opportunity to address concerns, seek resolutions, and find common ground.
Corporate Social Responsibility and Sustainability Reporting	Reporting on CSR initiatives, sustainability practices, and environmental stewardship efforts in the paint manufacturing process, including measures to reduce carbon footprint, promote eco-friendly products, and support community initiatives.

MINIMUM PUBLIC HOLDING

The Company had been transferred to the Second Board with effect from 22 September 2022 due to non-compliance with the minimum public holding requirement in terms of rule 7.13.1 of the CSE Listing Rules. Consequent to the transfer to the Second Board, the Company evaluated all possible proposals to take remedial action in order to comply with the minimum public holding requirement.

As per the said rule, the Company complied fully with the minimum public holding requirement as of 31 March 2025, where the float adjusted market capitalization surpassed 2.5 Bn and the public holding percentage was 18.628%. Consequently, the Company was transferred back to the Main Board w.e.f. 9 May 2025 by CSE.

The Float adjusted market capitalization of the Company falls under Option 4 of Rule 7.13.1 (i) (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option as at 31 March 2026.

REMUNERATION REVIEW

GRI 2-19, 2-20

JAT Holdings' Remuneration Policy aims to attract and retain skilled and high-performing employees who can drive business performance in line with the Group's strategic objectives. Remuneration is typically linked to both individual and collective KPIs which are in turn aligned to the Group's overall strategy.

The Remuneration Committee is responsible for formulating the remuneration policies and practices of the Group. Non-Executive Director fees are determined by the Board supported by the Remuneration Committee which also seeks professional advice from HR professionals who are not affiliated with the organization, its highest governance body, or senior executives. The Committee also conducts periodic surveys to observe market expectations and ensure that remuneration is in line with the industry's best practices.

No individual Director is involved in determining his remuneration. The Committee consults the Chairman on proposals relating to the remuneration of the Executive Directors. The remuneration package of the Managing Director is structured to link rewards to corporate and individual performance, ensuring there is strong alignment between the short-term and long-term interests of the Company.

The composition of the Remuneration Committee and activities of the Committee during the year are set out on page 226 of this Report.

STATEMENT OF COMPLIANCE

As part of our commitment to upholding the highest standards of corporate governance and regulatory compliance, we provide regular updates to our existing Directors on relevant matters such as Corporate Governance, Listing Rules, securities market regulations, and other applicable laws.

The Audit and Risk Management Committee and Nominations and Governance Committee have written terms of reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings.

We ensure that all necessary measures are taken to comply with the corporate governance requirements stipulated under the Listing Rules of the Colombo Stock Exchange. Our proactive approach ensures transparency, accountability, and integrity in our operations, fostering trust among our stakeholders and reinforcing our commitment to best practices in corporate governance.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

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

As a responsible corporate citizen, we have strived to embed sustainability practices across all aspects of our operations. The Board-approved Sustainability Policy sets out our social and environmental aspirations, and the Board is responsible for ensuring the effective implementation of the same. The Group's environmental impacts are continuously identified, monitored and tracked through a comprehensive Environmental Management Framework which is founded on ISO 14001: 2015 and the Responsible Care Certification. We have also sought to evolve our sustainability reporting practices in line with increasing stakeholder interest and best practices in corporate reporting and our Annual Report complies with the Integrated Reporting Framework and the GRI Standards on Sustainability Reporting.

Sustainability Pillar Heads

The Sustainability Pillar Heads consist of members of the management team including Executive Directors. It holds primary responsibility to oversee the Group's activities with regard to the identification and management of economic, social and environmental impacts, and the achievement of the Group's Sustainability Agenda.

Sustainability and ESG Focus

As a responsible corporate citizen, we are committed to integrating sustainability into every aspect of our operations. JAT Environmental, Social, Governance Policy outlines our social, and environmental sustainability goals, with oversight for implementation resting with the Board. We have incorporated them into our business model and actively identify and monitor our impacts through a robust Integrated Management System, based on ISO 14001:2015 EMS, ISO 9001:2015 QMS and ISO 45001:2018 OHSMS standards, while disclosing sufficient information in the Annual Report as well.

Understanding the pressing importance of tackling environmental issues, we have implemented strategies to conserve resources, cut emissions, and confront climate change head-on. These strategies involve embracing energy-efficient technologies, shifting towards renewable energy sources, and reducing chemical waste production. Furthermore, we prioritize social responsibility by cultivating inclusive and safe workplaces and actively supporting community initiatives.

Board Oversight for ESG Integration and Reporting

GRI 2-14

ESG has always been a priority for the JAT Board of Directors. The Board is ably supported by the Audit and Risk Management Board Subcommittee in overseeing this scope. At the Management level, the Board-appointed sustainability team oversees all ESG matters of the company including building a conducive climate for incorporating ESG considerations into day-to-day operations at all levels of the organization. The sustainability team evaluates material topics regarding ESG concerns as part of their systematic efforts to increase the transparency of ESG disclosures.

During the year, with the adoption of SLFRS S1 and S2 Sustainability Reporting Standards, sustainability and climate related risks and opportunities were also taken in to the Board's and Management's consideration. Given the evolving nature of sustainability, the Board will continue to sharpen its focus on the area.

Please refer pages 193 to 209 for the SLFRS Sustainability-Related Financial Disclosures – Governance section for more information.

Commitment at the highest level

Reporting to the Board of Directors or other senior officials can help a company demonstrate its commitment to sustainability.

Accountability must be created and properly expressed.

Accountability contributes to the integration of sustainability with other company objectives. Incorporating sustainability performance into the Company's annual goals, as well as staff performance assessment and reward systems, could be beneficial.

It is critical that the structure and the business are in sync.

Sustainability governance systems that align with and complement existing business models and organizational structures are more likely to succeed than redundant or competing structures.

Sustainability programme

The flexibility to adapt and expand on the sustainability program across business units and geographies can help to move the sustainability agenda forward. Allowing for some flexibility can help ensure that the sustainability program is relevant to the strategies of a business unit or the local conditions of a region. It can also increase staff engagement.

Transparency in ESG Reporting

At JAT, we recognize that environmental, social, and governance (ESG) considerations are integral to our ability to execute our business strategy and create long-term value. Even though many ESG factors are categorized as non-financial, we have identified their significance in our financial performances and as a result, we have embedded them into our business model, strategic planning, governance, and risk management framework. We are committed to transparency and accountability in our ESG disclosures, ensuring compliance with both mandatory and voluntary corporate governance codes. JAT considers sustainability and ESG reporting as key Board responsibilities, aimed at providing a credible account of our economic, social, and environmental impacts. We are committed to integrating sustainability reporting into our overall reporting process, ensuring it occurs on a regular basis and aligns closely with our strategic objectives.

Accordingly, during the year, the Company continued to adopt Global Reporting Initiative (GRI) framework and Integrated Reporting framework of the International Integrated Reporting Council in its sustainability reporting in presenting a clear and concise picture of the company's sustainability performance. As previously mentioned, the Company also adopted SLFRS S1 and S2 Sustainability Reporting Standards from the financial year commencing 1 April 2025. Sustainability Accounting Standards Board (SASB) Index - Chemicals Sustainability Accounting Standard (Version 2023-12) was also reported on, under Industry Specific Metrics.

Please refer pages 193 to 209 for the SLFRS Sustainability-Related Financial Disclosures for the full Report.

COMMITMENT TO THE FUTURE

JAT remains committed to conducting all its operations with stakeholder inclusiveness, displaying high levels of integrity, efficiency and fairness. Therefore, the Company will resolutely maintain and improve its standards of good corporate citizenship and governance practices while emphasizing stakeholder satisfaction and delivery of sustainable value.

GREATER EMPLOYEE PARTICIPATION IN GOVERNANCE

While it is thought that all relevant compliance and assurance frameworks are in place, JAT recognizes the critical role that employees play in maintaining an effective governance structure across the Group. JAT will continue to promote more employee participation by:

- A reinforced continuous performance management approach that includes ongoing feedback and increased participation through employee information technology
- Increased participation and empowerment through increased transfer of authority
- Better communication and teamwork
- The use of differentiated communication methods based on the dynamics of workforce segments
- Continuing education and refresher courses on the Code of Conduct and related governance policies

OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT GOALS

With a strong governance framework in place supporting UN SDGs, below are the 6 main sustainability strategies of the company to ensure transparency, accountability, and collective contribution of the departments towards Sustainable Development Goals.

	Enhancing scientific research and technological capabilities to elevate industry standards, achieve notable sustainability milestones, and proactively address climate change through decisive action
	Enforcing a comprehensive framework for managing chemicals and waste across their lifecycle, aligning rigorously with international standards. By doing so, ensure the production and delivery of products that actively contribute to the preservation of the hydrosphere, atmosphere, and biosphere. This strategy will simultaneously enhance safety and sustainability measures within the organization.
	Prioritize organizational contribution towards renewable energy, through dedicating resources such as investments, fostering innovation and continuously improving processes to improve efficiency in energy consumption.
	Create a safe environment for all employees to work, with mechanisms in place to ensure inclusivity, protection of human rights, and equal treatment of all forms. This strategy involves implementing robust mechanisms and policies to ensure the physical and psychological safety of all employees while fostering a culture of respect and equality.
	Implement comprehensive skills development programs targeting youth and adults within the operating community to significantly enhance their employability and entrepreneurial potential. This strategy involves scaling up technical and vocational training initiatives to equip individuals with relevant skills needed for securing decent jobs and fostering entrepreneurship. Through this approach, aim to eradicate extreme poverty by empowering individuals to access sustainable livelihood opportunities.
	Strategise for global partnerships, mobilize, and share knowledge, expertise, technology, and financial resources, while operating within a robust and equitable institutional framework to support the achievement of Sustainable Development Goals.

Statement of compliance under section 9 of the listing rules of the CSE on Corporate Governance

MANDATORY PROVISIONS - FULLY COMPLIANT

	Rule	Complied	Reference (within the Report)
9.1	**Applicability of Corporate Governance Rules**		
9.1.3	A statement confirming compliance with Corporate Governance Rules	Yes	Page 40 of Corporate Governance Commentary
9.2	**Policies**		
9.2.1	Listed Entities shall establish and maintain the stated policies and disclose the fact of existence of such policies together with the details relating to the implementation of such policies by the Entity on its website	Yes	Page 43 of Corporate Governance Commentary and made available to be downloaded at will on the corporate website
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	N/A	
9.2.3	Listed Entities shall disclose in its Annual Report (i) the list of policies that are in place in conformity Rule 9.2.1 above, with reference to its website (ii) details pertaining to any changes to policies adopted by the Listed Entities in compliance with Rule 9.2 above	Yes	Page 43 of Corporate Governance Commentary
9.2.4	Listed Entities shall make available all such policies to shareholders upon a written request being made for any such Policy	Yes	Made available to be downloaded at will on the corporate website
9.3	**Board Committees**		
9.3.1	Listed entities shall ensure that the following Board Committees are established and maintained at a minimum and are functioning effectively. The said Board Committees at minimum shall include; (a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee	Yes	Page 44 of Corporate Governance Commentary
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	Yes	Sections 9.11, 9.12, 9.13 and 9.14 below
9.3.3	The chairperson of the Board of Directors of the listed Company shall not be the chairperson of the Board Committees referred to in rule 9.3.1	Yes	Page 212 of the Annual Report of the Board of Directors
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 favor of the resolution (c) The number of votes against the resolution (d) The number of shares in respect of which the vote was directed to be abstained	Yes	The secretaries of the Company maintain the records of the said information along with the meeting minutes of the shareholders
9.4.2	Listed entities shall maintain effective communication and relations with shareholders and investors	Yes	Stakeholder Relations in Page 57 of the Corporate Governance Commentary and details of the contact personnel are disclosed under Corporate Information

	Rule	Complied	Reference (within the Report)
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	Yes	As per Listing Rule No. 9.2.1 (a) policy has adopted and published in the Company's website
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	Yes	There were no non-compliances during the year. Therefore, no remedial actions are to be disclosed
9.6	Chairperson and CEO		
9.6.1	The Chairperson of every listed entity shall be a Non-Executive Director and the positions of the 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	Yes	The Chairman of the Entity is a Non-Executive Director. Refer Structures and Balance of Power in Page 50 of Corporate Governance Commentary
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.	N/A	
9.6.3	The Requirement for a SID; A listed entity shall appoint an Independent Director as the SID in the following instances: i. The Chairperson and CEO are the same person ii. The Chairperson and CEO are Close Family Members or Related Parties	N/A	
9.6.4	Where a Listed Entity has appointed a SID as required in terms of Rule 9.6.1 above, such Entity shall set out the rationale for such appointment in the Annual Report of the Entity	N/A	
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 the Rules	Yes	Directors are required to provide general disclosures and declarations on fitness and propriety annually and are required to report any material changes to the information provided therein, including any changes to their professional responsibilities and business associations, to the Board
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	Yes	Page 230 of the Annual Report of the Board of Directors
9.7.4	Listed entities shall obtain declarations from their Directors and CEO on an annual basis confirming that each of them has 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	Yes	All the Directors of the Company and CEO provide a declaration confirming that they have continuously satisfied with the Fit and Proper Assessment Criteria, which are in the records of the Company Secretaries

	Rule	Complied	Reference (within the Report)
9.7.5	Disclosures in the Annual Report of Listed entities; (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 noncompliance/s	Yes	Board and sub-committee performance evaluation in page 49 of Corporate Governance Commentary
9.8	**Board Composition**		
9.8.1	The Board of Directors of a listed entity shall, at a minimum consist of 5 Directors	Yes	The Company has 9 members in its Board of Directors
9.8.2	Minimum number of Independent Directors (a) The Board of Directors of Listed Entities shall 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.	Yes	4 out of 9 are Independent Directors. Refer Board Diversity in Page 46 of Corporate Governance Commentary
9.8.3	Criteria for determining indepence of the Directors	Yes	The Independent Directors have submitted specimen declarations as per Appendix 9A of Listing Rules of CSE and those are in the records of the Company Secretaries
9.8.5	The Board of Directors of Listed entities shall require: (a) Each Independent Director to annually submit a signed and dated declaration of their 'independence' or 'non-independence' using the specified criteria and format in Appendix 9A (b) Annually assess the 'independence' or 'non-independence' of each Independent Director based on their declaration and other available information, listing the names of 'independent' Directors in the Annual Report	Yes	All Independent Directors submitted the signed declaration of their independence to the Board
9.9	**Alternate Directors**		
	Alternate directors shall only be appointed in exceptional circumstances and shall comply with Rule 9.9 and such requirements shall also be incorporated into the Articles of Association of the Company	Yes	No Alternate Directors
9.10	**Disclosures relating to Directors**		
9.10.1	Listed entities shall disclose its policy on the maximum number of directorships its 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 noncompliance in the manner specified in Rule 9.5.2 above	Yes	As per Article 82 of the Articles of Association of the Company, subject to the Companies Act, the Company may by Ordinary Resolution from time to time increase or reduce the maximum or minimum number of Directors
9.10.2	Listed entities shall, upon the appointment of a new Director to its Board, make an immediate market announcement	Yes	
9.10.3	Listed entities shall make an immediate market announcement regarding any changes to the composition of the Board and Board Committees	Yes	

	Rule	Complied	Reference (within the Report)
9.10.4	Listed entities shall also disclose the following in relation to the Directors 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 (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 (i) The terms of reference and powers of the SID (where applicable)	Yes	* Please refer Pages 34 to 37 the profiles of the Board of Directors * Please refer Page 46 to the Corporate Governance commentatory for the number of Board meetings attended by the Board of Directors during the year * Please refer Pages 218 to 231 to the Committee reports for the details of attendance of Committee Meetings * Please Refer pages 340 to 341 Directorships in other company
9.11	Nominations and Governance Committee		
9.11.1	Listed entitites shall have a Nominations and Governance Committee	Yes	Page 229 of Nominations and Governance Committee Report
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	Yes	Page 231 of Nominations and Governance Committee Report
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	Yes	Page 229 of Nominations and Governance Committee Report
9.11.4	1. Composition of the Committee (a) Comprise of a minimum of 3 Directors of the Listed Entity out of which a minimum of 2 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 Director 3. The Chairperson and the members of the Nominations and Governance Committee shall be identified in the Annual Report of the Listed Entity	Yes	Page 229 of Nominations and Governance Committee Report
9.11.5	The required functions of the Committee are met	Yes	Page 229 of Nominations and Governance Committee Report

	Rule	Complied	Reference (within the Report)
9.11.6	Disclosures in the Annual Report The Annual Report of the Listed Entity shall contain a report of the Committee signed by its Chairperson	Yes	Page 229 of Nominations and Governance Committee Report
9.12	**Remuneration Committee**		
9.12.2	Listed entities shall have a Remuneration Committee	Yes	Page 226 of HR and Remuneration Committee report
9.12.3	The Remuneration Committee shall establish and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneration and for fixing the remuneration packages of individual Directors. No Director shall be involved in fixing his/her own remuneration	Yes	Page 227 of HR and Remuneration Committee report
9.12.4	Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of nondiscriminatory pay practices among them to ensure that their independence is not impaired	Yes	Page 227 of HR and Remuneration Committee report
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	Yes	Page 226 of HR and Remuneration Committee report
9.12.6	1. Composition of the Committee (a) The remuneration committee should comprise of a minimum of three (03) Directors of the listed entity, out of which a minimum of two (02) shall be Independent Directors of the listed entity (b) The members of the Remuneration Committee shall 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	Yes	Page 226 of HR and Remuneration Committee report
9.12.7	The required functions of the Committee are met	Yes	Page 226 of HR and Remuneration Committee report
9.12.8	Disclosures in the Annual Report The Annual Report of the Listed Entity shall contain a report of the Committee signed by its Chairperson including the remuneration policy and aggregate remuneration of the Executive and Non-Executive Directors	Yes	Page 226 of HR and Remuneration Committee report
9.13	**Audit Committee**		
9.13.2	The Audit Committee shall have a written terms of reference clearly defining its scope, authority and duties	Yes	Page 218 of Audit and Risk Management Committee Report

	Rule	Complied	Reference (within the Report)
9.13.3	Composition of the Committee 1. (a) The Audit Committee shall comprise of a minimum of 3 Directors of the Listed Entity, out of which a minimum of 2 or a majority of the members, whichever higher shall be independent Directors (b) The Audit Committee shall 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 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 4. An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors 5. Unless otherwise determined by the Audit Committee, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the Audit Committee meetings by invitation Provided however where the Listed Entity maintains a separate Risk Committee, the CEO shall attend the Risk Committee meetings by invitation 6. The Chairperson of the Audit Committee shall be a Member of a recognized professional accounting body.	Yes	Page 218 of Audit and Risk Management Committee Report
9.13.4	The required functions of the Committee are met	Yes	Page 219 of Audit and Risk Management Committee Report
9.13.5	Disclosures in the Annual Report The Annual Report of the Listed Entity shall contain a report of the Committee signed by its Chairperson including; - The status of risk management and internal control of the Listed entity and as a Group - A statement that it has received assurance from the CEO and the CFO of the entity's operations and finances - 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 - How the internal audit assurance is achieved and a summary of the work of the internal audit function - The effective discharge of its functions and duties for the financial year - A statement confirming that the external auditors approved by the SEC have provided written assurance confirming their independence throughout the audit engagement, in accordance with all relevant professional and regulatory standards - a statement confirming that the Audit Committee has determined the independence of auditors and the basis of such determination, including the details on the number of years the external auditor and the audit partner were engaged. If the external auditor provides non audit services, it should explain on how auditor objectivity and independence are safeguarded	Yes	Page 218 of Audit and Risk Management Committee Report

	Rule	Complied	Reference (within the Report)
9.14	Related Party Transactions Review Committee		
9.14.1	Listed entities shall have a Related Party Transactions Review Committee (RPT) that conforms to the requirements set out in Rule 9.14 of these Rules	Yes	Page 222 of Related Party Transactions Review Committee Report
9.14.2	Composition of the Committee 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	Yes	Page 222 of Related Party Transactions Review Committee Report
9.14.3	The required functions of the Committee are met	Yes	Page 222 of Related Party Transactions Review Committee Report
9.14.4	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.	Yes	Page 222 of Related Party Transactions Review Committee Report
9.14.5	Requirements on reviewing of Related Party Transactions by the Related Party Transactions Review Committee	Yes	Page 222 of Related Party Transactions Review Committee Report
9.14.6	Shareholder Approval where necessary	Yes	There were no any Related Party Transactions which require shareholders approval for the reporting year
9.14.7	Immediate market disclosures	Yes	There were no any immediate market disclosures during the reporting year
9.14.8	Disclosures in the Annual Report - The Annual Report of the Listed Entity shall contain a report of the Committee signed by its Chairperson including; - details of recurrent and non-recurrent Related Party Transactions - a statement to the effect that the Committee has reviewed the Related Party Transactions during the financial year and has communicated its comments/observations to the Board of Directors - policies and procedures adopted by the Committee for reviewing the Related Party Transactions	Yes	Pages 222 to 224 of Related Party Transactions Review Committee Report
9.14.9	Acquisition and disposal of Assets from/to related parties	Yes	There were no acquisitions/ disposals with RP during the reporting year

	Rule	Complied	Reference (within the Report)
9.16	Additional Disclosures by the Board of Directors		
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	Yes	None during the reporting year
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	Yes	Page 235 of Directors' Statement on Internal Control
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	Yes	Page 45 of Corporate Governance Commentary
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	Yes	None during the reporting year

Statement of Compliance under Section 7.6 of the Listing Rules of the Colombo Stock Exchange (CSE) on Annual Report Disclosure

MANDATORY PROVISIONS - FULLY COMPLIANT

	Rule	Complied	Reference (within the Report)
i	Names of persons who during the financial year were directors of the Entity.	Yes	Page 46 of Corporate Governance Commentary
ii	Principal activities of the entity and its subsidiaries during the year, and any changes therein	Yes	Page 212 of Annual Report of the Board of Directors
iii	The names and the number of shares held by the 20 largest holders of voting and non-voting shares and the percentage of such shares held	Yes	Page 324 of Shareholder Information
iv	(a) 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 (b) The public holding percentage in respect of non-voting Shares (where applicable)	Yes	Page 324 of Shareholder Information
v	A statement of each Director's holding and Chief Executive Officer's holding in shares of the Entity	Yes	Page 322 of Shareholder Information
vi	Information pertaining to material foreseeable risk factors of the Entity	Yes	Page 118 of Risk Management
vii	Details of material issues pertaining to employees and industrial relations of the Entity	Yes	Page 104 of Material Matters
viii	Extents, locations, valuations and the number of buildings of the Entity's land holdings and investment properties	Yes	Page 273 of Notes to the Financial Statements
ix	Number of shares representing the Entity's stated capital	Yes	Page 322 of Shareholder Information
x	A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings	Yes	Page 322 of Shareholder Information
xi	Market price related ratios and information	Yes	Page 323 of Shareholder Information
xii	Significant changes in the Company's or its subsidiaries' fixed assets, and the market value of land, if the value differs substantially from the book value as at the end of the year	Yes	Page 273 of Notes to the Financial Statements
xiii	Details of funds raised via IPO and further issues during the year	Yes	Shares were issued under ESOP during the year. Page 227 of HR and Remuneration Committee Report
xiv	Information in respect of Employee Share Ownership or Stock Option Schemes	Yes	Page 227 of HR and Remuneration Committee Report
xv	Disclosures pertaining to Corporate Governance practices in terms of Rules Section 9 of the Listing Rules	Yes	Page 62 of Corporate Governance Commentary
xvi	Details of 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.	Yes	Page 224 of Report of the Related Party Transactions Review Committee

Statement of Compliance pertaining to Companies Act No. 7 of 2007

MANDATORY PROVISIONS - FULLY COMPLIANT

	Rule	Complied	Reference (within the Report)
168 (1) (a)	Nature of business of the Company or any of its subsidiaries and the classes of business in which the Company has an interest	Yes	Page 9 of the overview
168 (1) (b)	Signed financial statements of the Group and the Company	Yes	Financial Statements from page 241 to 245
168 (1) (c)	Auditors' Report on financial statements	Yes	Independent Auditors' Report in paged 238 to 240
168 (1) (d)	Accounting policies and any changes therein	Yes	Notes to the Financial Statements
168 (1) (e)	Particulars of the entries made in the Interests Register	Yes	Page 214 of the Annual Report of the Board of Directors
168 (1) (f)	Remuneration and other benefits paid to Directors of the Company	Yes	Page 214 of the Annual Report of the Board of Directors
168 (1) (g)	Corporate donations made by the Company	Yes	Page 215 of the Annual Report of the Board of Directors
168 (1) (h)	Names of the 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	Yes	Page 214 of the Annual Report of the Board of Directors
168 (1) (i)	Separate disclosure on amounts payable to the Auditors as Audit Fees and Fees for other services rendered during the accounting period by the Company	Yes	Notes to the Financial Statements
168 (1) (j)	Auditor’s relationship or any interest with the Company and its subsidiaries	Yes	Audit and Risk Management Committee Report in page 218
168 (1) (k)	Acknowledgement of the contents of this Report and signatures on behalf of the Board	Yes	Page 217 of the Annual Report of the Board of Directors
168 (2)	Information as per Section 168 (1) (b) to (j) in relation to the subsidiaries	Yes	Page 10 of Overview and page 248 of Notes to the Financial Statements

CORPORATE GOVERNANCE

Statement of Compliance with the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka in 2023

VOLUNTARY PROVISIONS - FULLY COMPLIANT

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
A	Directors		
A.1	The Board	Yes	The Company is headed by an effective Board of Directors who are responsible and accountable for the stewardship function of the Company. The Company recognises the key resources deployed in the business and financial and non-financial measures are established and is mindful of the need to maintain an appropriate mix of skills and experience in the Board through a regular review of its composition in ensuring that the skill representation is in alignment with current and future needs of the Company
A.1.1	Regular Board meetings should be held at least once in every quarter. The regularity of Board meetings and the structure and process of submitting information should be agreed to and documented by the Board.	Yes	Refer page 46 of Corporate Governance
A.1.2	Role and Responsibilities of the Board	Yes	Refer page 45 of Corporate Governance
A.1.3	Act in accordance with laws of the Country and obtain independent professional advice	Yes	Refer page 45 of Corporate Governance
A.1.4	Access to advice and services of the Company Secretary	Yes	Refer page 51 of Corporate Governance
A.1.5	Bring independent judgment on various business issues and standard of business conduct	Yes	Refer page 55 of Corporate Governance
A.1.6	Dedicate adequate time and effort to matters of the Board and the Company	Yes	Refer page 46 of Corporate Governance
A.1.7	One third of Directors can call for a resolution to be presented to the board where they feel it is in best interest to the company to do so	Yes	Company Secretaries possess the records of the resolutions which were signed by majority most of the time all the Directors
A.1.8	Board induction and Training	Yes	Refer page 48 of Corporate Governance
A.2	Chairman, Managing Director and CEO	Yes	The positions are held by 3 different individuals
A.3	Chairman's role in preserving good Corporate Governance	Yes	The Chairman provides leadership to the Board and facilitates the effective discharge of duties in the best interests of the Board; maintains smooth functioning of the Board, presides at the Directors' and Shareholders' meetings to ensure Director participation and proper execution of Board proceedings and promotes and carries out his responsibilities in the best interests of good governance.

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
A.3.1	Conduct of Board Meetings	Yes	The Chairman ensures the following: • Approving the agenda for each meeting prepared in consultation with the managing Director and the Company Secretary taking in to consideration matters relating to strategy, performance, resource allocation, risk management and compliance • Sufficiency of information in Board packs and timely availability of the same • All Directors are made aware of their duties and responsibilities and the Board and Committee structures through which it will operate in discharging its responsibilities • Effective participation of both Executive and Non-Executive Directors is secured. All Directors are encouraged to make an effective contribution, within their respective capabilities, for the benefit of the Company • All Directors are encouraged to seek information considered necessary to discuss matters on the agenda of meetings and to request inclusions of matters of Corporate concern on the agenda • Maintaining the balance of power between Executive and Non-Executive Directors • The view of Directors on issues under consideration are ascertained • Ensuring that the Board is in complete control of the Company's affairs and alert to its obligations to all shareholders and other stakeholders
A.4	**Availability of financial acumen**	Yes	The Board is equipped with qualified Directors in the field of Finance and Accountancy and possesses the necessary financial wisdom. The board has the privilege of having Directors who possess qualifications in the field of Finance and Accountancy to obtain advice and guidance. Finance Division is also well equipped in financial capabilities having qualified Chartered Accountants and experienced personnel to support the Board of Directors.
A.5	**Board balance**	Yes	The Board consists of 2 Executive Directors and 7 Non-Executive Directors. Each of them brings a wide range of experience to the Board and the ability to exercise independence and judgement when taking informed decisions.
A.5.1	The Board should include sufficient number of NEDs	Yes	Refer page 48 of Corporate Governance
A.5.2	If the Board includes only 3 NEDs, they should be independent	N/A	
A.5.3	Independence of Directors	Yes	Refer page 47 of Corporate Governance
A.5.4	Annual declaration of independence of NEDs	Yes	Refer page 46 of Corporate Governance
A.5.5	Annual determination of independence of NEDs	Yes	Refer page 46 of Corporate Governance
A.5.6	Alternate Directors	N/A	
A.5.7	Senior Independent Director (SID)	N/A	Chairperson's, Managing Director's and CEO's roles have been separated therefore no requirement to appoint a Senior Independent Director.
A.5.8	Confidential discussion with the Senior Independent Director	N/A	
A.5.9	Annual meeting with NEDs	Yes	The Chairman meets with the Non-Executive Directors without the presence of Executive Directors, whenever necessary.

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
A.5.10	Recording of dissent in minutes	Yes	Company Secretary records any concerns raised by the Directors during the year in Board minutes with sufficient details. Directors' concerns on matters which have not been resolved unanimously are recorded in the Board minutes and Directors have the opportunity to review minutes.
A.6	**Supply of Information**	Yes	Agenda together with required information is circulated seven days prior to the Board meeting to discharge the Board obligations effectively as a practice.
A.6.1	Management's obligation to provide appropriate and timely information	Yes	Refer page 47 of Corporate Governance
A.6.2	Timely submission of the minutes, agenda and papers required for the Board meeting	Yes	Board agendas and necessary Board Papers and minutes are dispatched in advance of the Board meetings. The agenda and papers required for a Board Meeting should be provided to Directors at least four days prior to the meeting.
A.7	**Appointments to the Board and Re-election**	Yes	Appointment of Directors are done in line with the recommendations of the Nominations and Governance Committee.
A.7.1	Establishing a Nominations and Governance Committee, Chairman, membership requirements and Terms of Reference.	Yes	Refer Nominations and Governance Committee Report in page 229
A.7.2	Annual assessment of Board composition	Yes	Refer Nominations and Governance Committee Report in page 230
A.7.3	Succession planning and development	Yes	Refer Nominations and Governance Committee Report in page 229
A.7.4	Disclosures on appointment of new Directors	Yes	All new Board appointments as it happens are communicated to shareholders via the Colombo Stock Exchange. A summary of the new Director appointed including the qualifications, experiences, names of the companies in which the Director holds directorships, and memberships in Board Sub Committees is usually given in the Annual Report and whether such Director can be considered 'independent'.
A.7.5	Nomination Committee Disclosure in Annual Report	Yes	Refer Nominations and Governance Committee Report in page 229
A.8	**Directors to submit themselves for re-election**	Yes	The Directors are subject to re-election on the basis of longest in office and newly appointed Directors at the AGM as provided in Articles of Association.
A.8.1	Non-Executive Directors should be appointed for specified terms subject to re-election and to the provisions in the Companies Act relating to the removal of a Director, and their reappointment should not be automatic	Yes	Refer page 58 of Corporate Governance
A.8.2	All Directors including the Chairman of the Board should be subject to election by shareholders at the first opportunity after their appointment, and to re-election thereafter at intervals of no more than three years. The names of Directors submitted for election or re-election should be accompanied by a resume minimally as set out in paragraph A.7.3 above, to enable shareholders to make an informed decision on their election.	Yes	Based on the Articles of Association and the current composition of the Board, a Director seeks for re-election, every three years. A reseme of the Directors coming up for re-election at the AGM is available in the Annual Report. The Chairman, Managing Director and CEO do not retire by rotation.

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
A.8.3	Resignation	Yes	In the event of a resignation of a Director prior to completion of his appointed term, the Director should provide a written communication to the Board of his reasons for resignation. Written communications are provided to the Board by Directors who resign prior to completion of his appointed term.
A.9	**Appraisal of Board and Sub-Committee Performance**	Yes	The performance of the Board and Sub-Committee is reviewed and evaluated by the Board and the Chairman on self-appraisal basis. The Board annually appraises its own performance to ensure that it is discharging its responsibilities satisfactorily.
A.9.1	The Board should have in place a formal and rigorous process for annually reviewing the performance of the Board and its committees and should address any matters that may arise from such review, in the discharge of its key responsibilities as set out in A.1.2	Yes	The performance of the Board and the Sub-Committee is reviewed and evaluated by the Board and Chairman based on a self-appraisal basis.
A.9.2	The Board should also undertake an annual self-evaluation of its own performance and that of its Committees, chairman, non- executive directors and executive directors.	Yes	Refer page 45 of Corporate Governance
A.9.3	The Board should have a process to review the participation, contribution and engagement of each Director at the time of re-election	Yes	Refer Nominations and Governance Committee Report in page 230
A.9.4	The Board should state how such performance evaluations have been conducted, in the Annual Report	Yes	Refer page 45 of Corporate Governance
A.10	**Annual Report to disclose specified information regarding Directors**	Yes	Board Profiles Annual Report of the Directors on the Affairs of the Company
A.10.1	Disclosures about Directors	Yes	Name, qualifications, brief profile and nature of expertise of the Directors are given in the Annual Report. Directors' interests in contracts and the number of Board meetings attended by the Directors are available on the page 46 of this Report. Names of the Directors who serve as Chairman or as member of a Board Committee, and their attendance are given on page 46.
A.11	**Appraisal of the CEO**	Yes	Managing Director evaluates the performance of the Group CEO
A.11.1	Target/goals for the CEO	Yes	Refer page 50 of Corporate Governance
A.11.2	Evaluation of the performance of the CEO	Yes	Refer page 50 of Corporate Governance
B	**Directors' Remuneration**		
B.1	**Establish process for developing policy on Executive and Director remuneration**	Yes	No Director is involved in deciding his or her own remuneration package.
B.2	**Level and make-up of remuneration**	Yes	The Board together with the Remuneration Committee aims to attract retain and motivate high calibre individuals for top Executive positions.
B.2.1	The board should establish a remuneration committee to recommend the pay framework for the CEO, executive, and non-executive directors, and ensure fair, transparent procedures for senior management's remuneration, including post-employment and terminal benefits.	Yes	Refer HR and Remuneration Committee Report in page 226

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
B.2.2	Remuneration committee should consist exclusively of non-executive directors with a minimum of three nonexecutive directors of whom the majority should be independent. The chairman should be an independent non-executive director and should be appointed by the board.	Yes	Refer HR and Remuneration Committee Report in page 226
B.2.3	The remuneration committee should consult the chairman or CEO on executive and senior management pay proposals and seek professional advice as needed.	Yes	Refer HR and Remuneration Committee Report in page 226
B.2.4	The remuneration committee should offer competitive packages to attract and retain top executives while avoiding excessive pay and ensure similar structuring for senior management compensation	Yes	Refer HR and Remuneration Committee Report in page 226
B.2.5	Executive directors' remuneration should be designed to promote the short medium and long-term performance of the company.	Yes	Refer HR and Remuneration Committee Report in page 226
B.2.6	The remuneration committee should assess the company's pay levels relative to peers, consider performance, and use comparisons cautiously to avoid unnecessary pay increases without performance improvements.	Yes	Refer HR and Remuneration Committee Report in page 226
B.2.7	The remuneration committee should consider overall company or group pay and employment conditions, especially when deciding on annual salary increases	Yes	Refer HR and Remuneration Committee Report in page 226
B.2.8	The remuneration committee should ensure that performance-related pay for the CEO and executive directors aligns with company and stakeholder interests, offering clear, challenging, and rigorously applied incentives. It should review performance against approved targets annually and recommend adjustments to pay and benefits. The committee must also ensure that fair and transparent evaluation guidelines for senior management are followed	Yes	Refer HR and Remuneration Committee Report in page 226
B.2.9	Executive share options should not be offered below market price, except as allowed by Stock Exchange rules. Options should be exercisable only after three years, and the remuneration committee should consider requiring directors to hold a minimum number of shares and retain them post-vesting or exercise.	Yes	There was no Executive share options scheme offered to any Director

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
B.2.10	Performance-related remuneration schemes should follow Schedule G provisions, including terms for recovering or withholding payments and specifying conditions under which recovery is not permitted.	Yes	Performance-related Remuneration is designed by the Remuneration Committee based on the provisions set out.
B.2.11	The remuneration committee should evaluate compensation commitments, including pensions, for early termination in executive contracts and consider including these terms in initial contracts, except for misconduct.	Yes	Refer HR and Remuneration Committee Report in page 226
B.2.12	If initial contracts lack explicit compensation terms, the remuneration committee should handle early termination cases fairly and within legal limits, aiming to avoid rewarding poor performance while fairly managing non-performance-related departures	Yes	In cases where initial employment contracts do not clearly define termination compensation, the Company relies on the Remuneration Committee to ensure a fair, transparent, and legally compliant approach to managing early departures. The Committee evaluates each case based on its specific circumstances, taking care to avoid outcomes that could be perceived as rewarding under performance. At the same time, the Company is committed to treating individuals fairly, particularly in cases where termination is due to non-performance-related factors
B.2.13	The board or shareholders should set non-executive directors' remuneration, including that of the remuneration committee members. The board may delegate this to a sub-committee, which could include the CEO.	Yes	This is a key responsibility of HR & Remuneration Committee. Refer HR & Remuneration Committee Report in page 226
B.2.14	Non-executive directors' remuneration should reflect their role's time commitment and responsibilities, considering market practices and reviewed periodically. It should usually exclude share options; if granted, shareholder approval is needed, and shares must be held for at least a year after leaving the board. Holding share options may affect a director's independence	Yes	Refer HR and Remuneration Committee Report in page 226
B.2.15	The chairman and members of the remuneration committee should be listed in the annual report each year.	Yes	Refer HR and Remuneration Committee Report in page 226
B.3	**Disclosures related to remuneration in Annual Report**	Yes	The Remuneration Committee operates within agreed terms of reference and is committed to the principles of accountability and transparency. The Company's Annual Report should contain a Statement of Remuneration Policy and details of remuneration of the Board as a whole.
B.3.1	Disclosure of Remuneration - Names of Directors comprising the Remuneration Committee - Remuneration Policy statement - Aggregate Board remuneration paid	Yes	Annual Report contains a statement of Remuneration Policy, composition of the HR & Remuneration Committee and the aggregate Board remuneration paid Refer page 226
B.3.2	The annual report should include the number and total remuneration of senior management reporting to the CEO, including the CEO if they are not an executive director.	Yes	The CEO is an executive Director Total remuneration of senior management is given on 227

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
C	Relations with Shareholders		
C.1	Constructive use of the AGM and Conduct of General Meetings	Yes	Annual Report of the Directors on the Affairs of the Company and the Group- Annual General Meeting (AGM)
C.1.1	The Notice of AGM and related papers to be sent to shareholders as determined by the Statute, before the meeting	Yes	Notice of the AGM and related documents are sent to shareholders along with the Annual Report within the specified period. The contents of this Annual Report will enable existing and prospective stakeholders to make better informed decisions in their dealings with the Company.
C.1.2	Separate resolution to be proposed for each item and the proxy appointment forms to have options to vote for or against each of the item	Yes	Two-way proxy forms are provided. Separate resolutions are proposed at an Annual General Meeting on each substantially separate issue. A resolution for adoption of the Annual Report of the Board of Directors and the financial statements with the Independent Auditor's Report is proposed separately.
C.1.3	Votes and use of proxy appointments	Yes	The Company ensures that all proxy votes are properly recorded and counted. The level of proxies lodged on each resolution is conveyed to the Chairman.
C.1.4	Availability of all Board Sub-Committee Chairman at the Annual General meeting	Yes	All Board members which include Chairpersons of all the Board Sub-Committees were present at the AGM to answer any questions coming under the purview of their Committee.
C.1.5	Procedures of voting at General Meetings	Yes	Voting procedures at the General Meetings are circulated to the shareholders.
C.2	Communication with shareholders	Yes	Extensive financial and non-financial information of Company's activities are provided to shareholders through the Annual Report and the Interim Reports published on a quarterly basis.
C.2.1	Channel to reach all shareholders of the Company	Yes	Formal communications with the shareholders are conducted through Notices to shareholders, Annual Report, Quarterly Financial Statements, and general meetings of shareholders. All the financial information such as Annual Reports, Interim Reports are made available to shareholders via CSE website. Shareholders can reach Company Secretaries via telephone or email or post for any correspondence. The active participation of shareholders at the Annual General Meeting is encouraged. The Board believes that the Annual General Meeting is a means of continuing effective dialogue with shareholders.
C.2.2	Policy and methodology for communication with shareholders	Yes	The Communication Policy is implemented through exchange of Memos, Electronic Mail, Board Papers and Presentations. The Company provides fair disclosure with emphasis on the integrity, accuracy, timeliness and relevance of the information provided. The Company has implemented a Corporate Communication Policy that outlines various communication channels aimed at reaching all shareholders of the JAT effectively. This policy ensures the timely dissemination of important information to shareholders, utilizing multiple channels of communication.
C.2.3	Implementation of the policy and methodology for communication with shareholders	Yes	Printed copies of Annual Report are provided to all shareholders on request without charge and soft copies are available in CSE website and Corporate website. All other announcements are also posted on the CSE website and Corporate website.
C.2.4	Disclosure of contact person	Yes	Shareholders can forward their inquiries via electronic media (e-mail, telephone call or in writing) to the Investor Relations Officer to raise queries. Details of Company Secretary are disclosed in Board of Directors- Communication Policy. Shareholders may, at any time, direct questions, request for publicly available information and provide comments and suggestions to Directors or Management of the Company.
C.2.5	Process to make all Directors aware of major issues and concerns of shareholders	Yes	Material issues and concerns of the shareholders are communicated to the Board by Company Management and Executive Directors via Board Meetings.

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
C.2.6	Contact person in relation to shareholders' matters	Yes	Details of the Investor Relations Officer are disclosed in the CSE website.
C.2.7	The process of responding to shareholder matters	Yes	All shareholder-related material matters are handled promptly and attentively upon being informed. The responding persons are Company Secretaries, Registrars of the Company and Investor Relationship Officer
C.3	**Disclosure of major and material transactions**	Yes	Board has established a process to capture and disclose any material transactions proposed that would alter or vary the net asset position of Company either through its audited financial statements or in interim publication or by making announcement to the Colombo Stock Exchange.
C.3.1	Disclosure of all material facts involving any proposed acquisition, sale or disposition of assets	Yes	All material and price sensitive information about the Company is promptly communicated to the Colombo Stock Exchange where the shares of the Company are listed, and released to the employees, press and shareholders.
C.3.3	Public listed Companies should in addition comply with the disclosure requirements and shareholder approval by special resolution as required by the Rules and Regulations of the Securities and Exchange Commission and by the Colombo Stock Exchange	Yes	JAT being a public listed Company complies with the disclosure requirements and shareholder approval by special resolution as required by the rules and regulation of the Securities Exchange Commission and by the Colombo Stock Exchange as well as the Companies Act and the Bank's Articles of Association.
D	**Accountability and Audit**		
D.1	**Financial and Business Reporting**	Yes	The Board presents a balanced and understandable assessment of the Company's financial position, performance business model, Governance structure, Risk Management, internal Controls and challenges, opportunities and prospects.
D.1.1	True, fair, balanced and understandable presentation of Annual Report including Financial Statements with the relevant laws and regulations	Yes	The Annual Report of the Board of Directors gives an affirmation on Company's compliance with laws and regulations, confirms the going concern assumption and the effectiveness of Internal Control System that is in place.
D.1.2	The Board's responsibility to present a balanced and understandable assessment extends to interim and other price-sensitive public reports and reports to regulators, as well as to information required to be presented by statutory requirements	Yes	The Board is well aware of its responsibility to present regulatory and statutory reporting in a balanced and understandable manner and a statement to this effect is given in the Statement of Directors' Responsibility on page 234 confirming this position. The Board ensures that the quarterly and annual Financial Statements of the Company are prepared and published in compliance with the requirements of the Companies Act No. 7 of 2007, Sri Lanka Accounting Standards (LKASs and SLFRSs) and the Rules of the Colombo Stock Exchange.
D.1.3	Statement of CEO and Financial Director responsibility for the Financial Statements	Yes	Chief Executive Officer's and Financial Director's Responsibility Statement in page 233.

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
D.1.4	Directors' declarations and responsibilities in the Annual Report	Yes	The Annual Report of the Board of Directors on the affairs of the Company is included in the Annual Report which contains the following: • Declaration that the Company has not engaged in activities that contravene laws and regulations of Sri Lanka • Declaration by the Directors on all material interests in contracts involving the Company and has refrained from voting on matters in which they were materially interested • Equitable treatment to shareholders • Compliance with best practices of Corporate Governance • Review of internal controls, Risk Management and reasonable assurance of effectiveness and adherence • Going concern of the business The directors ensure that the annual report and financial statements are fair, balanced, and understandable, providing all necessary information for shareholders. We fully comply with this practice and provide explanations if any declarations cannot be made Refer page 234
D.1.5	Statement of Boards' and Auditors' responsibility for the Financial Statements Statement on internal control	Yes	Statement of Directors' responsibility provides a statement setting out the responsibilities of the Board for the preparation and presentation of the Financial Statements.
D.1.6	Management Discussions and Analysis	Yes	As per Code D.1.4 management commentary covering all requirements is given in the Financial Capital. A comprehensive coverage of key initiatives undertaken during the year, business model, industry structure and development, opportunities and threats, risk Management, internal controls and their adequacy, corporate and enterprise governance, stakeholder relationship, social and environment protection activities, financial performance, investment in physical and intellectual capital, human resource / industrial relations, sector performances, achievements and prospects for the future. Awards won and certifications received are available in the management discussion.
D.1.7	Summoning an Extraordinary General Meeting (EGM) to notify serious loss of capital	Yes	As per the audited financial statements in pages 241 to 247 a situation of a serious loss of capital is unlikely to arise.
D.1.8	Related party transactions	Yes	An adequate and accurate disclosure of related party transactions is given in Note 37 to the Financial Statements. The Company adheres to the Listing Rules of the CSE and the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka (ICASL). The Company Secretary keeps records on Related Party Transactions quarterly.
D.2	**Risk Management and Internal Control**	Yes	The Board has established an effective system of risk management and internal controls to safeguard the assets of the Company. Risk management and internal control provides reasonable assurance regarding the achievement of Company's objectives.
D.2.1	Risk Management Framework and Delegation of Responsibilities	Yes	The Board has adopted and actively practices a comprehensive risk management framework. Moreover, JAT has established clear processes and delegated responsibilities to identify, assess, monitor, and manage risks, ensuring alignment with its strategic, operational, and financial objectives.

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
D.2.1.1	The Board should ensure that the Company has carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency and liquidity.	Yes	Please refer pages 118 in the Risk Management report.
D.2.1.2	The board should describe the risk management framework, processes, responsibilities and explain in the annual report how they are being managed or mitigated	Yes	Refer Risk Assessment Criteria and Risk Management in page 118
D.2.1.3	The board should establish a risk committee to oversee risk management. Alternatively, the entire board may take up this role or allocate certain aspects of risk to other committees established by the board and retain certain aspects specifically at board level	Yes	Audit and Risk Management Committee continuously reviewed the effectiveness of risk management process and internal controls and ensured the soundness of the risk management process and internal controls and managed to report any deficiencies and matters to Board with recommendations.
D.2.1.4	The company should consider regulatory requirements and sector/ industry specific business risks in determining the need to have a separate risk committee. Companies may consider combining audit and risk functions under one committee.	Yes	JAT by carefully considering regulatory requirements and sector-specific business risks to determine the necessity of a separate risk committee, has combined the audit and risk functions into one committee to enhance oversight and efficiency in the most appropriate way.
D.2.1.5	The risk committee should comprise of at least three members, a majority of whom should be non-executive directors and be chaired by an independent non-executive director.	Yes	Refer Audit and Risk Management Committee Report in page 218
D.2.1.6	The risk committee should have a written term of reference dealing clearly with its authority and duties. The terms of reference must address at a minimum how it will assist the board's oversight of risk management	Yes	Refer Audit and Risk Management Committee Report in page 218
D.2.1.7	The annual report should contain a report of the risk committee, setting out its role and how it discharged its responsibilities.	Yes	Refer Audit and Risk Management Committee Report in page 218
D.2.1.8	Companies in regulated industries should consider applicable laws and regulations in determining the composition, scope, roles and responsibilities of the risk committee.	Yes	The composition, scope, roles and responsibilities of the Audit and Risk Management Committee are in compliance with the applicable laws and regulations
D.2.2	The board should establish a process to ensure internal controls are designed, implemented and monitored, to provide reasonable assurance of the achievement of an entity's objectives on reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.	Yes	The Board has established a process to ensure internal controls are designed, implemented and monitored. Refer Audit and Risk Management Committee Report in page 218

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
D.2.2.1	The board should establish and regularly monitor an effective internal control system across financial, operational, and compliance areas. Annually, the board must review the system's effectiveness and report findings in the annual report, covering all significant controls.	Yes	The Board has established a comprehensive internal control system that spans financial reporting, operational processes, and regulatory compliance. This system is designed to safeguard assets, ensure the accuracy of records, and support the achievement of strategic objectives. The Board of Directors assumes ultimate responsibility for the adequacy and effectiveness of this system and conducts an annual review to assess its performance.
D.2.2.2	Internal audit function	Yes	Internal Audit division provides independent and objective assurance with respect to the adequacy of the design and operating effectiveness of internal controls and governance process across the Company.
D.2.2.3	Review of the process and effectiveness of internal controls by the Audit and Risk Management Committee	Yes	Audit and Risk Management Committee continuously reviewed the effectiveness of internal controls and ensured the soundness of internal controls and managed to report any deficiencies and matters to Board with recommendations.
D.2.2.4	Responsibilities of Directors in maintaining a sound system of internal control	Yes	The Board Statement on Internal Controls complies with the contents in Annexure L of the Code.
D.3	**Audit Committee**	Yes	The Board has established an Audit and Risk Management Committee that operates independently under specified terms of reference covering review of financial reporting aspects, internal controls and maintaining relationship with Company auditors internal and external in accordance with the provisions of this Code and other regulatory requirements.
D.3.1	Composition of the Audit Committee	Yes	Refer Audit and Risk Management Committee Report in page 218
D.3.2	Terms of Reference of the Audit Committee	Yes	Refer Audit and Risk Management Committee Report in page 218
D.3.3	Disclosures of the Audit Committee	Yes	The External Auditor has provided a Confirmation of Independence in compliance with the “Guidelines for Appointment of Auditors of Listed Companies” issued by SEC. Names of the members of the Audit and Risk Management Committee are given in page 218 and disclosure on the independence of the Auditors is found in page 238 under the Independent Auditors’ report.
D.4	**Risk Committee**	Yes	The Board has established an Audit and Risk Management Committee that operates independently under specified terms of reference covering review of financial reporting aspects, internal controls and maintaining relationship with Company auditors internal and external in accordance with the provisions of this Code and other regulatory requirements.
D.4.1	Composition of the Risk Committee	Yes	Refer Audit and Risk Management Committee Report in page 218
D.4.2	Terms of Reference of the Risk Committee	Yes	Refer Audit and Risk Management Committee Report in page 218
D.4.3	Committee meetings	Yes	Refer Audit and Risk Management Committee Report in page 218
D.4.4	Authority given to the Committee	Yes	Refer Audit and Risk Management Committee Report in page 218
D.4.5	Disclosures	Yes	Refer Audit and Risk Management Committee Report in page 218
D.5	**Related Party Transactions Review Committee**	Yes	The Board has established a Related Party Transactions Review Committee that operates independently under specified terms of reference.
D.5.1	A related party and related party transactions will be as defined in LKAS 24	Yes	Refer Note 37 in page 314

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
D.5.2	Compositions of the Related Party Transactions Review Committee	Yes	Refer Related Party Transactions Review Committee Report in page 222
D.5.3	The Committee to have written terms of reference covering the salient aspects as stipulated in the section	Yes	Refer Related Party Transactions Review Committee Report in page 222
D.6	**Code of Business Conduct and Ethics**	Yes	High standards in business conduct and ethics are an integral part of JAT's culture. In keeping with the practiced value system, an Organisation-wide policy on Code of Business Conduct is in place.
D.6.1	Code of Business Conduct and Ethics	Yes	Refer Role of the Board in promoting ethics and values in page 53 of Corporate Governance
D.6.2	The Company should have a process in place to ensure that material and price sensitive information is promptly identified and reported in accordance with the relevant regulations	Yes	Company has established policy and process to ensure that material and price sensitive information is immediately disclosed to the Colombo Stock Exchange immediately after relevant decisions are made by the Board of Directors. This task is assigned to the Company Secretary and it is a prime responsibility of the Company Secretary.
D.6.3	Process for monitoring, and disclosure of shares purchased by any director, Key Management Personnel or any other employee involved in financial reporting	Yes	Company has established policy and process to ensure that material and price sensitive information is immediately disclosed to the Colombo Stock Exchange immediately after relevant decisions are made by the Board of Directors. This task is assigned to the Company Secretary and it is a prime responsibility of the Company Secretary.
D.6.4	The company should establish a procedure to deal with complaints received from whistle-blowers such as employees, customers, suppliers and any other parties in relation to non-compliance with company's code of business conduct and ethics	Yes	Refer 'Whistle Blowing Policy' in page 53
D.6.5	The company should conduct training on the code of business conduct and ethics as part of induction training of new employees and require confirmation of compliance at least on annual basis from all employees.	Yes	Refer 'Dynamism of Training Programs' in page 48
D.6.6	The process for companywide dissemination of the policy, training arrangements, violations/non compliances (if any) with actions taken should be reported to the board on a regular basis. Any exemptions/ waivers from compliance with the code of business conduct and ethics with reasons and timelines should be approved by the board.	Yes	Refer Role of the Board in promoting ethics and values in page 53 of Corporate Governance. These are communicated to the Board of Directors during the Board Meetings as well.
D.6.7	The chairman must affirm in the company's annual report that a code of conduct and ethics has been introduced companywide and the procedure for disseminating, monitoring, and compliance with that code. Chairman must also disclose significant violation if any of the provisions of the code of business conduct & ethics. Disclosers should contain the types and numbers of violation and procedures followed in dealing with them.	Yes	Refer Chairman's statement in page 40.

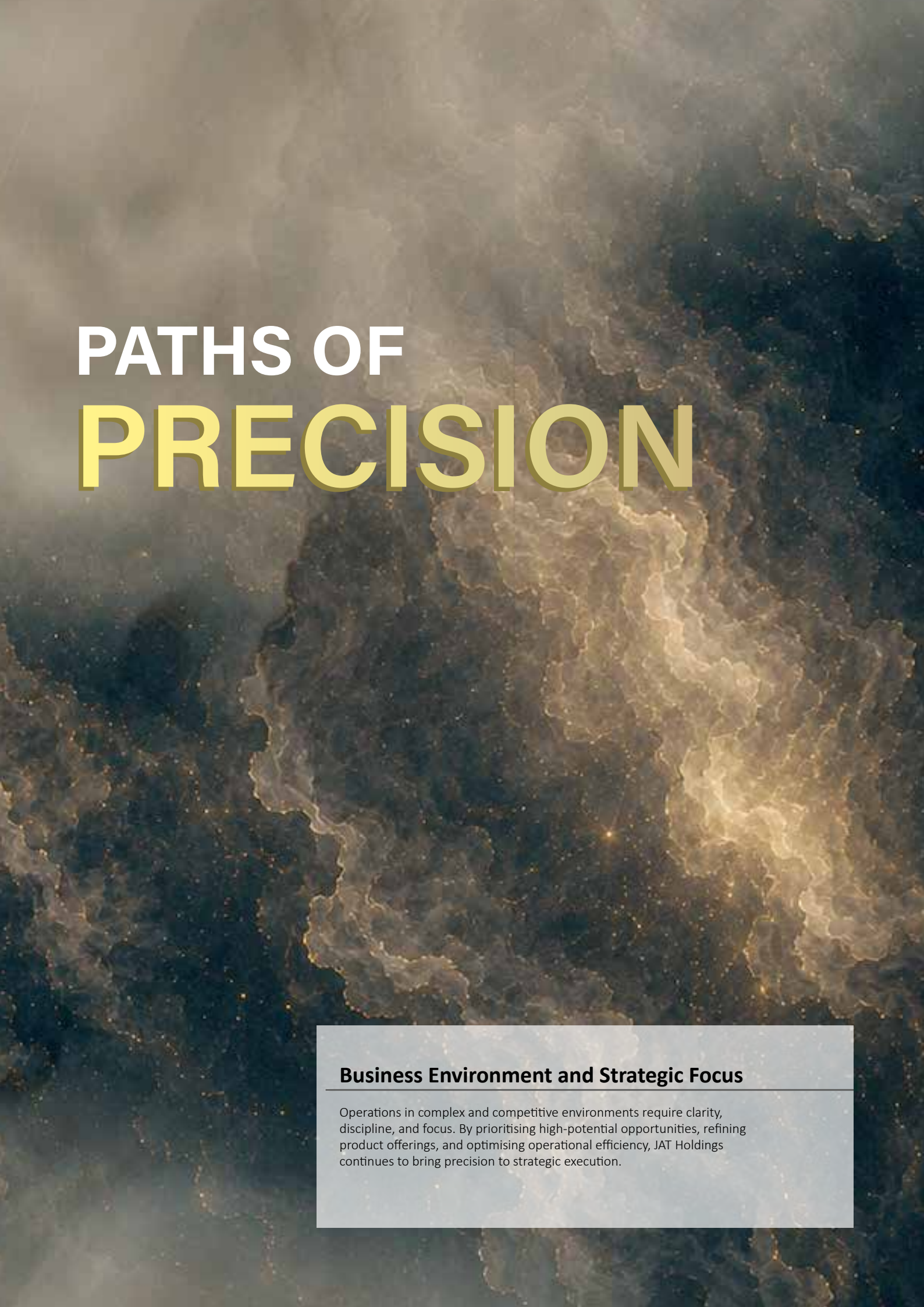
Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
D.7	Corporate Governance Disclosures	Yes	Board of Directors upholds adopting sound Corporate Governance practices while improving the overall governance year on year. The Corporate Governance report provides a comprehensive disclosure of the Company's Corporate Governance framework and practices. The Company is fully compliant with the Listing Rules of Colombo Stock Exchange and Code of Best Practices on Corporate Governance issued in 2023.
D.7.1	The Directors should include in the Company's Annual Report, a Corporate Governance Report setting out the manner and extent to which the Company has complied with the principles and provisions of this Code	Yes	This Report from page 40 sets out the manner and extent to which JAT Holdings PLC has complied with the principles and provisions of the Code.
E	Institutional Investors		
E.1	Shareholders voting	Yes	Institutional shareholders are required to make considered use of their votes and are encouraged to ensure their voting intentions are translated into practice.
E.1.1	Communication with Shareholders	Yes	Refer Board of Directors' Communication Policy in page 232
E.2	Evaluation of Corporate Governance initiatives	Yes	Matters relating to governance are communicated effectively to all shareholders via the Annual Report, through AGM and CSE disclosures. Views and other material matters of shareholders are subsequently taken up at Board meetings as necessary.
F	Other Investors		
F.1	Investing/Divesting decision	Yes	Individual shareholders are encouraged to carry out adequate analysis and seek independent advice prior to making investments or divestments directly in shares of the Company.
F.2	Individual shareholders voting	Yes	Individual shareholders are encouraged to participate in the Annual General Meeting and to exercise their voting rights.
G	Internet of Things and Cybersecurity		
G.1	Internal and external IT devices connected to the Business Model and to identify the consequent cybersecurity risks that may affect the Business	Yes	Connection of internal and external IT devises to the Organisation network has been allowed with necessary access controls and firewalls to safeguard the integrity of information.
G.2	Cyber Information Security officer and cyber security risk management policy	Yes	Refer Managing IT and Cyber Security Risks in page 57 of Corporate Governance
G.3	Discussions on cyber risk management	Yes	Refer Managing IT and Cyber Security Risks in page 57 of Corporate Governance
G.4	Independent periodic reviews and assurance	Yes	Refer Managing IT and Cyber Security Risks in page 57 of Corporate Governance
G.5	The Board should disclose in the Annual Report, the process to identify and manage cybersecurity risks	Yes	Refer Managing IT and Cyber Security Risks in page 57 of Corporate Governance
H	Sustainability: ESG risk and opportunities		
H.1	Integrating Sustainability and ESG for Long-Term Resilience and Value Creation	Yes	Sustainability Governance
H.1.1	The company should regularly present the board with the impact of sustainability/ESG risks and opportunities in its business and strategic plans, including scenarios, likelihood, impact, mitigative actions, and management strategies	Yes	Refer Sustainability and ESG Focus in page 61 of Corporate Governance

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
H.2	**Proactive Stakeholder Engagement for Enhanced ESG Risk Management**	Yes	The Company adopts a proactive and integrated approach to engaging with stakeholders, fostering strong and transparent relationships that support long-term sustainability goals. Stakeholder engagement is central to identifying and managing ESG-related risks, particularly in the social and governance dimensions. Sustainability principles are embedded across operations, with ongoing initiatives in place to promote compliance and accountability in line with the Company's ESG commitments.
H.2.1	The company should have a process to recognize significant stakeholders and material matters relating to significant stakeholders and a method of engagement relevant to their level of interest and influence.	Yes	Refer Sustainability and Stakeholder Relationships in page 58 of Corporate Governance
H.3	**Governance**	Yes	The Company established a governance structure to support its ability to create value and manage risks on all pertinent aspects of ESG. Process of managing risks in line with ESG aspects is discussed in the Risk Management Report
H.3.1	Sustainability factors should be addressed through a process of environmental governance and social governance	Yes	Refer Our Approach to Corporate Governance in page 41 of Corporate Governance
H.3.1.1	Environmental governance of an organization should adopt an integrated approach that takes into consideration the direct and indirect economic, social, health and environmental implications on business strategies, plans, decisions and operations.	Yes	Refer Our Approach to Corporate Governance in page 41 of Corporate Governance
H.3.1.2	An Integrated Approach to Community, Customer, Employee, and Supplier Engagement	Yes	Refer Our Approach to Corporate Governance in page 41 of Corporate Governance
H.4	**Board governance for sustainable value creation and risk management**	Yes	The Company has established a governance structure to support its ability to create value and manage risks on all pertinent aspects of ESG.
H.4.1	Recognizing key capitals and stakeholder influence	Yes	The company recognizes the key resources/capitals deployed in its business and stakeholders who can influence these resources/capitals and establish financial and nonfinancial measures for resource/capital management and related outputs and outcomes
H.4.2	Framework for managing sustainability/ ESG factors	Yes	The company focuses on ascertaining, assessing and managing sustainability/ESG factors which have an impact on the sustainability of the company.
H.4.3	Financial and non-financial measures	Yes	The company should establish financial and nonfinancial measures in respect of all material matters relating to significant stakeholders
H.5	**Transparency in ESG reporting**	Yes	The Company is committed to maintaining transparency in its Environmental, Social, and Governance (ESG) reporting by providing accurate, consistent, and timely disclosures to stakeholders. ESG-related data and initiatives are integrated into the Company's annual reporting structure, enabling stakeholders to assess the Company's sustainability performance and risk management practices
H.5.1	Integrating ESG considerations into business strategy and value creation	Yes	Refer Transparency in ESG Reporting in page 61 of Corporate Governance
H.5.2	Transparency in ESG disclosures	Yes	Refer Transparency in ESG Reporting in page 61 of Corporate Governance

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
H.5.3	Compliance with corporate governance codes	Yes	Refer Transparency in ESG Reporting in page 61 of Corporate Governance
H.5.4	Board responsibility for sustainability, ESG reporting	Yes	Refer Transparency in ESG Reporting in page 61 of Corporate Governance
I	Special considerations for listed entities		
I.1	Governance policy framework and disclosure requirements for listed entities	Yes	JAT established and maintains robust governance policies in line with regulatory requirements. Furthermore, we disclose the existence of these governance policies and provide comprehensive details about their implementation on our official website. JAT has adopted a policy on corporate disclosures as per Section 9 of the Listing Rules of CSE
I.1.1	Specified areas to maintain policies • Matters relating to the board of directors • Board committees • Corporate governance, nominations, and reelection • Remuneration • Internal code of business conduct and ethics for all directors and employees, including policies on trading in the entity's listed securities • Risk management and internal controls • Relations with shareholders and investors • Environment, social and governance sustainability • Control and management of company assets and shareholder investments • Corporate disclosures • Whistleblowing • Anti-bribery and corruption	Yes	The policies have been adopted and published in the Company website
I.1.2	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	N/A	No such instances were recorded during the reporting period
I.1.3	Disclosing policies in the annual report	Yes	JAT discloses its policies in the Annual Report that are in place with reference to the website and discloses any changes in policies adopted by them, in the Annual Report
I.1.4	Making policies available to its shareholders	Yes	JAT makes available all such policies to shareholders upon a written request being made for any such policy
I.2	Policy on matters relating to the Board of Directors	Yes	JAT has established and maintains a formal policy governing matters relating to the board of directors
I.2.1	Policy governing matters relating to board of directors shall,	Yes	Refer page 43 of Corporate Governance

Code Ref.	Requirement	Complied	Compliance and Reference (within the report/comments)
	a. Ensure balanced representation of executive and non-executive directors, addressing board composition, roles of the Chairperson and CEO, board balance, and appraisal procedures for both the board and CEO	Yes	
	b. Where a listed entity decides to combine the role of the chairperson and CEO Set out the rational for combining such positions Require the board charter of the listed entity to contain terms of reference/functions of the senior independent director (SID) and the powers of the SID, which should be equivalent to that of the chairperson in the instance of a conflict of interest set out the measures implemented to safeguard the interests of the SID	N/A	Positions are held by different individuals
I.2.2	c. Require diversity in board composition for board effectiveness in terms of a range of experience, skills, competencies, age, gender, industry requirements and importance of objective selection of directors	Yes	Refer Board Divesity in page 47
	d. Stipulate the maximum number of directors with the rationale for the same	Yes	The required details are available in the Articles of Association





PATHS OF PRECISION

Business Environment and Strategic Focus

Operations in complex and competitive environments require clarity, discipline, and focus. By prioritising high-potential opportunities, refining product offerings, and optimising operational efficiency, JAT Holdings continues to bring precision to strategic execution.

VALUE CREATION MODEL

Capital Inputs	Adequacy of Capital

FINANCIAL CAPITAL

Equity capital
Debt capital

Total equity capital- **Rs. 12,082 Mn**
Short-term borrowings- **Rs. 2,734 Mn**
Long-term borrowing- **Rs. 262 Mn**

Page 130

Adequate access to debt capital in a low interest rate environment
Enhancement of equity capital through profits retention

MANUFACTURED CAPITAL

Property, plant and equipment (PPE) Our manufacturing plants, office premises, showrooms, both in Sri Lanka and in overseas markets.

Total PPE as at financial year end- **Rs. 3,837 Mn**
Capital expenditure during the year- **Rs. 398 Mn**

Page 138

Greater demand on production and storage infrastructure with markets served being expanded with the acquisition of Mirotone

HUMAN CAPITAL

JAT team

Total employees- **545**
New recruitments during the year- **142**

Page 148

Stable talent pool, with a healthy balance of in-grown talent and fresh talent

INTELLECTUAL CAPITAL

The collective of JAT brand strength in Sri Lanka and overseas, internationally certified systems and processes, research and development capabilities

Value of intangible assets- **Rs. 774 Mn**
Number of ISO standards maintained- **4**
Investments in new IT capabilities- **Rs. 63 Mn**
Average service of employees- **5.01** years

Page 161

Strong sector expertise, organisational know-how, and deep insights into our international markets, supported by talent retention, continuous learning, and a culture with growth-orientation.

SOCIAL AND RELATIONSHIP CAPITAL

Relationships we strike with our distributor, dealers, other value chain partners, ultimate consumers, the wider community we operate in

Customer base in our Loyalty Programme- **185, 853**
Distributor network- **26**
Dealer network- **6,900+**

Page 171

Healthy and cordial relationships with our customers, suppliers, business partners and the community we operate in

NATURAL CAPITAL

Essential natural resources that support and sustain our operations

Water usage- **21.1 ML**
Total energy consumption- **6,401 GJ**

Page 180

Adequate access to required natural resources, and the responsible use of same, whilst making JAT's contribution to Nationally Determined Contributions (NDCs 3.0)

Value Transformation

OUR VISION

Be the brand of choice to the finishing, living and furnishing industries in South Asia

Core processes

Procurement of raw materials and selected finished goods	Manufacturing operations	Research and development	Retail and industrial sales distribution

Key strategic priorities

Profitable growth	Global market expansion	Digitalisation and operational excellence	Innovation	Nurturing talent	ESG considera

Material Themes

- Business performance and market position
- Digital transformation
- Governance and compliance
- People and workplace
- Product excellence and innovation

Page 104

Shaped by

Evolving operating environment	Sound relationships with our stakeholders	Strong corporate governance
Page 92	Page 97	Page 40

Key Outputs - Manufactured Goods



Wood Coating Solutions



Decorative Paint and Accessories



Furnishing



Electric Vehicle Charging Units

Prudent risk management practices
Page 118

ESG priorities
Page 191

Climate related risks and opportunities
Page 193

Key outputs - Linked to capitals

FINANCIAL CAPITAL

PAT-**Rs. 1,525 Mn**
ROE- **12.6%**
Earnings per share- **Rs. 2.92**
Net asset value per share- **Rs. 23.13**

MANUFACTURED CAPITAL

Return on assets- **8.6%**
Asset turnover ratio - **0.75 times**

HUMAN CAPITAL

Revenue per employee- **Rs. 23.20 Mn**
Training investment per employee - **Rs. 12,247**
Training hours per employee- **8.86**
Employee retention rate- **79%**

INTELLECTUAL CAPITAL

Investments in R&D- **Rs. 47 Mn**
New products developed- **15**

SOCIAL AND RELATIONSHIP CAPITAL

Loyalty rewards paid out- **Rs. 314 Mn**
Spend on CSR initiatives- **Rs. 58 Mn**
Total payments to suppliers- **Rs. 10,445 Mn**

NATURAL CAPITAL

Total emissions generated (Scope 1, 2 and 3)- **1,123.23 tCO2e**
Waste recycled- **89%**
Effluents discharged- **523.83 m3**
Renewable energy generated- **410 MWh**

Key outcomes - Linked to stakeholders

SHAREHOLDERS

The Group delivered sustainable growth in earnings, supported by a resilient operating model and disciplined execution. This enabled the generation of returns commensurate with the risks undertaken, while being underpinned by robust governance and risk management practices that safeguard long-term shareholder value.

EMPLOYEES

Our team benefited from attractive remuneration aligned with market rates, skills and responsibilities. They are afforded opportunities for continuous career growth in a inclusive and safe working environment that promotes well-being, supports work-life balance, and enables employees to thrive.

CUSTOMERS

Our customers continued to access high quality, responsibly developed products at price ranges that met the needs of tiered customer segments, in both Sri Lanka and overseas.

SUPPLIERS AND BUSINESS PARTNERS

During the year, our suppliers and business partners engaged in mutually rewarding contract with healthy demand from JAT, timely payments and full alignment to contract terms.

COMMUNITY

Community benefit development through targeted investments, supporting employment generation and driving economic activity. Provided timely support to communities impacted by Cyclone Ditwah

GOVERNMENT AND RELATED ENTITIES

Compliance with applicable regulations, contribution to national development priorities tax contributions to fiscal revenue, and the generation of both direct and indirect employment, driving broader economic progress.

Linked to UN SDGs



OPERATING ENVIRONMENT

The operating environment remains a critical influence on the JAT Group's operations, performance, and long-term value creation journey. Geopolitical developments, macroeconomic conditions, climate-related realities, evolving consumer behaviour and industry-specific dynamics continue to shape the global business landscape within which JAT Holdings PLC operates. With the Group's expanding international footprint, its operations and material matters remain increasingly interconnected with these external developments, directly influencing strategic priorities, operational resilience, risk management, and growth opportunities across markets. Accordingly, the Group continues to leverage strong business intelligence, market insight, and strategic acumen to closely monitor evolving external conditions and proactively respond to emerging opportunities and challenges. This enables JAT to navigate uncertainty with agility whilst ensuring the Group continues to forge ahead in a resilient, sustainable, and responsible manner, safeguarding long-term stakeholder value creation. The following analysis primarily focuses on the three key countries where the Group maintains a physical manufacturing presence and significant operational exposure, in additional to global economic performance.

GLOBAL ECONOMIC PERFORMANCE

Global Economic Performance in 2025

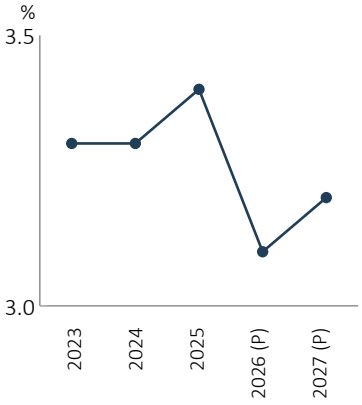
The global economy demonstrated resilience during 2025 amidst a backdrop of geopolitical tensions, elevated trade uncertainty, inflationary pressures, and evolving global policy dynamics. According to the International Monetary Fund (IMF) World Economic Outlook, global growth remained positive, albeit moderating from prior years, as economies adjusted to tighter financial conditions, trade-related disruptions, and slower investment activity. Despite these challenges, global economic activity was supported by resilient labour markets, easing inflationary trends in several economies, and stronger-than-expected performance across certain emerging markets and services sectors.

Global economic growth for 2025 was 3.4%, remaining below long-term historical averages but reflecting continued resilience within the global economy. Advanced economies experienced relatively subdued growth amidst slower consumer demand and policy uncertainty, whilst emerging markets continued to outperform global averages, supported by stronger domestic demand and services sector recovery. At the same time, global trade and investment conditions remained influenced by geopolitical fragmentation, tariff-related uncertainties, and supply chain adjustments.

Inflationary pressures continued to gradually ease across many economies during the year, supported by moderating commodity prices and tighter monetary policy measures implemented over preceding years. Nevertheless, the IMF continued to caution that downside risks remained elevated, particularly from geopolitical conflicts, climate-related disruptions, trade tensions, and financial market volatility.

	2024 %	2025 %	2026 - Projection %
World Output	3.4	3.1	3.3
Advanced Economies	1.9	1.8	1.8
Emerging Market and Developing Economies	4.4	3.9	4.3
India	7.6	6.5	6.5
Sub-Saharan Africa	4.5	4.3	4.1

Global economic growth



Source: World Economic Outlook - April 2026, January 2026

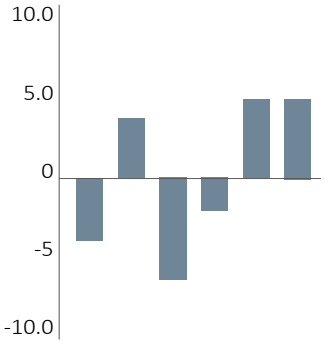
SRI LANKAN ECONOMY

GDP growth

Despite the adverse impact of Cyclone Ditwah, the Sri Lankan economy recorded strong growth momentum during 2025, with real Gross Domestic Product (GDP) expanding by 5.0%. Economic growth remained broad-based, with all four quarters contributing positively throughout the year, reflecting strengthening economic stability and recovery momentum.

Growth was primarily driven by the Industry sector, supported by notable expansion in manufacturing and construction activities. The Services sector also recorded strong performance, underpinned by continued growth in financial services and transport-related activities, whilst the Agriculture sector contributed meaningfully to overall economic expansion, outperforming its performance recorded in the previous year.

Total assets - Growth momentum

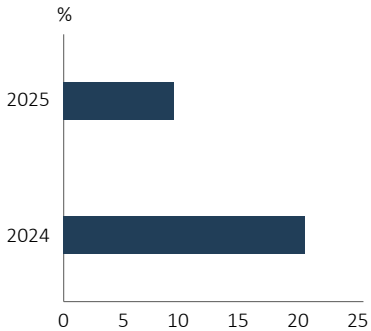


Source: Central Bank of Sri Lanka

Construction sector growth

Construction activity continued to demonstrate steady expansion during the year, supported by the progression of both new and ongoing projects across the sector. Growth momentum was further strengthened by the resumption of previously delayed developments, alongside a gradual recovery in investment activity and broader construction sector confidence.

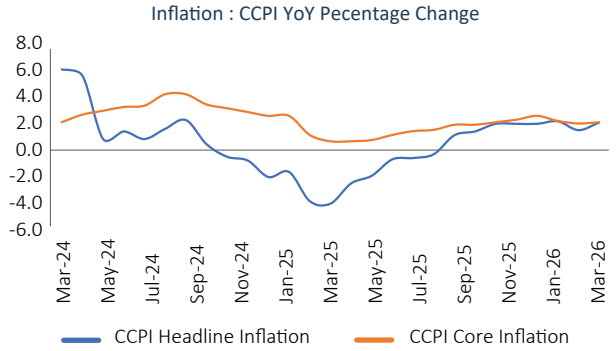
Growth in the Construction sector



Source: Central Bank of Sri Lanka

Inflation

Supported by timely policy measures and favourable statistical base effects, inflationary pressures remained largely subdued during the year under review. The Colombo Consumer Price Index (CCPI) remained in negative territory during the early months of 2025, primarily due to the impact of VAT-related base adjustments and lower electricity tariffs. However, inflation gradually normalised as the year progressed amidst upward adjustments in food prices and utility tariffs, returning to positive territory by August 2025 before stabilising at manageable levels into early 2026.

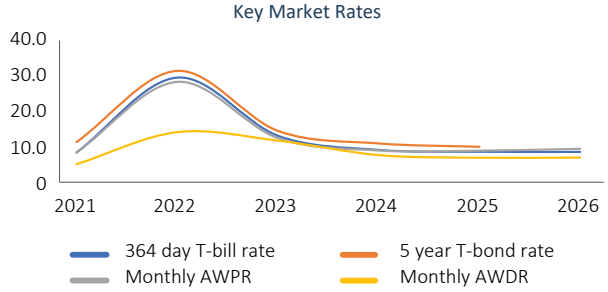


Source: Central Bank of Sri Lanka

Market rates

Market interest rates continued to ease during 2025 amidst an accommodative monetary policy environment, subdued inflationary pressures, improving sovereign credit fundamentals, and stable inflation expectations. The Central Bank further reduced the Overnight Policy Rate (OPR) during the year, extending the significant monetary easing measures initiated since mid-2023, which contributed towards a broad decline in lending, deposit, and money market rates.

Although short-term interest rates and government securities yields experienced temporary upward pressure towards the latter part of the year due to liquidity distribution imbalances within the domestic money market, these conditions gradually normalised in early 2026 as liquidity levels improved. Overall, the interest rate environment remained significantly more supportive compared to prior years, despite some short-term volatility towards year-end.

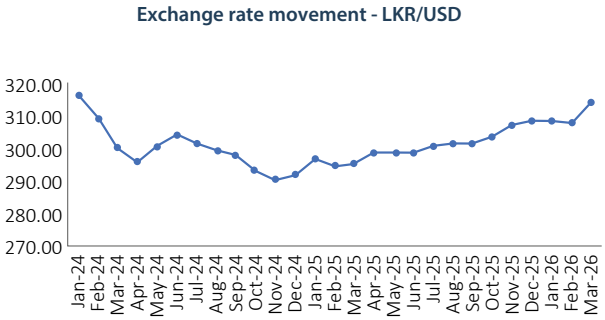


Source: Central Bank of Sri Lanka

External Sector Performance

Sri Lanka's external sector performance strengthened further during 2025, with the country recording a current account surplus for the third consecutive year amidst improving macroeconomic conditions. The external sector remained supported by historically high workers' remittances, which reached USD 8.1 Bn during the year compared to USD 6.6 Bn in 2024, alongside improved services exports including tourism-related earnings.

Despite a widening merchandise trade deficit, sustained foreign currency inflows supported the continued strengthening of external reserves, with gross official reserves reaching USD 6.8 Bn by end-2025, even amidst ongoing external debt servicing obligations. Meanwhile, the Sri Lankan Rupee recorded a modest depreciation during the year under the country's flexible exchange rate regime.



Source: Central Bank of Sri Lanka

Impact on Group Performance

The improving macroeconomic conditions in Sri Lanka during 2025 created a significantly more conducive operating environment for JAT Holdings PLC and supported business momentum across both retail and project-related segments. Lower inflation and declining interest rates improved consumer confidence and spending capacity, positively supporting demand across the retail customer base for paints, coatings, furnishing solutions, and lifestyle-related products. At the same time, improving fiscal stability, greater political certainty, and strengthening business sentiment contributed towards renewed investment activity within the country, supporting broader market recovery.

Importantly, the expansion recorded within the construction sector, alongside the increase in overall GDP growth, positively supported the Group's B2B and project-driven operations, particularly across construction, interior furnishing, and development-related demand segments. The relatively moderate depreciation of the Sri Lankan Rupee also provided a more stable operating backdrop compared to prior periods of sharp currency volatility, enabling better pricing visibility, planning, and working capital management. Collectively, these improving macroeconomic and sector conditions supported stronger customer demand and project activity across the Group's diversified business portfolio, reflected in the revenue growth of 9% achieved during the year.

Acute physical climate risk: Impact of Cyclone Ditwah on Sri Lanka

Cyclone Ditwah, which made landfall on Sri Lanka's eastern coast on 28 November 2025, was recognised as one of the country's most severe hydro-meteorological disasters in over two decades. Occurring during the North East Monsoon amidst already saturated catchment conditions, the cyclone triggered widespread flooding and landslides across all 25 administrative districts, resulting in significant humanitarian and economic disruption nationwide.

More than 2.2 million people were affected by the disaster, with over 230,000 individuals displaced at the peak of the emergency. Fatalities exceeded 600, whilst extensive damage was caused to housing and critical infrastructure including roads, bridges, railways, electricity networks, water treatment facilities, and telecommunications systems. Major river basin flooding and landslides across the central highlands further intensified accessibility challenges and recovery efforts across affected regions.

Impact on Group Performance

The impact of Cyclone Ditwah on the Group's operations was primarily concentrated around disruptions to the distributor network and broader distribution activities, with logistics and market accessibility affected for approximately 1-2 weeks following the event. In the immediate aftermath, demand for paint and related products moderated significantly amidst delays in construction activity, mobility restrictions, and broader economic disruption across affected regions.

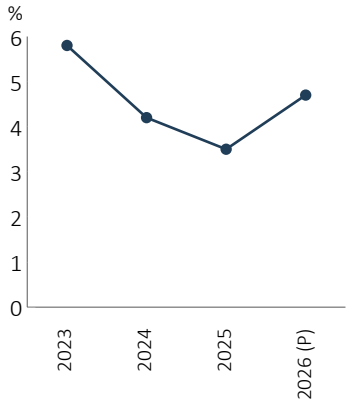
However, demand gradually normalised as recovery efforts progressed, with a notable increase in demand observed approximately three months following the event. This was largely driven by reconstruction, refurbishment, and renovation activities across affected properties and infrastructure, particularly as paint and related finishing products are typically required during the latter stages of construction and restoration processes.

BANGLADESH – COUNTRY PERFORMANCE

The Bangladesh economy experienced a more moderate growth trajectory during 2025 amidst a challenging macroeconomic and political environment. According to the International Monetary Fund (IMF), GDP growth for FY2025 moderated at 3.5%, compared to 4.2% in FY2024 and 5.8% in FY2023, impacted by elevated inflation, tighter financial conditions, subdued private investment activity, and broader external uncertainties. Inflationary pressures remained relatively high during much of the year due to rising import costs, currency pressures, and domestic supply-side constraints, whilst macro-financial challenges relating to foreign exchange availability and financial sector vulnerabilities also weighed on business confidence and economic activity.

The operating environment was further influenced by evolving political developments and policy transition dynamics, contributing towards softer market sentiment and moderated demand across discretionary and construction-related sectors. Nevertheless, Bangladesh continued to benefit from the resilience of its export-oriented industries, particularly garments and manufacturing, whilst remaining an important long-term growth market within South Asia supported by its large consumer base, expanding industrial sector, and ongoing economic reform efforts.

Real GDP growth - Bangladesh



Impact on Group Performance

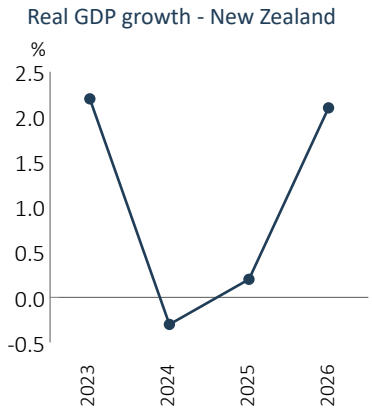
Group performance moderated in Bangladesh attributable to the less than conducive environment that prevailed, as reflected in a revenue moderation of 17% over the prior year.

NEW ZEALAND – COUNTRY PERFORMANCE

New Zealand's economy demonstrated relative stability and resilience during 2025 amidst a challenging global environment marked by elevated geopolitical uncertainty, global trade tensions, and moderating economic growth across several advanced economies. Supported by strong institutional governance, transparent regulatory systems, sound financial sector oversight, and stable political conditions, New Zealand continued to maintain its position as one of the more stable and mature economies within the Asia-Pacific region.

According to the International Monetary Fund (IMF), New Zealand's real GDP growth for 2025 was 0.2%, reflecting gradual economic recovery momentum supported by easing inflationary pressures, improving domestic demand conditions, and stabilising financial markets. Inflation moderated significantly during the year, while monetary conditions gradually improved following prior periods of tighter interest rate settings.

The country's economy continued to benefit from resilient exports, particularly across agriculture, dairy, tourism, and services sectors, alongside strengthening business confidence and recovering consumer activity. Although some labour market softness and global demand uncertainties persisted during the year, New Zealand remained characterised by strong macroeconomic fundamentals, policy predictability, efficient infrastructure, and a highly transparent business environment, supporting long-term investor and business confidence.



Impact on Group Performance
During the year, JAT Holdings PLC completed the acquisition of Mirotone (NZ) Ltd, recognising the strategic attractiveness of the investment and the long-term opportunities presented by the New Zealand market. The country's stable political environment, sound macroeconomic fundamentals, transparent regulatory framework, and mature business landscape were key considerations supporting the acquisition decision. Following the successful integration and commencement of operations, the New Zealand business delivered a positive performance during the initial five months of operations under the Group, contributing towards JAT's expanding international footprint and diversification strategy.

PORTER'S FIVE FORCES ANALYSIS FOR JAT HOLDINGS PLC

The following Porter's Five Forces analysis has been conducted primarily in relation to the Group's wood coatings and paint business segments, which collectively account for over 90% of the Group's revenue. Accordingly, the analysis reflects the key competitive dynamics, industry forces, market positioning, and operating conditions influencing the Group's core business activities across its principal markets.

Threat of New Entrant

Moderate to Low

The paints and wood coatings industry presents relatively high barriers to entry due to the capital-intensive nature of manufacturing operations, the requirement for specialised machinery, technical expertise, product certifications, distribution capabilities, and continuous investment in research and development. JAT's longstanding partnership with Sherwin-Williams through Sayerlack, combined with its strong brand presence, established dealer network, manufacturing capability, and technological know-how, further strengthens its competitive positioning and creates barriers for potential new entrants.

Bargaining Power of Suppliers

Moderate

The industry remains partially exposed to fluctuations in raw material prices and global supply chain dynamics, particularly for imported chemical and petrochemical-based inputs. However, JAT has strategically strengthened its supply chain resilience through backward integration initiatives. The in-house production of Acrylic Binder in Sri Lanka for water-based wood coatings and Alkyd Resin manufacturing in Bangladesh for solvent-based coatings significantly reduces dependence on external suppliers for critical raw materials, enhances cost efficiencies, and improves operational control. Long-term strategic partnerships and supplier relationships further support procurement stability.

Threat of Substitute Products

Moderate

The market continues to face competition from lower-priced and lower-quality substitute products, particularly within price-sensitive segments. However, demand for premium coatings, durability, finish quality, product consistency, and technical performance continues to support the Group's positioning within the higher-value segment of the market. Continued investment in R&D, product innovation, and advanced coating technologies also enables JAT to differentiate its offerings and maintain competitiveness amidst evolving customer preferences and market alternatives.

Bargaining Power of Buyers

Moderate to High

Customers within the paints and coatings industry have access to multiple product alternatives across varying price points, resulting in relatively high market competition and customer choice. However, JAT's strong positioning within the premium product segment, supported by product quality, technological superiority, brand reputation, colour innovation, and after-sales support, helps strengthen customer loyalty and brand preference. The Group's diversified portfolio, including wood coatings, WHITE by JAT, and Kolorz by JAT decorative paints, also enables it to cater to a broad customer base spanning retail, industrial, and project segments.

Competitive Rivalry

High

The paints and coatings industry remains highly competitive, characterised by the presence of large multinational players, regional manufacturers, pricing competition, product innovation, and continuous marketing activity. Competition is particularly intense within decorative paints and industrial coatings segments. Nevertheless, JAT's competitive advantages including strong brand equity, advanced manufacturing capability, technology-driven operations, R&D strength, strategic international partnerships, backward integration initiatives, and expanding international footprint continue to support its ability to compete effectively across its key operating markets.

OPERATING ENVIRONMENT



Forward Focus

Looking ahead, JAT Holdings PLC remains attentive to the evolving global macroeconomic, geopolitical, and environmental landscape across its expanding international footprint spanning Sri Lanka, Bangladesh, India, Africa, the Maldives, Australia, and New Zealand. Moderating global growth, inflationary pressures, trade fragmentation, supply chain realignments, foreign exchange volatility, and geopolitical tensions continue to shape business conditions across markets. In particular, ongoing unrest in the Middle East and disruptions to global shipping routes remain key external risks that could influence freight costs, raw material availability, logistics efficiency, and broader market sentiment. At the same time, increasing climate-related realities and the growing frequency of extreme weather events continue to reinforce the importance of operational resilience, adaptive supply chains, responsible resource management, and sustainability-focused business practices.

Against this backdrop, the Group will continue to strengthen operational agility, diversify markets and supply chains, and maintain disciplined risk and capital management practices whilst leveraging its growing international presence, strong manufacturing capabilities, strategic partnerships, and innovation-driven culture. Importantly, the Group also remains optimistic on emerging growth opportunities arising from increasing urbanisation, infrastructure development, sustainability-linked demand, and the global transition towards cleaner technologies. In this regard, JAT's strategic expansion into the electric vehicle charging solutions space further positions the Group to participate in evolving mobility and energy infrastructure trends whilst supporting broader sustainability aspirations. The Group remains committed to pursuing resilient, diversified, and sustainable long-term growth amidst an increasingly dynamic global operating environment.

STAKEHOLDER INTERACTIONS

GRI 2-29

Attuned to the operating environment that unfolded during the year, JAT strengthened its engagement with key stakeholders, recognising their integral role in the Group's value creation journey. The Group prioritised proactive and transparent dialogue to better understand stakeholder concerns, expectations, and emerging issues, enabling timely and informed strategic responses. To ensure engagement is both effective and meaningful, JAT adopts a structured and methodical approach tailored to the specific needs of each stakeholder group. Given the diversity of stakeholders, the Group applies a prioritisation framework based on their level of interest and influence on the Group's strategic direction, decision-making, and overall value creation. This approach enables JAT to allocate resources effectively, foster constructive relationships, and uphold accountability across its stakeholder ecosystem.



Stakeholder prioritisation lenses

Stakeholder interest level in the activities of JAT

Stakeholder influence on the JAT strategic direction, decision-making, and overall value creation process



Key engagement mechanisms

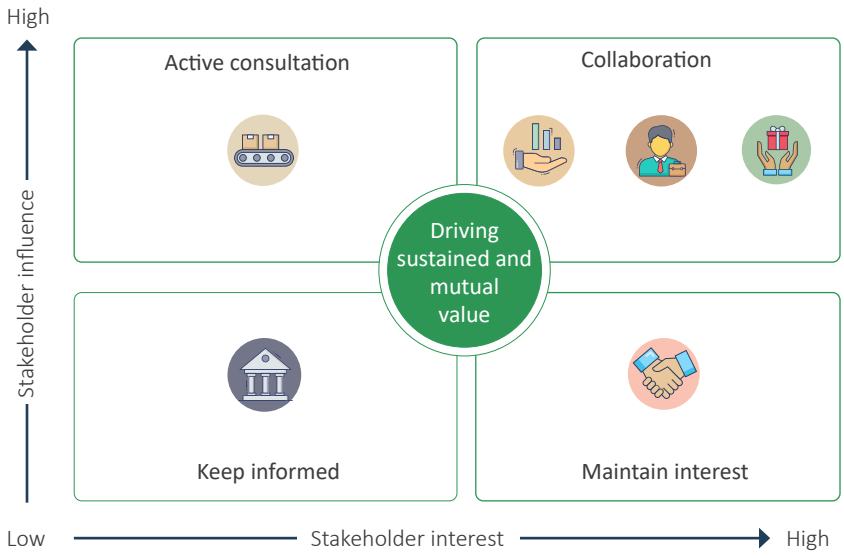
- Collaboration
- Active Consultation
- Keep Informed
- Maintain Interest

STAKEHOLDER RELATIONS GOVERNANCE

Stakeholder engagement at JAT is governed by well-defined internal frameworks that guide the manner, frequency, and channels of communication for each stakeholder group. These frameworks are anchored in principles of timeliness, accountability, and transparency, ensuring that stakeholders receive relevant, accurate, and timely information aligned with their level of interest and influence.

Adopting a prioritised and policy-driven approach, JAT ensures that engagement remains purposeful, compliant with regulatory and ethical standards, and conducive to building trust and long-term relationships. Stakeholder feedback is actively solicited, carefully considered, and integrated into the Group's strategic planning and value creation processes.

Our stakeholder universe prioritised through the dual lenses



STAKEHOLDER INTERACTIONS

Maintaining two-way constructive dialogue

Providing feedback | Receiving feedback

Shareholders

Strength of relationship ★★★★★

Mode of engagement - Collaboration

Profile

8,188	96%	4%
Shareholders	Local Shareholders	Institutional shareholders

Maintaining two-way constructive dialogue
Quarterly and annual financial results publications
Announcements made to the Colombo Stock Exchange
Updates to the corporate website and social media sites
Quarterly analyst/investor webinars
Other one-on-one meetings
Annual general meetings
Extraordinary general meetings

Dedicated point of contact

Company Secretariat

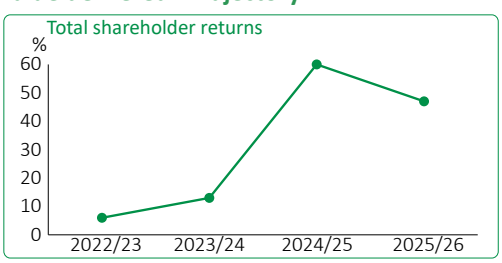
Chief Financial Officer

Investor Relations Officer

Key concerns raised	Response action	Leveraging feedback in decision-making
Profitability and resilience amidst macroeconomic and geopolitical uncertainties • Sustained revenue growth across key markets, supported by strategic expansion into new geographies including Australia and New Zealand through the Mirotone acquisition • Effectiveness of risk management frameworks in navigating geopolitical tensions, operational disruptions, and evolving market dynamics • Impact of currency volatility and broader macroeconomic conditions across the Group's markets of operation • Strength of supply chain resilience and cost efficiency initiatives **Sustainable value creation and growth** • Delivery of consistent shareholder returns through dividends and capital appreciation • Expansion of regional footprint and strengthening of market share across both existing and newly entered markets • Continued investment in innovation and product development, including diversification into emerging segments such as electric vehicle (EV) charging solutions **Governance, strategy, and financial discipline** • Stability, vision, and continuity of the Board and senior leadership • Integration of ESG priorities into overall business strategy • Prudent capital structure management and maintenance of optimal gearing levels • Compliance with regulatory requirements across all jurisdictions of operation	The Group maintained a strong financial position through disciplined capital allocation, cost optimisation, and strategic expansion into new markets, including Australia and New Zealand. Continued investment in innovation, including entry into emerging segments such as EV charging, supported long-term growth and diversification. Governance and leadership continuity were further strengthened, with ESG considerations embedded into strategy and operations. Proactive risk management frameworks enhanced resilience to macroeconomic volatility, currency movements, and evolving geopolitical conditions across markets.	Shareholder feedback is channelled through established governance structures to the Board and senior management, and is integrated into the Group's strategic direction, operational planning, and risk management frameworks.

Link to our strategy	Material matters addressed
Profitable Growth Global market expansion ESG considerations	1.1 Market leadership 1.2 Managing financial performance 1.3 Macro-economic vulnerabilities 1.5 Corporate reputation

Value delivered - Trajectory



More information

Financial capital – page 130, Investor relations – page 322

Maintaining two-way constructive dialogue

Providing feedback | Receiving feedback

Employees

Strength of relationship ★★★★★

Mode of engagement - Collaboration

Profile

545

Employees

18%

Female representation

Maintaining two-way constructive dialogue

- Town hall meetings
- Induction programmes for all new recruits
- Staff training programmes, including induction programmes for all new employees
- Employee satisfaction survey
- Open and accessible channels for feedback and grievance resolution
- Mid-year and full year performance Appraisals
- Staff Engagement initiatives conducted throughout the year

Dedicated point of contact

- Immediate supervisor/s
- Divisional Head
- Head of HR
- Chief Executive Officer
- Managing Director

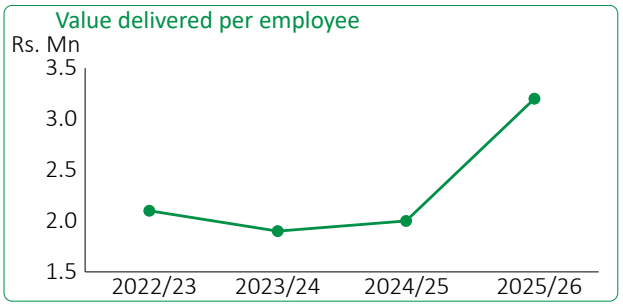
Key concerns raised	Response action	Leveraging feedback in decision-making
Employee well-being, stability, and growth in a dynamic environment • Career growth opportunities and continuous skill development • Fair compensation and performance-based rewards • Work-life balance, well-being, and support during disruptions, including events such as Cyclone Ditwah • Job security and business continuity amidst macroeconomic and geopolitical challenges • Inclusivity, diversity, and a respectful workplace culture • Clear, transparent, and timely communication from leadership	During the year, JAT advanced its people priorities by strengthening capability development, aligning talent with evolving business needs, and enhancing performance-linked reward structures. Focused interventions were undertaken to support employee well-being and ensure continuity during external disruptions, including events such as Cyclone Ditwah. The Group reinforced a culture of openness and inclusivity through consistent leadership communication and structured engagement platforms. Regular town halls and employee surveys enabled timely dialogue, ensuring employee feedback informed decision-making and strengthened workplace trust.	Employee feedback is systematically channelled to Group HR and senior management, where it informs the development of people strategies, policies, and workplace initiatives across the Group.

Link to our strategy	Material matters addressed
Nurturing talent Profitable Growth Digitalisation and operational excellence	4.1 Managing talent 4.2 Employee health and safety

More information

Human capital – page 148, Investor relations – page 322

Value delivered - Trajectory



STAKEHOLDER INTERACTIONS

Customers

Maintaining two-way constructive dialogue
Providing feedback | Receiving feedback

Strength of relationship ★★★★
Mode of engagement - Collaboration

Profile

A strong eco-system of customers, distributors and dealers

185,853
Customers as registered in the JAT Loyalty Programme

6,900+
Dealers

26
Distributors

Maintaining two-way constructive dialogue
Painters
Advertising via print, electronic and social media
JAT Loyalty Programme
Third-party satisfaction surveys and industry studies
JAT Loyalty Programme
Sales team engagement
Entertainment events
Distributors and Dealers
Email and official circulars
Periodic review meetings
Digital platforms/portals
On-site visits and inspections

Dedicated point of contact

Customer-care hotline- +94117524150

Two Tech Centres

Two Experience Centres

One Lifestyle Studio

Four overseas showrooms

Customer service agents serving across the country

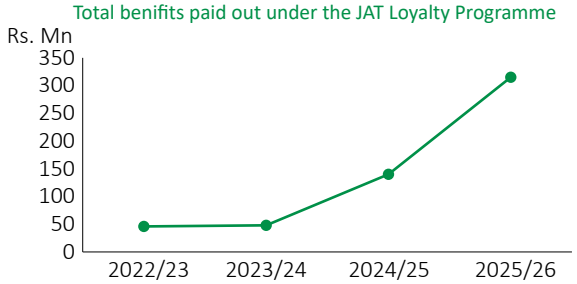
Key concerns raised	Response action	Leveraging feedback in decision-making
• Consistent product quality, durability, and performance across markets • Competitive pricing and value for money, with a certain level of price sensitivity still remaining amid cost pressures and challenged customer purchasing power as a lingering effect of the economic crisis the country encountered • Continuity of supply and timely availability of products, considering potential disruptions arising from geopolitical tensions and supply chain constraints • Environmental sustainability and compliance with safety and regulatory standards • Breadth of product range, innovation, and ability to offer customised solutions • Reliability of customer support, technical guidance, and after-sales service • Loyalty programmes and value-added benefits for long-term customers	The Group proactively addressed customer concerns by maintaining consistent product quality and reliability, while managing pricing through cost optimisation and the introduction of value-driven offerings. Efforts were also directed at strengthening supply chain resilience and distribution networks to ensure product availability and timely delivery amidst external disruptions. In parallel, JAT expanded its portfolio of environmentally responsible products, accelerated innovation and customisation, and enhanced technical support and after-sales service. Customer engagement and loyalty initiatives were further strengthened to deliver greater value and deepen long-term relationships.	Customer feedback is systematically analysed and channelled into R&D, product development processes, pricing and distribution-enabling continuous refinement of formulations, expansion of product offerings, and alignment with evolving market needs.

Link to our strategy	Material matters addressed
Profitable Growth	5.4 Product responsibility
Innovation	5.2 Product innovation
	6.2 Customer satisfaction

More information
Social and relationship capital – page 171, Investor relations – page 322

Value delivered - Trajectory

Total benifits paid out under the JAT Loyalty Programme



Suppliers and Business Partners

Maintaining two-way constructive dialogue

Providing feedback | Receiving feedback

Strength of relationship ★★★★

Mode of engagement - Consultation

Profile
1,400+ Local suppliers
100+ International suppliers

Maintaining two-way constructive dialogue
Pre-contract supplier evaluations
Annual performance assessments
Periodic compliance audits
Ongoing communications via emails/ discussions/ meetings
Periodic visits by the supplier
Regular feedback and improvement reviews

Dedicated point of contact
General Manager – Commercial
JAT Procurement Unit for suppliers

Key concerns raised	Response action	Leveraging feedback in decision-making
• Stability of pricing and payment terms amidst cost pressures and geopolitical uncertainties • Consistency of order volumes and adherence to delivery schedules • Assurance of product availability and effective inventory planning, considering potential supply chain disruptions • Clarity of contractual obligations, compliance requirements, and evolving regulatory expectations • Adequacy of marketing support and collaborative promotional initiatives • Timely communication, responsiveness, and access to decision-making channels	The Group strengthened supplier and partner relationships through transparent pricing practices, timely payments, and clearly defined contractual frameworks. Focus was also placed on enhancing supply chain resilience, with improved inventory planning and logistics coordination to support continuity of supply and timely deliveries amid external disruptions. JAT continued to foster close collaboration through ongoing marketing support and more responsive communication channels, ensuring alignment with operational priorities and evolving market conditions.	Supplier and partner feedback is actively captured and integrated into procurement, pricing, and supply chain decisions, mutually beneficial clauses in contracts/ terms enabling improved coordination, responsiveness, and continuity of operations.

Link to our strategy	Material matters addressed
Profitable Growth	6.1 Principal relationships

More information

Social & Relationship Capital– page 171, Investor relations – page 322

Value delivered - Trajectory



STAKEHOLDER INTERACTIONS

Maintaining two-way constructive dialogue

Providing feedback | Receiving feedback

Community

Strength of relationship ★★★★

Mode of engagement - Maintain interest

Profile
The wider community within which we operate

Maintaining two-way constructive dialogue
Corporate Website
Social media interactions
Press publications
JAT Pintharu Abhiman programme
CSR projects
Public events

Dedicated point of contact
JAT Sustainability Manager
Loyalty department

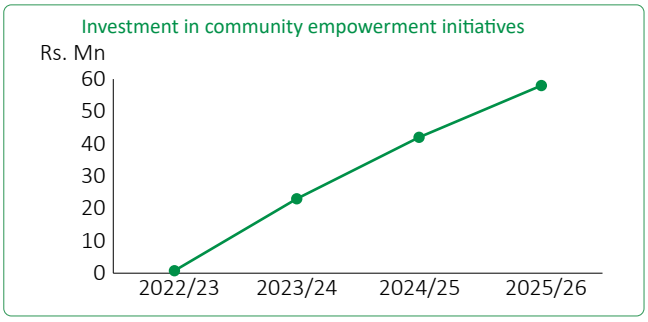
Key concerns raised	Response action	Leveraging feedback in decision-making
• Environmental impact of operations, including sustainable manufacturing and effective waste management practices • Transparent reporting on environmental and social impacts • Contribution to local economic development through job creation and fair labour practices • Meaningful community engagement and empowerment, particularly in supporting vulnerable communities during disruptions such as Cyclone Ditwah • Effectiveness and reach of CSR initiatives, with a focus on long-term community resilience and upliftment	JAT continued to minimise its environmental footprint through sustainable manufacturing practices and enhanced waste management systems. The Group remained committed to local employment, fair labour practices, and supporting economic development. JAT also extended support to communities impacted by Cyclone Ditwah, contributing to relief and recovery efforts. Through JAT Pintharu Abhiman, the Group empowered the painter community by providing recognised certification and promoting dignity within the profession (including female painters and differently-abled painters)	Community feedback is actively gathered through engagement initiatives and incorporated into CSR programmes and outreach efforts, ensuring that initiatives are responsive to local needs and priorities.

Link to our strategy	Material matters addressed
ESG considerations	6.3 Community empowerment

More information

Social & Relationship Capital– page 171, Investor relations – page 322

Value delivered - Trajectory



Maintaining two-way constructive dialogue

Providing feedback | Receiving feedback

The Government and related entities

GRI 207-3

Strength of relationship ★★★★

Mode of engagement - Consultation

Profile
State entities such as the Colombo Stock Exchange, Securities and Exchange Commission, Sri Lanka Standards Institute, Central Environmental Authority, the Inland Revenue Department, Department of Labour, Ministry of Industries

Maintaining two-way constructive dialogue
Periodic regulatory filings and disclosures
Statutory reporting and compliance submissions
Participation in industry consultations and forums
Licensing and permit applications
Formal correspondence and notifications
Digital reporting platforms and online submissions
Regulatory training and awareness sessions
On-site inspections and audits

Dedicated point of contact
Chief Financial Officer
Head of HR
Legal Officer
Chief Executive Officer
Managing Director

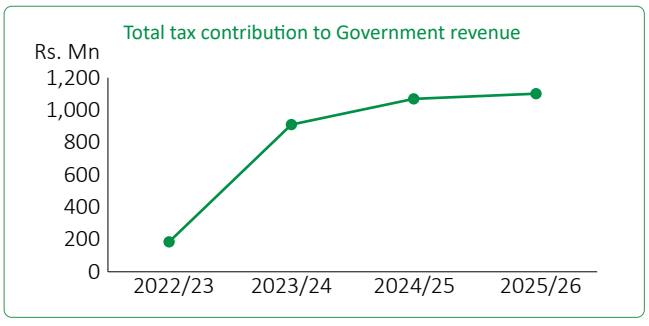
Key concerns raised	Response action	Leveraging feedback in decision-making
• Compliance with environmental regulations and contribution to a low-carbon, sustainable economy • Adherence to labour laws, occupational health and safety standards, and fair employment practices • Maintenance of product quality and safety standards in line with regulatory requirements • Transparent and ethical business conduct, including timely and accurate disclosures • Compliance with tax regulations and statutory obligations • Contribution to national economic development through export growth, foreign exchange generation, industry advancement, and support for national recovery efforts during events such as Cyclone Ditwah	JAT maintained strong regulatory compliance through adherence to environmental, labour, product safety, and tax requirements, supported by robust internal controls and governance practices. Regular audits, continuous employee training, and proactive engagement with regulatory authorities ensured alignment with evolving standards and expectations. The Group also remained aligned with national priorities by contributing to economic development and supporting recovery efforts during periods of disruption caused by Cyclone Ditwah.	Regulatory feedback is continuously monitored and channelled through Compliance, Internal Audit, Sustainability, Human Resources functions, Finance, etc., with insights integrated into policies, controls, and operational practices to ensure ongoing alignment.

Link to our strategy	Material matters addressed
ESG considerations (Governance)	3.1 Compliance and good governance

More information

Corporate Governance – page 40, Investor relations – page 322

Value delivered - Trajectory

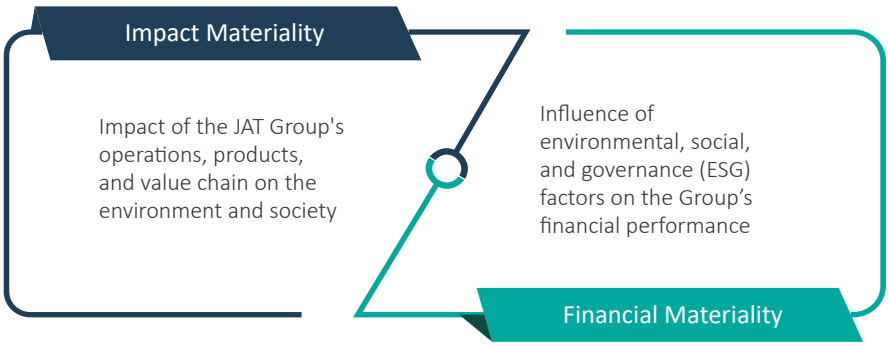


MATERIAL MATTERS

GRI 2-14, 3-1, 3-2

Understanding what matters most to the business and its stakeholders is integral to JAT's sustainability approach. The Group adopts a structured and inclusive process to identify and prioritise material topics, ensuring that its disclosures focus on areas with the most significant economic, environmental, and social impacts. This assessment is conducted annually to ensure continued relevance in a dynamic operating environment.

DUAL MATERIALITY



This approach supports more robust sustainability reporting, better risk management, and strategic decision-making that is responsive to both internal and external priorities.

This materiality determination approach enabled JAT to focus its reporting on areas that are most relevant to stakeholders and critical to delivering long-term sustainable value – particularly within the emerging macro-environmental developments.

Identifying relevant topics
through an internal review of industry trends, regulatory requirements, peer benchmarking, and strategic priorities

Engaging with stakeholders
including employees, customers, suppliers, community representatives, and regulators, to understand their expectations and the impact JAT has on them

Prioritising topics
based on two key dimensions: the significance of JAT's impact on the economy, environment, and people, and the influence of stakeholder interests on the Company's business strategy

Validating the final list of material topics
through internal workshops with senior leadership and cross-functional teams to ensure alignment with the Group's long-term vision and strategic direction

Reviewing and updating
material topics regularly to reflect changes in the business environment, stakeholder expectations, and regulatory developments

Material matters for the year under review

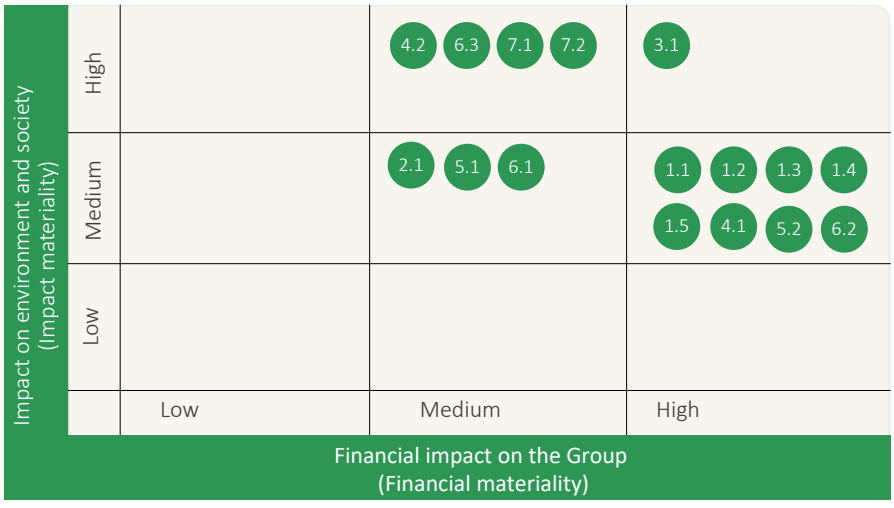
During the year, we re-assessed our material matters under the step "Reviewing and Updating" as listed above. Additionally, we took into consideration the recommendations provided by the external assurance providers on our sustainability reporting for the financial year 2025/26. Accordingly, we arrived at 16 material matters, as follows.

Material theme	Material matter
Business performance and market position	1.1 Market leadership 1.2 Managing financial performance 1.3 Macro-economic vulnerabilities 1.4 Adequacy of production capabilities 1.5 Corporate reputation
Digital transformation	2.1 Embracing technology with emphasis on cyber security
Governance and compliance	3.1 Compliance and good governance
People and workplace	4.1 Managing talent 4.2 Employee health and safety
Product excellence and innovation	5.1 Product responsibility 5.2 Product innovation
Stakeholder relationship and responsibility	6.1 Principal relationships 6.2 Customer satisfaction 6.3 Community empowerment
Sustainability and climate action	7.1 Managing carbon emissions towards set emission targets 7.2 Climate change

CHANGES TO MATERIAL MATTERS REPORTED IN 2025/26

Material matters reported in 2024/25	Changes introduced in 2025/26	Justification
Embracing technology with emphasis on cyber security	Enhanced	Increasing technology adoption within the organisation and across the supply chain posing greater cyber security risk
Ethical procurement practices	Omitted	Whilst ethical procurement practices remain relevant to the Group, in the assessment of double materiality, the same is omitted
Taxation	Omitted	Fulfilling tax obligations and contributing to national development are embedded within JAT's standard operating and governance frameworks. Is also covered under the Material Matter 3.1 Compliance and good governance
Managing GHG emissions	Enhanced	Sharper focus through the updated material matter 7.1 Managing carbon emissions towards set emission targets

JAT'S DOUBLE MATERIALITY MATRIX



MATERIAL MATTERS

ANALYSIS OF MATERIAL MATTERS

MM: Material Matter/s' time horizon

S M L Short-term, Medium-term and Long-term respectively

Change in materiality during the year

Increased

Status quo maintained

MM Code	Material matter	Change in materiality during the year	Impact on environment and society (Impact materiality)	Financial impact on the Group (Financial materiality)	Justification	
Material theme: Business performance and market position						
1.1	Market leadership		M	H	Growing competition in the domestic market, and entry made to new markets during the year	
1.2	Managing financial performance GRI 201: Economic performance		M	H	Increasing geo-political tensions which can have an impact on JAT value chain increased the need for sustaining/ managing sound financial performance	
1.3	Macro-economic vulnerabilities		M	H	Increasing geo-political tensions and effects on the macro-economy following climate emergencies like Cyclone Ditwah seen during the financial year	
1.4	Adequacy of production capabilities		M	H	Greater markets/ customers to be served with the acquisition of the brand Mirotone and entry in to Australia and New Zealand	
1.5	Corporate reputation		M	H	Entry in to new global markets and defending/ increasing the Sri Lankan market share, yielding quality investors, attracting quality talent	
Material theme: Digital transformation						
2.1	Embracing technology with emphasis on cyber security		M	M	Continued deployment of technology within JAT and across its supply chain	
Material theme: Governance and compliance						
3.1	Compliance and good governance GRI 205: Anti-corruption GRI 406: Non-discrimination GRI 413: Local communities		H	H	There were no major regulatory changes during the year. JAT continued to uphold its strong ethics in governance and total adherence to applicable laws and regulations.	
Material theme: People and workplace						
4.1	Managing talent GRI 401: Employment GRI 402: Labour management relations GRI 404: Training and education GRI 405: Diversity and equal opportunity GRI 406: Non-discrimination GRI 407: Freedom of association and collective bargaining GRI 408: Child labour GRI 409: Forced or compulsory labour		M	H	Growing talent and expertise needed across multiple functions and staff levels to cater to JAT's expanding overseas business footprint	

Key stakeholders

- Shareholders
- Suppliers and Business Partners
- Customers
- The Government and Related Entities
- Employees
- Community

Strategic priorities

- Profitable Growth
- Innovation
- Global Market Expansion
- Nurturing Talent
- Digitalisation and Operational Excellence
- ESG Considerations

Six capitals

- Financial Capital
- Intellectual Capital
- Manufactured Capital
- Social & Relationship Capital
- Human Capital
- Natural Capital

	Reporting boundary	Key stakeholders impacted* (Ranked in the order of severity of impact)	Strategic significance	Value delivered through	Time horizon	SDGs linked	Management of MM
	External				S M L		Page 166
	Internal				S M L		Page 130
	External				S M L	N/A	Page 92
	Internal				S M L		Page 138
	External				M L		Page 166
	Internal External				S M L		Page 168
	Internal				S M L		Page 40
	Internal				S M L		Page 148

MATERIAL MATTERS

MM Code	Material matter	Change in materiality during the year	Impact on environment and society (Impact materiality)	Financial impact on the Group (Financial materiality)	Justification	
4.2	Employee health and safety GRI 403: Occupational health and safety SASB- RT-CH-320a.1 SASB- RT-CH-320a.2		H	M	Whilst the level of materiality remained as there were no major changes to production environment, JAT carried out a number of initiatives to enhance employee health and safety	
Material theme: Product excellence and innovation						
5.1	Product responsibility GRI 416: Customer health and safety GRI 417: Marketing and labelling SASB- RT-CH-410b.2		M	M	JAT continued delivering on responsible products from the perspectives of end-user and the environment	
5.2	Product innovation		M	H	With the entry in to the Australian market with the acquisition of Mirotone, a number of new products/ formulas were invented, along with some for the local market as well.	
Material theme: Stakeholder relationship and responsibility						
6.1	Principal relationships		M	M	Sound relationships maintained with current principals with no change of level of materiality	
6.2	Customer satisfaction GRI 418: Customer privacy		M	H	The materiality of customer satisfaction is continually increasing across multiple factors such as product performance and durability, pricing and availability, among others	
6.3	Community empowerment GRI 203: Indirect economic impacts GRI 413: Local communities RT-CH-210a.1		H	M	Increased with the impact of Cyclone Ditwah and the need to support affected communities	
Material theme: Sustainability and climate action						
7.1	Managing carbon emissions towards set emission targets GRI 305: Emissions SASB- RT-CH-110a.1 SASB- RT-CH-110a.2		H	M	2025/26 was used as the base year towards JAT's emission targets. From 2025/26 onwards JAT is on a concerted emissions management path towards its set targets.	
7.2	Impact of climate change GRI 302: Energy GRI 303: Water and Effluents GRI 306: Waste		H	M	Increased with the impact and learnings of Cyclone Ditwah	

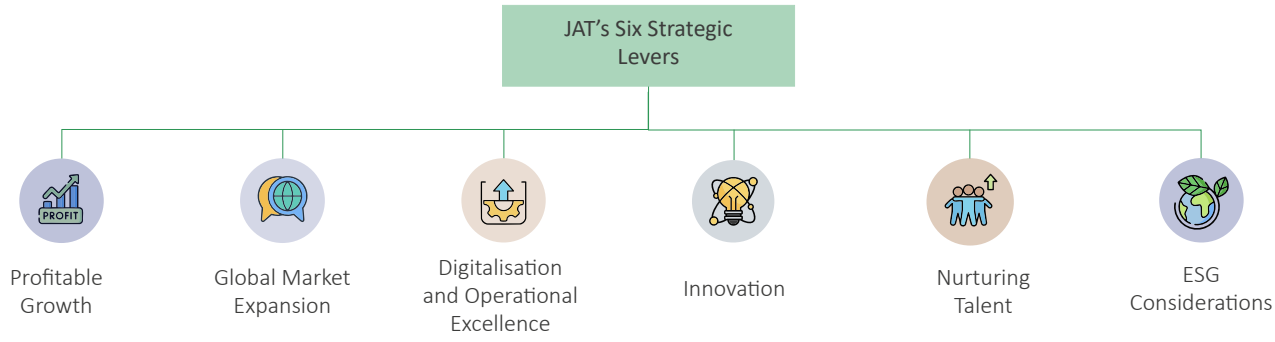
	Reporting boundary	Key stakeholders impacted* (Ranked in the order of severity of impact)	Strategic significance	Value delivered through	Time horizon	SDGs linked	Management of MM
	Internal				M L		Page 156
	Internal				S M L		Page 161
	Internal				S M L		Page 161
	External				S M L	N/A	Page 175
	External				S M L	N/A	Page 173
	External				S M L		Page 176
	Internal				S M L		Page 188
	External				S M L		Page 185

OUR STRATEGY

Since its inception, the success of JAT Holdings PLC has been underpinned by robust strategic formulation and disciplined execution. Strategy has always occupied a central place within JAT, guiding the Group's growth trajectory and shaping its evolution over the years. The expansion of JAT's product portfolio, growing presence across the globe, strengthening of market leadership, resilience in navigating industry cycles, commitment to innovation, and the steady rise in its financial performance and brand equity can all be attributed to the disciplined strategic pathways the Group has pursued with consistency and clarity of purpose.

JAT's current strategic blueprint, 'North Star', continues to guide the organisation towards long-term value creation. Anchored on expanding manufacturing capabilities, strengthening international presence, and deepening innovation across its product offerings, the strategy has already delivered several key milestones. Among the most notable achievements under this strategic direction is the acquisition of Mirotone (NZ) Limited, New Zealand's No.1 industrial wood coatings manufacturer and a globally recognised 90-year-old brand.

Noting the growing significance of expansion in to global markets within JAT's strategy and remarkable progress the Group made during the year in this regard, Global Market Expansion is identified as a separate strategic lever under JAT's strategy from the FY 2025/26.



Strategic governance and oversight

Strategy formulation:
Strategic initiatives are formulated at the senior management level, led by the Managing Director and Chief Executive Officer, together with Heads of Departments, ensuring alignment with operational realities and long-term growth aspirations of the Group.

Board deliberation and approval:
The proposed strategy is presented to the Board of Directors for rigorous review and approval following in-depth deliberations at dedicated strategy sessions.

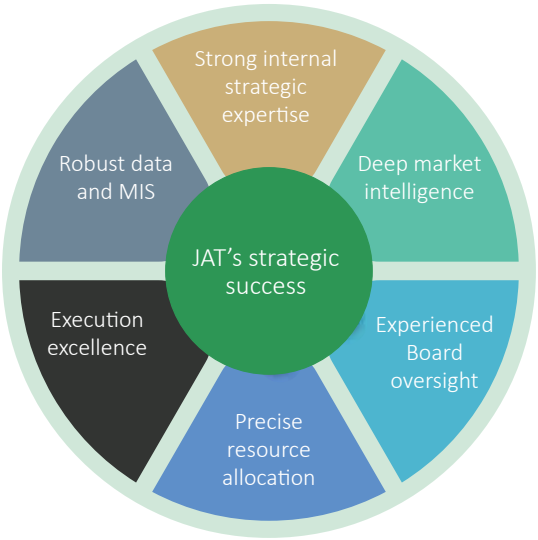
Implementation oversight:
Once approved, the strategy is operationalised across the Group with clear accountability assigned to relevant business units and leadership teams.

Six-month strategic review:
The Board undertakes a structured review of strategic execution six months post-implementation to assess progress against defined objectives.

Performance gap analysis:
Actual performance is evaluated against approved budgets and strategic targets, enabling the identification of gaps and emerging challenges.

Corrective action:
Where deviations or shortfalls are identified, the Board and management jointly deliberate on necessary corrective measures to realign execution with the intended strategic outcomes.

FOUNDATIONS OF JAT'S STRATEGIC SUCCESS



- **Strong internal strategic expertise**

  JAT's strategies are largely developed internally, leveraging the intellectual capital and industry insight of the executive leadership team. Inputs from across the organisation are also integrated into the process, ensuring strategies remain grounded in operational realities.

- **Deep market intelligence**

  Close engagement with customers, partners, and industry networks within Sri Lanka and across target geographies provides valuable market intelligence, enabling JAT to anticipate trends and refine its strategic direction.

- **Experienced Board oversight**

  The Board comprises seasoned professionals with strong experience in strategy formulation and execution. Their guidance and independent oversight strengthen strategic decision-making and reinforce disciplined implementation.

- **Precise resource allocation**

  Resource allocation at JAT is guided by integrated thinking across the Board and Management, ensuring capital is directed towards initiatives that are strategically significant, appropriately balanced in terms of risk, capable of delivering long-term value and strengthening the resilience of JAT. Trade-offs across the various capitals are carefully assessed to ensure short-term financial outcomes do not compromise long-term sustainability. Resources required for strategic initiatives are embedded within the Group's annual financial plans, ensuring both funding availability and disciplined execution while enabling the mobilisation of other required capitals.

- **Execution excellence**

  A loyal and capable workforce across JAT's operations ensures the precise execution of strategic initiatives, keeping implementation aligned with intended outcomes.

- **Robust data and MIS**

  Strong data capabilities and management information systems enable continuous monitoring of performance, supporting timely reviews and informed strategic adjustments.

Reporting Enhancements Introduced This Year

- Establishing the connectivity between JAT's Strategic Pillars and Climate Related Risks and Opportunities (CRROs)
- Depiction of key Outputs/KPIs linked to the Strategic Pillar with a look-back of four years and current year performance
- Establishing the connectivity between PESTEL factors (macro-environmental analysis) and the Porter's Five Forces (industry competitiveness analysis) that affect JAT's performance
- Connecting Material Matters to each Strategy Pillar

Profitable growth

What it means to us

JAT focuses on expanding its revenue base while safeguarding profitability through cost discipline, value-driven innovation, and a diversified product and market portfolio. The Group remains committed to strengthening its presence in established markets, including Sri Lanka and other key regions, while selectively pursuing new opportunities that support sustainable, long-term earnings growth.

PESTEL factors that drove performance	Porter's Five Forces that drove performance
Political Economic Technological Environment	Competitive Rivalry

Link to JAT CRROs

Extreme weather events

Resource Allocation	Capital trade-offs
• Investments in research and development (R&D) • Investments in diversifying the business • Operational efficiency enhancements in production processes • Capacity enhancements in storage • Brand and market development initiatives in strengthening brand equity, distributor networks, and professional applicator engagement to deepen market penetration in existing segments	— Financial capital (near term) + Financial capital (mid to long term) + Intellectual capital + Manufactured capital + Social and relationship capital

Key actions taken

- Strengthened R&D initiatives during the year
- Deeper deployment of automation and technology enhancements (such as Internet of Things) for process efficiencies
- Optimisation of storage space/racking system implementations
- Product portfolio diversification to cater to both high and mid-tier markets thereby drive sales volumes

Outputs/ KPI tracker

KPI	2022/23	2023/24	2024/25	2025/26
Gross-profit margin	34%	29%	35%	38%
PAT (Rs. Mn)	1,301	1,023	1,779	1,525

Stakeholders impacted	Link to Material Matters	Contribution to SDGs
• Shareholders via greater return on investments • Employees via more employee benefits and a stronger and more resilient employer • Customers via better quality products and services • Suppliers and business partners via timely and secured business relationships • The Government and related entities such as tax authorities with greater tax contribution	1.1 Market leadership 1.2 Managing financial performance 1.3 Macro-economic vulnerabilities 1.4 Adequacy of production capabilities 1.5 Corporate reputation 5.4 Product responsibility 5.2 Product innovation 6.1 Principal relationships 6.2 Customer satisfaction	

Way Forward

Short-term	Medium-term	Long-term
Continue to drive profitable growth by strengthening its product portfolio across premium and mid-tier segments, enhancing operational efficiencies through technology adoption, and further optimising production and storage capabilities. Greater emphasis on strengthening brand visibility and deepening engagement with distributors and professional applicators to accelerate market penetration.	Focus on scaling innovation-driven growth through sustained investments in R&D, product differentiation, and process automation. Operational synergies arising from technology deployment and capacity enhancements to further improve margins, while targeted diversification initiatives such as EV chargers manufacturing to support the development of new revenue streams.	Aim to consolidate JAT's position as a leading provider of coatings and interior finishing solutions and also EV chargers manufacturing, by continuously expanding its innovation capabilities, strengthening manufacturing excellence, and building a diversified portfolio of high-value products and solutions that deliver sustainable earnings growth.

Global market expansion

What it means to us

With JAT setting its sights on dollarising 50% of its revenue by FY29 and establishing itself as a Sri Lanka-grown multinational with a meaningful global presence, Global Market Expansion has become a critical strategic lever for the Group. This strategic focus guides our efforts to take the JAT brand into new territories, over and above its current presence in Bangladesh, India, Nepal, Kenya, Seychelles, Australia and New Zealand - identify and pursue high-potential opportunities and strengthen the stability and resilience of the business through greater geographic diversification.

As the domestic market for certain key product categories, including paints and interior solutions, gradually approaches maturity, expanding our international footprint becomes increasingly important to sustain strong growth momentum and unlock new avenues for revenue and profit generation.

PESTEL factors that drove performance	Porter's Five Forces that drove performance
Political	Competitive Rivalry
Economic	Bargaining Power of Buyers
Legal	

Link to JAT CRROs

Extreme weather events

Resource Allocation	Capital trade-offs
• Capital deployed towards strategic international acquisitions • Investments in strengthening export-oriented manufacturing and supply chain capabilities • Allocation of financial resources to develop international distribution and partner networks • Investments in global brand positioning and market development initiatives • Deployment of resources towards international market intelligence and regulatory compliance capabilities	— Financial capital (near term) + Financial capital (mid to long term) + Intellectual capital + Social and relationship capital + Manufactured capital + Human capital

Key actions taken

- Acquisition of Mirotone (NZ) Limited
- Deepening our presence and product portfolios in oversea countries

Outputs/ KPI tracker

KPI	2022/23	2023/24	2024/25	2025/26
Percentage of revenue derived from overseas revenue	25%	35%	26%	23%
Number of countries with JAT presence	8	9	10	11

Stakeholders impacted	Link to Material Matters	Contribution to SDGs
• Shareholders via greater return on investments • Employees via more rewarding employment opportunities across the globe • Customers via increasing choice, innovative experiences and accessibility to new products. • Suppliers and business partners via long term partnership opportunities • The Government and related entities such as tax authorities with greater tax contribution	1.1 Market leadership 1.3 Macro-economic vulnerabilities 1.4 Adequacy of production capabilities 1.5 Corporate reputation 5.4 Product responsibility 5.2 Product innovation 6.2 Customer satisfaction	

Way Forward

Short-term	Medium-term	Long-term
Focus on strengthening the Group's presence in existing overseas markets, enhancing export capabilities, and integrating international acquisitions such as Mirotone (NZ) to leverage technology, product expertise, and distribution synergies. Efforts be directed towards deepening distributor networks and strengthening brand visibility in priority markets.	Progressive scaling of international operations by expanding into high-potential regional markets, strengthening strategic partnerships, and broadening portfolio of globally competitive coatings and interior solutions. Greater emphasis to be placed on building stronger market intelligence, supply chain capabilities, and customer relationships across overseas markets.	Establish itself as a recognised Sri Lanka-grown multinational, with a strong global footprint and a diversified revenue base where international markets contribute significantly to overall earnings. Sustained expansion across multiple regions to enhance resilience, support revenue dollarisation, and drive long-term value creation.

Digitalisation and operational excellence

What it means to us

This key strategic pillar drives JAT's pursuit of efficiency, agility, and sustained value creation as the Group expands its global footprint. By embedding digital technologies across core business processes, strengthening data analytics and market intelligence capabilities, among others, and progressively deploying emerging technologies such as artificial intelligence, JAT aims to enhance decision-making, optimise operational performance, and improve customer responsiveness.

Through continuous process optimisation, technology-enabled automation, and adherence to international best practices, the Group seeks to improve productivity, strengthen cost efficiencies, and build scalable systems that support its ambitions of becoming a globally competitive Sri Lanka-grown multinational

PESTEL factors that drove performance	Porter's Five Forces that drove performance
Economical Technological	Competitive Rivalry

Link to JAT CRROs

Extreme weather events

Resource Allocation	Capital trade-offs
• Continued investments in digital infrastructure and technology upgrades across manufacturing operations and core business processes • Allocation of resources towards employee upskilling and capability development to strengthen digital adoption and innovation • Deployment of specialised IT talent and digital expertise to lead and support organisation-wide digital transformation initiatives	— Financial capital (near term) + Financial capital (mid to long term) + Intellectual capital + Social and relationship capital + Human capital

Key actions taken

- Automation of roller-brushes product assembling
- Implementation of real-time data monitoring/digital dash-board for Sri Lankan plant operations, as a pilot project, enabling sharper monitoring of efficiency and productivity of the production process and more efficient decision making
- Seamless integration of JAT's ERP system to other sub-systems within JAT and certain external stakeholders as well, such as warehouse logistics providers
- Deployment of a number of Kaizen initiatives

Outputs/ KPI tracker

KPI	2022/23	2023/24	2024/25	2025/26
Investments in IT and digitisation (Rs. Mn)	22	179	29	63

Stakeholders impacted	Link to Material Matters	Contribution to SDGs
• Shareholders via greater return on investments • Employees via more efficient processes • Customers via price advantages when cost efficiencies are translated in to more competitive pricing • Community via more convenient, connected and efficient and sustainable community	1.3 Macro-economic vulnerabilities 2.1 Embracing technology with emphasis on cyber security 5.4 Product responsibility	

Way Forward

Short-term	Medium-term	Long-term
Strengthening its digital backbone by expanding the deployment of real-time data monitoring systems across key operations and further integrating enterprise platforms to enable seamless information flows across the value chain. Also introduce AI-driven demand forecasting tools and Robotic Process Automation (RPA) in selected operational and finance processes to enhance efficiency, accuracy, and decision-making. At the same time, cybersecurity frameworks to be strengthened to safeguard digital infrastructure as the organisation deepens its reliance on data-driven systems.	Scale digitalisation initiatives across its regional operations to create a more connected and data-enabled enterprise. Greater use of advanced analytics, automation, and digital dashboards will support predictive decision-making across manufacturing, supply chain management, and market intelligence. Continuous investments in cybersecurity, system resilience, and digital capability development will also ensure secure and scalable systems that support the Group's growing international footprint.	Evolve into a highly digitised and technology-enabled organisation including smart production in its factories where intelligent systems, advanced automation, and data-led insights underpin operational excellence across global operations. By embedding digital innovation across its manufacturing, supply chain, and customer engagement processes, the Group seeks to build scalable, resilient, and globally competitive systems that support sustained growth and operational leadership.

Innovation

What it means to us

Innovation is central to JAT's ability to anticipate market trends and deliver differentiated, high-quality solutions. Backed by one of South Asia's most advanced paint R&D centres, the Group continuously develops next-generation formulations, enhances product performance, and responds swiftly to evolving customer expectations. At JAT, innovation extends beyond product development to encompass processes, technologies, and customer solutions across the value chain. By embedding a culture of continuous improvement and forward-thinking across the organisation, the Group strengthens its ability to sustain market leadership and maintain a distinct competitive edge.

PESTEL factors that drove performance	Porter's Five Forces that drove performance
Technological	Threat of new entrants
Environmental	Threat of substitutes
Social	

Link to JAT CRROs

Voluntary or forced retirement of product technologies

Resource Allocation	Capital trade-offs
• Funds allocated through dedicated R&D budget towards advanced testing facilities, product development, and innovation partnerships to maintain its competitive edge • A specialised team of chemists, scientists, and cross-functional experts who drive innovative efforts, supported by knowledge sharing with external partners and institutions	— Financial capital (near term) + Financial capital (mid to long term) + Intellectual capital + Social and relationship capital + Natural Capital

Key actions taken

- Continued investment in research and development to create value-for-money products with enhanced durability, superior quality, and improved environmental performance
- Strengthened R&D capabilities in colour separation and colour development to support the expansion of JAT's decorative paint portfolio
- Development of ten new wood-coating formulations for the Australian market under the Mirotone brand, tailored to meet the performance and regulatory requirements of the region

Outputs/ KPI tracker

KPI	2022/23	2023/24	2024/25	2025/26
Investments in R&D (Rs. Mn)	159	45	55	47
Cost savings through R&D improvements (Rs. Mn)	-	76	276	409

Stakeholders impacted	Link to Material Matters	Contribution to SDGs
• Customers via higher performance products	1.1 Market leadership 1.4 Adequacy of production capabilities 4.1 Managing talent 5.4 Product responsibility 5.2 Product innovation 6.2 Customer satisfaction	

Way Forward

Short-term	Medium-term	Long-term
Accelerate R&D efforts to tailor product formulations to meet evolving customer needs and climate-specific requirements across Sri Lanka and priority export markets, ensuring consistent performance and quality.	Strengthen R&D capabilities to align a greater share of the product portfolio with international standards, supporting regulatory compliance and deeper market penetration across overseas markets.	Position JAT as a recognised innovation leader in wood coatings and interior finishing solutions, developing sustainable, climate-resilient products that support the Group's expanding global footprint.

Nurturing talent

What it means to us

Building a high-performing and future-ready workforce remains a strategic priority for JAT, recognising that its people are the driving force behind innovation, operational excellence, and sustained growth. JAT places strong emphasis on attracting, developing, and retaining high-calibre talent, supported by continuous learning initiatives and structured leadership development programmes. By fostering a culture rooted in performance, inclusivity, and empowerment, JAT enables employees at all levels to realise their full potential.

PESTEL factors that drove performance	Porter's Five Forces that drove performance
Social	Competitive Rivalry
Technological	Threat of new entrants

Link to JAT CRROs

N/A

Resource Allocation	Capital trade-offs
• Investments in employee upskilling through learning and development • Competitive remuneration and other benefits	— Financial capital (near term) + Financial capital (mid to long term) + Intellectual capital + Human capital

Key actions taken

- Employee development, focusing on both technical capability building and managerial effectiveness
- Introduction of an advanced Learning Management System (LMS) titled JEM (JAT Empowers Me)
- Comprehensive leadership development programme

Outputs/ KPI tracker

KPI	2022/23	2023/24	2024/25	2025/26
Payments to employees (Rs. Mn)	822	941	1,059	1,764
Revenue per employee	26	25	23	23

Stakeholders impacted	Link to Material Matters	Contribution to SDGs
• Employees via sound employee relation initiatives • Customers via more innovative products	1.5 Corporate reputation 2.1 Embracing technology with emphasis on cyber security 3.1 Compliance and good governance 4.1 Managing talent 4.2 Employee health and safety	

Way Forward

Short-term	Medium-term	Long-term
Support the seamless integration of teams following the Mirotone acquisition, with a focus on aligning organisational structures, strengthening cross-cultural collaboration, and equipping employees to operate effectively across new international markets, while initiating targeted leadership development for senior management.	Strengthen JAT's global talent framework by embedding consistent people practices, building a robust leadership pipeline, and fostering workforce agility through enhanced collaboration, mobility, and more adaptive ways of working across geographies.	Develop a globally integrated, future-ready workforce that combines strong leadership capability, a unified culture, and continuous learning, positioning human capital as a key driver of innovation, resilience, and sustained international growth.

ESG considerations

GRI 2-27

What it means to us

Embedding environmental, social, and governance (ESG) considerations into its core strategy, JAT is committed to conducting business responsibly while balancing environmental stewardship, social responsibility, and strong governance. By integrating ESG principles into its decision-making and operations, the Group aims to drive sustainable value creation for all stakeholders, while aligning with evolving global standards and expectations

PESTEL factors that drove performance	Porter's Five Forces that drove performance
Political Social Environmental	Competitive Rivalry

Link to JAT CRROs

Extreme Weather Events

Policies and regulations on low-carbon transition

Voluntary or forced retirement of product technologies

Resource Allocation	Capital trade-offs
• Investments in ESG initiatives • Staff volunteer hours in related projects	— Financial capital (near term) + Social and relationship capital + Natural Capital

Key actions taken

Environment

- New energy management policy and related initiatives implemented
- A number of Kaizen initiatives rolled out for efficiency improvement
- Distribution of 250 saplings for planting

Social

- Community empowerment initiatives through certification programmes for female painters, and differently abled painters and JAT Pintharu Abhiman

Governance

- Upholding strong corporate governance through transparent operations, ethical conduct, and integrity in all business dealings
- Ensuring compliance with applicable laws, regulations, and industry best practices, while actively engaging stakeholders to promote accountability and responsible conduct

Outputs/ KPI tracker

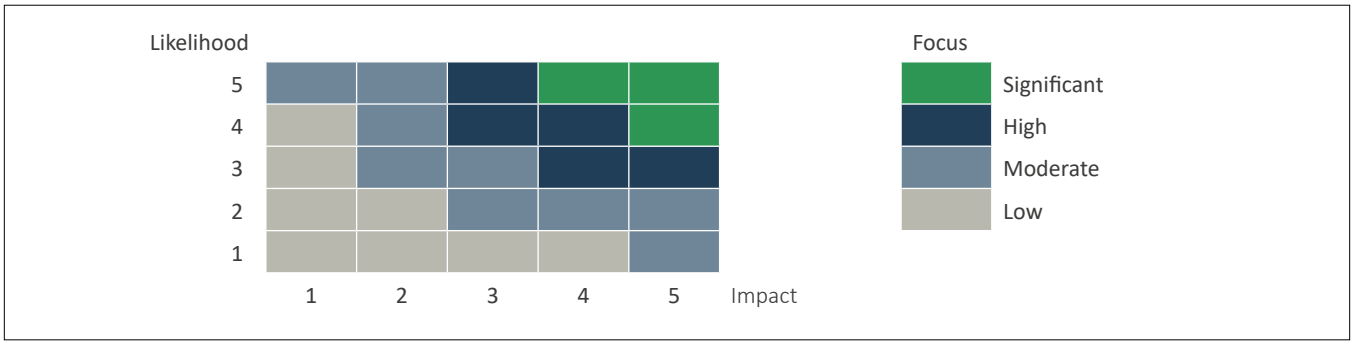
KPI	2022/23	2023/24	2024/25	2025/26
Cumulative beneficiaries of JAT Pintharoo Abhiman	128	1,025	1,117	1,131
Compliance in all applicable laws and regulations	100%	100%	100%	100%

Stakeholders impacted	Link to Material Matters	Contribution to SDGs
• Shareholders via strong governance, ethical practices and environmental responsibility • Employees via benefit from fair labour practices, diversity and opportunity for growth and development • Customers via improved environmentally conscious products, ethical sourcing and brand loyalty • The community via community empowerment initiatives	3.1 Compliance and good governance 4.1 Managing talent 5.4 Product responsibility 6.3 Community empowerment 7.1 Managing carbon emissions towards set emission targets 7.2 Impact of climate change	

Way Forward

Short-term	Medium-term	Long-term
• Quantification of Scope 3 GHG emissions	• Reduce our carbon footprint by 30% by 2030 and 50% by 2035 • Focus on developing a sound chemical management culture in the country through awareness	• Achieve net zero target by year 2050

RISK MANAGEMENT



JAT's approach to risk management is closely aligned with the evolving operating environments across the markets in which the Group operates. In assessing risks that may impact the business, the Group considers a broad spectrum of external and internal factors, including political, economic, social, technological, environmental, and legal (PESTEL) developments, together with industry-specific and operational considerations.

As the Group continues to expand across geographies and business verticals, risk management remains an important strategic enabler supporting resilience, agility, and informed decision-making. In an increasingly volatile and interconnected operating landscape, the ability to anticipate, assess, and respond proactively to emerging risks is fundamental to sustaining long-term value creation and strengthening the Group's operating model.

Even prior to the acquisition of Mirotone (NZ) Limited, JAT maintained an international operating footprint with exposure across multiple foreign markets. Accordingly, the Group's risk assessment processes extend beyond Sri Lanka and incorporate the economic, political, regulatory, environmental, and operational dynamics prevailing across all countries in which the Group has a presence.

GLOBAL INCIDENTS THAT SHAPED JAT'S RISKS UNIVERSE

During the year under review, the global risk environment continued to be shaped by pronounced PESTEL incidents, some highlights of which are as follows.

Factor	Key Developments During 2025 and Potential Impact to JAT Holdings PLC
Political	Continued geopolitical tensions and conflicts across several regions, together with political transitions and unrest in countries such as Bangladesh, contributed to periods of business uncertainty, disruptions to market sentiment, and operational challenges across certain international markets in which the Group operates.
Economic	Global economic conditions remained mixed during the year, characterised by elevated interest rates in several economies, inflationary pressures, exchange rate volatility, and evolving international trade dynamics including tariff-related uncertainties arising from policy shifts in the United States. These conditions impacted global demand patterns, input costs, freight charges, and overall business confidence.
Social	Changing consumer preferences towards environmentally responsible, health-conscious, and value-oriented products continued to influence purchasing behaviour across markets. At the same time, workforce expectations continued evolving towards greater flexibility, learning opportunities, wellbeing, and inclusive workplace practices.
Technological	Rapid advancements in digital technologies, automation, artificial intelligence, and smart manufacturing continued transforming industrial operations and customer engagement models globally. These developments created opportunities for operational efficiency and innovation while simultaneously increasing cybersecurity and data governance risks.
Environmental	Climate-related events and natural catastrophes intensified globally during the year, reinforcing the operational and financial implications of physical climate risks. In Sri Lanka, the impact of Cyclone Ditwah highlighted vulnerabilities relating to supply chains, operational continuity, logistics, and community resilience.
Legal	Regulatory expectations relating to sustainability, climate disclosures, environmental compliance, product stewardship, data protection, and corporate governance continued to strengthen globally and locally. Stemming from IFRS S1 and S2 - the mandatory adoption of SLFRS S1 and SLFRS S2 Sustainability Disclosure Standards in Sri Lanka from 2025 further elevated reporting, governance, and risk management expectations for corporates.

SRI LANKAN CONTEXT

Sri Lanka experienced a period of gradual but encouraging economic recovery during the year under review, supported by improved fiscal discipline, greater policy stability, and continued alignment with the reform programme under the International Monetary Fund's Extended Fund Facility.

This progress was reflected in improved macroeconomic indicators, including real GDP growth of 5.0% following contractions in prior years. Of particular relevance to JAT Holdings PLC, the construction sector recorded notable growth, positively supporting demand across wood coatings, paints, and furnishing solutions.

Meanwhile, inflation remained relatively contained and interest rates broadly stable, contributing towards improving consumer purchasing power and business confidence, thereby creating a more supportive operating environment during the year.

The impact of Cyclone Ditwah during the year further reinforced the increasing realities and financial implications of climate-related risks, highlighting the importance of operational preparedness, resilience, and adaptive business continuity capabilities.

APPROACH TO RISK MANAGEMENT

The Group's Enterprise Risk Management (ERM) framework is designed to support both strategic and operational resilience as JAT advances its long-term growth ambitions and stakeholder value creation objectives. The framework facilitates the systematic identification, assessment, prioritisation, mitigation, and monitoring of risks across the organisation.

JAT adopts a structured bottom-up approach to risk management, whereby risks are identified and evaluated at operational and business unit levels before being escalated through the governance structure for oversight and strategic review. Risk assessments and mitigation actions are reviewed on a quarterly basis to ensure continued relevance, completeness, effectiveness, and alignment with the evolving risk landscape and business priorities.

Risk Governance

The Board of Directors retains ultimate responsibility for overseeing the Group's risk management framework and ensuring the adequacy and effectiveness of risk governance processes across the organisation. In discharging this responsibility, the Board is supported by the Board Audit Committee, which assists in overseeing key risk management, internal control, compliance, and assurance processes.

With the adoption of SLFRS S1 and SLFRS S2 Sustainability Disclosure Standards, the mandate of the Board Audit Committee was further expanded during the year to formally include oversight of sustainability-related risks and opportunities (SRROs), including climate-related risks and opportunities (CRROs). This strengthened governance structure enhances the integration between sustainability considerations, enterprise risk management, and financial reporting processes.

The broader Group governance framework also plays an important role in promoting alignment across the organisation through harmonised policies, knowledge sharing, best practice dissemination, strategic guidance, risk oversight, and effective resource allocation across business units and geographies.

In addition, the Group continues to apply the Three Lines of Defence model, which supports clear segregation of responsibilities and strengthens accountability across operational management, oversight functions, and independent assurance activities, thereby reinforcing the overall effectiveness of the Group's risk management and internal control environment.

1st line of defence	2nd line of defence	3rd line of defence
JAT's business verticals responsible for risk identification, acceptance and mitigation	Board Audit Committee responsible for risk monitoring and management	The Board of Directors who will provide assurance on the risk framework and approve required policies and procedures in risk management

SLFRS Sustainability-related Financial Disclosures (SLFRS S1 and SLFRS S2) for more details on the management of JAT's climate related risks.

Risk Description	Risk Rating 2025/26	Risk Rating 2024/25	Factors Impacting Risk Rating	Mitigation Strategies
Operating environment related risks				
Material matters linked: Macro-economic vulnerabilities, Managing financial performance				
Fiscal reforms and taxation risk				
Frequent changes in fiscal policy and tax regulations creates uncertainty and disrupt financial planning. Sudden increases in corporate taxes, VAT revisions, or changes in import duties introduced as part of revenue generation strategies implemented by the government can directly impact cost structures and pricing strategies	Significant	Significant	• Reduced consumer spending capacity • New tax policies introduced under IMF program • Decisions taken without sufficient stakeholder input	• Operational cost controls • Financial scenario planning • Continuous impact assessments and strategy implementations • Adapt product offerings to suit changing needs • Enhance export market presence and place representatives at target locations
Political and policy instability				
The volatile political and macroeconomic conditions prevailing across certain operating markets, particularly Bangladesh, continued to create challenges for the Group during the year under review, contributing to disruptions in supply chains, fluctuations in business confidence, and operational uncertainties. In Bangladesh, periods of political unrest and instability affected economic activity and market sentiment, while globally, shifting trade dynamics and protectionist policy measures, including tariff-related developments and changing import regimes introduced by the United States during 2025, contributed to heightened uncertainty across international supply chains and manufacturing sectors. These developments exerted pressure on freight costs, sourcing timelines, raw material pricing, and broader cross-border trade flows.	Significant	Significant	• Volatilities in governing principals and policies causing uncertainty over long-term policy direction in Sri Lanka • Unexpected political turmoil in Bangladesh	• Monitoring and scenario analysis • Regular stakeholder engagement to be up to date with new laws and regulations and influence those which adversely impact the economy and the business environment • Strategic Risk Unit monitors the domestic and global operating environment to identify early warning signs of risks and opportunities which are promptly intimated to the management • Mobilising internal resources to ensure timely response to regulatory changes and maintaining regulatory compliance • Constant engagement with regulatory authorities together with trade chambers and associations, so as to be up to date with new laws and regulations and influence those which adversely impact the economy and the business environment

Risk Description	Risk Rating 2025/26	Risk Rating 2024/25	Factors Impacting Risk Rating	Mitigation Strategies
Exchange rate volatility and inflationary pressure				
These unpredictabilities create challenges in budgeting, pricing, and profitability for companies engaged in international trade or with foreign currency exposure. This results in reduced financial stability, increased operational costs, and difficulty in strategic planning, potentially affecting overall competitiveness and long-term growth	High	Significant	• Delays in debt restructuring • Fluctuations in currencies • Consumer sentiments • Inflation levels • Disposable income	• Backward vertical integration, reducing dependency on imports • Introducing innovative products to the market based on the affordability and requirements of the target customer segment through the R&D unit • Targeted marketing promotions to drive demand in selected segments • Relentless focus on cost-saving measures to mitigate the impact of product cost increases
IT related risks				
Material matters linked: Embracing technology with emphasis on cyber security, Product innovation				
IT infrastructure vulnerability & cybersecurity threats				
Gaps in technology systems, networks, or security protocols expose the organization to cyber threats, system failures, or data breaches. Such vulnerabilities can disrupt critical business processes, compromise sensitive information, and erode stakeholder trust, challenging operational continuity	High	High	• Aging or overloaded IT systems • Increased digitization • Inadequate security measures or noncompliance with data protection regulations • Financial loss arising from cyberattacks and vulnerabilities • Poor network infrastructure, including unreliable connectivity or insufficient bandwidth • Compatibility issues between different hardware components or software applications • Breakdown of systems	• Business continuity planning and develop contingency plans • Infrastructure upgrades • Enhanced firewalls and security software • Establishing strong governance structures, rules, and processes for IT risk management • Investments in cutting-edge cybersecurity infrastructure and software • Constant employee education on reducing cybersecurity threats • Regular penetration testing and vulnerability assessment • Design the IT infrastructure to accommodate future growth and changing business needs • Comprehensive backup and recovery systems in place

RISK MANAGEMENT

Risk Description	Risk Rating 2025/26	Risk Rating 2024/25	Factors Impacting Risk Rating	Mitigation Strategies
Data integrity and privacy risk				
With increased reliance on digital platforms and interconnected systems across operations, the risk of compromised data integrity and breaches of privacy has become more prominent. Inadequate cybersecurity measures, limited regulatory enforcement, and rising external threats expose sensitive business information to unauthorized access or manipulation which leads to operational disruptions, financial loss, reputational damage, and legal consequences	Moderate	Moderate	• Dependency on third-party platforms • Inadequte cyber-security infrastructure • Lack of employee awareness • Data Collection and Storage Practices • Data Access and Permissions	• Robust privacy policies and compliance reviews • Continuous awareness sessions for employees • Secure Data Storage and Transmission • Company-wide information security awareness activities • Regular Audits and Assessments • Compliance with Data Protection Regulations • Safeguarding stakeholder information to prevent any breaches of data confidentiality • Data Backups and Recovery Plans • Regularly Update Systems and Software"
Information risk				
Real time accurate information greatly impacts management decisions and a loss of sensitive information may lead to a loss of competitive advantage.	Low	Low	• Managerial level decision making • Market leadership • Competitive advantage	• Implement robust cyber-security measures • Conduct regular employee training on data protection • Use secure communication channels for sensitive information • Limit access to confidential data to authorized personnel • Regularly update and patch software for vulnerabilities • Monitor network activity for unusual patterns • Establish contingency plans for data breaches • Ensure compliance with data protection regulations"
Operational risks				
Material matters linked: Managing talent, Employee health and safety, Principal relationships, Product responsibility, Product innovation, Market leadership, Corporate reputation, Adequacy of production capabilities				
People related risks				
The extreme economic stress can motivate skilled talent to migrate for employment causing a brain drain within the country and companies. This eventually challenged attracting and retaining employees, quality of organizational tacit knowledge and employee know-how	Significant	Significant	• Employee value proposition offered including attractive rewards, opportunities for training and development, career progression and conducive work environment • Group's employer brand	• Salary increments, incentives and special allowances being continued • Continuous investments in training and development • Opportunities for career progression • Rewards for high-performing employees through an efficient performance management framework • Focus on mental wellbeing through motivational programmed • Job rotation and overseas assignments are offered to employees to develop their leadership qualities • Credibility of grievance mechanisms • Human Resources policies and practices duly updated to reflect relevant and evolving market dynamics

Risk Description	Risk Rating 2025/26	Risk Rating 2024/25	Factors Impacting Risk Rating	Mitigation Strategies
Supply chain disruptions				
The unseasonal heavy rains and flash floods caused disruptions to raw material and finished goods transport especially in Western and Central provinces and flooding in several regions in Bangladesh caused disruptions in operational activities	High	Significant	• Commercial sustainability of distributor network • Supplier Reliability • Geopolitical factors • Demand volatility • Multiple flooding incidents, landslides and frequent rain affecting the paint industry in Sri Lanka • Flooding in Bangladesh caused negative impacts on warehousing and distribution hubs	• Supplier relationship management • Backward vertical integration • Inventory optimization through efficient management • Efficienct route planning • Improved drainage around facilites
Product risk				
Poor quality product manufacturing and delivery significantly affect customer satisfaction and the competitive edge	High	High	• Relationships with principals in being consistently aware of changes to their product dynamics/ features • Adherence to quality assurance standards • The Group's research and development infrastructure and capabilities	• Facilitating transfer of knowledge and access to state-of-the-art products by maintaining strong relationships with principals • Prioritizing research and development • All processes to be subject to robust quality assurance • Maintaining a portfolio of good quality products supported by strong principals • Prioritizing on marketing and distribution procedures

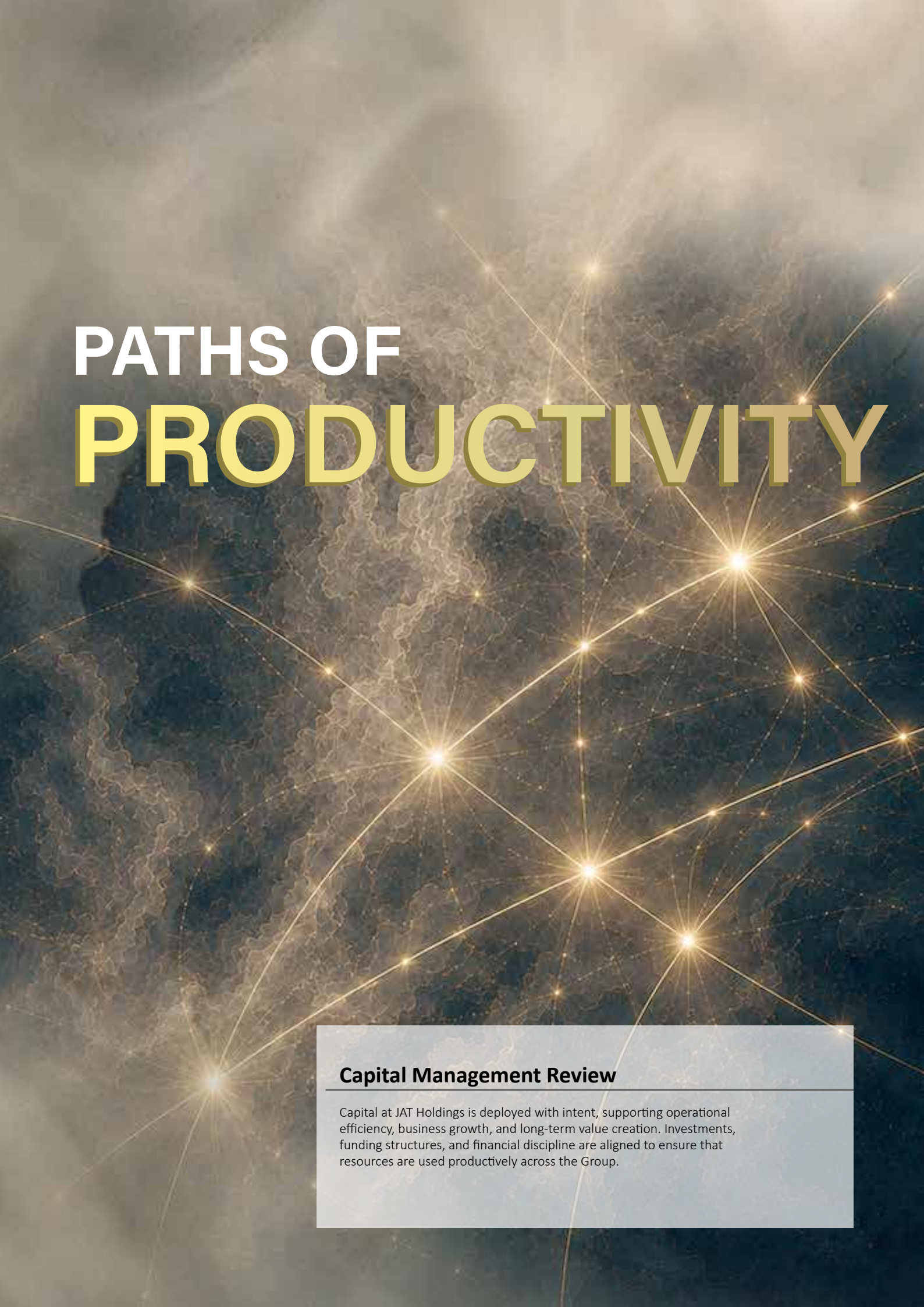
Risk Description	Risk Rating 2025/26	Risk Rating 2024/25	Factors Impacting Risk Rating	Mitigation Strategies
Reputational risks				
Reputational risks can result from failing to comply with the regulations in labour practices, and environmental protection and also implications through product quality, business and employee conduct and relationships with external stakeholders. The Group renders its services and products to large number of customers and interacts with hundreds and thousands of stakeholders annually, exposing the Group to potential reputational risk.	High	High	• Corporate governance and business conduct • Compliance framework and practices • Organisational culture • Negative effects on total revenue growth • Underlying operating margin • Underlying Earnings per share • Negative impact on work won and secured and probable orders • Quality Assurance	• Ongoing evaluation of compliance level by the Audit and Risk Management Committee • A compliance culture • Strong brand-building initiatives • Strong sustainability practices with ongoing efforts to minimise negative environmental impacts • The availability of an incident and complaint review system to enable corrective actions • Code of ethics and professional conduct is applicable to all directors and employees • Sound governance and comprehensive policy framework are in place to articulate Group's management approach on material topics • Standard operating procedures for key business processes are in place • The Group voluntarily adopted the Environmental, Social and Governance (ESG) framework • Frequent social media surveillance and formulating appropriate responses by a specialist team • Strict monitoring of the practice of The code of ethics of the Company by employees without any exception
Energy risk				
Escalating energy costs can result in significantly higher operational overheads and potential disruptions to business continuity, particularly in energy-intensive processes. This leads to unpredictability in budgeting and resource planning, affecting overall operational efficiency and cost control.	Moderate	High	• Dependency on non-diversified or single-source energy supply • Stakeholder expectations and technology advances in renewables	• Comprehensive financial and non-financial evaluation undertaken prior to the implementation of initiatives to ensure operational efficiency and manage costs effectively • R&D, and process improvements identified in tandem with capital expenditure made on green energy technology and green energy sources such as solar power
Legal and regulatory risks				
Non-compliance can cause loss of reputation and license to operate, and consequently impact sales. The potential negative impact on the business due to non-compliances with external regulatory requirements and internal policies and procedures could lead to loss of reputation	Moderate	Moderate	• Impacts on sales due to non-compliance with regulations and internal policies • Reputation damage, license jeopardy • Regulatory Changes	• Established a unit to keep abreast of all policy changes, to manage risk and ensure adherence to all regulations • Conduct compliance assessment on a regular basis

Risk Description	Risk Rating 2025/26	Risk Rating 2024/25	Factors Impacting Risk Rating	Mitigation Strategies
Operational risk and implication				
Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The nature of our business renders us vulnerable to several common operational risks including fraud, human error, natural disasters, loss of data and unrequited disclosure of sensitive information	Moderate	Moderate	• Market conditions • Regulatory environment • Internal processes • Quality Control • Employee Training and Turnover • Equipment Maintenance and Upgrades	• Conducted frequent progress review meetings for business units to monitor work progress and budgetary controls and accordingly took precautionary actions when and where necessary • Regular monitoring of Company assets Utilization • Internal Audit scope was redirected more towards the safeguarding of assets of the Company and Reviewed the compliance of processes with the Standard Operating Procedure • Compliance with Management System Standards (ISO 9001, ISO 14001, ISO 45001) • Contingency plans are in place to minimise work-stop situations
Principal relationships				
Strong principal relationships are essential in preserving our competitive edge since they influence the quality of products and ensure the continuity of our operations. The Group benefited from the exceptional support extended by our long-standing principals throughout the year	Low	Low	• Sales volumes generated • Level of engagement with principals • Product diversification aspirations	• Proactive interaction with principals in knowledge transfer and market insight sharing • Diversification of risks with continual efforts to deepen our connections by bringing on new principals
Financial risks				
Material matters linked: Managing financial performance				
Credit and liquidity risk				
Customers' payment delays or non-payment may cause liquidity issues that have an impact on the Group's financial performance and stability	High	High	• Business activity and volume growth • Level of engagement with customers/dealers • Credit management policies and standards • The creditworthiness and financial health of customers • Economic downturns or instability • Increase in impairment provisions • Debtor write-offs • Increase in cost of collection • Due to low off-take in the market, retailers faced credit limitations, which resulted in payment delays	• Effective credit control policies with periodic evaluation • Risk management by obtaining adequate security for offered credit • Establish effective systems for monitoring customer payment behaviour and follow up promptly on any overdue payments • Maintain healthy relationships with customers • The development of a monitoring threshold for debt exposure at a Group level • Maintain unutilised bank facilities as a safety cushion to meet immediate commitments • Group treasury division is entrusted with monitoring borrowings, payments and maintaining good relationships with banks Liquidity position of the Company is regularly reviewed • Encourage cash sales through special discounts

Risk Description	Risk Rating 2025/26	Risk Rating 2024/25	Factors Impacting Risk Rating	Mitigation Strategies
Finance risk				
Risks arising from losing money on investments made or inability to provide a reasonable return on business ventures	Moderate	Moderate	• Economic downturns or instability • The Group's debt obligations in terms of floating interest rates exposes it to interest rate risk • The Group is also exposed to foreign exchange rate risk where it has cash flows in foreign currency which are affected by foreign exchange movements • Market conditions	• Implementing cost-cutting measures to improve working capital efficiency • All sectors focus on prudent management of debtors • Ensuring that long and short term funding are negotiated and sourced at low interest rates • Maintaining sufficient bank facilities and striving for short working capital cycles • The Company ensures that inflation is inbuilt to the pricing strategies of all sectors • Maintain cash reserves • Maintain a proper combination of fixed and floating rates and Effective management of working capital
Interest rate risk				
Exposure to interest rate risk may occur when the changes in the market interest rates would negatively impact the financial situation of the organisation	Low	Low	• High-interest rates • Adjustments to monetary policy of the Central Bank • Alterations in reserve requirements by the central bank • High inflation rates	• Ongoing engagement and negotiations with banks • Optimising short and long-term debt compositions to minimise impact of interest rate hike • Leverage strong brand and financial strength (as attested by the credit rating of AA(lka) by Fitch Rating to obtain funding at attractive rates
Climate risks				
Material matters linked: Managing carbon emissions towards set emission targets, Impact of climate change				
Extreme Weather Events	High	Moderate	• Operational continuity and manufacturing uptime • Supply chain and logistics disruptions • Damage to physical assets and infrastructure • Business continuity and disaster recovery preparedness	• Strengthening business continuity and disaster recovery planning • Diversifying supply chain and logistics arrangements • Enhancing operational agility across manufacturing locations • Strengthening infrastructure resilience and emergency response readiness

Risk Description	Risk Rating 2025/26	Risk Rating 2024/25	Factors Impacting Risk Rating	Mitigation Strategies
Policies and Regulations on low-carbon transition	Moderate	Moderate	• Evolving environmental regulations and compliance requirements • Customer and market preference shifts towards sustainable products • Cost implications arising from environmental compliance and technology upgrades • Ability to innovate and adapt products to changing environmental standards	• Continued investment in sustainable product innovation and low-VOC solutions • Strengthening environmental compliance and monitoring systems • Enhancing energy and resource efficiency across operations • Aligning governance and disclosures with SLFRS S1 and SLFRS S2 requirements
Voluntary or forced retirement of product technologies	Moderate	Moderate	• Strict environmental/VOC regulation • Emission reduction strategies	• Increased knowledge sharing and scrutiny on chemical management, VOC emissions, and GHG reductions are being carried out through the Sustainability Division to all manufacturing staff. • Company's R&D Division continuously investigate alternative materials to replace current VOC emitting materials. • VOC-capture systems already installed within manufacturing facilities to regulate the emissions during the production process.





PATHS OF PRODUCTIVITY

Capital Management Review

Capital at JAT Holdings is deployed with intent, supporting operational efficiency, business growth, and long-term value creation. Investments, funding structures, and financial discipline are aligned to ensure that resources are used productively across the Group.

FINANCIAL CAPITAL



Enabling sustainable growth through financial strength and disciplined capital management

What Financial Capital means to us at JAT

Financial Capital at JAT represents the financial resources, funding strength, liquidity, and capital structure that support the Group's operations, strategic investments, expansion initiatives, and long-term value creation. It reflects our ability to generate sustainable returns, maintain financial resilience, and allocate capital responsibly across evolving business opportunities and market conditions.

Why it matters

Strong Financial Capital enables JAT to invest confidently in growth, innovation, manufacturing capability, international expansion, and stakeholder value creation. It strengthens resilience amidst economic volatility, supports operational continuity, enhances investor confidence, and provides the flexibility required to pursue strategic opportunities while maintaining prudent financial discipline and long-term sustainability.

Performance snapshot

- **Rs. 1.5 Bn** post-tax profitability
- **12.6%** Return on equity
- **Rs. 2.92** Earning per share
- **Rs. 23.13** Net assets per share

Key components

- Equity capital represented by stated capital and retained earnings
- Long term debt capital
- Short term debt capital

Strategic focus areas

- Strengthening financial resilience, liquidity, and disciplined capital allocation to support long-term growth and operational stability
- Enhancing revenue diversification and expanding dollarized income streams through international market expansion and new business verticals
- Maintaining prudent funding, cost management, and investment strategies to support sustainable profitability, shareholder value creation, and future strategic investments

Link to other capitals

Manufactured Capital
Enhanced through financial investments in manufacturing facilities, technology, automation, infrastructure, and operational expansion initiatives

Human Capital
Strengthened through investments in employee development, wellbeing, rewards, and capability building that support productivity, engagement, and long-term organisational growth

Intellectual Capital
Advanced through investments in research and development, digital transformation, innovation, systems enhancement, and knowledge-building initiatives

Social and Relationship Capital
Reinforced through financial support towards customer engagement, supplier partnerships, community investments, and stakeholder relationship-building initiatives

Natural Capital
Supported through investments in environmental stewardship, resource efficiency, sustainable technologies, and climate-conscious operational practices

Material themes linked

GRI 3-3

Managing financial performance

Advancing our contribution to SDGs

The following discussion and analysis should be read with the Audited Consolidated Financial Statements of the Group for the year ended 31 March 2026, available from pages 241. The term "Group" refers to JAT Holdings PLC and its 7 subsidiaries and 4 sub-subsidiary and 2 joint ventures, while the term "Company" specifically refers to JAT Holdings PLC.

REVENUE, COSTS AND PROFITABILITY

In Rs. Mn

For the Year ended 31 March	2026	2025	Change in
Revenue from contracts with customers	12,642	11,625	9%
Cost of sales	(7,848)	(7,613)	3%
Gross profit	4,794	4,012	20%
Other income	247	154	60%
Selling and distribution expenses	(1,766)	(1,352)	31%
Administrative expenses	(1,429)	(991)	44%
Results from operating activities	1,846	1,823	1%
Finance cost	(293)	(347)	-15%
Finance income	183	154	18%
Share of Joint Venture Companies Profit/(Loss)	(42)	(23)	80%
Profit before tax	1,694	1,606	6%
Income tax expense	(169)	173	-198%
Profit for the period	1,525	1,779	-14%

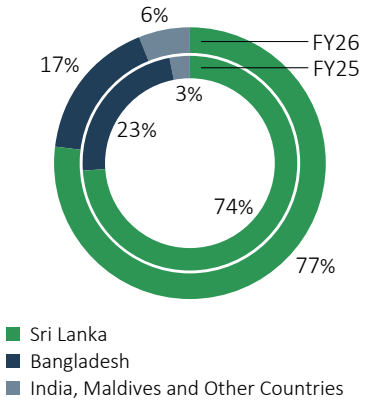
Revenue

The year under review witnessed strong revenue growth for the Group, with total revenue reaching Rs. 12,642 Mn, reflecting an impressive year-on-year (YoY) increase of 9%. The main growth source was revenue generated within Sri Lanka which grew by a robust 12% YoY. India, the Maldives and other countries as one geographic segment also posted an improvement. Revenue from Bangladesh moderated, attributable to the low demand stemming from the volatile conditions that prevailed through the year. The geographic diversification of the Group's operations once again supported resilient performance and strengthened overall earnings stability amidst varying market conditions.

As evident in the graphs below, the contribution from Sri Lanka to total revenue increased.

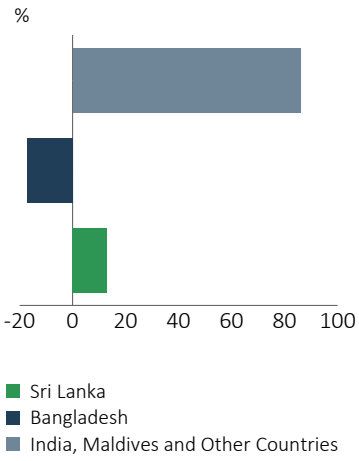
FINANCIAL CAPITAL

Source country based revenue contribution



The decline in the Bangladesh market continued for a second consecutive year, albeit at a slower pace compared to the previous year.

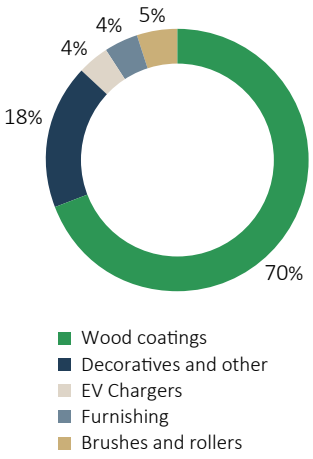
YoY revenue growth by source country



Revenue contribution by products

Wood coating continued to lead the product categories, as the highest contributor to total revenue at 70%. Wood coating posted a 5% YoY increase in sales. Decorative paints, the next largest contributor with a contribution of 18% grew by an impressive 15% demonstrating the surge in demand for decorative paints during the year. EV charges, which reported a full year of sales for the first time posted an impressive Rs. 550 Mn in sales, affirming the potential this new business vertical offers in diversifying and fortifying JAT's revenue streams.

Revenue contribution by products



Cost of Sales and Gross Profit

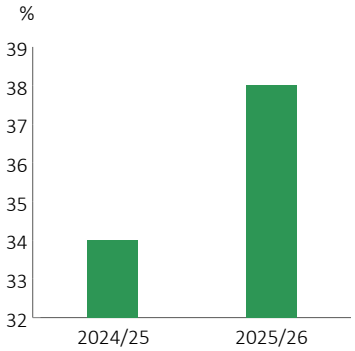
Cost of sales for the year was 7,848 Mn, a 3% increase over the prior year, commendable against a revenue increase of 9%.

The resultant total gross profit for the year was Rs. 4,794 Mn, a 20% increase over the prior year.

The domestic sector delivered strong gross profit performance during the year, supported by cost efficiencies realised through ongoing research and development initiatives and the benefits of backward vertical integration, whereby the Company locally manufactures a key raw material used in water-based paint production. Consequently, the local gross profit (GP) margin improved.

Similarly, consolidated GP margins also strengthened during the year, increasing from 34% last year to 38%, driven by the same operational and cost efficiencies. In contrast, margins from the Bangladesh operations weakened owing to reduced revenue generation amid continued market instability in the country, compounded by the impact of fixed overhead costs remaining relatively unchanged despite lower business volumes.

GP Margin



OPERATING EXPENSES

Selling & Distribution expenses

The Group's selling and distribution expenses, including advertising, promotions, and commissions, amounted to Rs. 1,766 Mn, representing 14% of total revenue. This reflected a marked YoY increase of 31%, primarily attributable to expanded sales and marketing initiatives undertaken following the acquisition of Mirotone NZ Ltd.

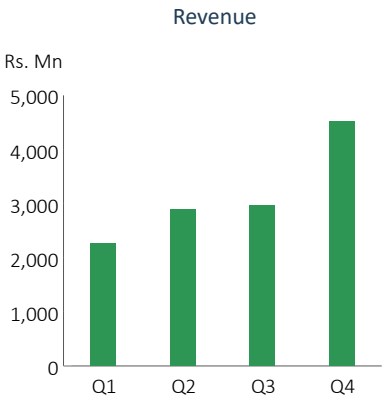
Administration expenses

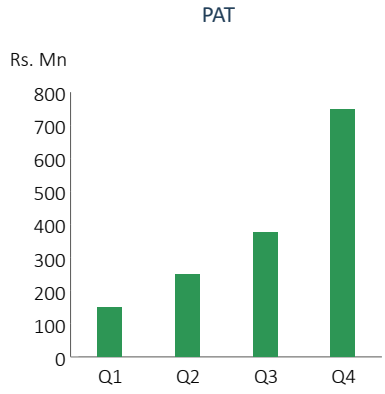
The Group reported total administrative expenses of Rs. 1,429 Mn, a 44% increase in administrative expenses during the year, reflecting the inclusion of five months of operations in New Zealand following the successful acquisition and commencement of operations from 1 November 2025. This also included the integration of an additional workforce of 34 employees into the Group's operations.

Despite the business expansion, significant cost rationalisation and transformation initiatives implemented by the Company helped contain administrative expense growth and drive operational efficiencies across the Group.

Group Quarterly Performance

The Group delivered commendable and consistent performance across the quarters during the year under review. While the third quarter was impacted by Cyclone Ditwah, which disrupted parts of the Group's distribution network, overall revenue and profitability trends remained resilient and broadly aligned with seasonal demand patterns. This performance reflects the strong market acceptance and brand positioning maintained by JAT throughout the year, despite intense competition within the industry.





Net Finance Cost

Net Finance cost for the year was Rs. 293 Mn, a reduction of 17% over the prior year. The Group reported a 19% decline in Interest on Lease Liabilities together with foreign exchange gain of Rs. 22 Mn during the year. The largest component of finance cost being Interest on Loans and Borrowings posted only Rs. 304 Mn. The low-interest rate environment that prevailed through the year supported the decline. Net finance costs are expected to rise the next year with non-current liabilities in the form of Interest-bearing loans and borrowings increasing considerably, as a mean of funding the Mirotone NZ acquisition.

Finance Income

Finance income moved favourably, increasing by 16% over the prior year to Rs. 183 Mn. Interest Income grew by 15% to Rs. 125 Mn bolstering finance income. The Group recorded an exchange gain of Rs. 58 Mn on dollar-denominated trade assets due to the depreciation of the Sri Lanka Rupee over the year.

Taxes and Profit for the Period

The resultant profit before tax was Rs. 1,694 Mn, a YoY growth of 6%.

The Group incurred tax expense totalling Rs. 169 Mn for the financial year, while maintaining an effective tax rate of 30% for the period under review. Additionally, there was a deferred tax reversal, attributed to capital investments made in recent years.

Accordingly, the Group posted a Post tax profit of Rs. 1,525 Mn which was a moderation of 15% over the prior year.

Country-wise Profitability

GRI 207-4

Country	Revenue/ Sales	Capital Expenditure	Profit Before Tax	Income Tax Expense	Community Distribution
	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn
Sri Lanka	9,691	341	1,539	(132)	58
Bangladesh	2,208	57	73	(35)	-
Other	743	-	82	(2)	-
Total	12,642	398	1,694	(169)	58

Earnings Per Share

The Group's Earnings Per Share (EPS) for the financial year ended 31 March 2026 was Rs. 2.92, and compared with a Rs. 3.5 of the prior year. The moderation was on account of the moderation in profits as explained above.

Dividend

The JAT Group's final dividend for the financial year 2024/25 was declared at Rs. 0.44 per share, totalling Rs. 230 million, as dividend during the year.

Despite external shocks and challenging operating conditions, the JAT Group has maintained a consistent approach towards shareholder returns through a stable dividend distribution policy. The Company has continued to declare dividends within the range of 35% to 40%, reflecting its commitment to delivering sustainable value to shareholders.

Solvency

Section 56 of the Companies Act No. 07 of 2007 requires a solvency test to be conducted prior to any dividend payments being made, thus the Board of Directors obtained a Certificate of solvency from the external auditors Messers Ernst & Young prior to distributing both final and interim dividends.

BALANCE SHEET PERFORMANCE

Assets analysis

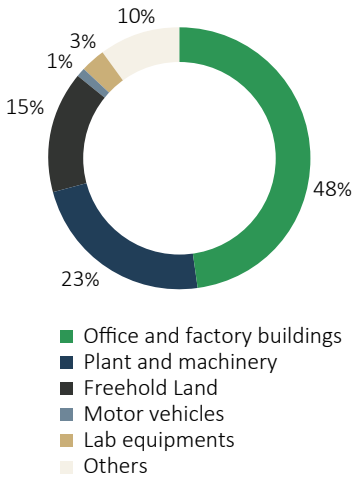
In Rs. Mn

As at 31 March	2026	2025	Change in %
Property, plant and equipment	3,837	3,637	5%
Other non-current assets	2,275	1,370	66%
Total non-current assets	6,112	5,006	22%
Inventories	3,480	2,866	21%
Trade and other receivables	5,784	4,940	17%
Advances and prepayments	711	1,418	-50%
Short term financial assets	1,179	1,119	5%
Other current assets	530	671	-21%
Total current assets	11,684	11,014	6%
Total assets	17,796	16,020	11%

FINANCIAL CAPITAL

Total assets of the Group closed in at Rs. 17,796 Mn, a robust growth of 11%. Property, plant and equipment increased by 5% to Rs. 3,837 Mn, partly driven by the new assets that entered the Group Balance Sheet through the acquisition of 100% Miratone (NZ) Ltd.

Property, Plant and Equipment



Under current assets, inventories and trade & other receivables increased by 21% and 17% respectively, reflective of the higher scale of operations and revenue growth recorded during the year. The increase in inventories is indicative of the Group maintaining higher stock holdings to support expanding business volumes, ensure uninterrupted production continuity, and manage supply chain requirements efficiently across its manufacturing operations.

Meanwhile, the increase in trade and other receivables aligns with the growth in sales, reflecting the higher level of business transacted during the year whilst remaining within manageable operational levels. Short-term financial assets also increased by 5% YoY to Rs. 1,179 Mn, strengthening the Group's liquidity position and contributing positively towards finance income during the period.

Key working capital ratios for the year were as follows.

Working Capital Management	Metric	2025/26	2024/25
Current Ratio	Times	2.19	2.02
Liquidity Ratio	Times	1.41	1.24
Quick Asset Ratio	Times	1.54	1.5
Inventory Days	Days	154	150
Debtor Days	Days	139	130

Balance Sheet Funding

In Rs. Mn

As at 31 March	2026	2025	Change in %
Capital and reserves			
Stated capital	2,720	2,395	14%
Retained earnings	9,416	8,144	16%
Foreign currency translation reserve	(123)	(127)	0%
Equity attributable to equity holders of the parent	12,012	10,413	15%
Non-controlling interest	69	(22)	-435%
Total equity	12,082	10,391	16%
Non-current liabilities			
Interest bearing loans and borrowings	262	83	216%
Retirement benefit obligation	127	106	19%
Total non-current liabilities	389	188	107%
Current liabilities			
Trade and other payables	1,885	2,059	-8%
Amounts due to related parties	8	8	0%
Interest bearing loans and borrowings	2,734	2,620	4%
Income tax payable	48	109	-56%
Bank Overdrafts	650	646	1%
Total current liabilities	5,325	5,442	-2%
Total liabilities	5,714	5,630	1%

Equity

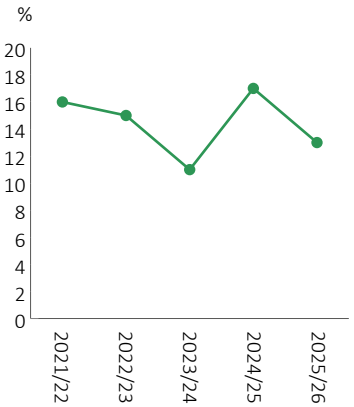
The Group continued to maintain a strong capital position during the year, with 68% of total balance sheet funding derived from equity capital, reflecting a sound and stable financing structure. Total equity reached Rs. 12,082 Mn, recording a YoY increase of 16%, demonstrating the Group's continued ability to progressively strengthen its equity base through sustained business growth and profitability.

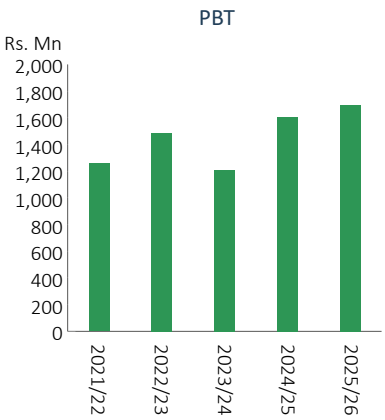
Within total equity, retained earnings also increased by 16% to Rs. 9,416 Mn, primarily supported by the profitability generated during the year. This gradual accumulation of retained earnings further enhanced the Group's financial resilience, internal funding capacity, and ability to support future growth and strategic investments.

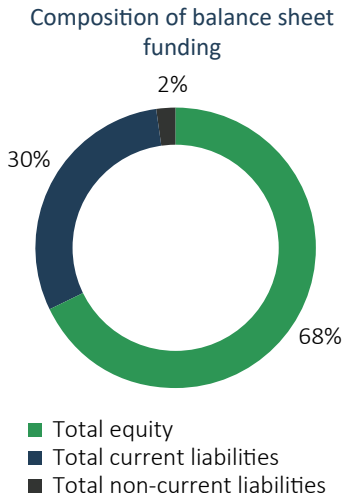
Return on Equity

JAT Group reported a Return on Equity (RoE) of 12.62% during the year under review, compared with 17% in the previous year. The moderation in RoE was in line with the profitability recorded during the year; nevertheless, the Group continued to generate sound returns for shareholders, reflecting the resilience of its business model and its continued ability to create value from the equity capital employed.

ROE







Key shareholder return indicators

	2026	2025
Earnings per share (Rs.)	2.92	3.50
ROE	12.6%	17.2%
Net assets value per share (Rs.)	23.13	20.36
Share price (Rs.)	39.00	26.90
Dividends per share (Rs.)	0.44	0.80
Total shareholder return	47%	60%

Liabilities

The Group's liabilities continued to be predominantly weighted towards current liabilities, which represented 93% of total liabilities during the year. Despite ongoing expansion and investment activities, the Group maintained a relatively low gearing ratio of 23.2%, remaining well within generally accepted corporate benchmarks and reflecting a prudent and disciplined approach towards leverage management.

As at year-end, the Group's debt stock stood at Rs. 3.6 Bn, strategically utilised to finance capital investments and growth initiatives pursued by JAT across both domestic and international markets. This resulted in a moderate gearing ratio of 23.2%, underscoring balanced capital structure management, efficient allocation of capital, and the Group's continued focus on long-term financial sustainability and value creation.

Importantly, all major investment and funding decisions are subject to rigorous review and approval by the Board of Directors, ensuring the highest levels of oversight, accountability, and governance in capital allocation. This disciplined approach has enabled the Group to pursue bold and diversified ventures, both within Sri Lanka and overseas, in a resilient, sustainable, and prudent manner whilst safeguarding shareholder interests and maintaining responsible stewardship of capital.

Cashflows

Given below are the highlights from cashflows of the Group.

In Rs. Mn- Group	
Cash and cash equivalents at the beginning of the year – i.e. 1 April 2025	(325)
Net cash flow generated from operating activities	1,315
Net cash used in investing activities	(1,293)
Net cash used in financing activities	(49)
Net increase/(decrease) in cash and cash equivalents over the year	(46)
Effect of movement in exchange rates	(19)
Cash and cash equivalents at the end of the year- i.e. 31 March 2026	(372)

Economic Value-Added Statement

Rs. Mn	FY26	FY25	FY24
Value generated	13,032	11,914	12,208
Value distributed	11,191	10,563	11,457
Value retained for expansion and growth	1,841	1,351	751

Rs. Mn	FY26	FY25	FY24
Depreciation	510	230	134
Amortization	37	33	8
Profits after dividends	1,294	1,088	609
Value retained for expansion and growth	1,841	1,351	751

FINANCIAL CAPITAL

STRATEGIC MANAGEMENT OF FINANCIAL CAPITAL FOSTERING ECONOMIC RECOVERY, GOVERNANCE REPORTING AND SUSTAINABILITY

We recognise the critical importance of managing financial capital in alignment with both governance principles and the goal of economic revival. Our commitment is to ensure that financial resources are allocated efficiently to maximise returns, while also adhering to international standards and local regulations. The following outlines the key strategies we employ to manage our financial capital and safeguard our assets, with a specific focus on economic recovery, governance, reporting frameworks, and sustainability.

Governance Principles and Economic Revival

We ensure that our financial capital is always managed in accordance with established governance principles, upholding the virtues of transparency, accountability, and ethical practices at all levels of decision-making. The objective is not only to uphold trust with our stakeholders but also to ensure the long-term economic revival of the company and the broader economy. Our strategic initiatives are designed to stimulate growth, generate jobs, and contribute to the resilience of the global economy.

Maximising Returns

A key focus of our financial capital management is to maximise returns for stakeholders. We achieve this by optimising our investment strategies, capital allocation, and operational efficiencies. This involves careful evaluation of market trends, investment opportunities, and cost structures. Additionally, we continuously assess and adjust our financial strategies to respond to market conditions, ensuring we take advantage of opportunities to deliver sustainable financial growth.

Global Reporting (GRI Standards)

We are committed to global transparency and accountability in our financial reporting. In line with the Global Reporting Initiative (GRI) standards, we provide comprehensive and standardised reports on our financial and non-financial performance. These reports cover a wide range of sustainability metrics, including social, environmental, and governance factors, offering stakeholders a clear picture of our operations. Our alignment with GRI ensures that we meet international expectations and demonstrate our dedication to responsible corporate practices.

Adhering to Domiciled Country Guidelines

As a responsible corporate entity, we strictly follow the regulatory guidelines of the countries where we are domiciled, including compliance with local regulations such as those set by the Central Bank (CB) and Colombo Stock Exchange (CSE). We ensure that all of our financial operations are in full compliance with the relevant national frameworks, maintaining a high standard of corporate governance, financial transparency, and operational integrity.

Safeguarding Company Assets

Protecting the assets of the company is of paramount importance. We have implemented a robust system designed to safeguard our financial, physical, and intellectual assets. This includes advanced risk management strategies, internal controls, and security protocols that mitigate financial and operational risks. We conduct regular audits and stress tests to ensure that our assets remain secure, and that we are prepared for potential market fluctuations or external disruptions.

Climate Reporting and Decarbonisation Efforts

In alignment with global sustainability goals, we are increasingly focusing on climate reporting and decarbonization efforts. We track and report on our greenhouse gas emissions, energy usage, and efforts to reduce our carbon footprint. This is part of our broader commitment to sustainability, where we seek to reduce environmental impact, support the transition to a low-carbon economy, and enhance the resilience of our business to climate-related risks. Our climate reporting is integrated into our annual reports and reflects our ongoing dedication to meeting global sustainability standards.

Periodic reporting and sound investor relations

We provide comprehensive financial updates on a quarterly and annual basis to our stakeholders, ensuring that all financial capital activities are transparently reported. Our quarterly reports focus on short-term performance and trends, while our annual reports provide a detailed overview of the company's financial health, including long-term strategies, capital management, and risk mitigation efforts. The Annual reporting includes key performance indicators (KPIs), financial statements, and insights into how we are advancing our strategic objectives.

Through transparent quarterly and annual reporting, we remain accountable to our stakeholders, reinforcing our commitment to economic revival and long-term value creation.

Additionally we conduct quarterly investor relations gatherings for a target audience of our shareholders, and stock research analysts, enabling them access to the top management and affording them the platform to learn about our performance and plans in greater detail.

RISKS AND OPPORTUNITIES

Risks

- Exposure to interest rate fluctuations, exchange rate volatility, and macroeconomic instability impacting profitability and cash flows
- Liquidity and funding risks arising from expansion initiatives, international operations, and changing market conditions
- Margin pressures resulting from rising raw material, energy, logistics, and operating costs
- Credit risk exposure from customers, distributors, and counterparties across multiple markets
- Capital allocation and investment risks associated with acquisitions, expansion into new markets, and emerging business verticals

Opportunities

- Expansion into international markets and new business verticals supporting revenue diversification and foreign currency earnings
- Strengthening shareholder value through sustained profitability, operational efficiencies, and disciplined capital management
- Improved cost optimisation and productivity through technology integration, automation, and process excellence initiatives
- Opportunities to access sustainability-linked financing and environmentally aligned investment opportunities
- Enhanced financial resilience through stronger balance sheet management, diversified revenue streams, and prudent treasury strategies



Forward Focus

- Maintain disciplined capital allocation and prudent funding strategies to support long-term sustainable growth and expansion
- Strengthen profitability, cash flow generation, and balance sheet resilience through operational efficiencies and cost optimisation initiatives
- Continue diversifying revenue streams across geographies, export markets, and emerging business verticals
- Enhance treasury, liquidity, and financial risk management capabilities to navigate evolving macroeconomic and market conditions
- Sustain strong shareholder value creation while balancing growth ambitions, resilience, and long-term financial sustainability

MANUFACTURED CAPITAL



Driving operational excellence through advanced production and integrated infrastructure

What Manufactured Capital means to us at JAT

Manufactured capital represents JAT's state-of-the art production facilities, technology platforms, and distribution infrastructure that enable the efficient manufacturing and delivery of paints, wood coating solutions, other accessories and EV chargers across our markets.

Why it matters

A robust and technologically advanced manufacturing base ensures

- JAT's ability to consistently deliver high-quality products and solutions across diverse markets and customer segments
- Operational efficiency, cost competitiveness, and scalability through a technologically advanced and well-maintained manufacturing base
- The Group's responsiveness to evolving customer demands, market trends, and growth opportunities across geographies
- Long-term business resilience and expansion ambitions by strengthening manufacturing capacity, reliability, and production capabilities across the Group
- More sustainable and resource-efficient operations through continuous investments in modern technology, process optimisation, and operational efficiencies

Key components

- Manufacturing plants and production lines in Sri Lanka and Bangladesh
- Our flagship showrooms and tech centres
- Research and development and testing facilities
- Warehousing and distribution network
- Digital production and inventory management systems
- Machinery, automation, and quality control infrastructure

Performance snapshot

- Manufacturing facilities with significant capacity
- **52%** capacity utilisation achieved during the year for paints
- **19%** reduction in production downtime for paints
- **95%** on-time order fulfilment rate for paints

Strategic focus areas

- Expansion and modernisation of manufacturing facilities to support growth
- Investment in automation and process optimisation to enhance efficiency
- Strengthening quality control systems to meet international standards
- Optimisation of distribution networks to improve market reach and responsiveness

Stakeholders linked

- Customers
- Employees
- Suppliers and business partners

Highlights from the year

- Completions of the second phase of the expansion of the JAT binder manufacturing plant in Sri Lanka increasing capacity by 76%
- Expansion of EV charges manufacturing as a separate production vertical



Link to other capitals

Intellectual Capital
Strengthened through innovation, product development, and technology integration

Natural Capital
Enhanced through resource efficiency and sustainable manufacturing practices

Material themes linked

GRI 3-3

- Product excellence and innovation
- Sustainability and climate action

Advancing our contribution to SDGs

MANUFACTURED CAPITAL

Production Facilities				
	Sri Lanka			
	Manufacturing Plant in Kahathuduwa	Acrylic Binder Manufacturing plant in Horana	EV Chargers Manufacturing Plant in Kahathuduwa	
				
Core operations	Manufacture of wood coatings, decorative paints, paint brushes and rollers	Manufacture of acrylic binder which is the main raw material of producing water-based paints	Manufacturing EV chargers	
Book value	**Rs. 384 Mn**	**Rs. 1.8 Bn**	**Rs. 137 Mn**	
Plant extent	**35,639 sq ft**	**31,037 sq ft**	**2,361 sq ft**	
Production capacity	950,000 Liters per month 220,000 brushes and rollers per month	132,000 Liters per month	1,000 units per month	
Capacity utilization	Wood coatings and emulsion paints 52% Paint brushes and rollers – 46%	54%	20%	
Capabilities	ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certified manufacturing facilities	ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certified manufacturing facilities	N/A	
Key products manufactured:	Paints • Water-based wood coating – top coat and base coat • Emulsion (decorative) paint – Interior and exterior, predominantly white emulsion as well as wood fillers • Enamel – Interior and exterior • Nitrocellulose wood coating Paint brushes • Ordinary paint brushes • Roller paint brushes	Acrylic binder, which is the main building block and film-forming component in water-based wood coatings. It is a specially designed self-crosslinking polymer emulsion that provides higher durability, particularly for exterior wood coating applications	Fast and slow electrical vehicle chargers	

	Bangladesh		New Zealand
	Wood Coating Manufacturing Plant in Dhaka	Alkyd Resin Manufacturing Plant in Dhaka	Wood Coating Manufacturing Plant in Wellington
			
	Manufacture of wood coating products	Manufacture of alkyd resin	Manufacture of wood coating products
	Rs. 308 Mn	**Rs. 142 Mn**	**Rs. 261 Mn**
	2,700 sq ft	**910 sq ft**	**10,979 sq ft**
	225,600 Liters per month	91,875 Kg per month	75,000 Liters per month
	76%	57%	50%
	ISO 9001:2015 QMS, ISO 14001:2015 EMS, and ISO 45001:2018 OHSMS	ISO 9001:2015 QMS, ISO 14001:2015 EMS, and ISO 45001:2018 OHSMS	N/A
	PU and water-based coatings that meet international standards under the renowned Sayerlack and JChem brands	Resin Alkyd used as the primary ingredient in the manufacturing of solvent based wood coating products which comprise approximately 80% of Bangladeshi paint market	PU, NC, Acid curing and water based wood coating solutions under Mirotone brand

MANUFACTURED CAPITAL

	Laboratories	Showrooms		
	Sri Lanka	Sri Lanka	Sri Lanka	
	Research and Development Centre at Sri Lanka Institute of Nanotechnology (SLINTEC)	Experience Centres and Tech Centres	Head Office Premises in Thalawathugoda	
				
Core operations	Driving innovations, new product development, product re-engineering, quality testing, etc.	Affording our clientele an immersive experience of our products and technology, allowing them to connect with our interior designers and technical experts	All corporate functions performed, comprising over 150 full time staff members	
Book value	**Rs. 166 Mn**	**Rs. 48 Mn**	**Rs. 1.3 Bn**	
Extent/ Capacity	**2,264 sq ft**	**6,700 sq ft**	Total building extent: **63,246 sq ft** Total land extent: **44,875 sq ft**	
Additional details	Capabilities: Testing standards (ASTM – American Society for Testing and Materials and ISO) Key Functional Areas: • Water-Based Polymer Processing Division • Solvent-Based Resin Processing Division, • Water-Borne and Solvent-Borne Wood Coatings Division • Decorative Coating Division • UV Coatings Division • Reverse Engineering Division	Lifestyle Studio: • Bambalapitiya Experience Centres: • Thalawathugoda • Nawala Tech Centres: • Moratuwa • Colpetty	Inclusive of amenities such as auditorium, pantry area, cafeteria and gymnasium	

	Warehousing Facilties		
	Sri Lanka	Bangladesh	New Zealand
	Kahathuduwa/Kaduwela	Dhaka	Wellington
			
	Distribution points with secure storage facilities	Distribution points with secure storage facilities	Distribution points with secure storage facilities
	Rs. 74 Mn	**Rs. 80 Mn**	**Rs. 192 Mn**
	6,851 m3	**7,200 m3**	**2,050 m3**
	Locations: • Kahathuduwa – raw materials, packing materials and finished goods • Kaduwela – non-paint items • One Finished good warehouse in Siyambalape which is outsourced from a third party	Structure of warehousing facilities: Storing of raw materials and packing materials Racking systems: Storing raw and packing materials, supporting quick and seamless manufacturing operations	Structure of warehousing facilities: Storing of raw materials and packing materials Racking systems: Storing raw and packing materials, supporting quick and seamless manufacturing operations

BUILT FOR SCALE - OUR MANUFACTURING OPERATIONS

JAT operates a well-established network of manufacturing facilities across Sri Lanka, Bangladesh and New Zealand, supporting both domestic and export market requirements as illustrated before.

- Production capacity of our Water-Based Acrylic Binder manufacturing plant in Horana underwent a major capacity expansion of over 70%. The facility is now fully operational supporting the Group's growth ambitions across its emulsions and coatings portfolio in both domestic and regional markets.
- Production capacity across all other existing plants remained stable during the year
- Space within the Kahathuduwa factory premises was repurposed for the manufacturing of Electric Vehicle chargers, reflecting the evolving and dynamic nature of the business
- Production facility in Wellington- New Zealand with 80+ years of established operational excellence was the newest addition to our manufacturing plants pool- adding 900,000 Litres capacity per annum in producing wood coating
- Focus was placed on optimising existing infrastructure, rather than expanding capacity
- Continuous improvements were undertaken to enhance throughput and operational efficiency

TECHNOLOGY AND DIGITALISATION

JAT continued to strengthen its technology backbone during the year, leveraging digital tools to enhance production visibility and support more informed decision-making.

A pilot real-time data monitoring system was implemented within the Water-Based paint manufacturing section, enabling the tracking of key operational metrics such as plant efficiency, machine idle time, and workforce productivity. Powered by Internet of Things (IoT) integration, the system provides real-time performance insights, while also facilitating data-driven evaluation of individual operator performance, thereby improving overall operational control and accountability.

Forward Focus

Building on the success of this initiative, JAT has developed plans to scale this digital solution across additional production lines, laying the foundation for the gradual transition towards a smart factory ecosystem.

OPERATIONAL EXCELLENCE AND LEAN PRACTICES

Operational efficiency remains a key focus area, driven through structured lean methodologies and continuous improvement initiatives.

- Adoption of Kaizen principles aligned with the SQDCM framework, with safety embedded as a core pillar
- A trained pool of Green Belt Lean Practitioners drives internal process improvements
- Initiatives implemented through:
  - Large-scale projects focused on efficiency gains and cost optimisation
  - Kaizen projects, delivering incremental improvements across operations
- Strong emphasis on knowledge sharing and internal capability building, embedding a culture of continuous improvement

PROCESS AUTOMATION AND PRODUCTIVITY ENHANCEMENTS

Targeted automation initiatives were undertaken during the year to address operational bottlenecks and enhance overall productivity. A key development was the automation of the roller brush assembly line, designed and implemented by the Company's in-house engineering team. This initiative supports a strategically important product segment, with roller brushes accounting for approximately 30% of total brush sales. Beyond improving efficiency and consistency, such automation efforts have also helped mitigate challenges arising from skilled labour shortages, high workforce turnover, and inherent process inefficiencies, thereby strengthening operational resilience.

Other key product process innovations implemented during the year

- Implementation of a vessel hygiene management system including Standard Operating Procedures (SOPs) and operator training
- Layout optimization for brush production to improve material flow and space utilisation
- Introduction of colour development machines for coloured paint production to enhance accuracy and reduce manual errors
- Restoration and recommissioning of the brush head making machine
- Implementation of a production overtime approval system
- Development of a digital production monitoring system providing real-time visibility across production
- Purchase Orders raised for Mirotone



production equipment, with installation and commissioning planned for the upcoming period, representing a strategic investment

- Automation and debottlenecking initiatives such as plug cutting machine implementation expand advanced coating capabilities

BENEFITS ACHIEVED THROUGH TECHNOLOGY AND INNOVATION

- Increased production visibility and planning accuracy, reducing information lead time by 67%
- Plug cutting capacity increased from 916 plugs/hour to 2,500 plugs/hour (173% increase)
- Reduction of administrative reporting time by 83% through digitalisation
- Elimination of dedicated manual labour, improving overall labour productivity

- Improved overall plant throughput and ability to meet higher demand
- Reduced operator fatigue and improved ergonomics in roller assembly operations
- Improved delivery performance and material coordination



- Enhanced product quality and process consistency
- Improved environmental compliance and operator safety
- Annual paper cost savings

WAREHOUSING AND LOGISTICS OPTIMISATION

JAT undertook strategic initiatives during the year to enhance warehousing capacity and improve space utilisation. This included the implementation of a G+5 racking system at the Kahathuduwa warehouse. The initiative enabled more efficient inventory management and supported growing demand, without the need for additional physical expansion.

SAFETY, QUALITY, AND COMPLIANCE

JAT maintains a strong commitment to safety and operational integrity across all manufacturing and warehouse environments. Salient features are as follows.

- Operations are aligned with international best practices and regulatory requirements
- Safety infrastructure includes:
    - Fire detection and suppression systems
    - Controlled chemical storage facilities
    - VOC extraction systems within production and warehouse environments



Safety governance and culture

- A dedicated Safety Committee oversees compliance, risk identification, and corrective actions
- Regular tiered safety observation walks conducted by EHS officers and management
- Safety performance integrated into factory management KPIs, reinforcing accountability

Key safety initiatives during the year

- Reduction of operator exposure to chemicals and dust through automation
- Improved machine guarding and safer operating conditions in automated processes
- Regular internal ISO audits to ensure compliance and continuous improvement
- Kaizen-driven safety improvements embedded within operational processes
- Comprehensive first-aid and emergency response training for employees

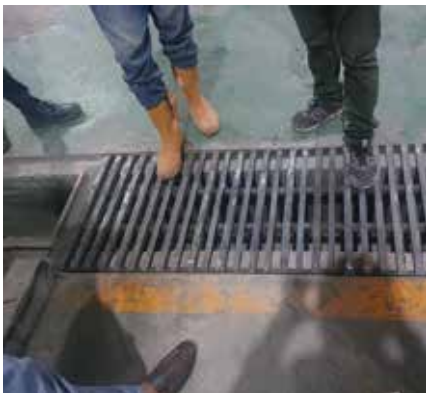




- Fire safety drills and training programmes conducted across all facilities



- Installation of secondary spill containment systems and temperature monitoring for chemical storage





- Automated alert systems to enable rapid response to potential hazards

MANUFACTURED CAPITAL

Quality and process control improvements introduced during the year

- Nitrogen purging in hardener filling to prevent moisture and air contamination and improve product stability.
- Development of a dedicated hardener filling vessel for precise, spill-free, and controlled operation.
- Installation of a nitrogen flow regulator to ensure consistent inerting and reduce nitrogen wastage.
- Optimisation of binder feeding using slant positioning to minimise foam generation and improve batch quality.

ENVIRONMENTAL STEWARDSHIP

Environmental stewardship remains an integral part of the JAT's manufacturing operations, with continued focus on minimising environmental impact and enhancing resource efficiency. During the year, efforts were made to reduce Volatile Organic Compound (VOC) emissions, supported by the use of VOC extraction systems across production and warehouse environments. These initiatives contribute to maintaining a safer workplace while reinforcing the Company's broader commitment to reducing its environmental footprint.



CERTIFICATIONS AND STANDARDS

JAT's manufacturing operations are supported by internationally recognised management systems:

- ISO 9001:2015 – Quality Management Systems
- ISO 14001:2015 – Environmental Management Systems
- ISO 45001:2018 – Occupational Health and Safety Management Systems

DEVELOPING FUTURE CAPABILITIES

JAT actively leverages its manufacturing infrastructure to support talent development and knowledge sharing. During the year, factory visits and internship programmes were conducted for university students, providing valuable practical exposure to industrial processes and real-world operations. These initiatives not only contribute to the development of future industry talent but also strengthen the integration between manufactured, human, and intellectual capital.

Over 150 undergraduates facilitated at JAT manufacturing premises



CHALLENGES AND RESPONSE THROUGH THE YEAR AROUND MANUFACTURED CAPITAL

Challenge	Response
Skilled labour shortages and high turnover	Increased focus on automation and process efficiency
Space constraints	Implementation of racking systems to optimise storage
Need for higher productivity	Lean initiatives and digital monitoring systems

RISKS AND OPPORTUNITIES

Risks

- Acute physical climate risks, including extreme weather events such as floods and cyclones, potentially disrupting manufacturing operations, warehousing, logistics, and distribution continuity
- Underutilisation of production capacity arising from fluctuations in market demand, economic slowdowns, or export market volatility
- Supply chain disruptions and delays in raw material availability impacting production schedules and operational efficiency
- Rising energy, utility, and maintenance costs affecting manufacturing cost structures and margins

- Technology, machinery, or system failures affecting automation, inventory management, quality control, and production continuity
- Increasing cybersecurity risks associated with digitally integrated manufacturing and operational systems
- Operational disruptions arising from geopolitical instability, shipping delays, or international trade restrictions affecting global supply chains

Opportunities

- Expansion of production capabilities to support growing international demand, particularly supplies to the Australian market under the Mirotone platform
- Greater operational efficiency and cost optimisation through smart manufacturing, automation, and digital integration initiatives
- Enhanced product quality, consistency, and scalability through strengthened quality control and testing infrastructure
- Improved responsiveness to customer and market requirements through integrated warehousing and distribution capabilities
- Increased manufacturing agility and backward integration capabilities supporting supply chain resilience and reduced dependency on imports
- Strengthening export competitiveness through technology-driven production and internationally benchmarked manufacturing standards



Forward Focus

- Continue investing in scalable, technology-driven manufacturing capabilities, smart factory concepts, automation, and digital integration to enhance operational agility and productivity
- Expand production capacity across key manufacturing facilities to cater to growing demand from international markets, particularly the Australian market under the Mirotone platform
- Further strengthen quality control, research, testing, and inventory management systems to support product innovation and manufacturing excellence
- Enhance warehousing, logistics, and distribution capabilities to improve supply chain responsiveness and market reach across local and overseas operations
- Strengthen manufacturing resilience through improved operational continuity planning, energy efficiency initiatives, and climate-conscious infrastructure enhancements

HUMAN CAPITAL



Driving innovation through people capability and shared purpose

What Human Capital means to us at JAT

Human Capital at JAT reflects the strength of our people, encompassing their skills, experience, innovation, commitment and shared values that drive the business forward. It is built through a culture of learning, empowerment and performance, enabling us to execute strategy, sustain operational excellence and grow responsibly.

Why it matters

Our people are fundamental to innovation, productivity, quality and customer value. Strong Human Capital strengthens organisational agility, supports long-term competitiveness and underpins JAT's ability to create sustainable value as a responsible and forward-looking enterprise.

Performance snapshot

- Team strength **545**
- **Rs. 3.11 Mn** pre-tax profit per employee
- **Rs. 1,764 Mn** paid as expenses to employees
- **18%** female employees
- **49** promotions to the staff during the year
- **Rs. 9.4 Mn** invested in training and development

Key components

- Skilled and engaged workforce
- Learning and capability development
- Leadership and succession strength
- Talent attraction and retention
- Safety, wellbeing and employee empowerment
- Culture, values and performance excellence
- R&D and technical talent capability

Strategic focus areas

- Building future-ready technical and leadership capabilities to support diversification into advanced manufacturing and new growth sectors
- Strengthening specialised skills and knowledge to support innovation, particularly in emerging areas such as EV charging solutions
- Enhancing talent development, succession and workforce planning to support business resilience and long-term growth
- Fostering a high-performance culture anchored in learning, agility and continuous improvement
- Strengthening global talent capabilities and cross-border collaboration to support an expanding international footprint

Stakeholders linked

Employees

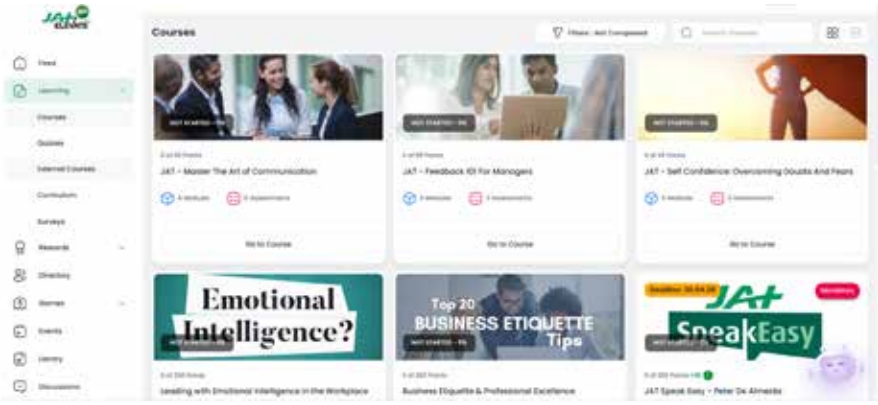
Material themes linked

GRI 3-3

People and workplace

Highlights from the year

- Launch of LMS platform "JEM – JAT Elevate Me"



Link to other capitals

Intellectual Capital
Strengthened through shared knowledge, innovation, learning and the expertise of our people.

Social and Relationship Capital
Enhanced through employee engagement with customers, suppliers, partners and communities that build trust and shared value.

Financial Capital
Supported through productivity, innovation and performance delivered by our people, contributing to profitability and long-term value creation.

Manufactured Capital
Reinforced through the skills and operational discipline of employees that optimise the use, upkeep and productivity of physical assets.

Natural Capital
Advanced through employee awareness, responsible practices and stewardship that support resource efficiency and environmental management.

Advancing our contribution to SDGs

MANAGEMENT APPROACH

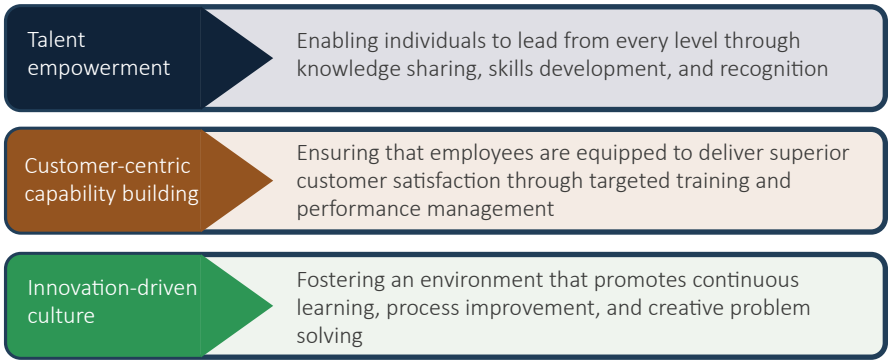
GRI 3-3

JAT manages human capital through an integrated people management approach designed to attract, develop, engage and retain the talent required to support sustainable business growth. Recognising employees as a critical driver of innovation, operational excellence and long-term value creation, the Group's approach to employment is guided by a clearly defined HR Philosophy rooted in its core values of deep business knowledge, leadership at every level, customer-centricity, and continuous improvement.

The Group seeks to create positive impacts for employees through fair and responsible employment practices, meaningful development opportunities, performance-linked reward systems, employee engagement mechanisms, and a workplace culture that supports wellbeing, inclusion and growth. These priorities are embedded through policies, processes and people practices spanning the full employee lifecycle, from recruitment and onboarding to development, retention and succession planning.

As a strategic business partner, the Human Resources function works closely with business leadership to align workforce capabilities with strategic priorities, manage people-related risks and opportunities, and strengthen organisational readiness amid growth and evolving business needs. This includes fostering leadership depth, supporting capability building, enhancing employee experience, and promoting an engaging and supportive work environment.

This management approach is anchored on three core pillars through which JAT operationalises its commitments relating to employment and advances a resilient, high-performing and future-ready workforce.



GOVERNANCE FRAMEWORK FOR RESPONSIBLE EMPLOYMENT

Policies in place

Equal Opportunity and Diversity Policy	This policy aims to eliminate discrimination, bias, and prejudice across all aspects of operations, including recruitment, promotions, training, and workplace conduct. It actively promotes diversity by valuing talent from different backgrounds, cultures, and perspectives. The policy fosters an inclusive culture based on mutual respect, dignity, and equal opportunity for all employees.
Anti-harassment Policy	This policy ensures a workplace free from intimidation and harassment where all employees are treated fairly. Complaints are handled seriously, promptly, and with strict confidentiality. Disciplinary action is taken against any employee found guilty of violating the policy.
Policy on Sexual Harassment	This policy defines sexual harassment as any unwelcome behavior of a sexual nature that causes humiliation, intimidation, or offence. It applies to all work-related interactions, including those beyond regular working hours such as events, trips, and stakeholder engagements. Such conduct is considered unlawful regardless of the individuals involved or the setting.
Open-door Policy	This policy promotes transparent and flexible communication between management and employees. Employees are encouraged to openly share concerns or feedback with senior management and HR. It has strengthened internal communication mechanisms, reducing the need for external representation such as trade unions.
Grievance Policy	This policy ensures that employee grievances are addressed promptly and fairly by the appropriate manager. Employees have the right to escalate concerns and appeal decisions to higher management. It supports a structured and transparent approach to resolving workplace issues
Recruitment and Selection Policy	This policy focuses on attracting and selecting competent individuals based on merit, qualifications, and job requirements, free from discrimination. It addresses conflict of interest by restricting employment of relatives in situations that may compromise objectivity. The policy also ensures compliance with legal employment requirements, prohibiting child labour and forced labour while promoting equal opportunity and diversity.
Health and Safety Policy	This policy ensures a safe and healthy environment for employees, contractors, and visitors in compliance with legal standards. It aligns with ISO 45001:2015 and promotes continuous improvement in occupational health and safety practices. All stakeholders are responsible for adhering to safety guidelines and contributing to a safe workplace.
Whistle-Blowing Policy	This policy provides a secure platform for employees to report irregularities in good faith without fear of retaliation. It reinforces transparency and protects the integrity and reputation of the company. The policy ensures confidentiality and offers strong protection to individuals who report concerns.

PROCESS CERTIFICATIONS IN PLACE

ISO 9001:2015 - Quality management systems – Requirements

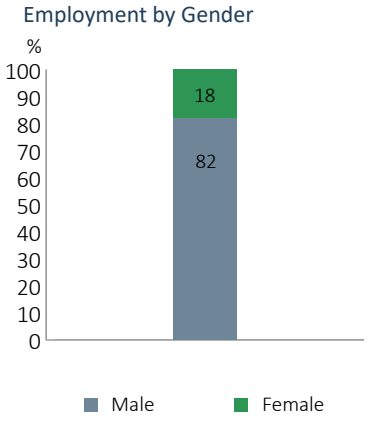
- All employees are recruited through formal appointment contracts; JAT maintains zero tolerance for coercion or forced labour
- Outsourced personnel, such as security staff are sourced from reputable agencies that guarantee ethical conduct and role-specific awareness
- JAT ensures full legal compliance in all employment practices, with every team member authorised to work under the applicable regulatory framework

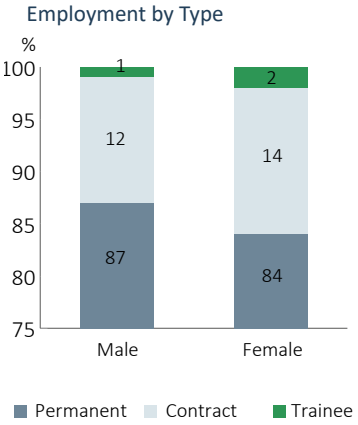
JAT PROFILE

GRI 2-7

Total employees 545

Employment Type	Male	Female
Permanent	390	82
Contract	53	14
Trainee	4	2
Total	447	98





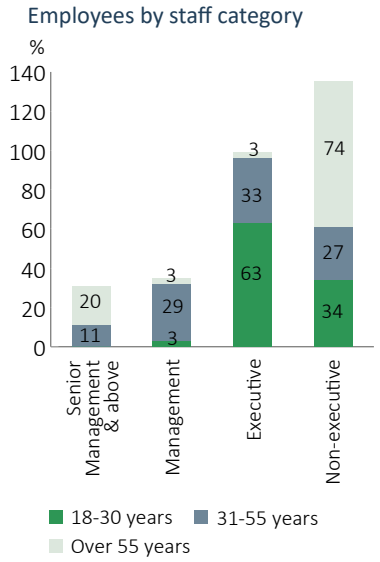
Employees by Gender, Contract and Region

Region	Gender Representation		Employment Type	
	Male	Female	Permanent	Contract & Trainee
Western	221	75	253	43
Southern	25	3	20	8
North Western	12	2	14	-
Central	29	3	25	7
Sabaragamuwa	26	5	23	8
Northern	6	-	5	1
Eastern	1	-	1	-
North Central	3	-	1	2
Uva	19	1	16	4
Sri Lanka	342	89	358	67
Bangladesh	79	5	84	-
New Zealand	26	4	30	-
Total	447	98	472	73

- All our employees are engaged on a full-time basis
- 87% of our employees are engaged on a permanent basis while the remainder is engaged on a contract or trainee basis for sales and non-critical functions.
- We promote regional economic empowerment by making every effort to recruit employees from the communities surrounding our operational bases.
- 25% of staff based in Sri Lanka are recruited from areas outside of Colombo thereby promoting regional development and employment opportunities across the country.

Employees by Staff Category, Age and Gender

Staff Category	18-30 years		31-55 years		Over 55 years		Total			
	Male	Female	Male	Female	Male	Female	Male	%	Female	%
Senior Management & above	-	-	30	6	7	-	37	7	6	1
Management	5	1	77	18	1	-	83	15	19	3
Executive	83	35	91	15	1	-	175	32	50	9
Non-executive	57	6	72	14	23	3	152	28	23	4
Total	145	42	270	53	32	3	447	82	98	18



Workers who are not employees

GRI 2-8

In addition to the employees of the Company, there are workers engaged on contract basis, towards the provision of auxiliary services such as security and janitorial.

Furthermore, the Company engages workers on a temporary basis via manpower companies. Given the relatively short tenure of service of these employees, and as they do not form a part of the permanent employee cadre of the Company, information pertaining these workers are also not tracked.

TALENT ATTRACTION, RETENTION AND TURNOVER

GRI 401-1

JAT adopts a proactive and structured approach to attracting talent, recognising that access to skilled and values-aligned people is critical to sustaining growth and innovation. Guided by principles of fairness, transparency and equal opportunity, the Company's recruitment practices seek to attract individuals with the right skills, expertise and mindset, while supporting diversity and merit-based employment.

Internal talent is prioritised where possible to encourage career advancement and mobility, complemented by external recruitment to strengthen capabilities in line with evolving business needs.

To further strengthen its talent pipeline and employer brand, the Company participated in university career fairs and targeted outreach initiatives aimed at attracting high-potential management trainees and future talent.

JAT Employee Value Proposition (EVP)

During the year, the Company strengthened its Employee Value Proposition to reinforce JAT's positioning as an employer of choice, supported by initiatives focused on career growth, employee experience, engagement and a positive workplace culture, complemented by digital and social media platforms to enhance employer brand visibility and support talent attraction and retention.

Managing turnover and targeted retention interventions

Managing turnover, particularly in critical employee segments, remained an area of focused attention during the year. A targeted initiative was undertaken to address attrition within the sales function, involving employee surveys and one-on-one consultations to better understand drivers of turnover. Areas assessed included work-life balance, compensation, development opportunities, and management and process-related concerns.

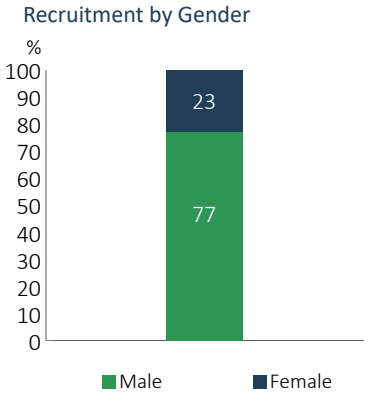
Insights from this process informed targeted actions developed collaboratively with business leadership, which were communicated transparently to employees. Early improvements were observed, and the initiative continues to be monitored as part of the Company's broader approach to strengthening retention and reducing unwanted turnover.

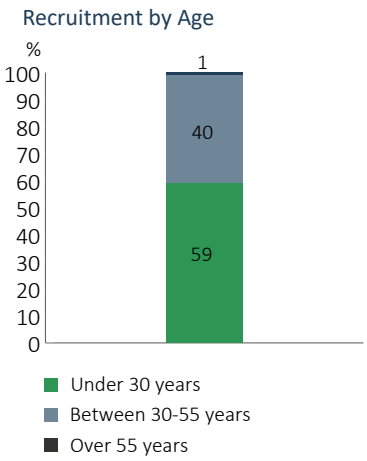
Recruitments, cadre addition through acquisition and turnover by region

	Recruitment	Acquisition	Turnover
Western	66	-	73
Southern	11	-	13
North Western	4	-	6
Central	16	-	8
Sabaragamuwa	6	-	3
Northern	3	-	1
Eastern	4	-	6
North Central	2	-	3
Uva	8	-	4
Sri Lanka	120	-	113
Bangladesh	22	-	23
New Zealand	-	34	-
Total	142	34	140

Recruitment by Age and Gender

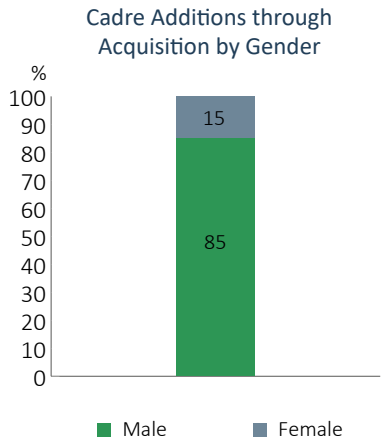
Age Category	Male	Female
Under 30 years	61	23
Between 30-55 years	48	9
Over 55 years	1	0
Total	110	32

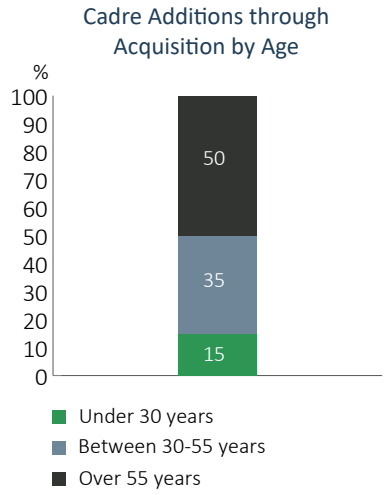




Cadre addition through acquisition by Age and Gender

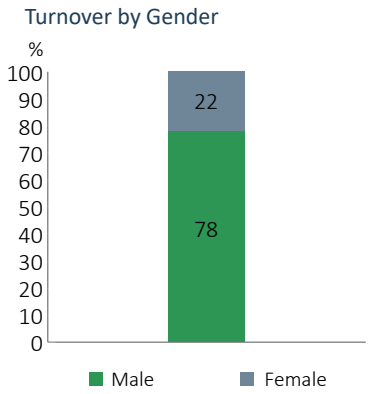
Age Category	Male	Female
Under 30 years	3	2
Between 30-55 years	11	1
Over 55 years	15	2
Total	29	5

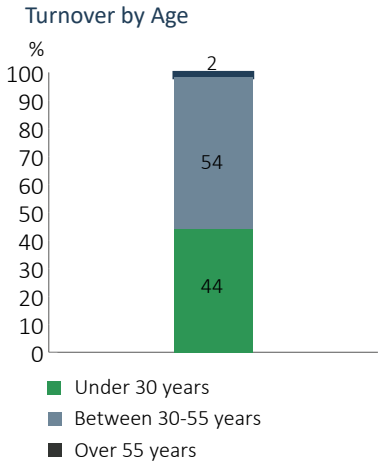


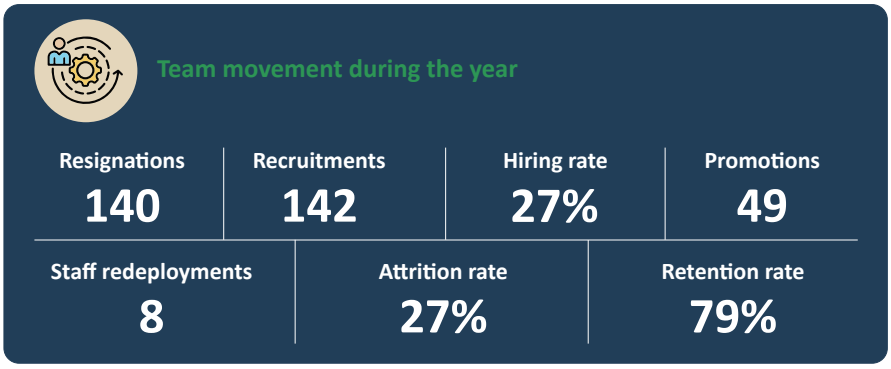


Turnover by Age and Gender

Age Category	Male	Female
Under 30 years	44	18
Between 30-55 years	62	13
Over 55 years	3	0
Total	109	31







LEADERSHIP AND MANAGERIAL DEVELOPMENT

Recognising that leadership effectiveness extends beyond technical expertise, JAT continued to place emphasis on strengthening managerial and leadership capabilities required to support a growing and increasingly complex business. Development efforts focused on enhancing people management skills, strengthening performance evaluation capabilities, and building the leadership maturity and decision-making capabilities needed to lead teams effectively and contribute at a broader organisational level.

Advancing enterprise leadership readiness

During the year, groundwork was laid for a comprehensive Senior Leadership Development Programme targeting the senior team reporting to the CEO. Designed as a strategic capability-building initiative, the programme seeks to help leaders transition from functional or divisional perspectives towards stronger enterprise leadership mindsets, while strengthening the capabilities needed to operate in a more global and interconnected business environment. Particular emphasis is intended on strategic thinking, leadership maturity, coaching and the soft skills required to lead across markets, teams and growing business complexity.

REMUNERATION AND REWARDS

GRI 3-3, 401-2, 405-2

Employee recognition through rewards and benefits is as integral to JAT's success story. The Group is committed to ensuring that value created is shared through a transparent, equitable and performance-driven remuneration framework designed to attract, retain and motivate talent. Compensation practices are aligned with industry benchmarks and guided by principles of fairness and non-discrimination. Permanent employees receive a blend of fixed remuneration and performance-linked rewards, complemented by a comprehensive suite of statutory and additional benefits that support employee wellbeing, engagement and a compelling employee value proposition.

KPIs

Total payments to employees
Rs. 1,764 Mn

Basic salary ratio between men and women
1:1

Full list of rewards and benefits offered

GRI 201-3

Guaranteed Pay and Allowance	Variable Pay	Sales incentives	Reimbursable expenses	Welfare benefits	Retirement benefits
• Salary	• Overtime	• Performance based bonuses	• Fuel • Vehicle allowances • Food and accommodation	• Death donation • Medical insurance • Accident Insurance • Wedding gift • Paternity Leave • Bereavement leave + allowance	• Contribution to the Employee Provident Fund (EPF) • Contribution to the Employee Trust fund • Gratuity

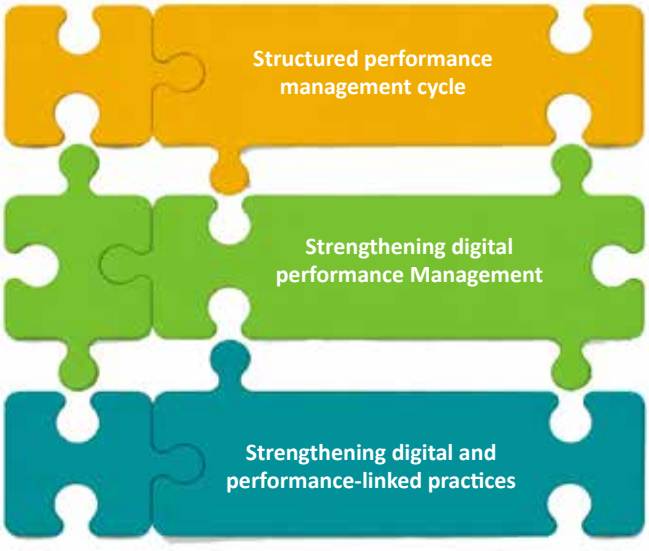
Rewards and bonus framework – Highlights from the year

- Introduction of a revised and Board-approved bonus policy featuring:
  - Profitability-linked bonus thresholds
  - Transparent bonus criteria
  - Linkage of rewards to company, divisional and individual performance
  - Greater fairness and transparency in reward allocation
- Continued use of performance ranking principles in increment decisions

PERFORMANCE MANAGEMENT

GRI 403-3

Elements driving sound performance management at JAT



Structured performance management cycle

Performance management at JAT is approached as a continuous, year-round process designed to evaluate performance, and to strengthen accountability, support development and enable employees to perform at their full potential. The process is anchored on a structured cycle comprising goal setting at the beginning of the year, mid-year performance reviews, identification of skills gaps and linkage to learning and development interventions, year-end performance appraisals, and rewards and recognition outcomes.

This structured approach establishes clear performance expectations from the outset, provides early checkpoints to assess progress, enables timely corrective action through training and other development support, and helps align individual growth with the achievement of business objectives.

Strengthening digital performance Management

Building on the significant enhancements introduced in the previous year, the digitally enabled performance management framework continued to be embedded and strengthened during the year. The HRIS-based appraisal system further supported greater efficiency, consistency and transparency in the management of performance, while reinforcing ownership and accountability across the organisation.

All eligible employees continued to be evaluated against pre-established Key Performance Indicators (KPIs), supporting an objective and merit-based process for assessing contribution, recognising performance and informing development.

Strengthening digital and performance-linked practices

The performance-linked rewards framework introduced previously also continued during the year, reinforcing a clear link between contribution and reward. For executive employees, rewards continue to reflect a balanced consideration of company-wide performance, divisional outcomes and individual achievements, while incentives for non-executive employees remain aligned to the achievement of overall company targets, reflecting a role-based approach to performance and impact.

These practices support a high-performance culture that promotes fairness, motivation, continuous improvement and sustained value creation.

Percentage of staff receiving regular perfromance appraisals

100%

All permanent staff members of JAT across all grades of Senior management & above, Management, Executive and Non-executive receive regular performance appraisals

LEARNING AND DEVELOPMENT

GRI 404-1, 404-2, 404-3

Learning and development at JAT is centred on equipping employees with the capabilities needed to deliver on the JAT promise, while supporting individual growth and evolving business needs. Guided by a culture of continuous learning, capability development is informed through structured dialogue between employees and supervisors, particularly through the performance management cycle, enabling skill and knowledge gaps to be identified and addressed in a timely and targeted manner.

During the year, learning and development efforts continued to be strengthened through a multi-dimensional approach spanning technical capability building, leadership development and role-specific learning interventions designed to support both current performance and future readiness.

Capability development across the organisation

Training initiatives during the year focused on strengthening capabilities across three key areas:

Customised functional and soft skills development

Department-specific learning programmes were curated to address role-specific skill gaps and enhance effectiveness across functions, including finance, marketing, R&D, administration and HR. Complementing these were specialised interventions designed to strengthen technical, showroom and sales capabilities, including programmes for newly joined employees and technical workforce development initiatives such as the Harris International Painter Training Programme.



Technical and operational capability building

Continued investments were made in technical and functional training to strengthen critical competencies supporting operational excellence, product quality and business performance. Training interventions remained responsive to business and departmental needs, while supporting broader organisation-wide capability building.

Developing future leaders

Leadership development continued to remain a strategic focus through the Future Leaders Programme, a flagship initiative designed to build leadership depth across the organisation. High-potential employees identified through a rigorous merit-based process participated in structured leadership interventions, including coaching and learning sessions led by internal and external experts, supporting the development of future-ready leadership capabilities.

DIGITAL LEARNING TRANSFORMATION THROUGH JEM

A key milestone during the year was the introduction of JEM (JAT Elevates Me), an advanced learning management system designed to support scalable, digitally enabled learning as the business expands across geographies and grows in complexity. Positioned as more than a training platform, JEM serves as an integrated learning ecosystem aimed at fostering continuous learning, collaboration and knowledge sharing across the organisation.

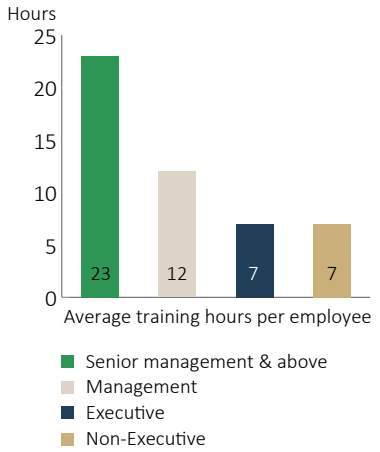
The platform offers a digital campus environment with customised learning pathways, course libraries, team-specific modules, quizzes and social learning features that encourage employees to share ideas, challenge one another and engage in collaborative development. Plans are also underway to progressively strengthen the integration of learning participation with behavioural competencies, further embedding learning within the broader people development framework.

Beyond expanding access to learning, JEM marks an important step in cultivating learning agility and supporting a shift towards a stronger self-driven learning culture across the organisation.

Average training hours per category

Staff Category	No. of employees	Average training hours per employee
Senior management & above	43	23
Management	102	12
Executive	225	7
Non-Executive	175	7

Average Training Hours per category



Average Training hours based on gender

Staff Category	Male (hours)	Female (Hours)
Senior Management & above	16	63
Management	9	24
Executive	6	10
Non-executive	5	15

EMPLOYEE HEALTH AND SAFETY

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

At JAT, employee health, safety and wellbeing are fundamental to operational excellence and responsible business conduct. Guided by a proactive and preventive approach, the Company manages occupational health and safety through a structured framework designed to identify, assess and mitigate workplace risks, while fostering a strong culture of safety across operations.

This approach is supported by an Occupational Health and Safety Management System aligned with ISO 45001:2018, covering employees across operations in Sri Lanka and Bangladesh. A health and safety committee representing all workers has been established, with meetings conducted monthly to discuss workplace health and safety matters, risks and improvement actions. Through systematic risk management, continuous monitoring and preventive controls, the framework supports the reduction of workplace incidents, promotes safe working practices and helps manage employees' and contract workers' exposure to longer-term occupational health risks.

Beyond compliance, JAT views safety as a shared responsibility and an integral part of building a healthy, resilient and productive workforce.

New initiatives conducted during the year

Enhanced on-site safety governance

During the year, JAT further strengthened health and safety oversight through the appointment of a dedicated Health and Safety Officer and Compliance Officer for factory operations, functioning independently on-site to support stronger monitoring and control. Led by qualified professionals and reporting to the General Manager of the factory, this enhanced structure has strengthened accountability and day-to-day management of occupational health and safety practices at the operational level.

Strengthened monitoring and operational controls

Health and safety oversight was further reinforced through daily inspections, with findings communicated through operational levels down to worker level, supporting timely corrective action and stronger awareness on the ground. Findings are also reviewed by the Sustainability Division, strengthening oversight and integration with broader sustainability and risk management processes.

Strengthened assurance and Board oversight

Governance oversight was enhanced through the submission of quarterly health and safety compliance reports to the Board for review, reinforcing accountability at the highest level.

During the year, assurance over management systems was also strengthened through the expansion of the internal audit team and the conduct of internal audits covering applicable ISO standards, supporting continuous improvement and compliance discipline across operations.

Our health and safety ethos



Strong governance and policy framework

JAT maintains a robust occupational health and safety governance framework anchored in formal policies, clear accountability structures and active employee participation. Oversight is provided through a dedicated Safety Committee, supported by management, operational leaders and the EHS function, with escalation protocols extending to senior leadership where necessary. This governance framework is complemented by accessible reporting channels for employees and a strong emphasis on accountability, transparency and preventive oversight.

Risk management and compliance

A proactive approach to risk management supports the identification, assessment and mitigation of workplace hazards, underpinned by compliance with ISO 45001:2018 and continuous strengthening of safety controls. During the year, focus remained on accident minimisation, enhanced safety protocols, improved workplace signage, visitor safety and broader operational controls, supported by professional security oversight and ongoing monitoring to strengthen compliance and risk resilience.

Training and capacity building

Training and awareness remain central to strengthening safety performance across the organisation. Through mandatory inductions, emergency preparedness programmes, fire drills, first-aid training and continuous capacity building, JAT seeks to embed awareness, preparedness and response capability at all levels, while supporting a workforce equipped to identify and respond to safety risks effectively.

Employee wellbeing and emergency preparedness

Supporting employee wellbeing forms an important component of JAT's health and safety approach, complemented by initiatives aimed at strengthening resilience, preventive health monitoring and preparedness for both operational and natural disaster-related risks. Annual medical checks, workplace wellness initiatives and regular reviews of emergency response plans contribute to a more resilient and safety-conscious workforce.



A culture of safety

At JAT, safety is embedded as a shared responsibility and a core part of operational culture, extending across employees and contract workers under the Company's operational control. Through defined roles, regular oversight, continuous education and a strong preventive mindset, the Company continues to strengthen a culture where safety is integrated into day-to-day operations, with the overarching objective of ensuring every individual returns home safely each day.

Health and safety record

FY	No. of health and safety incidents	Lost working hours
2025/26	6	63
2024/25	5	24
2023/24	8	57
2022/23	4	12
2021/22	10	391

	Group		Internally Audited		Externally Audited/ Certified	
	Number	%	Number	%	Number	%
Employees covered by OHS System	All	100	N/A	>90	N/A	N/A
Workers who are not employees covered by OHS System	All	100	N/A	>90	N/A	N/A

	Employees		Workers who are not employees	
	Number	Loss hours	Number	Loss hours
Fatalities as a result of work-related injury	0	0	0	0
High-consequence work-related injuries (excluding fatalities)	0	0	0	0
Recordable work-related injuries	3	53.5	3	9.5

EMPLOYEE ENGAGEMENT AND WELL-BEING

At JAT, employee engagement and wellbeing are viewed as important enablers of performance, collaboration and a resilient organisational culture. The Company remains committed to fostering a workplace where employees feel valued, connected and supported, recognising that engagement extends beyond the workplace to shaping motivation, belonging and shared purpose. Focus during the year was on

- Team development initiatives
- Individual development
- Refinement of employee recognition awards, including new award categories
- Various employee engagement activities

JAT Annual Cricket Match

JAT Annual Cricket Match brought employees together for a day of spirited cricket, where friendly rivalry and teamwork came alive on the field. The event showed enthusiasm and sportsmanship across the Company, adding energy and excitement to the workplace culture.



JAT Erabadu Wasanthaya – The Awurudu Celebrations

JAT Awurudu Celebrations brought employees together to celebrate the Sinhala and Tamil New Year, embracing Sri Lankan traditions and cultural values through festive activities and shared experiences. The celebration created an atmosphere of togetherness and camaraderie across the Company.



Movie night

JAT Movie Night was organised to bring employees together for an evening of entertainment and relaxation, creating an enjoyable atmosphere for colleagues to connect and unwind outside of the regular work environment.

EMPLOYEE RECOGNITION

JAT Excellencia 2025: A Night of Celebration and Recognition

JAT Excellencia 2025 was a company-wide employee recognition event that celebrated outstanding achievements, exceptional performance, and meaningful contributions to organisational success. The event highlighted the Group's commitment to fostering a culture of appreciation, accountability, and continuous improvement by recognising individuals and teams whose dedication and efforts played a significant role in driving the company's progress.



Grievance handling and redressal mechanism

JAT maintains formal mechanisms to ensure employee concerns and grievances are addressed in a timely, fair and confidential manner through a structured grievance handling and redressal process guided by established policy. Employees are encouraged to raise employment-related concerns through appropriate channels, with matters reviewed and addressed at the relevant management level. The framework also provides employees the right to escalate or appeal decisions to a more senior level where necessary, reinforcing fairness, trust and accountability in the resolution process.

Freedom of association and collective bargaining

GRI 2-30, 402-1, 407-1

JAT respects employees' rights relating to freedom of association and collective bargaining and does not impose restrictions on employees choosing to form or join labour unions. While no labour unions have been formed within the Company, JAT does not have any collective bargaining agreements in place. This is supported by an open-door culture, accessible leadership and collaborative channels through which employees are encouraged to share perspectives, raise concerns and contribute to decision-making.

Employee participation is further supported through cross-functional collaboration in major initiatives and through communication mechanisms that keep employees informed of significant operational changes, including advance notice period ranging from 4 weeks to 12 weeks and regular business updates, promoting transparency, consultation and engagement.

EMPLOYEE RESILIENCE AND COPING

Supporting employee resilience and wellbeing remained an important aspect of JAT's people agenda during the year, underpinned by initiatives aimed at promoting mental and physical wellbeing, supporting work-life balance and fostering a supportive environment where employees can thrive personally and professionally. Wellness-related programmes, employee-focused health initiatives and broader support mechanisms contribute to strengthening resilience across the workforce.

SUPPORTING EMPLOYEES THROUGH CYCLONE DITWAH

In the wake of Cyclone Ditwah, which caused significant hardship and disruption to the lives of many, including members of the JAT team, the Group extended targeted support to affected employees, providing financial assistance based on the severity of impact to support recovery and rebuilding.

Reflecting a strong culture of care and solidarity, JAT also mobilised a broader collective relief response, serving as a collection centre for donations, facilitating employee volunteer participation in sorting and distribution efforts, and deploying transport resources to support relief activities. These efforts reflected the Company's commitment to standing by its people in times of adversity and supporting employee resilience beyond the workplace.

EMPLOYEE SHARE OPTION SCHEME

JAT's Employee Share Option Scheme (ESOP) supports long-term talent retention and performance by enabling eligible employees to participate in the value they help create. By fostering a sense of ownership and aligning employee interests with the Company's long-term success, the scheme serves as both a reward and retention mechanism while reinforcing commitment, motivation and shared participation in JAT's growth journey.

OTHER RELATED INDICATORS

GRI 406-1, 408-1, 409-1

GRI 406 Non-discrimination	406-1 Incidents of discrimination and coercive action taken	None
GRI 408: Child Labour	408-1 Operations and suppliers at significant risk for incidents of child labour	None
GRI 409: Forced or Compulsory Labour	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	None

RISKS AND OPPORTUNITIES

Risks

- Talent attraction and retention risk: Competition for skilled and high-potential talent, particularly in technical, commercial and leadership roles, may affect growth execution and continuity
- Skills gap risk: Rapid expansion into new markets and business verticals may create gaps in leadership readiness, global management capability and future skills.
- Succession planning risk: Inadequate leadership pipeline depth or overreliance on a few critical individuals may constrain scalability and resilience
- Health, safety and wellbeing risk: Workplace safety incidents, wellbeing challenges or disruption-related impacts may affect workforce stability and operational continuity
- Culture and change management risk: Failure to adapt culture, behaviours and ways of working to a more global operating model could hinder transformation and integration

Opportunities

- Capability-led growth: Building future-ready skills and leadership capabilities to support expansion, innovation and strategic execution
- Digital learning enabled workforce development: Leveraging platforms such as advanced learning systems to scale development, knowledge sharing and behavioural transformation
- Leadership strengthening: Developing stronger talent pipelines and leadership readiness to support long-term resilience
- Strong JAT employer brand: Strengthening employer value proposition to attract, engage and retain high-quality talent
- Productivity and engagement enhancement: Using employee insights, performance systems and people initiatives to strengthen engagement and organisational performance
- Culture as a differentiator: Leveraging a strong values-driven, people-centric culture as a source of innovation, agility and competitive advantage



Forward Focus

- Strengthen leadership depth and future-ready capabilities through targeted investments in talent, succession and capability development, including the rollout of the senior leadership development programme to support a more complex and globally connected business
- Enhance organisational readiness for global integration by evolving structures, ways of working and people capabilities to support acquisitions, geographic expansion and the demands of a more international operating model
- Build workforce agility and cross-cultural capabilities to navigate increasing business complexity, including collaboration across geographies, time zones and diverse operating environments
- Continue advancing talent attraction, retention and employee wellbeing initiatives, while deepening learning opportunities and fostering a high-performance culture anchored in innovation, empowerment and accountability
- Strengthen human capital as a driver of scalable, responsible long-term growth by equipping employees with the capabilities needed to support productivity, resilience and evolving strategic priorities

ADVANCING GENDER DIVERSITY, ENRICHING PERSPECTIVES GENDER DIVERSITY STORY AT JAT

GRI 2-23, 2-24, 2-25, 2-26

Our commitment

In an industry where many roles have traditionally been perceived as male-oriented—particularly within manufacturing environments where a significant share of our workforce is deployed on factory floors—JAT continues to challenge convention by advancing a workplace where opportunity is shaped by capability, not gender. As the Group evolves from its strong foundation in paint manufacturing into emerging areas such as EV charging solutions, diversity is viewed not simply as a social imperative, but as a strategic enabler of innovation, stronger decision-making and long-term value creation. By fostering greater gender inclusion and creating space for women to contribute and thrive across functions, JAT is helping shape a more diverse, future-ready workforce reflective of its growth ambitions.

Our actions

Building an inclusive workplace – Policies and enablers at JAT

Key initiatives implemented

- Merit-based career progression: All career development programs are designed around meritocracy, where gender is never a barrier to career advancement
- Policies supporting gender parity: Clear and well-implemented policies guide gender equality, ensuring fairness throughout the employee lifecycle
- Expanding opportunities for women: We have actively opened traditionally male-dominated roles to women, promoting a more diverse and inclusive workforce
- Flexibility for mothers: We offer additional flexibility for pregnant employees and new mothers, fostering an environment of support

Policy frameworks

Anti-harassment Policy	Open-Door Policy	Grievance Policy	Recruitment and Selection Policy	Health and Safety Policy	Whistle-Blowing Policy
Supports a safe and respectful workplace free from intimidation and harassment, with complaints addressed promptly, confidentially and with appropriate disciplinary action where required.	Promotes transparent communication and accessible leadership, enabling employees to raise concerns, share ideas and seek support freely.	Provides a fair and structured mechanism for employees to raise and resolve workplace grievances, with access to appeal where needed.	Supports fair, merit-based and non-discriminatory recruitment while promoting equal opportunity, diversity and ethical employment practices.	Promotes a safe and healthy workplace through strong safety standards, employee awareness and continuous improvement in occupational health and safety.	Provides a confidential and protected channel for reporting concerns in good faith, supporting integrity, transparency and protection from retaliation.

OUR OUTCOMES

Diversity performance snapshot

DEI Tracker	2025/26	2024/25	2023/24
Gender Diversity (overall)	F- 98 M- 447	F- 92 M- 417	F- 98 M- 373
Female Recruits (as a % of total recruits)	23	15	36
Female Promoted (as a % of total promotions)	22	20	20
Female representation in leadership roles (%)	14	16	14
Gender pay equity (overall- female and male)	1:1	1:1	1:1

Staff Category	Male (%)	Female (%)
Senior Management & above	7%	1%
Management	15%	3%
Executive	32%	9%
Non-executive	28%	4%



Supporting employees through life stages

GRI 401-3

JAT's maternity and paternity leave policy upholds employee rights in line with national legislation, while reflecting the Company's commitment to supporting employees through important life stages. By providing support during parenthood and family transitions, these provisions contribute to employee wellbeing, work-life balance and a more inclusive and supportive workplace.

	Male	Female
Employees entitled to parental leave	1	1
Employees that took parental leave	1	1
Number of employees that returned to work in the reporting period after parental leave ended	1 (100%)	1 (100%)
Percentage of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	0 (0%)	0 (0%)



Forward Focus

Looking ahead, JAT will continue to advance gender diversity by strengthening inclusive talent pipelines, supporting greater female participation across functions and levels, and fostering a workplace where diverse talent can grow and lead. As the business expands into new markets and emerging sectors, focus will remain on deepening enabling policies, strengthening representation, supporting employees through different life stages, and cultivating an inclusive culture where diversity of perspectives contributes to innovation, resilience and long-term value creation.

INTELLECTUAL CAPITAL



Driving innovation, brand strength, and competitive advantage through knowledge and capability

What Intellectual Capital means to us at JAT

At JAT, intellectual capital represents the collective strength of our brands, technical expertise, innovation capabilities, and organisational knowledge that enable us to deliver differentiated paint and wood coating solutions. As a leading manufacturer in Sri Lanka with a growing presence across international markets, this capital strengthens our ability to remain relevant and forward-looking.

It encompasses both tangible and intangible assets, including brand equity, research and development capabilities, proprietary systems and processes, certifications, and the deep expertise embedded within our people and operations.

Why it matters

To sustain

- JAT's competitive position in the context of larger and more established multinational players
- Enables the Group to differentiate its offerings, respond effectively to evolving market needs, and consistently deliver quality and innovation across geographies
- Strengthening intellectual capital improves operational efficiency across the group, accelerates speed to market for new offerings and solutions, and helps to build trust and confidence among customers and partners
- Serves as a key enabler of the Group's strategic ambition to expand its global footprint, reinforcing its positioning as a Sri Lankan-born multinational

Key components

Brand value and portfolio featuring a range of well-established trusted brands serving diverse customer segments

Market leadership with positioning in key markets, supported by brand recognition and customer loyalty

Research and development enabling continuous innovation in product formulation, quality enhancement, and sustainability

Systems and digital capabilities with technology-enabled processes supporting efficiency, data-driven decision-making, and scalability

Certifications and standards affirming our compliance with recognised quality, environmental, and safety standards

Organisational knowledge combining deep technical know-how and industry expertise accumulated over time

Awards and recognition comprising industry accolades reinforcing brand strength and operational excellence

INTELLECTUAL CAPITAL

Performance snapshot

- 22 number of active brands across multiple product categories
- 15+ new or improved product formulations introduced during the year, with 10 under the Mirotone brand for the Australian market
- 4 certifications maintained across quality, environmental, and safety standards
- 15 awards and recognitions received locally and internationally

Strategic focus areas

- Strengthening brand equity across existing and new markets
- Enhancing research and development capabilities to drive innovation
- Expanding digital systems to support data-driven operations
- Leveraging organisational knowledge to improve product quality and efficiency
- Maintaining and enhancing certifications to meet evolving regulatory and customer expectations

Highlights from the year

- Acquisition of Mirotone (NZ) Limited, the market leader in industrial wood coatings across New Zealand and a globally respected coatings brand established in 1935.



Link to other capitals

Manufactured Capital
Strengthened through enhanced performance, underpinned by adherence to international standards, certifications, and best practices

Human Capital
Enhanced through the continuous development of employee expertise, intellect, and technical know-how

Social and Relationship Capital
Strengthened by deepening customer loyalty and brand affinity, supported by high-performance, durable products driven through research and development

Stakeholders linked

- Employees
- Customers
- Suppliers and business partners

Material themes linked

GRI 3-3

- Business performance and market position
- Digital transformation
- Product excellence and innovation

Advancing our contribution to SDGs

THE STRENGTH OF JAT BRAND

JAT's brand strength is built on a longstanding commitment to quality, innovation, and customer-centricity, positioning it as a trusted name in paints, wood coatings, and allied products. Since its inception in 1993, the brand has steadily built strong equity, evolving from a domestic player into a recognised presence across Sri Lanka and expanding into markets such as Bangladesh, Maldives, India, Africa, Australia, and New Zealand.

Supported by a diverse portfolio of over 15 sub-brands spanning wood coatings, decorative paints, accessories, and furnishing solutions, JAT has established itself as a dynamic force within the industry. Its brands are synonymous with reliability, performance, and aesthetic excellence, consistently enhancing spaces while reinforcing trust among customers across geographies.

Consistently ranked among the top brands in Sri Lanka

JAT TRANSFORMING SPACES™

Our brands portfolio

GRI 2-6

Wood Coatings

MIROTONE Leading the way in coating systems since 1935

A globally renowned wood coatings brand with a 90-year legacy, with origins in Australia and a strong manufacturing and market presence in New Zealand for over six decades. Recognised as the #1 industrial wood coatings brand in New Zealand, Mirotone strengthens JAT's presence across the Asia-Pacific region

SAYERLACK INNOVATIVE WOOD SOLUTIONS

A globally recognised leader in wood coatings and a pioneer in water-based coatings, offering an extensive portfolio including polyurethane, UV coatings, and nitrocellulose lacquers. Renowned for superior resistance properties, Sayerlack is the market leader in Sri Lanka, with JAT recognised as its largest global partner by Sherwin-Williams.

BORMA WACHS

A specialist wood care brand offering products for surface preparation and finishing, including wood putties, cleaning agents, waxes, and touch-up solutions. Widely recognised in Sri Lanka for its strength in wood surface preparation solutions.

CoatEx

An owned wood coatings brand of JAT, developed specifically for the Bangladesh market, CoatEx is a PU wood coating range tailored for the value-driven segment, offering durable and cost-effective solutions for industrial and mid-tier applications.

Masters

An owned JAT brand, manufactured locally to deliver reliable and cost-effective solutions. With a growing presence in both domestic and international markets, MASTERS continues to expand its portfolio, including convenient all-in-one coating systems designed for efficiency and ease of application.

J CHEM

An owned JAT brand, J Chem is a locally manufactured range of solvent-based products including wood stains, thinners, varnishes, and sealers, designed to serve the mid-tier and industrial market with reliable, fit-for-purpose performance at accessible price points

Paints

WHITE by JAT

A premium range of brilliant white emulsion paints and undercoats, offering a complete solution for interior applications. Known for its purity and elegance, WHITE features enhanced colour guard technology with an 8-year guarantee on whiteness, setting it apart in the market

Wallz

A cost-efficient, high-quality coverage range for interior and exterior applications. Wallz Interior Emulsion delivers excellent opacity and a smooth low-sheen finish, while Wallz Exterior Emulsion provides durable exterior protection against harsh weather conditions with long-lasting performance

KOLORZ by JAT

A premium emulsion range designed for both interior and exterior walls, offering a refined low-sheen finish and a vibrant palette. Kolorz enhances aesthetic appeal while ensuring durability and consistent coverage

JAT Hydro+ PROFESSIONAL

An advanced exterior coating solution featuring UV-crosslinking Acrylic technology. Hydro+ delivers superior protection against water, UV exposure, algae, and fungus, while bridging hairline cracks and ensuring long-lasting surface durability

INTELLECTUAL CAPITAL

Brushes

A leading paintbrush and roller brand with over 90 years of heritage in the UK, and a recipient of the Royal Warrant from the British Royal Household. JAT serves as the exclusive manufacturer and distributor in Sri Lanka, offering a wide range across multiple price segments

A high-performance range of handcrafted brushes made using Tynex filaments, delivering superior paint application, enhanced durability, and a flawless finish for wood coatings

EV Chargers

Volt Charge is an emerging brand focused on enabling sustainable mobility through electric vehicle charging solutions, supporting the transition to cleaner energy ecosystems. As part of forward-looking innovation within the JAT ecosystem, it aims to build accessible, reliable, and scalable EV infrastructure to power the future of transportation

Furnishing

A globally recognised leader in ergonomic furniture and design innovation, Herman Miller is part of the MillerKnoll collective and is exclusively represented by JAT in Sri Lanka. Renowned for research-driven design and workplace performance solutions, the brand sets global benchmarks in ergonomics and modern workspace environments

A premium kitchen and interior solutions brand represented by JAT, SEAFORM offers German-engineered kitchens designed for precision, durability, and contemporary living. SEAFORM delivers high-quality, design-led solutions tailored to modern residential spaces

A globally recognised cabinetry and kitchen solutions brand, OPPEIN is one of the world's largest manufacturers of modular kitchens, wardrobes, and interior systems. Represented by JAT in Sri Lanka, the brand combines scale, manufacturing precision, and contemporary design to deliver accessible, high-quality interior solutions

Headquartered in Germany, Knauf Ceiling Solutions delivers advanced architectural ceiling systems designed to enhance acoustic performance and interior comfort. Its comprehensive portfolio includes mineral fiber, wood wool, metal, and specialised architectural ceiling solutions tailored for commercial, hospitality, and institutional environments

Established in Germany in 1935, Hörmann is Europe's leading manufacturer of premium glazed and fire-rated door solutions. Renowned for engineering excellence and security innovation, the brand delivers certified systems designed to enhance life safety and contain the spread of fire in commercial and industrial environments

DASSO is a global innovator in engineered bamboo solutions, delivering high-performance decking, cladding, and architectural systems for residential and commercial environments

JAT is the authorised distributor for Colan in Sri Lanka, offering luxury furniture to design interior projects at workplaces or at homes

Based in Germany, BURG specialises in premium kitchen appliances that embody precision, reliability, and refined European design. Combining advanced technology with sleek aesthetics, the range includes built-in ovens, hobs, refrigeration, and dishwashers crafted for seamless integration into modern luxury kitchens

Schäfer redefines modern workspaces through modular cubicle systems designed for flexibility, functionality, and visual sophistication. With endless configurations and a curated palette of finishes, each system is tailored to reflect the identity and operational needs of contemporary organizations

Key brand building initiatives rolled out throughout the year

During the year, JAT undertook a series of targeted brand-building initiatives aimed at strengthening market presence, enhancing customer engagement, and reinforcing brand positioning across key segments.

Integrated campaigns and product positioning	Trade and channel engagement
Experiential and on-ground brand activation	Promotions and consumer engagement

Integrated campaigns and product positioning

- The launch of the Hydro+ product line was supported by a comprehensive, integrated marketing campaign spanning digital, print, and in-store platforms, driving strong visibility and product awareness. In parallel, a mascot-led, AI-generated consumer education campaign for the WHITE range simplified technical product attributes, enabling more informed purchasing decisions while strengthening positioning within the value segment.



- A thematic campaign for Harris further reinforced its premium positioning, leveraging the brand's global heritage of craftsmanship, trust, and performance to deepen market resonance.



Trade and channel engagement

To enhance trade engagement and drive sales, a time-bound loyalty promotion was introduced under the JAT Loyalty Programme, offering a 50% increase in reward points on selected product ranges. This was complemented by a targeted trade awareness drive, strengthening brand recall and encouraging product uptake.

Additionally, a tier-based loyalty initiative was launched for key customers, designed to deepen engagement, improve retention, and reinforce long-term brand affiliation within the trade network.

A focused in-store visibility and display campaign was also implemented across selected regions, enhancing brand presence at the point of sale and supporting market penetration outside key urban centres.





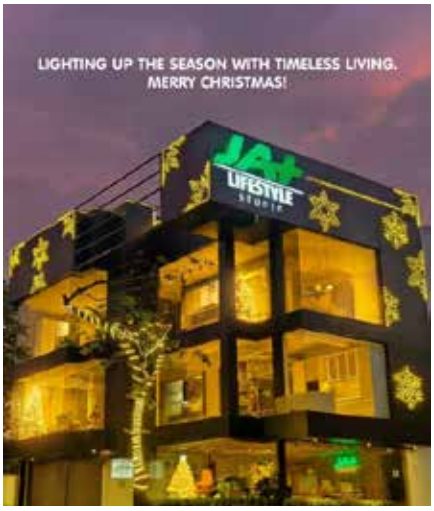


Experiential and on-ground brand activation

JAT strengthened its physical brand presence through participation in key industry platforms, including its role as the title sponsor of a major golfing event, "JAT Golf Classic," which attracted significant participation and visibility among target audiences.



The brand also enhanced its experiential positioning through curated activations at the Lifestyle Studio, including themed transformations aligned with seasonal campaigns. These initiatives elevated the in-store experience, strengthened visitor engagement, and reinforced the brand's positioning as a contemporary, design-led lifestyle destination.



Further, JAT's presence at leading trade exhibitions such as the Kedella Colombo Trade Fair enabled direct engagement with both consumers and industry professionals, strengthening brand visibility and market connect.



Promotions and consumer engagement

The JATPOT prize distribution event, which awarded over Rs. 17 million in prizes, served as a high-impact promotional initiative, driving brand excitement and strengthening consumer engagement.



Social Media Presence

JAT maintains a dynamic and engaging presence across key social media platforms, including Facebook, Instagram, LinkedIn, and YouTube, enabling meaningful connections with a diverse audience base ranging from homeowners and painters to architects and designers.

In an environment where stakeholders increasingly rely on digital platforms for validation, reviews, and informed decision-making, social media plays a critical role in shaping brand perception. JAT leverages these platforms strategically to enhance visibility, showcase product innovations, share educational content, and drive targeted engagement, thereby strengthening its positioning in the digital landscape.

JAT Social Media Follower-base



MARKET LEADERSHIP

JAT has built a strong and enduring market position through its consistent focus on quality, innovation, and customer-centric solutions. By upholding rigorous standards across its product portfolio and continuously evolving to meet changing market needs, the Group has established itself as a trusted leader within the paints and coatings industry.

Strategic partnerships with globally recognised brands have further strengthened JAT's credibility and technical expertise, enabling it to command leadership across key segments in both domestic and regional markets.

Key market positions enjoyed by JAT brands

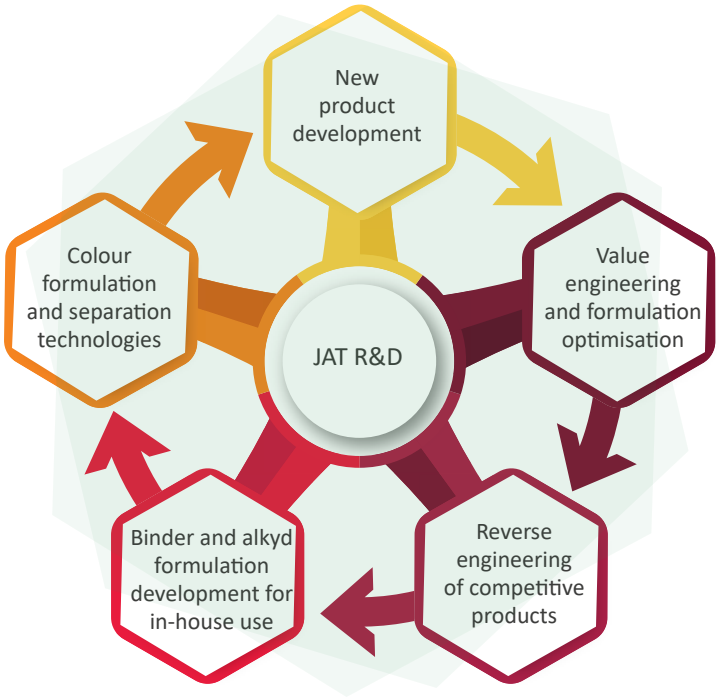
Sayerlack Sri Lanka's No. 1 brand in Water Based Wood Coatings with a market share of 57%	**Harris and Brush Master** Consolidated position of the two brands - Market leader in the Brushes and Roller Industry in Sri Lanka, with a market share of 31%
WHITE by JAT and Wallz Consolidated 9% market share within the White Paint segment	**SEAFORM** Dominant player in the luxury kitchens segment with the brand SEAFORM
Mirotone No. 1 Industrial Wood Coating brand in New Zealand	**Volt Charge** Largest EV charger network in Sri Lanka

RESEARCH AND DEVELOPMENT

JAT's commitment to innovation is anchored in its dedicated Research and Development (R&D) capabilities, which play a central role in driving product differentiation, quality enhancement, and cost optimisation. The Group's R&D function enables the development of high-performance coatings tailored to diverse market requirements, while supporting its ambition to compete with established multinational players.

R&D Structure and Focus Areas

The R&D function is structured to support both innovation and operational efficiency across the value chain, with key focus areas as follows.



Strength of the R&D Function

JAT's R&D capabilities are supported by a skilled team of 10 qualified chemists with expertise in polymer science, analytical chemistry, and material engineering. The function is strengthened by in-house capabilities for polymer characterisation, reverse engineering, and binder development, enabling greater control over product quality and innovation. This is complemented by accelerated weathering facilities used to assess long-term coating performance, as well as dedicated laboratory infrastructure for UV coating development. In addition, the use of advanced formulation and optimisation tools supports the enhancement of product performance while driving cost efficiency across the portfolio.

Highlights from the Year

- Development of 10 new product formulations for the Mirotone brand, tailored to meet Australian climatic conditions and performance standards
- Introduction of a refined binder processing and filtration system, improving clarity, purity, and overall coating performance
- Successful implementation of process improvements leading to zero-defect outcomes in binder quality
- Continued focus on enhancing product quality across key segments

New Product Development

During the year, JAT expanded its product portfolio through the introduction of:

- Developed three new water-based binders with multiple chemistries to cater to waterproofing paints, interior wood coatings, and interior wall coatings
- Further development of JAT Hydro+ waterproofing paint



- Interior wall filler solutions



- Specialised lacquer products for export markets
- Multiple new formulations supporting international brand requirements under Mirotone

Knowledge Sharing and Collaboration

JAT actively engages with global and academic institutions to strengthen its R&D capabilities:

- Collaboration with CATAS Italy for product testing and knowledge exchange
- Advanced polymer analysis conducted in partnership with institutions such as California Polytechnic State University
- Joint development initiatives with suppliers, including laboratory visits and technical collaboration

Performance Focus

The R&D function contributes directly to financial and operational performance through:

- Cost optimisation via formulation efficiency and design tools
- Improved product quality and consistency
- Reduced dependency on external formulations through in-house development

Challenges and Opportunities

JAT operates in a competitive landscape dominated by multinational players with extensive R&D infrastructure and resources. However, this also presents an opportunity to differentiate through agility, targeted innovation, and cost-effective solutions.



Way Forward

Looking ahead, JAT plans to further strengthen its R&D capabilities through:

- Adoption of AI-driven formulation development to accelerate innovation cycles and optimise costs
- Continued product development for international markets, including specialised coatings for the Australian market
- Development of heat-reflective paints for exterior applications, supporting evolving environmental and performance requirements

SYSTEMS AND DIGITAL CAPABILITIES

JAT's digital transformation journey is anchored in a clear strategic intent, to digitise operations, enhance data visibility, and enable faster, insight-driven decision-making across the organisation. Technology is leveraged not as a support function, but as a core enabler of business performance, strengthening connectivity across manufacturing, supply chain, sales, and customer engagement.

During the year, the Group made significant progress in integrating its operational platforms, creating a more connected ecosystem that links production, distribution, and end customers. This integration has improved responsiveness, strengthened coordination across functions, and enhanced overall operational agility.

Operational digitalisation and automation

A key focus area has been the digitalisation of core operations, with targeted initiatives to reduce manual intervention, improve process accuracy, and enhance productivity. Automation has been introduced across multiple operational areas, enabling the standardisation of processes and minimisation of human error.

With the Group's expansion into international markets such as Australia and New Zealand, these automation efforts have become increasingly critical in supporting scalable operations. By reducing reliance on manual processes, JAT has been able to optimise the deployment of human capital towards more value-enhancing activities. In addition to system implementation, focus has also been placed on driving user adoption and value realization across deployed solutions.

Smart manufacturing and IoT enablement

JAT's transition towards a smart manufacturing environment continued during the year, with the completion of Phase II of its smart operations journey. This included the automation of selected production processes, supported by IoT-enabled sensors and real-time dashboards.

These systems provide continuous visibility into key operational parameters, enabling real-time validation, monitoring, and performance optimisation. The integration of IoT technologies has significantly enhanced production efficiency, reduced idle time, and strengthened process control across manufacturing operations.

Enterprise systems and data analytics

During the year, JAT strengthened its enterprise systems landscape through improved integration and data management capabilities. A structured approach to data consolidation has enabled the development of centralised data platforms, bringing together ERP data, customer loyalty information, and operational metrics into a unified data environment. This has been supported by ongoing improvements in data governance, data accuracy, and standardisation across systems.

This has facilitated the generation of real-time dashboards and business intelligence tools, supporting senior management with timely, data-driven insights. The establishment of a dedicated business analytics capability further enhances the Group's ability to derive value from its data assets.

Digital platforms and customer connectivity

JAT continues to leverage digital platforms to strengthen engagement with its customers and stakeholders. Initiatives such as the "Find My Painter" web-based platform have enhanced accessibility, enabling customers to connect with skilled painters more efficiently. This platform is expected to evolve into a mobile application, further enhancing user experience and reach.



PEOPLE, CHANGE MANAGEMENT AND DIGITAL CULTURE

Recognising that digital transformation is as much about people as it is about technology, JAT has implemented structured organisational change management initiatives to support adoption across the workforce.

- A dedicated Digital Transformation Officer, operating under the Head of IT, leads the execution of transformation initiatives.
- This is supported by continuous engagement programmes, training sessions, and digital literacy initiatives aimed at equipping employees with the skills required to thrive in a technology-enabled environment.
- The introduction of AI-powered productivity tools and targeted awareness programmes for both employees and leadership has further strengthened digital capability across the organisation.

Way Forward

Looking ahead, JAT will

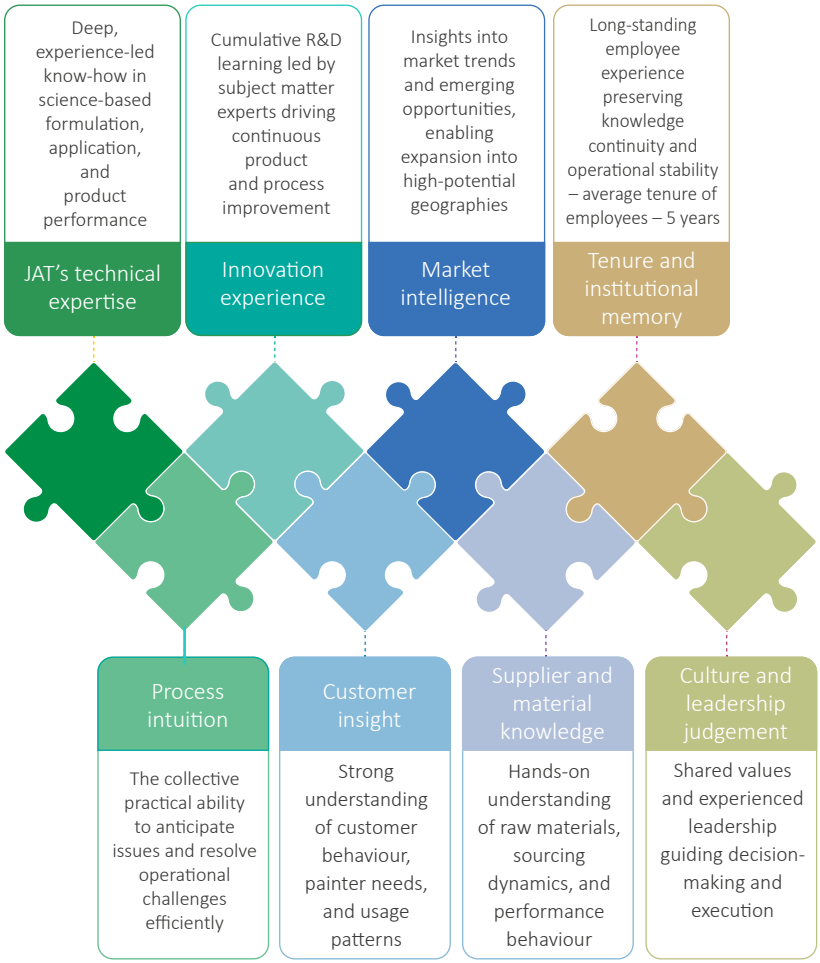
- Continue to build on its digital foundation through the introduction of AI-driven forecasting tools and the expansion of robotic process automation across key functions.
- Accelerate its long-term transition towards a fully integrated smart factory model, supported by deeper system integration with third-party partners across the supply chain.

Certifications and standards

The diverse range of accreditations obtained by JAT reflects its steadfast commitment to product quality and operational excellence. These certifications highlight the depth of the Group's technical expertise and the robustness of its systems and processes. As a key element of its intellectual capital, they strengthen credibility, support expansion into new markets, and reinforce a sustainable competitive advantage. For a comprehensive list of certifications across our operations, please refer to page 15.

Organisational knowledge

Organisational tacit knowledge comprises the accumulated expertise, insights, and practical know-how embedded within JAT's workforce and operations, enabling superior decision-making, consistent product quality, and continuous innovation.



Awards and Recognition

Over the years, JAT has earned a wide range of accolades across multiple dimensions of performance, reflecting its commitment to excellence in both operations and strategy. These recognitions span areas such as management practices, brand performance, and corporate reporting, underscoring the Group's well-rounded capabilities.

Beyond serving as milestones of achievement, these awards reinforce JAT's credibility and enhance its visibility among customers, partners, and the wider market. They also reflect the strength of the Group's strategic direction and execution, while motivating teams to continuously elevate standards and sustain performance across all aspects of the business.

Please refer page 14 for a full list of awards.

RISKS AND OPPORTUNITIES

Risks

- Risk of erosion in brand reputation arising from product quality concerns, inconsistent customer experience, or reputational events, particularly as presence is now expanded to more markets including the developed economies
- Rapid technological evolution and changing customer expectations potentially outpacing innovation and digital capabilities
- Dependence on key principals, strategic partners, and market relationships for continued access to technology, products, and market reach
- Cybersecurity, data privacy, and system disruption risks associated with increasing digital integration and technology reliance – again exacerbated by expanded global presence
- Loss of critical organisational knowledge, technical expertise, or specialised talent impacting innovation and operational continuity

Opportunities

- Expansion into new geographic markets and emerging business verticals, enhancing brand reach and revenue diversification
- Strengthening R&D and innovation capabilities to develop differentiated, technology-driven, and sustainable product solutions
- Leveraging digital platforms, analytics, and technology-enabled processes to improve operational efficiency and customer engagement
- Enhancing brand equity and customer loyalty through strong market positioning, certifications, and industry recognition
- Expanding industry collaborations and strategic partnerships to drive knowledge sharing, innovation, and adoption of global best practices



Forward Focus

- Deepen engagement with customers, channel partners, and suppliers while strengthening resilient and responsible stakeholder relationships across the value chain
- Continue disciplined expansion into new geographic markets and emerging business verticals in line with long-term strategic priorities, building on the successes already achieved
- Advance innovation, product development, and operational excellence through strengthened R&D capabilities, industry collaborations, and technology integration
- Enhance community engagement and social value creation initiatives across both existing and new markets
- Utilise stakeholder insights to continuously refine products, services, and customer experiences, supporting scalable and sustainable long-term growth

SOCIAL & RELATIONSHIP CAPITAL



Sustaining growth through trusted partnerships and meaningful stakeholder engagement

What Social and Relationship Capital means to us at JAT

Social and Relationship Capital at JAT reflects the strength of our connections with customers, partners, suppliers, and the communities within which we operate. It is built on trust, collaboration, and shared value creation, enabling us to grow responsibly while maintaining strong stakeholder confidence.

Why it matters

Strong relationships are fundamental to sustaining market presence, ensuring supply chain resilience, enhancing brand equity, and fostering community goodwill. These connections support long-term value creation and reinforce JAT's position as a responsible and reliable industry player.

Performance snapshot

- **314 Mn** paid back to customers under the JAT Loyalty programme
- **Rs. 50 Mn** invested in painter trainings
- **888 painters** qualified as professionals under JAT Pintharu Abhiman, since program inception

  For FY 25/26

  *** Level 3 - 237 painters**

  *** Level 4 - 14 painters**
- **Rs. 10,445 Mn** paid to suppliers

Key components

- Customers – both retail and industrial segments
- Value chain partners, including dealers and distributors
- Principals and strategic partners
- Suppliers
- Industry collaborations
- Local communities

SOCIAL & RELATIONSHIP CAPITAL

Strategic focus areas

- Strengthening customer engagement across retail and industrial segments
- Expanding and deepening dealer, distributor, and partner networks
- Building a resilient and responsible supplier base
- Advancing industry collaborations and partnerships
- Enhancing community engagement and social value creation

Material themes linked

GRI 3-3

- Sustainability and climate action
- Product excellence and innovation
- Governance and compliance

Highlights from the year

- The JAT Pintharu Abhiman Convocations for the year, recognised 251 painters, with 237 earning their NVQ level 3 qualification and 14 earning NVQ level 4 certifications. Among the recipients where 4 female painters.
- Launch of the new and improved JAT Holdings Corporate website
- Volt Charge established strategic partnerships with key hotel chains to deploy EV charging infrastructure across a selection of locations, expanding its commercial charger network across the island.
- Certificate Awarding for 13 differently abled painters acknowledging the completion of the 1st batch of Uniquely Abled Painter Training.

Link to other capitals

Intellectual Capital
Enhanced through shared knowledge, customer insights, and partner-driven innovation

Human Capital
Enriched through stakeholder engagement, collaboration, and knowledge exchange

Natural Capital
Reinforced through responsible practices across the value chain and community-level environmental awareness

Financial Capital
Supported through sustained customer loyalty, partner trust, and stable revenue streams

Advancing our contribution to SDGs



CUSTOMERS

Serving a growing and evolving customer base

JAT continued to serve customers through an expanding and increasingly diversified product portfolio, while deepening relationships across retail, trade and professional customer segments. During the year, our customer reach expanded further with entry into the Australian market through the acquisition of Mirotone (NZ) Limited and the establishment of Mirotone Australia PTY Ltd, including the launch of 10 new products for that market alone, proving our commitment to innovation and growth.

Demand remained positive during the early part of the year, before Cyclone Ditwah temporarily disrupted market activity and distribution channels. Encouragingly, customer demand regained momentum from January onwards, reflecting the resilience of our customer network and the enduring trust placed in our brands.

Responding to customer needs through product and market innovation

GRI 2-30, 402-1

We continued to recalibrate our offerings in response to evolving customer expectations, balancing premium positioning with accessible, value-driven solutions without compromising on quality. Product segmentation initiatives continued during the year, supported by innovations tailored to changing market needs and customer preferences.

Key highlights

- **Expanded product portfolio with new launches in regional markets**
- **Continued product segmentation across premium and mid-tier offerings**
- **Strengthened innovation-led propositions through campaigns such as Hydro+ and White by JAT**
- **Accelerated growth in EV-related solutions, supported by a new digital platform for the EV charging ecosystem**

Building customer relationships through engagement and experience

Customer engagement continued to be strengthened through a mix of trade programmes, experiential platforms and brand-building initiatives designed to bring customers closer to the brand.

HIGHLIGHTS DURING THE YEAR

Trade and consumer engagement

- Title sponsorships and activations such as JAT Golf Classic and Kedella Colombo Trade Fair strengthened brand visibility and engagement





- In-store visibility campaigns supported dealers and expanded market penetration
- Consumer education campaigns and iconic brand campaigns reinforced product awareness and trust
- JAT Paints Africa participated in the Wood International Expo 2025 in Nairobi, Kenya



- Participation in the Bangladesh Wood International Expo, a premier platform uniting the building, woodworking, and electrical industries to showcase innovations and foster collaboration. At the 9th edition, ACL highlighted its sustainable wood coating solutions, shared technical expertise, and engaged with industry partners to strengthen knowledge exchange and drive growth in the sector



- Participation in the 20th National Furniture Fair 2025 at ICCB, Dhaka brought together leading furniture brands to showcase their latest designs, innovations, and coating technologies. JAT ACL participated by presenting its advanced wood coating solutions alongside top industry players, enhancing visibility and building strong business connections.



Professional and lifestyle engagement

- The JAT Lifestyle Studio continued to gain traction as an experiential destination for homeowners, architects and property developers, recording higher footfall and stronger engagement
- Curated engagement forums strengthened relationships with the design and architecture community

SOCIAL & RELATIONSHIP CAPITAL

- The 'Business Connect Series 2025' in Chittagong brought together contractors, dealers, architects, and partners for interactive sessions on wood coatings, modern finishes, and industry insights. The programme fostered dialogue, knowledge sharing, and collaboration to explore future opportunities and strengthen partnerships.



- ACL hosted an exclusive Product Demonstration & Technical Session on wood coatings with Interior Studio, bringing together professionals from architecture, design, and engineering fields. The session showcased Sayerlack's advanced solutions with insights from ACL's technical team and international experts, enhancing participants' knowledge on achieving premium and durable finishes.



Community and trade loyalty building

- JAT Pintharu Abhiman expanded its national footprint, with over 800 painters engaged across eight locations in 25/26



- The JAT Painters Club was launched to deepen trade loyalty and engagement



- Support for skills development continued through the NVQ Convocation and Sisu Athwela education support programme
- In addition to these, technical trainings were held for industrial customers, staff members, divisional training programs and upon request. Through the program, JAT enabled over 1,500 individuals with technical expertise on new technologies and techniques in wood coating and painting.

JAT LOYALTY PROGRAMME – DEEPENING CUSTOMER VALUE

The JAT Loyalty Programme continued to evolve as a key customer relationship platform, supported by feature enhancements, stronger benefits and digital upgrades.

Programme Highlights

22,000
loyalty beneficiaries eligible for cash rewards

30%
increase in off-take driven by programme upgrades

47%
YoY growth in painter engagement

600+
painter connects through engagement platforms

800
painters qualified for insurance benefits

Enhanced Value Propositions

- Weekly claim-point redemption capability introduced
- Platform and software upgrades improved user experience
- Tiered loyalty structure introduced based on purchase volumes
- Special bonus and double-reward promotions drove engagement
- Simplified onboarding improved accessibility

Insurance and wellbeing support

A differentiated feature of the programme was the continued insurance cover extended to eligible painters and their families, with JAT funding the premiums. Coverage included occupational accidents and loss of work income support, with LKR 1.9 Mn in claims paid and 51 painters benefiting during the year.

Responsible customer stewardship

Listening to the customer voice
We continued to listen and respond to customers through ongoing product refinement, engagement and targeted solutions, reinforcing a customer proposition built on relevance, accessibility and trust.

Data Protection and Trust
Customer data, including loyalty programme data, continued to be safeguarded through robust systems and controls, with no sharing of data with third parties and strong security protocols in place.

CUSTOMER TRUST, SAFETY AND RESPONSIBLE MARKET CONDUCT

Product health and safety

GRI 416-1, 416-2

JAT places strong emphasis on product stewardship, with health and safety considerations integrated across the lifecycle of key product categories, from development and formulation to manufacturing and end use. Core product lines, including coatings, paints and adhesives, undergo rigorous assessments covering chemical composition, emissions, application safety and disposal considerations to ensure compliance with relevant local and international standards.

Continuous innovation and R&D efforts support the reduction of potentially harmful substances, enhancement of product safety and improvement of environmental performance, while safety data sheets, technical guidance and user training help promote responsible product use among both industrial and retail customers.

Reflecting the strength of these controls, 100% of products complied with applicable customer health and safety regulations, with no incidents of non-compliance recorded during the year relating to product health and safety.

Protecting customer privacy

GRI 418-1

Safeguarding customer information remains a key priority, supported by robust data privacy and security protocols, including controlled access, encryption measures and practices aligned with the Personal Data Protection Act, 2022. These controls are complemented by transparent communication and responsible consent practices that respect customer rights and confidentiality.

During the reporting year, no substantiated complaints were recorded relating to breaches of customer privacy or losses of customer data.

Responsible marketing and product information

GRI 206-1

JAT is committed to responsible marketing practices and transparent product communication, guided by internal codes, regulatory requirements and customer-centric principles. Product information, labelling and marketing communications are designed to provide clear and accurate information relating to product use, safety and performance, supported by user guidance and product documentation.

During the year, no incidents of non-compliance were recorded relating to product information and labelling, marketing communications, or related regulatory requirements, reflecting the strength of our governance and commitment to responsible market conduct.

PRINCIPALS

GRI 2-6

15
globally reputed principals

JAT has cultivated strong partnerships with over 15 globally reputed principals, providing access to advanced technologies, design-led solutions and world-class expertise that continue to strengthen the Group's intellectual capital and competitive positioning. These alliances have played a key role in broadening our product portfolio and bringing innovative solutions to Sri Lanka and other key regional markets.

Trusted partnerships with global leaders

Our long-standing relationships with leading international brands reflect the strength of mutual trust and shared commitment to quality and innovation. Notably, as the exclusive distributor of Sayerlack products across South Asia and select African territories, JAT has earned recognition as the No.1 global partner of Sherwin-Williams for its wood coatings brand, underscoring the depth and strategic value of this partnership.

JAT
The No.1 global partner of Sherwin-Williams for its wood coatings brand

Gateway to global innovation

These collaborations extend across several internationally recognised brands, including SEAFORM, Herman Miller, Knauf and Lifewood, reinforcing JAT's position as a trusted gateway for global innovation in the region. These partnerships enhance our ability to offer differentiated solutions while supporting knowledge transfer, innovation and long-term value creation.

DISTRIBUTORS

26
Distributors spread across Sri Lanka

The expansive multi-channel distribution network of the JAT Group serves as a critical conduit connecting our diverse product portfolio with customers across Sri Lanka and international markets. Spanning retail customers, trade channels and institutional segments, this network plays a vital role in extending the reach of our brands while supporting accessibility, service responsiveness and market penetration.

Supported by over 6,900 customer touchpoints across Sri Lanka, including hardware outlets and general trade stores, our distributor network ensures broad market coverage and product availability, including in remote regions. Their deep understanding of local market dynamics strengthens responsiveness and service delivery, while serving as the channel through which the quality of our products reaches every corner of the country.

Extending presence through global partners

Beyond Sri Lanka, our distribution footprint spans 10 countries, supported by trusted overseas partners who uphold JAT's standards of quality and service. These relationships continue to strengthen our expanding international presence and support the growing reach of our brands in regional and global markets.

Resilience through Cyclone Ditwah

While Cyclone Ditwah created temporary disruptions across parts of our distribution network, our distributors demonstrated resilience and agility in regaining momentum. Their responsiveness during this period demonstrated the strength of these partnerships and the important role they play in maintaining continuity, supporting customers and carrying our brands to market, even amid challenging conditions.

INFLUENCERS

JAT has responsibly cultivated partnerships with influential figures; including social media personalities, industry leaders, and public icons whose values align with the brand. These collaborations have been instrumental in building brand visibility, credibility, and trust among diverse audiences.

Hydro+ "Bitthi Dosha" Campaign

- Hamilton
- GTV (Music track)
- Now That's Harsha
- Dinel Walpola
- FDO Show
- Ceylon Spider
- Hesara Yagi
- Maru Dabalak
- Azzam Amin

SOCIAL & RELATIONSHIP CAPITAL

SUPPLIERS

Trusted partnerships across the value chain

JAT's supplier relationships are built on trust, continuity and shared value creation. Supported by a diversified network of local and international partners, our suppliers play a critical role in sustaining product quality, operational continuity and supply chain resilience across the Group's businesses. Even amid volatile market conditions, these relationships have supported agility in navigating pricing movements, import constraints and supply disruptions.



Responsible sourcing and local value creation

GRI 204-1

Our sourcing approach balances global capability with growing emphasis on local supplier development, supporting both supply resilience and socio-economic value creation. During the year, 55% of supplier payments, were made to local suppliers, reflecting our commitment to supporting domestic enterprise while reducing dependence on imports.

Structured procurement process of JAT driving collaborative engagement

Supplier relationships are governed through robust procurement processes and standard operating procedures (SOP). The procurement process is integrated into the Group's ERP systems, enabling disciplined, transparent and efficient sourcing. Competitive bidding remains a key principle, complemented by direct sourcing arrangements where strategic or specialised partnerships apply. Supplier selection extends beyond commercial considerations to include quality, reliability, compliance and alignment with responsible business practices, reinforcing a value chain built on shared standards.

Our engagement philosophy is collaborative in nature. We view suppliers as long-term partners, maintaining open engagement, respecting agreed payment terms and working together to manage costs, supply continuity and evolving market conditions in a commercially sustainable manner.

SAFEGUARDING FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

GRI 407-1

JAT recognises freedom of association and collective bargaining as fundamental labour rights and an essential component of responsible business conduct, aligned with relevant International Labour Organization conventions and our Code of Conduct. We remain committed to upholding these rights across our operations and extended supply chain.

Within the supply chain, risk assessments were carried out covering key raw material suppliers, including those operating in jurisdictions where such rights may face heightened exposure. Based on this review, no suppliers were identified where freedom of association or collective bargaining rights were legally restricted or inconsistently upheld.

INDUSTRY COLLABORATIONS

GRI 2-28

We actively collaborate with key industry stakeholders and professional bodies to support the advancement of the sector, recognising that collective progress is strengthened through partnership, knowledge sharing and constructive engagement. Our participation in industry associations enables us to contribute to policy dialogue, stay connected to evolving industry developments, exchange best practices and help shape a stronger and more resilient operating environment.

These engagements also support learning, advocacy and collaboration on matters relevant to business competitiveness, workforce development and broader industry progress, while strengthening relationships with peers and institutions that contribute to the ecosystems in which we operate.

As part of this commitment, JAT maintained membership in several industry associations during the year, including:

- American Chamber of Commerce in Sri Lanka
- Employers' Federation of Ceylon
- Sri Lanka Foreign Employment Agency

Powering our communities

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

Management approach to community engagement

JAT's approach to community engagement is grounded in its commitment to being a responsible and compassionate corporate citizen. The Group focuses on creating shared value for people, the environment, and the economy, ensuring that its initiatives deliver meaningful and sustainable impact.

Strategic focus

The Group's CSR strategy is structured around three key pillars:

- Empowering Communities
- Inspiring Minds
- Sustaining the Planet

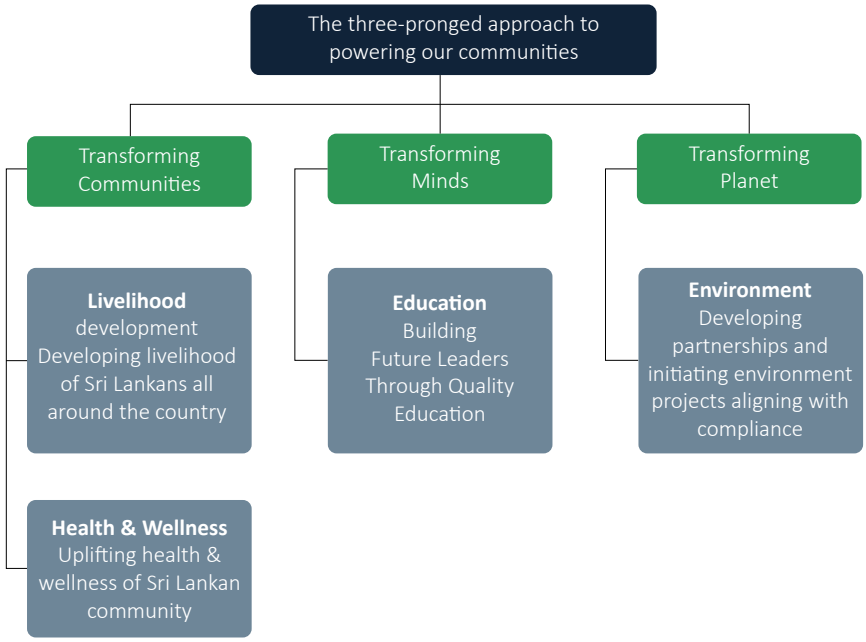
Projects are carefully selected based on community needs, availability of resources, and access to relevant expertise, ensuring strong alignment with both stakeholder expectations and organisational priorities.

Governance

CSR initiatives are guided by a structured governance framework. Project proposals and budgets are reviewed and approved by the Chief Executive Officer, ensuring strategic alignment and accountability. Each initiative is led by the relevant Head of Department, with oversight and coordination provided by the Sustainability Division where necessary- to ensure effective implementation and monitoring.

Employee volunteerism

JAT actively fosters a culture of volunteerism, encouraging employees to contribute their time, skills, and knowledge. This not only strengthens the impact of initiatives but also deepens connections with the communities in which the Group operates.



TRANSFORMING COMMUNITIES

Livelihood Development

JAT Pintharu Abhiman

Elevating Skills. Empowering Communities. Transforming a Profession.

About JAT's flagship initiative

JAT Pintharu Abhiman is the Group's flagship initiative to uplift Sri Lanka's painter community by enhancing professional dignity, recognition, and economic opportunity. Through structured training and certification pathways, the programme transforms painting into a skilled and respected profession while raising industry standards.

Strategic focus

- Technical skill development and professionalisation
- Access to NVQ Level 3 certification
- Enhancing livelihoods and economic opportunity
- Strengthening industry standards

Key partnerships

- Ministry of Labour and Foreign Employment
- MTV/MBC Network (Media Partner)
- National Apprentice and Industrial Training Authority (NAITA)

Impact snapshot

230+
NVQ Level 3 Certified Painters

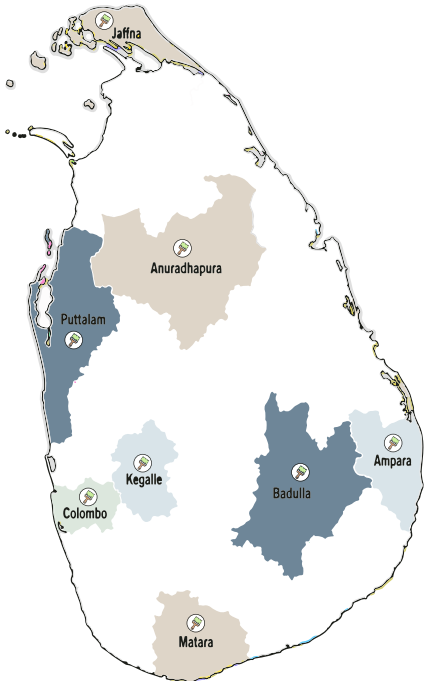
10+
NVQ Level 4 Certified Painters

800+
Participants engaged in 2025/26 workshops

8
Workshops conducted island-wide during 2025/26

Rs. 40 Mn
Investment made

Programme Reach



2025/26 Programme Highlights

Island-wide training expansion

- Phase 3 launched in Matara with 100+ participants
- Expanded to 7 additional locations

Milestone achievement

- Surpassed cumulative 850+ NVQ-certified professionals
- Partnership with Durdans Hospital for health benefits
- Industry insights shared by State Timber Corporation leadership

Driving inclusion

Empowering the uniquely abled

- Training programme with Sri Lanka Deaf Association
- 17 participants trained (2nd batch)
- Specialised delivery with sign language support

During the year, the Group conducted a dedicated session where the first batch of painters received certificates of completion of the program with a session to engage in a dialogue with the senior management of JAT Holdings, including the Sales & Technical divisions and Marketing divisional Directors. This program allowed to better understand the challenges faced by differently abled

painters. Insights gathered were carefully considered and are being translated into practical adjustments, aimed at reducing barriers and creating more accessible opportunities. JAT aims to support the community with accommodating the requests continuously in phases.

Uniquely-abled Painter Training Batch-2

The training for the second batch of differently-abled painters was completed on the 22nd, 23rd March 2026, with the participation of 17 individuals, consisting of individuals involved in painting as a profession, individuals interested in painting & wood coating as an additional income, an novices who were interested in entering painting and wood coating as a profession.

The specialty of the program was the participation of 2 female painters, and 3 students which envisions the impact built within the differently-abled community.



Women in the trade

The first 4 female painters received the NVQ Level 3 qualification at the recent Pintharu Abhiman Convocation marking a remarkable milestone in our women empowerment initiatives.

Why it matters

JAT Pintharu Abhiman is more than a training initiative; it is a movement to redefine a profession. By transforming painting into a recognised and respected skill, the programme empowers individuals with dignity, enhances earning potential, and sets new benchmarks for quality across the industry. At the same time, it opens doors for broader participation, fostering inclusivity and creating opportunities for communities that have traditionally been underserved. Through this, JAT is building skills, whilst shaping a more professional, equitable, and future-ready industry.

Health & Wellness

The annual Blood Donation Campaign

- Was enhanced this year by organising a donation camp in Thalawathugoda and Kahathuduwa, with the participation of more than 150 donors.



Medical Screening program for employees

- The program was conducted for all JAT Holdings and Brush Master employees within Sri Lanka, providing them necessary checkups along with additional test reports required for factory and laboratory workers.





TRANSFORMING MINDS

Education

Developing future champions

Powering National Sports

JAT continued to support initiatives that make a direct contribution to uplifting Sri Lankan sports and athletes, from school-level development to national sporting excellence, reflecting our commitment to empowering communities through sport.

Strengthening national sports infrastructure

JAT continued its five-year strategic partnership with Sugathadasa Stadium, supporting youth development while contributing to the strengthening of national sports infrastructure. As a venue that hosts both local and international events, the partnership reflects JAT's commitment to fostering Sri Lanka's athletic future and advancing the development of sport at scale.

Partnership continuing for the second consecutive year



Championing community sports talent

JAT proudly continued its sponsorship of Sri Lions Sports Club, reflecting its commitment to nurturing local talent and promoting sporting excellence. The partnership underscores our belief in sport as a platform for building discipline, teamwork and resilience, while contributing to our broader goal of investing in communities and empowering emerging talent.

Partnership continuing for the second consecutive year

Supporting grassroots sporting development

With Moratuwa serving as a key hub for the wood coatings market, JAT continued its long-term sponsorship of sports activities at Prince of Wales' College under a 3-year partnership established in FY 2023/24. The initiative reflects our commitment to nurturing young talent, fostering community engagement and reinforcing our presence in a strategically important region.

Partnership continuing for the second consecutive year

Youth Development

Workshop for final-year undergraduates at the faculty of Business Management-University of Sri Jayewardenepura and Rajarata University of Sri Lanka. We equipped over 300 aspiring professionals with essential "sustainability leadership" skills, with the integration of lean manufacturing and ESG principles into industry practices.



TRANSFORMING PLANET

Environment

Herbal and fruit plant Distribution

200 herbal and fruit plants were distributed among donors who participated in the blood donation programs conducted during the year. This initiative was carried out to encourage environmental conservation while appreciating the valuable contribution made by blood donors toward society.

The distribution included a variety of herbal and fruit plants that promote home gardening, healthy living, and greener surroundings. Through this program, the organisation aimed to raise awareness about the importance of environmental responsibility and inspire individuals to contribute toward a more sustainable future.



RISKS AND OPPORTUNITIES

Risks

- Reputational risk arising from product quality, customer experience, or responsible marketing practices
- Increasing competition across coatings, furnishing, and emerging business verticals placing pressure on market share and pricing
- Dependence on distributors, channel partners, and principals for sustained market penetration and customer reach
- Cybersecurity and customer data privacy risks associated with growing digital engagement platforms
- Climate-related disruptions such as Cyclone Ditwah affecting distribution networks, customer demand, and operational continuity
- Challenges in maintaining consistent service standards and partner alignment across expanding international markets
- Risk of non-compliance within the supply chain relating to labour, ethical, or environmental practices
- Talent retention and capability-building challenges amidst rapid expansion and evolving business models

Opportunities

- Expansion into new geographic markets including Australia through the acquisition of Mirotone
- Growing demand for premium, technology-driven, and environmentally responsible coatings solutions
- Strengthening customer loyalty and engagement through digital platforms and enhanced loyalty programmes
- Deepening relationships with architects, designers, painters, and trade professionals through experiential engagement platforms
- Expansion of EV manufacturing and charging infrastructure creating new stakeholder ecosystems and partnerships
- Enhanced product innovation and technical capability through strengthened R&D and international collaborations
- Greater local supplier integration supporting supply resilience and domestic value creation
- Community empowerment initiatives such as JAT Pintharu Abhiman strengthening brand trust and long-term social value creation
- Leveraging smart manufacturing, ERP integration, and data analytics to improve operational responsiveness and customer experience



Forward Focus

- Deepen customer engagement across retail, trade, professional, and industrial segments while strengthening dealer, distributor, and principal partnerships to support market expansion and brand reach
- Continue expanding international operations and emerging business verticals through disciplined, scalable, and resilient growth strategies across geographies
- Advance innovation, product development, and operational excellence through strengthened R&D, digital integration, data-driven decision-making, and global technical collaborations
- Strengthen responsible sourcing, supplier development, governance, product stewardship, and data privacy practices to reinforce trust and long-term value creation across the value chain
- Expand investments in employee capability development, leadership succession, and community empowerment initiatives focused on inclusion, skills development, and livelihood enhancement

NATURAL CAPITAL



Sustaining growth through responsible resource use and environmental stewardship

What Natural Capital means to us at JAT

At JAT, Natural Capital represents the environmental resources that support our manufacturing and operational processes, including land, water, energy, and raw materials. As a paint and coatings manufacturer, our operations are inherently linked to the responsible use and management of these resources.

Why it matters

Effective management of natural capital is essential to

- maintain operational resilience
- improve efficiency
- meet evolving regulatory and market expectations to optimise resource utilisation, reduce environmental impact, manage risks associated with emissions, waste, and resource constraints

Performance snapshot

- Per product Carbon footprint **1.3 x 10^{-4} tCO2e per Liter**
- Per Employee Carbon footprint **2.06 tCO2e**
- **70%** YoY increase of renewable energy generation
- **89%** of waste recycled or reused

Key components

Land including manufacturing locations, warehousing infrastructure, and efficient land utilisation

Water consumption within production processes and conservation practices

Energy comprising electricity and fuel usage across operations

Raw Materials comprising chemical inputs, resins, pigments, and packaging materials

Emissions in form of air emissions, including Volatile Organic Compounds (VOC)

Waste in form of solid, liquid, and hazardous waste management

Strategic focus areas

- Improving energy efficiency across manufacturing operations
- Optimising water usage through process enhancements
- Reducing emissions through improved systems and controls
- Strengthening waste management practices
- Enhancing efficiency in the use of raw materials

Stakeholders linked

Employees

Community

Material themes linked

GRI 3-3

Sustainability and climate action

Product excellence and innovation

Governance and compliance

Highlights from the year

- Enhanced capturing mechanism for GHG data for all significant operational locations compared to previous years.
- Energy conscious transformation initiatives across group operations
- ESG considerations connected to Enterprise risk management process through CRRO and SRRO identification and monitoring.

Link to other capitals

Manufactured Capital
Enhanced through resource-efficient production processes and environmentally responsible infrastructure

Intellectual Capital
Strengthened through sustainable product innovation and environmentally conscious formulation development

Human Capital
Supported through increased employee awareness and adoption of responsible environmental practices

Social and Relationship Capital
Reinforced through responsible environmental stewardship, strengthening stakeholder trust and community confidence

Financial Capital
Optimised through cost efficiencies driven by energy savings, resource optimisation, and waste reduction

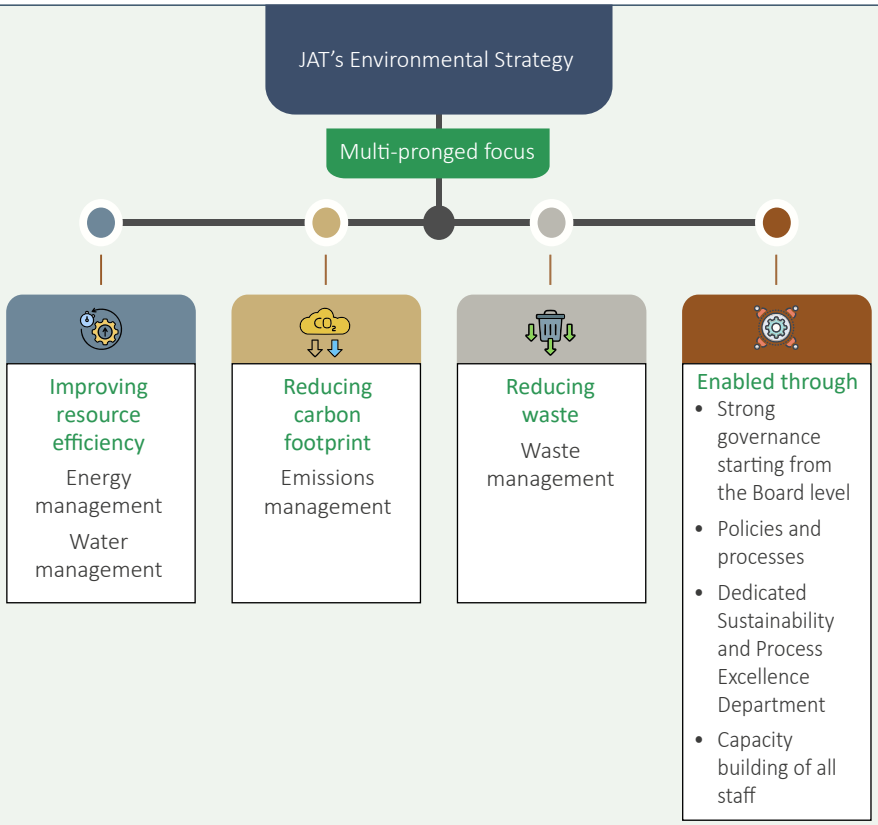
Advancing our contribution to SDGs



MANAGEMENT APPROACH

At JAT, we recognise that as a paint manufacturing company, our operations are inherently linked to the use of natural resources, as well as the generation of emissions and waste. This places a clear responsibility on us to manage our environmental footprint with care, discipline, and accountability. Minimising our impact on the natural world is therefore not peripheral, but integral to how we operate and create long-term value.

Our approach to environmental stewardship is guided by the JAT Sustainability Framework, which provides a structured and consistent basis to identify, manage, and monitor our key environmental priorities. Equally important is the role of our people. Through ongoing awareness, training, and engagement, we continue to build a workforce that is conscious of its environmental responsibilities and equipped to translate intent into measurable action across our operations.



ENVIRONMENTAL SUSTAINABILITY GOVERNANCE

JAT's robust and evolving governance structure for environmental sustainability is anchored by a clearly defined Sustainability Framework which guides the identification, management, and monitoring of key environmental priorities across the Group. Sustainability is firmly embedded within the Group's strategic agenda, with ultimate accountability resting with the Board of Directors, which provides direction, oversight, and stewardship of long-term sustainability objectives. The Board-approved policy framework explicitly recognises environmental management and sustainability as critical strategic priorities.

Operational responsibility for executing the sustainability agenda is entrusted to the Sustainability and Process Excellence Department. This specialised function works closely with business units to drive implementation, monitor performance, and continuously enhance processes, ensuring that sustainability considerations are effectively integrated into day-to-day operations. The Department also plays a key role in advancing process optimisation, strengthening environmental compliance with applicable standards, and fostering a culture of responsible resource use across the organisation.

With the adoption of SLFRS S1 and SLFRS S2 Sustainability Reporting Standards, mandatory for the Group from the financial year commencing 1 April 2025, JAT has further strengthened its governance architecture. In line with these requirements, oversight of sustainability, including climate-related risks and opportunities, has been formally brought under the purview of the Board of Directors, enabling more structured and focused oversight of climate-related matters, including risk identification, monitoring, and alignment with the Group's broader risk management framework.

This enhanced governance structure ensures stronger connectivity between financial reporting, risk management, and sustainability disclosures, while reinforcing accountability at the highest levels of the organisation.

Governance Structure

Board of Directors

Oversight on Group ESG Priorities, evaluate the effectiveness of the sustainability strategies and hold Management accountable on ESG results

Chief Executive Officer

Leads environmental sustainability priorities through adequate resource allocation and guidance

Dedicated Sustainability and Process Excellence Department

Mapping sustainability related risks and opportunities (SRROs) and climate related risks and opportunities (CRROs) designing and driving related initiatives

Guided by
JAT Environmental, Social, Governance Policy

JAT ESG Sustainability Framework
Purpose: Sets out JAT's sustainability goals and plans
Primary focus:
Elimination of carbon emissions and other adverse impacts generated through the production of paint and coating products

Other focus areas:

- Energy, waste, water, effluent and chemical management
- Process excellence to enhance resource efficiency
- Eco-innovation
- Preserving biodiversity

JAT's long-standing impact initiatives in managing natural capital

JAT Chemical Conscious Journey

Green Seal Certification (USA)

Other Environmental Safety Protocols Followed by JAT

JAT CHEMICAL CONSCIOUS JOURNEY

Overview

Launched in 2022 as a cross-functional initiative, the programme continues to advance sustainable product design and reduce the environmental impact of JAT's paint portfolio, building on the Green Seal Certification achieved in 2022/23.

Strategic Focus

- Minimise environmental impact across the product lifecycle
- Promote responsible material usage and sustainable alternatives
- Extend impact beyond products to employees and communities

Sustainable Sourcing

- Key inputs: chemical raw materials and packaging
- Increased focus on incorporating recycled materials
- All new suppliers screened against environmental and social criteria
- No adverse environmental impacts reported during the year

Lifecycle Approach

Covers the full value chain:

Raw Materials → Packaging → Production → Finished Goods → Waste Management → Customer Awareness

What sets it apart

A holistic approach that integrates product responsibility with employee engagement and community impact

GREEN SEAL CERTIFICATION (USA)

Overview

A key milestone in JAT's Chemical Conscious Journey, with Green Seal certification maintained for the third consecutive year (2025/26), reinforcing our commitment to environmentally responsible product design and manufacturing.

Why It Matters

- Low Volatile Organic Compounds (VOC) content
- Safer, environmentally responsible formulations
- No intentional addition of priority harmful substances
- Sustainable packaging practices

Performance Assurance

- Independently validated under scientific testing conditions
- Meets ASTM standards for: adhesion, applicability, scrubbability, and washability
- Ensures high performance without compromising sustainability

Certified Products

- WHITE by JAT – Interior Emulsion
- WHITE by JAT – Exterior Emulsion
- Master's All-in-One Wood Coating

Industry Leadership

- JAT is the only paint manufacturer in Sri Lanka to hold this certification

Environmental Impact

- Protects human health
- Preserves the climate
- Supports clean water systems
- Minimises waste

OTHER ENVIRONMENTAL SAFETY PROTOCOLS FOLLOWED BY JAT

Overview

JAT adheres to a comprehensive set of mandatory and voluntary environmental protocols, ensuring responsible operations across the value chain.

Regulatory Compliance

- Environmental Protection License (EPL) – Central Environment Authority
- Hazardous Waste Management License
- Annual Fire Cover Certificate – Fire Service Department
- Full compliance with all applicable national laws and regulatory conditions

ISO Standards

- ISO 14001:2015 – Environmental Management System
- ISO 9001:2015 – Quality Management System

In Practice

- Structured environmental monitoring and continuous improvement
- Responsible sourcing and energy-efficient distribution
- Waste minimisation and pollution control (air & water)
- Emissions treated and tested prior to release

Eco-Label Certification

- Certified by National Cleaner Production Centre
- Covers 10 products
- Independent third-party validation of environmentally responsible products

Responsible Care Certification

- Member of Lanka Responsible Care Council
- Certification held since 2015
- Aligns with global Responsible Care® principles

Focus Areas

- Health and safety
- Environmental protection
- Secure and responsible chemical management
- Transparent stakeholder engagement

YEAR IN REVIEW – DELIVERING ON JAT'S ENVIRONMENTAL STRATEGY

ENERGY MANAGEMENT

GRI 302-1,302-3,302-4

RT-CH-130a. 1

Management approach

Energy management continued to be a priority within JAT's Mihikathata Dayawen environmental agenda during the year. The Group strengthened its approach through the revision of its Energy Management Policy, aligning it with ISO 50001 principles and setting a clear pathway towards certification over the next two years.

The Policy, endorsed by the CEO and senior leadership, provides direction for improving energy efficiency across operations. JAT's energy mix primarily comprises electricity and fossil fuels, including diesel and petrol.

To operationalise this approach, the Group has implemented structured energy management practices:

• Planned Energy Utilisation

Factory operations are guided by a scheduled energy utilisation plan designed to minimise demand on the national grid during peak periods. This enables better control of kVA levels, resulting in optimised energy consumption and cost efficiencies.

• Data-Driven Energy Monitoring

Investment in electricity analysers has enhanced visibility into energy usage across manufacturing facilities. Kaizen projects have been enabled with data driven approach due to the energy indicators energy performance of the facility for decision making on saving opportunities available. Insights generated are used to identify high-consumption areas and implement targeted efficiency improvements.

Key Initiatives

- Policy strengthening: Formal adoption and communication of the revised Energy Management Policy across management and factory operations
- Capacity building: Targeted training and awareness programmes for factory staff on energy efficiency and conservation practices
- Operational efficiency: Enhancing machine usage practices to optimise energy consumption at the factory level
- Sustainable procurement: Integration of energy efficiency criteria in the selection of electrical equipment and fixed assets
- Energy monitoring: Continuation of energy audits to track performance and identify efficiency improvements

Key performance statistics – Energy consumption

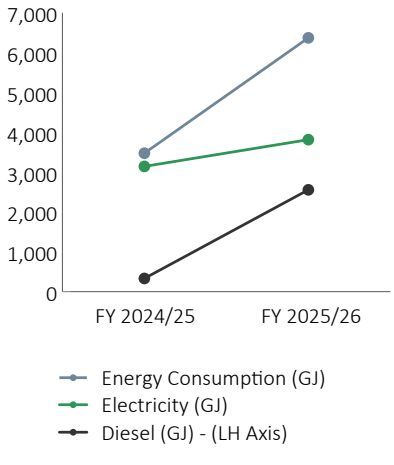
Energy consumption is currently disclosed only for owned properties, as data for rented properties is presently based on assumptions and estimates. The scope of operations enhanced with the initiation of Volt Charge Operations within JAT's Factory Complex in Kahathuduwa and the capacity enhancement of Acrylic Binder Plant operations. Hence YoY change remains positive as activity scope utilising energy has expanded"

Energy consumption by source

Source	FY26	FY25	YoY change (%)
Electricity (GJ)	3,845.6	3,143.9	22
JAT Holdings			
Head Office – Thalawathugoda	1,555.3		
Factory Complex – Kahathuduwa	1,506.6		
Acrylic Binder Plant – Horana	233.0		
Subsidiaries			
Asia Coatings (Pvt) Ltd – Bangladesh	357.4		
Mirotone NZ Limited – New Zealand	193.2		
Diesel (GJ)	2,555.1	331.0	672
JAT Holdings			
Head Office – Thalawathugoda	885.0		
Factory Complex – Kahathuduwa	319.0		
Acrylic Binder Plant – Horana	220.0		
Subsidiaries			
Asia Coatings (Pvt) Ltd – Bangladesh	1,109.1		
Mirotone NZ Limited – New Zealand	21.0		
Total energy Consumption (GJ)	6,400.6	3,474.9	83

**The disclosure was made collectively for the group in FY25. Hence, only total consumption data is available for FY25*

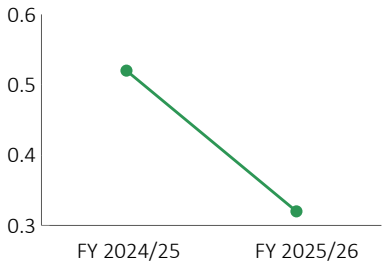
Energy consumption in GJ



Energy intensity

	FY26	FY25	YoY change (%)
Energy intensity (GJ/Rs. Mn)	0.51	0.32	59

Energy intensity



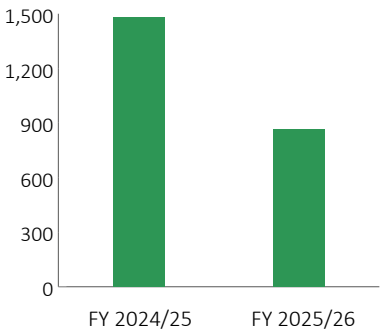
Investment in renewable energy generation

Premises	Investment in solar power – In Rs. Mn	Since	Power generation 2025/26 – In kWh	Percentage of premises energy requirement met
Head Office – Thalawathugoda	15.30	2020/21	144,121	33%
Factory Complex – Kahathuduwa	28.65	2018/19	145,165	35%
Acrylic Binder Plant – Horana	17.20	2024/25	121,497	188%
Total	61.15		410,783	

Renewable energy generation (kWh)

Location/Entity	FY26	FY25	YoY change (%)
Head Office – Thalawathugoda	144,121		
Factory Complex – Kahathuduwa	153,751		
Acrylic Binder Plant – Horana	121,497		
Percentage grid electricity (%)	61%	72%	
Percentage renewable energy (%)	39%	28%	
Total Generation (kWh)	410,783	240,950	
Total self-generated energy (GJ)	1,478.82	867.00	70

Renewable energy generation



Rs.61.2 Mn
Investment in renewable energy

466 KW
Solar power generation capacity

3 locations
Installed with solar panels

70%
Increase in solar power generated over 2024/25

39
Total electricity demand met through solar power

YEAR IN REVIEW – DELIVERING ON JAT'S ENVIRONMENTAL STRATEGY

WATER MANAGEMENT

GRI 303-1, 303-2, 303-3, 303-4, 303-5

RT-CH-140a. 1 RT-CH-140a. 2 RT-CH-140a. 3

Management approach

Water stewardship at JAT is approached with a strong focus on efficiency, accountability, and responsible use. Given the water-intensive nature of operations, the Group manages its consumption through a formal Water Management Policy, ensuring that usage is controlled and environmental impacts are minimised.

Source of water withdrawn:

All operational water requirements are sourced through the National Water Supply and Drainage Board, with safeguards in place to prevent any adverse impact on ground or surface water resources. The company does not operate in any water stress areas to ensure minimal impact to the community. Complementing this, rainwater harvesting systems installed at the Head Office and factory locations support non-operational uses such as gardening and cleaning, reducing dependence on treated water sources.

Water footprint and measurement

JAT continues to lead industry transparency by quantifying and disclosing the water footprint of its emulsion paint range (interior and exterior), on a gate-to-gate basis.

Our water footprint

Average Water footprint per litre of emulsion paint
2.16 L/L

Among the few in the local paint industry to provide this level of disclosure

Water footprint

Product	Water footprint (L/L)
WHITE BY JAT EXTERIOR EMULSION	2.13
WHITE BY JAT INTERIOR EMULSION	2.18
WALLZ EXTERIOR EMULSION	2.28
WALLZ INTERIOR EMULSION	2.31

Monitoring and efficiency improvements

During the year, a detailed water audit was conducted at the Kahathuduwa and Binder Plant facilities, leveraging data generated through the sub-metering system. This enabled the identification of high-consumption areas and operational "hot spots," providing valuable insights to drive targeted efficiency improvements and optimise overall water usage.

The Group maintained full compliance with all applicable water-related regulations, with no incidents of non-compliance reported during the period.

Water withdrawal and consumption

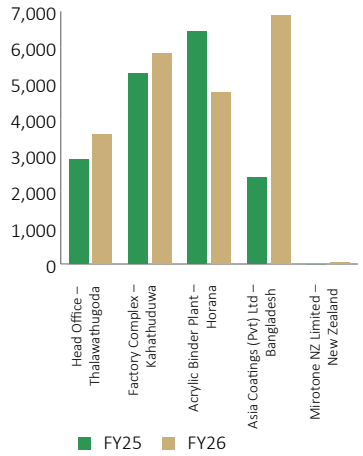
Total water withdrawn– In ML	FY26
Head Office – Thalawathugoda	3.6
Factory Complex – Kahathuduwa	5.8
Acrylic Binder Plant – Horana	4.8
Asia Coatings (Pvt) Ltd – Bangladesh	6.9
Mirotone NZ Limited – New Zealand	5.2×10^{-2}
Total	21.2

During the year, there were no incidents of non-compliance associated with water quality permits, standards and regulations.

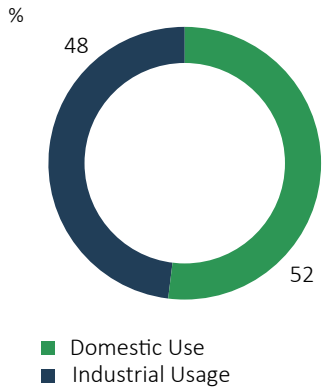
ML	FY26	FY25
Industrial Usage	6.7	1.6
Head Office – Thalawathugoda	0.0	
Factory Complex – Kahathuduwa	3.6	
Acrylic Binder Plant – Horana	3.1	
Domestic Use	7.4	16.2
Head Office – Thalawathugoda	3.6	
Factory Complex – Kahathuduwa	2.3	
Acrylic Binder Plant – Horana	1.6	
Total	14.1	17.8

**The disclosure was made collectively for the group in FY25. Hence, only total consumption data is available for FY25*

Water withdrawal and consumption



Composition of water usage



Wastewater and effluent management

- In-house automated wastewater treatment plants at each manufacturing location
- Total treatment capacity: 15,000 litres
- Ensures safe treatment prior to discharge, in line with regulatory requirements

Key Partnerships

- Prudence Engineering Services Pvt Ltd – optimisation of treatment plant performance
- INSEE Ecocycle Lanka (Pvt) Ltd – responsible disposal of hazardous sludge

Effluents discharged

All effluents are treated to the Surface Level water quality standards and disposed through conditions set by the Central Authority of Sri Lanka and Waste Management Guidelines set by governing bodies in New Zealand and Bangladesh.

In ML	FY26	FY25
Factory Complex – Kahathuduwa	0.5	0.4

REDUCING CARBON FOOTPRINT

GRI 305-1, 305-2, 305-3, 305-4, 305-5

RT-CH-140a. 1 RT-CH-140a. 2 RT-CH-140a. 3

Management approach

Managing emissions is a critical priority, given their direct link to climate change, regulatory expectations, and evolving stakeholder demands. For a manufacturing organisation like JAT , emissions also reflect underlying operational efficiency, particularly in energy use and process optimisation. As such, monitoring and reducing emissions supports environmental stewardship, whilst it drives cost efficiencies and strengthens long-term business resilience.

The Group measures its carbon footprint in line with the methodology prescribed by the Greenhouse Gas Protocol, applying emission factors from the Global Warming Potential (GWP) of emissions set out by The Intergovernmental Panel on Climate Change (IPCC). The calculations were done through formulating

During the year, JAT applied the full transitional relief available under SLFRS S2 – Climate-related Disclosures, and accordingly has measured and reported complete emissions for Scope 1 and scope 2. Under Scope 3 emissions company has only reported on 3 categories based on availability throughout the reporting boundary. For comprehensive disclosures on emissions under SLFRS S2, including the Group's emission reduction metrics and targets, please refer to page 193 of the SLFRS Sustainability-related Financial Disclosures (SLFRS S1 and SLFRS S2) Report.

In 2025/26 the organisational boundary for GHG emissions was expanded to cover the newly established entity, Mirotone NZ Limited. Accordingly, 2025/26 will be used as the base year, in calculating reduction in emissions in the future. Due to this expansion, the YoY change remains positive instead of a reduction of emissions.

Carbon foot print (2025/26)

1,123.23 tCO2e

Scope 01 Emissions	tCO2e
JAT Holdings	
Head Office – Thalawathugoda	40.37
JAT Factory Complex – Kahathuduwa	44.20
JAT Binder Plant – Horana	26.25
Subsidiaries	
Asia Coatings (Pvt) Limited – Bangladesh	133.33
Mirotone NZ Limited – New Zealand	10.93

Scope 02 Emissions	tCO2e
JAT Holdings	
Head Office – Thalawathugoda	130.10
Factory Complex – Kahathuduwa	173.14
Acrylic Binder Plant – Horana	10.83
Subsidiaries	
Asia Coatings (Pvt) Limited – Bangladesh	61.53
Mirotone NZ Limited – New Zealand	5.43

Scope 03 Emissions (tCO2e)					
Category	JAT Holdings			Subsidiaries	
	Head Office – Thalawathugoda	Factory Complex – Kahathuduwa	Acrylic Binder Plant – Horana	Asia Coatings (Pvt) Limited-Bangladesh	Mirotone NZ Limited – New Zealand
Purchased goods and services – Water Consumption	0.52	0.84	0.62	0.99	0.01
Transmission and Distribution loss	14.78	19.77	2.47	0.01	0.33
Employee commuting	136.9	156.03	31.21	98.42	9.29
Waste generated	6.71	7.04	1.18	0	0

Emissions intensity (2025/26)

in tCO2e	FY26
Per product Carbon footprint tCO2e per Liter	$1.3^{*}10^{-4}$
Per Employee Carbon footprint tCO2e	2.06

External Assurance on GHG Emissions

JAT accomplished a major milestone in its GHG Emission disclosure by obtaining third party verification on its group-wide Scope 01 and 02 emissions through the National Cleaner Production Centre Sri Lanka. Through this, The Greenhouse Gas Statement of the Group has been verified in accordance with the ISO 17029: 2019 and ISO 14064-3: 2019 standards as meeting the requirements of ISO 14064-1: 2018 standards.

National Cleaner Production Centre, Sri Lanka

ISO/IEC 17029
VVB 003-01

Greenhouse Gas Verification Opinion

The Greenhouse Gas Statement of

JAT Holdings PLC

has been verified in accordance with the ISO 17029: 2019 and ISO 14064-3: 2019 standards as meeting the requirements of ISO 14064-1: 2018 standards

Opinion No	: NCPC/CFP/OL/2026/05
Period of Assessment	: 01/04/2025-31/03/2026
Date of Issue	: 29/05/2026
Level of Assurance	: Reasonable Level Assurance
Selected Boundary	: Operationally controlled business operations of JAT Holdings PLC including 5 sites (3 sites in Sri Lanka, 1 site in Bangladesh, 1 site in New Zealand)

Summary of Greenhouse Gas Inventory – 2025/26

Category 01-Direct GHG emissions and removals	: 255.08 tonnes CO_2e
Category 02-Indirect GHG emissions from imported energy	: 381.03 tonnes CO_2e
Total GHG emission	**: 636.11 tonnes CO_2e**

According to the GHG Protocol Corporate Standard,

Scope 01-Direct GHG emissions	: 255.08 tonnes CO_2e
Scope 02-Indirect GHG emissions from electricity	: 381.03 tonnes CO_2e
Total GHG emission	**: 636.11 tonnes CO_2e**

Samantha Kumarasena
Chief Executive Officer

This statement is not valid without the full verification scope, objectives, criteria, conclusion available on report no GHG/OL/ON/2026/05

REDUCING WASTE

GRI 306-1, 306-2, 306-3, 306-4, 306-5

RT-CH-150a. 1

Management Approach

Waste management at JAT is approached through a structured and responsible framework aimed at reducing environmental impact while supporting efficient operations. Similar to the trend experienced in the prior year, as production volumes and operational scope expanded during the year, overall waste generation increased. This was further influenced by enhanced data capture and monitoring systems using Internet of Things (as was discussed in detail in Manufactured Capital in page 138), which have improved visibility and accuracy in waste reporting.

The Group continues to prioritise waste minimisation through disciplined practices centred on reduction, reuse, and recycling, supported by clearly defined procedures for safe handling and disposal.

Key impacts and mitigation measures

- ***Landfill waste***

Food waste directed to landfill contributes to land use pressures and emissions. To address this, a daily meal planning system has been implemented, improving demand visibility and significantly reducing excess food waste. This initiative has proven highly effective in managing food waste.

- ***Hazardous waste (Sludge)***

Sludge, the primary hazardous waste stream, is disposed of through controlled incineration processes in compliance with environmental standards, minimising potential air quality impacts.

- ***Resource efficiency***

Higher waste volumes reflect increased resource consumption. In response, the Group has strengthened its reuse and recycling initiatives, including the repurposing of cardboard, plastic containers, and metal materials.

- ***Contamination prevention***

Enhancements to the Raw Material Warehouse, including the installation of a spill containment system, have strengthened safeguards against potential leaks and contamination, supported by strict handling protocols.

Key waste by types

Hazardous Solid Waste

JAT operates under a Scheduled Waste Management License issued by the Central Environmental Authority of Sri Lanka for its local manufacturing sites, reinforcing its commitment to the safe handling of hazardous waste. The Group engages licensed waste handlers for the collection and disposal of chemical-contaminated materials, ensuring full compliance with environmental and safety requirements while minimising risks to human health and the environment.

Non-Hazardous Solid Waste

General waste generated from operations is managed through partnerships with authorised service providers. These collaborations enable the reuse, recycling, and repurposing of materials, supporting circular economy principles and reducing reliance on landfill disposal.

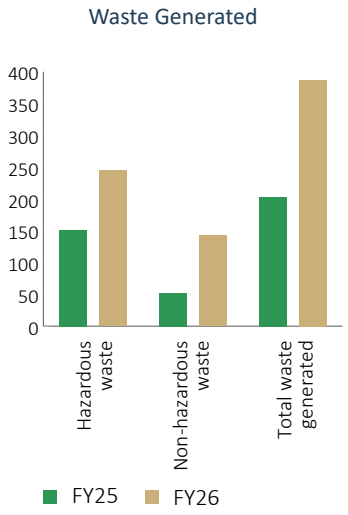
E-Waste

E-waste is centrally managed through the IT function, with systems in place for responsible collection and segregation.

Given the relatively low volumes generated during the year, disposal has been deferred to the next financial year to ensure efficient and compliant handling.

Waste generated

During the year, enhanced waste generation data collection mechanisms were used across operational sites.



In metric tons	FY26	FY25	YoY change (%)
Hazardous waste	244.5	151.4	152
JAT Holdings			
Head Office – Thalawathugoda	0		
Factory Complex – Kahathuduwa	84.2		
Binder Plant – Horana	26.2		
Subsidiaries			
Asia Coatings (Pvt) Limited – Bangladesh	132.7		
Mirotone NZ Limited – New Zealand	1.4		
Non-hazardous waste	142.6	51.6	176
JAT Holdings			
Head Office – Thalawathugoda	5.0		
Factory Complex – Kahathuduwa	66.2		
Binder Plant – Horana	27.4		
Subsidiaries			
Asia Coatings (Pvt) Ltd – Bangladesh	28.5		
Mirotone NZ Limited – New Zealand	15.5	0	
Total waste	387.1	203.0	158

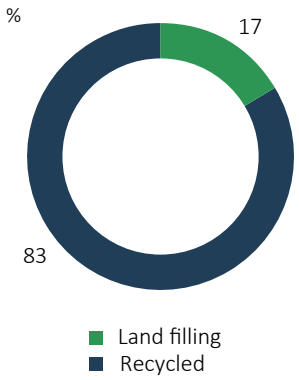
**The disclosure was made collectively for the group in FY25. Hence, only total consumption data is available for FY25*

Waste directed to disposal and diverted from disposal

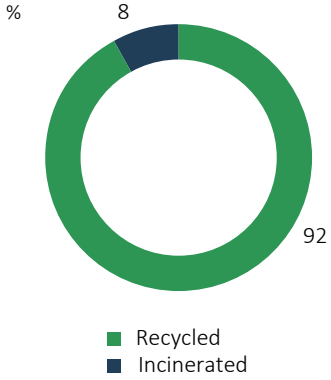
In metric tons		FY26	FY25
Non-hazardous	Land Filling	23.7	5.5
	Recycled	118.9	46.5
Hazardous	Recycled	224.5	137.3
	Incinerated	20.1	14.12
Total measured waste		387.1	203.0

*Due to the expansion of operations and reporting boundary, the waste generation has increased. JAT aims to set FY26 as the base year to analyse and identify waste management and minimization methodologies.

Non-hazardous waste disposal Methods



Hazardous waste disposal methods



RISKS AND OPPORTUNITIES

Risks

Climate related risks identified under SLFRS S1 and S2 Sustainability Reporting requirements

- Extreme weather events
- Policies and Regulations on low-carbon transition
- Voluntary or forced retirement of product technologies

Other

- Volatility in energy prices and fuel costs impacting manufacturing expenses and operational efficiency
- Water scarcity and resource constraints affecting production processes and long-term operational sustainability
- Risks associated with hazardous waste, VOC emissions, and chemical handling potentially impacting environmental compliance and stakeholder trust
- Dependence on environmentally sensitive raw materials and imported chemical inputs exposing the Group to supply disruptions and sustainability-related scrutiny
- Reputational risks arising from failure to meet evolving environmental expectations of customers, regulators, and international markets

Opportunities

- Strengthening market competitiveness through environmentally responsible products and internationally recognised certifications such as Green Seal Certification
- Enhancing operational efficiency and cost optimisation through energy, water, and waste reduction initiatives
- Growing demand for sustainable, low-VOC, and environmentally conscious coatings solutions across local and international markets
- Increased use of recycled materials and sustainable sourcing practices supporting circular economy principles and supply resilience
- Strengthening stakeholder trust, brand credibility, and export market access through robust environmental stewardship and compliance
- Leveraging innovation and R&D capabilities to develop more sustainable product formulations and environmentally efficient manufacturing processes
- Opportunities to access sustainability-linked partnerships, collaborations, and environmentally conscious customer segments



Forward Focus

- Continue improving energy efficiency, emissions management, and resource optimisation through process enhancements, technology integration, and operational excellence initiatives
- Advance water stewardship through enhanced wastewater treatment, increased reuse of treated water for operational applications, and continued reduction of freshwater consumption
- Expand environmentally responsible products and sustainable formulations under initiatives such as the JAT Chemical Conscious Journey
- Strengthen governance, monitoring, and climate-related oversight in line with SLFRS S1 and SLFRS S2 Sustainability Reporting Standards
- Enhance sustainable sourcing, supplier screening, and lifecycle-based environmental management across the value chain
- Continue building employee awareness and capability in environmental stewardship and responsible operational practices
- Strengthen climate resilience through improved environmental risk management, business continuity planning, and preparedness for a low-carbon transition

ESG PERFORMANCE

Advancing ESG Outcomes

ESG considerations form a core strategic pillar of JAT, guiding the Group's approach to responsible and sustainable growth. As a manufacturing organisation with chemical-based inputs, we remain acutely aware of our environmental footprint and the responsibility to minimise it. Accordingly, we are focused on reducing emissions, improving resource efficiency, and aligning our practices with national sustainability priorities.

On the social front, JAT is committed to creating meaningful value for all stakeholders, including employees, customers, suppliers, and the communities we serve, through targeted and inclusive initiatives.

Strong ethics and governance underpin our operations and have been fundamental in building the trust and confidence of our shareholders over the years.

Alongside financial performance and market expansion, advancing ESG outcomes remains a key priority. Our strategy, processes, and people are aligned to this agenda, with continuous monitoring and evolution of our initiatives to ensure the delivery of relevant, long-term value to stakeholders.

JAT SUSTAINABILITY FRAMEWORK



Environment

Energy Management
(Refer Page 185)

Waste Management
(Refer Page 189)

Water Management
(Refer Page 187)

GHG Emission Management
(Refer Page 188)



Business

Financial Compliance

Economic Performance
(Refer Page 16)

Responsible Marketing
(Refer Page 175)

Beyond Financial Compliance

Process Excellence
(Refer Page 144)

Safety Management
(Refer Page 145)

Chemical Management
(Refer Page 184)

Eco Innovation
(Refer Page 167)



Our People

Inclusivity
(Refer Page 178)

Talent Development
(Refer Page 155)

Career Planning
(Refer Page 152)

Leadership Development
(Refer Page 153)

Employee Wellbeing
(Refer Page 157)



Society

Transforming Communities
(Refer Page 177)

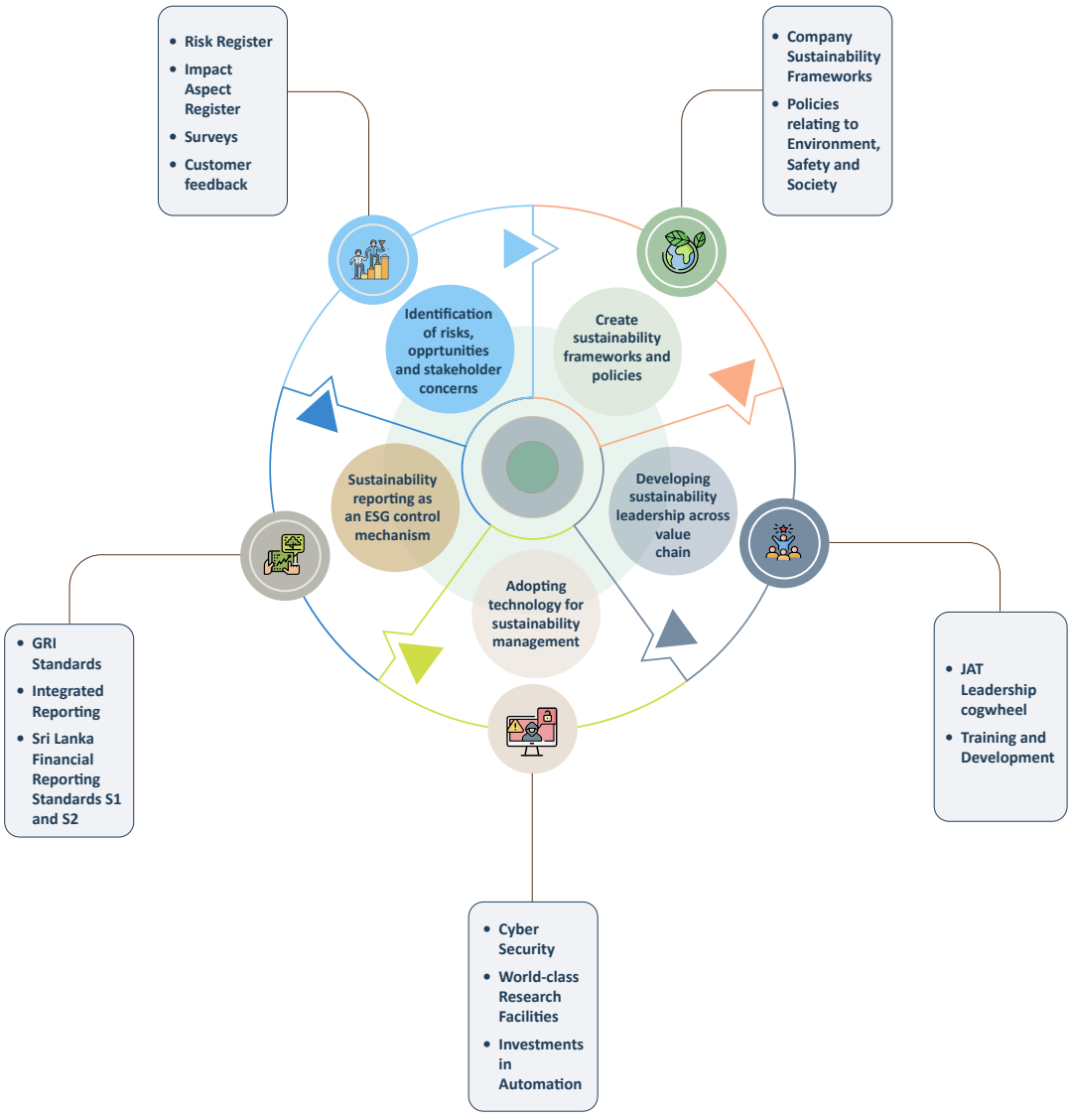
Livelihood Development
Health and Wellness

Transforming Minds
(Refer Page 178)

Transforming Planet
(Refer Page 179)

JAT SUSTAINABILITY INTEGRATION

As JAT continues to expand across markets, product categories, and business segments, sustainability has increasingly become embedded within the way the Group governs, operates, innovates, and creates value. Rather than being pursued as a standalone agenda, sustainability considerations are progressively integrated into strategic decision-making, operational excellence, product stewardship, people development, technology adoption, and stakeholder engagement. This integrated approach enables the Group to strengthen resilience amidst evolving environmental, social, and governance expectations, while supporting responsible growth and long-term competitiveness.



SLFRS SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES (SLFRS S1 AND SLFRS S2)

GRI 3-3, 201-2

This Report marks the first year in which JAT Holdings PLC has adopted and reported in accordance with SLFRS S1 and SLFRS S2, following the standards becoming mandatory for the top 100 listed entities in Sri Lanka for financial periods commencing on or after 1 January 2025. The adoption of these Standards reflects the Group's commitment to enhancing transparency, strengthening sustainability-related governance and disclosures, and aligning its reporting practices with globally recognised sustainability reporting frameworks.

PART 1 – BASIS OF PREPARATION

REPORTING ENTITY

This Sustainability and Climate-related Financial Disclosure Report has been prepared by JAT Holdings PLC ("JAT" or "the Group") for the financial year ended 31 March 2026. The Report presents sustainability-related and climate-related information pertaining to the Group's operations and activities, in accordance with the Sri Lanka Sustainability Disclosure Standards SLFRS S1 and SLFRS S2 issued by the Institute of Chartered Accountants of Sri Lanka.

The disclosures contained herein are intended to provide stakeholders with material information on the sustainability-related risks and opportunities ("SRROs") and climate-related risks and opportunities ("CRROs") that could reasonably be expected to affect the Group's strategy, business model, operational resilience, cash flows, access to finance, cost of capital, and long-term enterprise value.

The Group operates across multiple business verticals including wood coatings / paints / brushes / chemicals / surface solutions / EV infrastructure / recycling / other business segments, with operations spanning Sri Lanka and selected international markets. Accordingly, the Report reflects the diversified operational and geographic footprint of the Group and the evolving sustainability context within which it operates.

ORGANISATION BOUNDARY AND VALUE CHAIN

The reporting boundary adopted for this Report aligns substantially with the financial reporting boundary of the Group, encompassing JAT Holdings PLC and its subsidiaries over which the Group exercises control or significant operational oversight during the reporting period.

The disclosures cover the Group's owned operations, manufacturing facilities, warehouses, distribution centres, corporate offices, and operational activities across all material business segments and geographies, unless otherwise stated.

In assessing sustainability-related and climate-related risks and opportunities, the Group also considered relevant portions of its upstream and downstream value chain. This includes, where material and reasonably ascertainable:

- Procurement of raw materials, chemicals, timber-based inputs, packaging materials, and related logistics services
- Third-party manufacturing and outsourced operational activities, where applicable
- Distribution networks, dealers, and channel partners
- Customer usage patterns and product lifecycle considerations
- Waste generation, recycling, and end-of-life management aspects
- Exposure to climate-related, environmental, social, and regulatory risks arising within supplier and customer ecosystems

The extent of value chain information incorporated into the disclosures was determined based on data availability, reliability, operational influence, and materiality considerations. Certain value chain information continues to evolve as the Group further strengthens sustainability-related data collection processes and stakeholder engagement mechanisms across its wider ecosystem.

BASIS OF MATERIALITY

The Group applied the materiality principles prescribed under SLFRS S1 and SLFRS S2 in determining the information disclosed within this Report.

Information was considered material if omitting, misstating, or obscuring such information could reasonably be expected to influence decisions made by primary users of general-purpose financial reports, including investors, lenders, regulators, customers, and other stakeholders.

The Group adopted an enterprise value-focused approach to materiality, considering sustainability-related and climate-related matters that could reasonably be expected to impact:

- Financial performance and position
- Operational continuity and resilience
- Strategic execution and competitiveness
- Access to capital and financing conditions
- Reputation and stakeholder trust
- Long-term value creation potential

The materiality assessment process incorporated:

- Management and functional leadership input
- Enterprise risk management considerations
- Industry-specific sustainability factors
- Emerging regulatory developments
- Stakeholder expectations and market trends
- Sector-specific sustainability disclosures and peer benchmarking
- Climate-related transition and physical risk considerations relevant to the Group's operating context

The Group also considered both current and anticipated impacts across short-, medium-, and long-term time horizons when evaluating material sustainability-related and climate-related risks and opportunities.

QUANTITATIVE JUDGEMENTS

The preparation of this Report required the use of estimates, assumptions, and quantitative judgements in relation to sustainability-related and climate-related disclosures.

Quantitative judgements were applied in areas including, but not limited to:

- Estimation of greenhouse gas emissions across Scope 1 and Scope 2 categories, and where applicable, selected Scope 3 categories
- Energy consumption calculations and renewable energy contributions
- Climate-related exposure assessments across operational locations and value chain activities
- Identification of climate-sensitive sectors and operational dependencies
- Assessment of resource consumption trends and efficiency indicators
- Estimation of future operational

impacts arising from climate-related and sustainability-related risks and opportunities

Such estimates and assumptions were based on the best information available at the reporting date, including internally generated operational data, industry references, supplier information, emission conversion factors, and internationally recognised methodologies where applicable.

Given the evolving nature of sustainability-related reporting practices, data availability, and measurement methodologies, certain disclosures may be subject to future refinement as the Group continues to enhance internal systems, governance structures, and reporting capabilities.

QUALITATIVE JUDGEMENTS

The Group exercised qualitative judgement in determining the relevance, scope, and presentation of sustainability-related and climate-related information disclosed within this Report.

Qualitative judgements were applied in areas including:

- Identification and prioritisation of material sustainability-related and climate-related risks and opportunities
- Determination of appropriate reporting boundaries across the value chain
- Assessment of the significance and likelihood of identified sustainability-related matters
- Evaluation of climate resilience and operational adaptability
- Alignment of disclosures with industry practices and stakeholder expectations
- Interpretation of emerging sustainability-related regulatory and reporting developments

Management also considered the Group's strategic priorities, operational context, stakeholder interests, and long-term value creation objectives in determining the nature and extent of disclosures presented.

As sustainability reporting practices continue to mature globally and locally, the Group expects to further refine its methodologies, assumptions, and disclosure practices over time.

FUNCTIONAL CURRENCY

All disclosures are made in Sri Lankan Rupees (LKR), which is the presentation and functional currency of the Group, unless otherwise stated. Where information pertaining to overseas operations, international transactions, or foreign currency-denominated activities has been included, such amounts have been translated into Sri Lankan Rupees using exchange rates considered appropriate at the reporting date or relevant transaction dates, as applicable.

SOURCES OF GUIDANCE

The following sources provided the analytical and conceptual foundation for the Group's sustainability-related and climate-related financial disclosures under SLFRS S1 and SLFRS S2, ensuring that the Group's approach remains evidence-based, sector-relevant, locally grounded, and aligned with evolving global reporting expectations.

Sri Lanka Sustainability Disclosure Standards – SLFRS S1 and SLFRS S2

The Group's disclosures were principally guided by SLFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 Climate-related Disclosures, issued by the Institute of Chartered Accountants of Sri Lanka based on IFRS S1 and IFRS S2 developed by the International Sustainability Standards Board (ISSB).

These standards formed the primary basis for:

- Identification of material sustainability-related and climate-related risks and opportunities
- Determination of disclosure structure and reporting requirements
- Assessment of governance, strategy, risk management, and metrics and targets disclosures
- Consideration of connected information and enterprise value impacts
- Alignment with globally recognised sustainability disclosure principles

Sustainability Accounting Standards Board (SASB) Standards

The Group referenced relevant Sustainability Accounting Standards Board (SASB) Standard- Chemicals to its operating sectors and business activities, including manufacturing, chemicals, building products, industrial goods, and related sectors, where relevant.

These standards assisted in identifying industry-specific sustainability topics, operational risks, and disclosure metrics most likely to influence enterprise value and stakeholder decision-making.

Sri Lanka's Nationally Determined Contributions (NDCs)

The Group also considered Sri Lanka's Nationally Determined Contributions (NDCs), national climate commitments, and related policy directions in understanding the evolving domestic climate landscape, sectoral transition pathways, and regulatory priorities relevant to its operations and value chain.

These references supported the Group's assessment of:

- Climate-related transition risks and opportunities
- Exposure to evolving environmental regulations and policy shifts
- National renewable energy and emissions reduction ambitions
- Sector-specific climate resilience considerations
- Broader environmental and economic implications arising from climate change within Sri Lanka and the wider region

Additional Guidance and Industry References

The Group additionally considered selected internationally recognised sustainability-related frameworks, climate references, industry publications, peer disclosures, and internally established governance and risk management processes in strengthening the quality, relevance, and consistency of disclosures presented within this Report.

REPORTING PERIOD

This Report covers the period from 1 April 2025 to 31 March 2026.

TIME HORIZON

JAT defines its time horizons for assessments in the following manner:

- Short term (S): 0 to 2 years
- Medium term (M): 2 to 5 years
- Long term (L): 5 to 10 years

CONNECTED INFORMATION

The sustainability-related and climate-related disclosures presented in this Report are designed to provide connected information demonstrating how the identified sustainability-related risks and opportunities ("SRROs") and climate-related risks and opportunities ("CRROs") relate to the Group's governance structures, strategy, risk management processes, operational priorities, and performance management mechanisms, as well as their potential linkages to the financial statements and other core disclosures contained within this Annual Report.

The Group recognises that sustainability-related and climate-related matters are increasingly interconnected with long-term enterprise value creation, operational resilience, stakeholder confidence, and strategic competitiveness. Accordingly, efforts have been made to ensure that disclosures presented throughout this Report reflect an integrated and connected reporting approach consistent with the principles of SLFRS S1 and SLFRS S2.

Connectivity to Financial Statements	Where relevant and reasonably determinable, the identified SRROs and CRROs have been considered in the context of their potential impact on the Group's financial position, financial performance, cash flows, capital allocation priorities, asset utilisation, operational expenditure, investment decisions, and long-term strategic direction. Given the evolving maturity of sustainability-related financial reporting practices and methodologies, the extent of quantitative financial connectivity remains subject to ongoing enhancement. Accordingly, certain sustainability-related and climate-related impacts are presently disclosed qualitatively within this Report.
Connectivity to Governance	The governance structures described within the Corporate Governance section of this Annual Report, together with the governance disclosures presented within this Sustainability and Climate-related Financial Disclosure section, outline the oversight mechanisms through which sustainability-related and climate-related matters are governed across the Group. Oversight of material sustainability-related and climate-related matters is exercised by the Board of Directors and relevant management committees, supported by cross-functional collaboration across operational, finance, risk, human resources, procurement, sustainability, manufacturing, and strategic business functions. The Group continues to strengthen governance processes relating to ESG integration, climate-related oversight, operational resilience, responsible sourcing, environmental stewardship, and long-term sustainability considerations as part of its broader corporate governance framework.
Connectivity to Strategy	The identified SRROs and CRROs are directly connected to the Group's strategic priorities, long-term growth aspirations, operational transformation initiatives, and value creation model. Climate-related transition risks, evolving regulatory expectations, changing customer preferences, technological advancement, resource constraints, and shifting market dynamics have the potential to influence the Group's operating environment across its manufacturing, distribution, export, and industrial operations. At the same time, opportunities arising from sustainable products, resource-efficient operations, renewable energy adoption, innovation, circular economy practices, responsible sourcing, export diversification, and emerging green industries support the Group's long-term strategic positioning and growth ambitions. These considerations continue to inform investment priorities, operational planning, product innovation, manufacturing modernisation, and market expansion initiatives across the Group.
Connectivity to Risk Management	The identified SRROs and CRROs are integrated into the Group's broader risk management and governance processes. Sustainability-related and climate-related considerations are evaluated alongside operational, strategic, financial, regulatory, supply chain, and reputational risks within the Group's enterprise risk management framework. Where relevant, climate-related and environmental considerations are incorporated into operational decision-making, resource planning, supplier engagement, manufacturing processes, investment evaluations, and business continuity considerations. The Group continues to strengthen internal capabilities relating to sustainability-related risk identification, climate-risk awareness, environmental impact management, and resilience planning across its operations and value chain.

SLFRS SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES (SLFRS S1 AND SLFRS S2)

Connectivity to Metrics and Targets	The Group continues to progressively strengthen sustainability-related and climate-related metrics, data collection systems, and performance monitoring mechanisms. Disclosures included within the ESG and sustainability-related sections of this Annual Report outline selected indicators relating to environmental performance, energy management, emissions, employee-related matters, responsible business practices, operational efficiency, and community impact. As the Group's sustainability reporting maturity evolves, future reporting periods are expected to incorporate broader metrics, enhanced data granularity, expanded climate-related indicators, and progressively measurable sustainability-related and climate-related targets aligned with the Group's strategic objectives and stakeholder expectations.
Other Connectivity and Best-Practice Linkages	The sustainability-related and climate-related matters identified within this Report are closely connected to the Group's material matters assessment process and broader stakeholder engagement activities. Stakeholder expectations, market developments, evolving regulations, investor priorities, customer trends, industry developments, and sustainability-related global trends continue to inform the Group's assessment of material sustainability-related and climate-related risks and opportunities. The Group's sustainability-related initiatives and disclosures also support broader alignment with the United Nations Sustainable Development Goals (SDGs), particularly those relating to: • Responsible consumption and production • Industry, innovation and infrastructure • Affordable and clean energy • Climate action • Decent work and economic growth Cross-functional coordination across operational, finance, procurement, sustainability, manufacturing, human resources, and strategic business teams further supports the integration of sustainability-related considerations into decision-making, business planning, and long-term value creation initiatives.

TRANSITIONAL RELIEFS

As SLFRS S1 and SLFRS S2 are being implemented in Sri Lanka for the first time, and in accordance with the transitional provisions permitted under the Standards, JAT Holdings PLC has elected to apply all available transitional reliefs during the first year of adoption. Accordingly, the following transitional reliefs have been applied:

a) SLFRS S1 – Disclosure of Climate-related Risks and Opportunities Only

In accordance with the transitional provisions under SLFRS S1, during the first annual reporting period in which the Standards are applied, the Group has elected to disclose information relating only to climate-related risks and opportunities in accordance with SLFRS S2. Consequently, the requirements of SLFRS S1 have been applied only to the extent relevant to climate-related disclosures presented within this Report.

b) SLFRS S1 – Comparative Information

In accordance with the transitional relief provisions, the Group is not required to disclose comparative information relating to climate-related risks and opportunities during the first annual reporting period of adoption.

Further, in the second annual reporting period in which the Standards are applied, comparative information relating to broader sustainability-related risks and opportunities, other than climate-related matters, will also not be mandatory.

c) SLFRS S2 – Scope 3 Greenhouse Gas Emissions

The Group has applied the transitional relief permitting entities to initially disclose Scope 1 and Scope 2 greenhouse gas emissions only.

Accordingly, Scope 3 greenhouse gas emissions disclosures have not been included within this Report and will be progressively developed in line with the applicable implementation timelines and the continued enhancement of value chain data availability and reporting capabilities.

d) SLFRS S2 – Anticipated Financial Effects

The Group has applied the transitional relief permitting the deferral of certain qualitative disclosures relating to the anticipated financial effects of climate-related risks and opportunities.

Given the evolving maturity of methodologies, assumptions, and climate-related financial assessment processes, certain anticipated financial effect disclosures will continue to be progressively enhanced over future reporting periods.

e) SLFRS S2 – Climate Resilience Disclosures

The Group has also applied the transitional relief relating to climate resilience disclosures. Accordingly, climate resilience assessment processes, scenario analysis capabilities, and related disclosure practices are expected to continue evolving over the permitted transition period as internal capabilities, methodologies, and climate-related analytical frameworks mature further.

SIGNIFICANT JUDGEMENTS AND UNCERTAINTIES

Given the evolving nature of sustainability-related and climate-related risks and opportunities, the developing maturity of sustainability reporting practices, and limitations relating to the availability, consistency, and quality of certain data across operations and value chain activities, significant judgement has been exercised in preparing the disclosures contained within this Report.

Judgements and assumptions were applied in areas including:

- Identification and prioritisation of material sustainability-related and climate-related risks and opportunities
- Assessment of potential impacts on the Group's business model, operations, strategy, and value chain
- Determination of relevant reporting boundaries and value chain considerations
- Selection of appropriate assumptions, methodologies, and estimation techniques

- Evaluation of operational resilience and potential climate-related impacts
- Assessment of the significance and timing of sustainability-related and climate-related matters

Given the evolving nature of regulatory expectations, industry practices, sustainability-related data systems, and climate-related methodologies, certain disclosures remain subject to refinement as the Group continues to strengthen internal capabilities, governance mechanisms, and sustainability-related reporting processes over time.

STATEMENT OF COMPLIANCE

This Report represents the sustainability-related and climate-related financial disclosures of JAT Holdings PLC and its subsidiaries (collectively referred to as "the Group") for the financial year ended 31 March 2026.

The disclosures contained herein have been prepared in accordance with the Sri Lanka Sustainability Disclosure Standards SLFRS S1 and SLFRS S2 issued by the Institute of Chartered Accountants of Sri Lanka, incorporating all applicable transitional reliefs elected by the Group during the first year of adoption.

The Report has been prepared using information available as at the reporting date and reflects the Group's current sustainability-related governance structures, risk management processes, strategic priorities, operational context, and reporting capabilities.

PART 2 – GOVERNANCE

BOARD OVERSIGHT ROLE

In meeting the requirements of SLFRS S1 and SLFRS S2, the Board of Directors of JAT Holdings PLC provides oversight of sustainability-related risks and opportunities (SRROs) and climate-related risks and opportunities (CRROs) that could reasonably be expected to affect the Group's prospects.

Board-level oversight of sustainability-related matters has been delegated to the Board Audit Committee, following the revision of its Terms of Reference (ToR) during the year to formally include oversight responsibilities relating to sustainability and climate-related disclosures and governance.

The Board Audit Committee reports its observations and recommendations to the Board through regular updates and circulation of meeting minutes, enabling sustainability-related considerations to be integrated into the Group's governance, risk management, and strategic decision-making processes where relevant.

RESPONSIBILITY

The Board Audit Committee is responsible for overseeing the Group's sustainability-related governance and disclosure processes in line with SLFRS S1 and SLFRS S2 requirements.

Specifically, the Committee:

- Oversees sustainability-related and climate-related disclosures within the Annual Report
- Monitors developments relating to SLFRS S1 and SLFRS S2 and other emerging sustainability-related reporting requirements
- Reviews sustainability-related risks and opportunities identified by management
- Supports the integration of sustainability-related considerations into the Group's broader governance and risk management processes

The Group expects to continue strengthening its sustainability-related governance framework progressively as part of its ESG journey.

SKILLS AND COMPETENCIES

During the year, awareness-building and knowledge-sharing sessions were conducted for Directors and management on sustainability-related reporting requirements, including SLFRS S1 and SLFRS S2, emerging ESG developments, and climate-related disclosure expectations.

These sessions supported the strengthening of sustainability-related knowledge and governance oversight capabilities across the Group.

INFORM, ADDRESS AND MONITOR

Management periodically updates the Board Audit Committee and the Board on material sustainability-related and climate-related matters relevant to the Group.

Such updates include:

- Developments relating to identified SRROs and CRROs
- Emerging regulatory and reporting developments
- Progress on sustainability-related disclosures and reporting readiness
- Sustainability-related initiatives and governance developments across the Group

The Board Audit Committee will continue to monitor the Group's sustainability-related disclosure readiness, governance practices, and management responses to material sustainability-related and climate-related matters.

MANAGEMENT ROLE

At management level, sustainability-related matters are coordinated through a Management ESG Committee comprising representatives from Finance / Operations / Manufacturing / Human Resources / Supply Chain / Sustainability / Corporate Planning and other relevant business functions.

The Committee supports the implementation of sustainability-related initiatives and coordinates sustainability-related reporting, data collection, and disclosure processes aligned with SLFRS S1 and SLFRS S2.

The Management ESG Committee periodically updates the Board Audit Committee on key developments and progress relating to sustainability-related matters.

Delegation

The operationalisation of the Group's sustainability agenda has been delegated to the Management ESG Committee and relevant management teams across the business.

The Committee functions under a management-approved framework and comprises cross-functional representation from relevant departments and operational functions.

This structure supports the effective coordination, monitoring, and escalation of sustainability-related and climate-related matters across the Group.

Policies and Procedures

The Group's sustainability-related governance is supported through internal policies, procedures, governance frameworks, and operational controls applicable across the business.

These include policies and practices relating to:

- Environmental, Social, and Governance Policy
- Risk Management and Internal Controls Policy
- Energy Management Policy

These frameworks support the identification, assessment, management, and reporting of sustainability-related and climate-related matters relevant to the Group's operations and value chain.

PART 3 – STRATEGY

Following are the Group's three CRROs.

Risk Description	Risk Rating 2025/26	CRRO 1 – Extreme weather events	
CRROs impact on Prospects	Description	JAT explicitly identifies extreme weather events including heatwaves, storms, cyclones, and floods could disrupt operations and the company's financial performance across our manufacturing facilities in Sri Lanka, Bangladesh, New Zealand and Australia.	
	Physical risk or transition risk	Physical Risk (Acute)	
	Time horizon	S, M, L	
Business Model and Value Chain	Current effects on business model and value chain	Occasionally, severe weather events and natural disasters have negatively affected our upstream and downstream activities. • Flooding and landslides due to cyclone Ditwah resulted in production disruptions for less than a week. In addition to this Property damage was caused in JAT's main warehouse. • JAT also extended support to its employees who were affected by the disaster	
	Anticipated effects on business model and value chain	• Higher premiums or unavailability of coverage in high-risk zones can affect cost structure and risk profile. • Investments in resilient infrastructure (e.g., elevated facilities, flood proofing, storm-resilient buildings) can increase capital expenditure and slow ROI. • Invest in robust infrastructure and technology to withstand extreme weather events. This includes enhancing disaster recovery plans, improving cybersecurity measures, and adopting cloud-based solutions to ensure continuity of operations during disruptions. • As regulatory scrutiny on climate-related risks intensifies, companies will need to enhance their compliance frameworks and reporting practices. This may involve integrating climate risk into overall risk management strategies and providing transparent disclosures to stakeholders regarding exposure to extreme weather events. • Sri Lanka's extreme weather (floods, storms) frequently disrupts transport and endangers employee commutes, reducing productivity and increasing absenteeism during and after severe events.	

	CRRO 2 - Policies and Regulations on low-carbon transition	CRRO 3 - Voluntary or forced retirement of product technologies
	As a company in the business of manufacturing chemicals, the company operates with multiple national and international compliance relating to health, safety, and environmental laws, and regulations. International treaties coming into action, such as the Paris agreement addressing climate change, the national and international authorities are in the process of developing and adopting policies requiring low carbon transition.	As a company in the business of manufacturing chemicals, the company operates with multiple raw materials that emit volatile organic compounds (VOCs) into the environment during its production process and use phase. International treaties coming into action, such as the Paris agreement addressing climate change, the national and international authorities are adopting policies with heightened global and local regulations on volatile organic compound (VOC) emissions and "regulatory push for greener manufacturing practices.
	Transition Risk	Transition Risk
	S, M, L	S, M, L
	No identified current effects in operational locations.	No identified current effects in operational locations.
	Sri Lanka has formally introduced National Environmental (EPR) Regulations. Producers must meet compliance targets set in the regulations and adopt individual or collective EPR schemes • Lifecycle-based evaluation • Emission-reduction-aligned acquisition priorities • Integration with national sustainability goals • JAT's investment in research and technology adoption enhances opportunities for further carbon reduction activities. Hence, the company's standing as an environmental steward will be intensified.	While regulators have not forced retirement, all signals point toward an inevitable transition, where solvent based technology will face accelerated obsolescence, either voluntarily (market driven) or mandatorily (policy driven). Higher tax percentages and restrictions might be implemented on importing of solvents Public procurement may begin restricting solvent based paints. JAT's entry into the New Zealand and Australian markets maintain tight solvent restrictions, making solvent based product longevity highly uncertain. These markets require compliance with: • Strict environmental/VOC regulations • Product chemical disclosure standards • Emission reduction strategies

Risk Description	Risk Rating 2025/26	CRRO 1 – Extreme weather events	
Business Model and Value Chain	Where is it concentrated?	**Operations / Manufacturing Infrastructure (Primary Concentration)** • Significant focus on physical assets and production facilities, requiring investment in resilient infrastructure such as flood-proofing and elevated or storm-resistant buildings. • Potential disruptions to production continuity and increased capital expenditure are concentrated here. **Cost Structure and Risk Management** • Impact is concentrated on costs and financial risk profile, particularly through higher insurance premiums and possible unavailability of coverage in high-risk zones. **Technology and Business Continuity Systems (Cross-cutting)** • Investments in disaster recovery systems, cybersecurity, and cloud-based solutions indicate concentration on ensuring continuity of operations during disruptions. **Value Chain (Upstream and Downstream Linkages)** • While effects span the value chain, the concentration is operationally driven, impacting logistics and supply chain continuity during extreme weather events.	
	Plans to respond to in Strategy, Risk Management, Transition Plans and Climate related Targets	• Acrylic Binder and Alkyd Resin plants have historically reduced input cost volatility and reliance on external suppliers, strengthening resilience against supply chain shocks. • JAT's multinational footprint (Sri Lanka, Bangladesh, Maldives, Africa etc.) diversifies geographic risk; severe weather affecting one region may have less net effect if other markets maintain activity. • JAT's Sri Lankan distributor repayments are covered by bank guarantees upto 50%-60%. • JAT's Bangladesh Clientele is mainly industrial customers. Hence, remaining credit is guaranteed to be covered eventually. • JAT's exposure to extreme weather is assessed based on customer geography, and reliance on climate-exposed logistics and infrastructure. JAT's diversification across continents helps maintain momentum of its operations in one or more regions during the disruption of a particular region during extreme weather events. • Diversification of supplier bases in different geographical regions and maintaining good relationships with multiple suppliers over time serves as a contingency plan for supply chain disruptions during extreme weather events. • JAT Invests in research to better understand the long-term impacts of climate change on chemical related manufacturing industry, allowing for more informed decision-making. Currently, JAT offers low-VOC paints, reducing the overall impact of JAT process emissions. • JAT promotes awareness of climate risks among customers, advocating climate consciousness, and encouraging them to adopt mitigation measures through dialogues such as the JAT Industrial Partners' Night, Featuring an address on future industry trends and the importance of sustainability within the wood coating sector Diversification of Investments to include sustainable and resilient projects that are less susceptible to climate-related market fluctuations such as investing in Electric Vehicle Charger unit manufacturing	

	CRRO 2 - Policies and Regulations on low-carbon transition	CRRO 3 - Voluntary or forced retirement of product technologies
	Product Portfolio and R&D (Primary Concentration) • Strongest impact is on product design, formulation, and innovation, driven by the need to comply with evolving environmental standards (e.g., low-VOC and sustainable coatings). • Continuous reformulation and upgrading of products to meet regulatory requirements is a key focus area. **Compliance, Governance, and Reporting** • Concentrated impact on internal compliance frameworks and disclosures, including alignment with emerging climate-related reporting standards and regulatory expectations. • Increased requirements for documentation, monitoring, and governance oversight. **Cost Structure and Capital Allocation** • Impact on cost base and investment planning, including compliance costs (certifications, testing, reporting) and capital allocation towards sustainable product development and process adjustments **Market Access and Customer Segments** • Influence on market positioning and competitiveness, particularly in developed markets where stricter environmental regulations apply. • Ability to access and sustain presence in these markets is closely linked to regulatory compliance.	**Product Portfolio and Formulation (Primary Concentration)** • The most significant impact is on existing product lines, particularly those reliant on materials (e.g., VOC-emitting inputs) that may become non-compliant under evolving regulations. • This creates pressure to phase out or replace legacy technologiesand reformulate products. **Manufacturing Processes and Technology** • Concentration on production methods and equipment, which may require upgrading or replacement to align with greener manufacturing practices and emerging industry standards. • Transition to new technologies impacts operational efficiency and capital investment requirements. **R&D and Innovation Capability** • Strong impact on research and development, as continuous innovation is required to develop alternative formulations and new product technologies. • Increased dependency on R&D to maintain competitiveness and compliance. **Market Competitiveness and Demand** • Impact on market positioning, as customer preferences and regulatory requirements shift toward more sustainable and advanced products. • Risk of reduced demand for outdated or non-compliant product lines.
	Sri Lanka's officially approved National Policy on Green Procurement provides criteria for Eco-label aligned purchasing and an increased shift in public sector procurement towards low-carbon and resource-efficient goods. • JAT currently offers 10 Eco Label Certified signature emulsion, and wood coating products which places us higher in public procurement selection processes. • Plan to increase the number of certified products to 25+ within the next FY. JAT has aligned its sustainability roadmap in alignment with the UN Carbon Net-zero roadmap. • reduce carbon footprint by 30% by 2030 • 50% by 2035 • reaching net zero status by 2050 Under this alignment energy efficiency, renewable energy adoption and resource efficiency and cleaner production initiatives are carried out.	• Under the company's Chemical Conscious Journey, increased knowledge sharing and scrutiny on chemical management, VOC emissions, and GHG reductions are being carried out through the Sustainability Division to all manufacturing staff. • Company's R&D Division continuously investigate alternative materials to replace current VOC emitting materials. VOC capture systems already installed within manufacturing facilities to regulate the emissions during the production process.

SLFRS SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES (SLFRS S1 AND SLFRS S2)

Risk Description	Risk Rating 2025/26	CRRO 1 – Extreme weather events	
Strategy and Decision Making	How JAT is Resourcing and Plan to Resource Activities	JAT proactively allocates financial and operational resources to strengthen resilience against extreme weather events across its geographically diversified operations. The Group is investing in climate-resilient infrastructure, including flood-proofing, elevated facilities, and storm-resistant buildings, while enhancing disaster recovery and business continuity frameworks to minimise disruption. In parallel, JAT is prioritising technology enablement—such as cloud-based systems and improved cybersecurity—to ensure operational continuity during adverse events. These initiatives are supported by forward-looking capital planning to address rising insurance costs and evolving risk exposure, positioning the Group to sustain operations and protect long-term value amid increasing climate volatility.	
	Progress (quantitative and qualitative)	**Qualitative Progress** • Strengthened disaster recovery and business continuity frameworks to improve organisational readiness for climate-related disruptions. • Initiated investments in climate-resilient infrastructure, including flood-proofing and storm-resistant facilities, to reduce vulnerability across operations. • Enhanced technology resilience through increased adoption of cloud-based systems and improved cybersecurity to maintain operational continuity during disruptions. • Integrated climate risk considerations into strategic planning, including diversification of operational and logistics infrastructure (e.g., warehouse risk mitigation). **Quantitative / Observable Progress** • Limited disruption from recent extreme weather events, with production interruptions contained to less than one week during cyclone-related flooding. • Ongoing capital allocation towards resilient infrastructure and risk mitigation measures, reflected in increased investment requirements and adjustments to risk-related cost structures (e.g., insurance exposure).	
Financial Effects	Current year financial effects to the Income Statement (IS), Balance Sheet (BS) and Cash Flows (CF)	Current year financial effects to the Income Statement (IS), Balance Sheet (BS) and Cash Flows (CF)- Not identified to the current FY	

	CRRO 2 - Policies and Regulations on low-carbon transition	CRRO 3 - Voluntary or forced retirement of product technologies
	JAT allocates financial and human resources to strengthen its ability to respond to evolving low-carbon regulations across its operating markets. The Group is investing in product innovation and reformulation, particularly in environmentally compliant and low-VOC coatings, while enhancing internal compliance, reporting, and governance frameworks to meet increasing regulatory requirements. In addition, JAT is embedding climate-related regulatory considerations into strategic and capital planning processes, ensuring readiness for policy shifts, certification requirements, and potential cost impacts, thereby supporting long-term competitiveness and market access.	JAT allocates financial and technical resources to continuously upgrade its product portfolio in response to evolving regulatory, environmental, and market expectations. The Group invests in research and development, product reformulation, and adoption of new technologies to phase out obsolete or non-compliant products. Strategic planning incorporates lifecycle management of products, ensuring timely transition to advanced, sustainable alternatives while minimising disruption to operations and market presence.
	Qualitative Progress • Strengthened internal governance and compliance frameworks to align with evolving climate-related regulatory requirements and disclosure standards. • Integrated sustainability considerations into product development, including the advancement of low-VOC and environmentally compliant coatings for developed markets. • Incorporated climate-related regulatory risks into strategic and financial planning, ensuring readiness for policy shifts across multiple jurisdictions. • Enhanced stakeholder engagement, including alignment with banks, regulators, and international compliance frameworks, to support transparent climate risk reporting. **Quantitative / Observable Progress** • Achieved near-zero VOC standards across key product lines, supporting compliance with regulatory requirements in developed markets. • Ongoing allocation of capital towards compliance, certification, and product reformulation to meet tightening environmental standards. • Exposure to regulatory-driven cost impacts (e.g., compliance costs, reporting obligations, and potential changes in financing conditions) has been formally identified and incorporated into risk assessments.	**Qualitative Progress** • Strengthened R&D capabilities to support innovation and transition towards advanced and sustainable product technologies across markets. • Ongoing product reformulation and upgrading of legacy product lines to align with regulatory, environmental, and customer requirements. • Embedded product lifecycle management into strategic planning to proactively address risks of technological obsolescence. • Leveraged international operations (e.g., New Zealand integration) to enhance knowledge transfer and accelerate product innovation **Quantitative / Observable Progress** • Expansion of R&D capacity, effectively doubling capability following international integration, supporting accelerated product development and transition efforts. • Continuous pipeline of updated and reformulated products across markets, reflecting active transition away from outdated technologies. • Increased investment in product development and value engineering initiatives to improve performance, cost efficiency, and compliance with emerging standards.
	Current year financial effects to the Income Statement (IS), Balance Sheet (BS) and Cash Flows (CF)- Not identified to the current FY Anticipated financial effect over short, medium and long term to IS, BS and CF- Utilizing Transitional Relief on the disclosure.	Current year financial effects to the Income Statement (IS), Balance Sheet (BS) and Cash Flows (CF)- Not identified to the current FY Anticipated financial effect over short, medium and long term to IS, BS and CF- Utilising Transitional Relief on the disclosure.

SLFRS SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES (SLFRS S1 AND SLFRS S2)

Risk Description	Risk Rating 2025/26	CRRO 1 – Extreme weather events	
Financial Effects	Significant risk of material adjustments to carrying value of assets and liabilities in the next financial year	We have not identified significant risk of material adjustments to carrying value of assets and liabilities in the next financial year.	
	Anticipated financial effect over short, medium and long term to IS, BS and CF	Refer transitional relief note	
Climate Resilience	Resilience assessment	Refer transitional relief note	
	How and When Climate Scenario Analysis was performed. Disclosure of (i) Inputs; (ii) Key Assumptions, and (iii) Reporting period in which scenario analysis was carried out	Refer transitional relief note	
Judgements and Uncertainities		Please see page 196 for Judgements and Uncertainties.	

	CRRO 2 - Policies and Regulations on low-carbon transition	CRRO 3 - Voluntary or forced retirement of product technologies
	We have not identified significant risk of material adjustments to carrying value of assets and liabilities in the next financial year.	We have not identified significant risk of material adjustments to carrying value of assets and liabilities in the next financial year.
	Refer transitional relief note	Refer transitional relief note
	Refer transitional relief note	Refer transitional relief note
	Refer transitional relief note	Refer transitional relief note
	Please see page 196 for Judgements and Uncertainties.	Please see page 196 for Judgements and Uncertainties.

SLFRS SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES (SLFRS S1 AND SLFRS S2)

PART 4 – RISK MANAGEMENT

As part of its initial adoption of SLFRS S1 and SLFRS S2, JAT Holdings PLC has undertaken an assessment of climate-related risks and opportunities (CRROs) relevant to the Group's operations, value chain, and long-term strategic direction.

Through this process, the Group identified selected transition risks, physical risks, and climate-related opportunities that may influence operational resilience, manufacturing activities, supply chain continuity, market dynamics, and future growth prospects.

Given that sustainability-related and climate-related processes continue to evolve across the Group, this year's disclosures are primarily qualitative in nature and focused on establishing the foundation for progressively enhanced climate-related governance, risk management, and reporting practices in future years.

PROCESSES AND POLICIES RELATING TO CRROS

As part of its first-year adoption of SLFRS S1 and SLFRS S2, JAT Holdings PLC commenced the identification and assessment of climate-related risks and opportunities (CRROs) relevant to the Group's operations, manufacturing activities, supply chain, and long-term strategic direction.

Climate-related considerations are being progressively integrated into the Group's broader governance and risk management processes in line with evolving regulatory expectations and sustainability-related reporting requirements.

The Group recognises that the aforementioned risks may impact operational resilience, manufacturing continuity, supply chain stability, technology adaptation, and long-term business competitiveness over time.

CLIMATE-RELATED CONTEXT AND ALIGNMENT

The Group's climate-related approach remains aligned with evolving local and global sustainability developments, including:

- SLFRS S1 and SLFRS S2
- Sri Lanka's Nationally Determined Contributions (NDCs)
- The Paris Agreement
- Emerging climate-related regulatory developments and sustainability expectations

The Group also recognises the increasing role businesses are expected to play in supporting climate resilience, resource efficiency, responsible manufacturing, and the transition towards lower-carbon economic activity.

CLIMATE RISK LIKELIHOOD AND IMPACT ASSESSMENT

As part of this initial climate-related disclosure, the Group applied a qualitative assessment approach to evaluate the potential likelihood and impact of identified climate-related risks and opportunities.

The assessment considered:

- Potential operational impact
- Exposure across manufacturing and operational locations
- Supply chain implications
- Regulatory and market developments
- Long-term strategic implications

Given the evolving nature of climate-related reporting practices and data availability, the Group's current assessment remains primarily qualitative and roadmap-oriented.

PRIORITISATION

Climate-related risks are progressively being integrated into the Group's broader governance and risk management processes.

While climate-related risks are not presently maintained as a standalone risk category, the Group recognises that climate-related developments may increasingly influence operational resilience, supply chain continuity, compliance requirements, manufacturing processes, technology adaptation, and long-term strategic positioning.

The Group expects climate-related considerations to become progressively more integrated into operational and strategic decision-making as reporting maturity, governance mechanisms, and internal capabilities continue to evolve.

MONITORING

The Group monitors sustainability-related and climate-related matters through existing governance, operational, and risk management processes across relevant business functions.

Monitoring presently includes:

- Board and management oversight
- Monitoring of operational and supply chain disruptions
- Review of emerging environmental and regulatory developments
- Operational and manufacturing reviews
- Sustainability-related reporting and data collection processes
- Business continuity and operational resilience considerations

The Group expects to progressively strengthen climate-related monitoring practices, data management capabilities, and risk assessment methodologies over time.

PROGRESSION OF CLIMATE-RELATED RISK MANAGEMENT PRACTICES

During the year, the Group commenced strengthening its sustainability-related governance and climate-related reporting practices in preparation for compliance with SLFRS S1 and SLFRS S2.

Key developments included:

- Revision of Board Audit Committee oversight responsibilities to include sustainability-related matters
- Establishment of management-level coordination mechanisms relating to sustainability reporting
- Initial identification and assessment of climate-related risks and opportunities
- Enhancement of sustainability-related disclosure and reporting processes
- Initial strengthening of sustainability-related data collection practices

These developments represent the Group's first formal steps towards integrating climate-related considerations into broader governance and risk management processes.

RISK MANAGEMENT – INTEGRATION OF CRROS TO THE GROUP'S RISK MANAGEMENT FRAMEWORK

Climate-related risks and opportunities are progressively being integrated into the Group's broader governance and risk management processes.

This presently includes:

- Identification of climate-related risks relevant to operations and value chain activities
- Consideration of climate-related developments during operational and strategic discussions
- Monitoring of regulatory and market developments relating to climate-related matters
- Integration of climate-related considerations into sustainability-related reporting processes

As the Group's sustainability-related and climate-related governance practices continue to mature, climate-related risk assessment and management processes are expected to become progressively more structured and embedded across the business.

PART 5 – METRICS AND TARGETS

CROSS INDUSTRY METRICS

JAT HOLDINGS PLC – GHG EMISSIONS REPORT

Refer page 188 in Natural Capital for more information on GHG emissions.

CLIMATE-RELATED PHYSICAL RISKS, CLIMATE-RELATED TRANSITION RISKS, CLIMATE-RELATED OPPORTUNITIES AND CAPITAL EXPENDITURE

As part of its first-year adoption of SLFRS S1 and SLFRS S2, JAT Holdings PLC has undertaken an initial qualitative assessment of climate-related risks and opportunities relevant to the Group's operations and value chain.

Accordingly, as at 31 March 2026, the Group has not yet quantified:

- the amount and percentage of assets or business activities vulnerable to climate-related physical risks;
- the amount and percentage of assets or business activities vulnerable to climate-related transition risks; or
- the amount and percentage of assets or business activities aligned with climate-related opportunities.

Given the evolving maturity of climate-related assessment methodologies, internal data availability, and reporting processes, the Group's current disclosures remain primarily qualitative in nature.

The Group expects to progressively strengthen its climate-related assessment capabilities, data collection processes, and analytical methodologies over future reporting periods as its climate-related governance and reporting practices continue to mature.

INTERNAL CARBON PRICING AND CLIMATE-RELATED REMUNERATION

As at 31 March 2026, JAT Holdings PLC has not adopted an internal carbon pricing mechanism.

Further, the remuneration of Key Management Personnel (KMP) has not yet been linked to climate-related considerations, climate-related risks and opportunities, or sustainability-related performance indicators.

Given that this represents the Group's first year of reporting under SLFRS S1 and SLFRS S2, these areas remain under progressive evaluation as the Group continues to strengthen its sustainability-related governance, climate-related assessment capabilities, and reporting practices over time.

INDUSTRY SPECIFIC METRICS

We apply the Sustainability Accounting Standards Board (SASB)- Chemicals Sustainability Accounting Standard (Version 2023-12) to identify and disclose industry-specific, financially material sustainability metrics. These metrics provide sector-relevant insights that complement the broader disclosures within this report. The SASB Index presented below cross-references these metrics to the relevant sections of the report for ease of navigation and transparency.

SLFRS SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES (SLFRS S1 AND SLFRS S2)

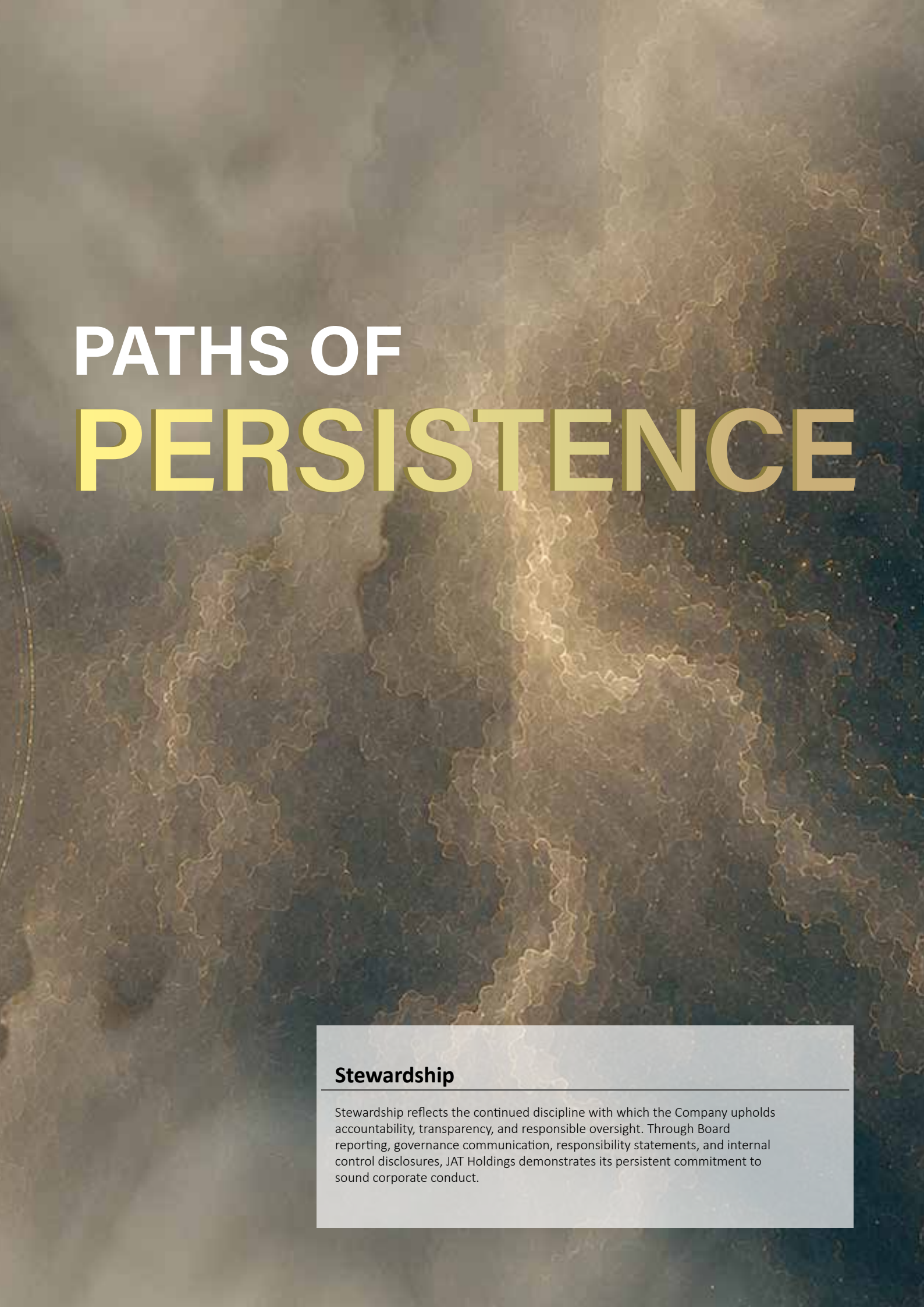
SASB Index

Chemicals - Sustainability Accounting Standard

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	PAGE NO RELATED DISCLOSURE
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions- limiting regulations	Quantitative	Metric tonnes (t) CO_2-e, Percentage (%)	RT-CH-110a.1	187
	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	n/a	RT-CH-110a.2	187-188
Air Quality	Air emissions of the following pollutants: (1) NOX (excluding N_2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Quantitative	Metric tonnes (t)	RT-CH-120a.1	N/A
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self generated energy 1	Quantitative	Gigajoules (GJ), Percentage (%)	RT-CH-130a.1	185-186
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m^3), Percentage (%)	RT-CH-140a.1	186-187
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Quantitative	Number	RT-CH-140a.2	186
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	RT-CH-140a.3	186
Hazardous Waste Management	(1) Amount of hazardous waste generated, (2) percentage recycled	Quantitative	Metric tonnes (t), Percentage (%)	RT-CH-150a.1	189
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	Discussion and Analysis	n/a	RT-CH-210a.1	171-179
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	Rate	RT-CH-320a.1	157
	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Discussion and Analysis	n/a	RT-CH-320a.2	157
Product Design for Use-phase Efficiency	Revenue from products designed for use- phase resource efficiency	Quantitative	Presentation currency	RT-CH-410a.1	NA

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	PAGE NO RELATED DISCLOSURE
Safety & Environmental Stewardship of Chemicals	(1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	Quantitative	Percentage (%) by revenue, Percentage (%)	RT-CH-410b.1	N/A
	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact	Discussion and Analysis	n/a	RT-CH-410b.2	184
Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	Percentage (%) by revenue	RT-CH-410c.1	NA
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	n/a	RT-CH-530a.1	15, 184
Operational Safety, Emergency Preparedness & Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR) [2]	Quantitative	Number, Rate	RT-CH-540a.1	Nil
	Number of transport incidents [3]	Quantitative	Number	RT-CH-540a.2	Nil





PATHS OF PERSISTENCE

Stewardship

Stewardship reflects the continued discipline with which the Company upholds accountability, transparency, and responsible oversight. Through Board reporting, governance communication, responsibility statements, and internal control disclosures, JAT Holdings demonstrates its persistent commitment to sound corporate conduct.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The Board of Directors of JAT Holdings PLC has pleasure in presenting their Report on the affairs of the Company which covers the Audited Financial Statements of JAT Holdings PLC, the Audited Consolidated Financial statements of the Group, Chairman's Message, Corporate Governance, Management Discussion and Analysis and all other relevant information for the period ended 31 March 2026. Disclosures which appear in the share information section form part of the Annual Report of the Board of Directors as it is a requirement of the Companies Act No. 07 of 2007, the Colombo Stock Exchange Listing Rules, and Code of Best practices on Corporate Governance 2023 issued by the Institute of Charted Accountants of Sri Lanka.

The management believes that the Company, its subsidiaries, associates, and joint ventures have sufficient resources to sustain their operations for the foreseeable future, based on the ongoing implementations on risk mitigation and the vigilant monitoring of business continuity and response plans at each business unit level. The Group's future prospects can be found on pages 130 to 190 in the Annual Report.

IMPACT OF MACRO ECONOMIC DEVELOPMENTS

Information on future developments and assessment to closest possible reality considering the economic stagnation in Sri Lanka and globally applicable to JAT Holdings' subsidiaries, is contained in Chairman's message, Managing Director's Review and Chief Executive Officer's Review sections of this Annual Report.

REVIEW OF OPERATIONS DURING THE YEAR

Chairman's Review (page 26), Managing Director's Review (page 28), Chief Executive Officer's Review (page 30) and Management Discussion and Analysis (130 to 190), describe the Company's affairs and the Group's business, and mention important events that occurred during the year in this Report.

CHANGE OF OWNERSHIP & SHAREHOLDING

Current ownership held is displayed in page 322 of this report.

PRINCIPAL ACTIVITIES

The Company/Group is engaged in manufacturing and trading of furnishing and surface solutions for the local and export markets.

During the year under review, the Group further expanded its international manufacturing and coatings portfolio through the acquisition of Mirotone (NZ) Limited, a New Zealand-based manufacturer and distributor of industrial wood coatings with an established presence across the Australasian market.

The Group also strengthened its presence within the sustainable mobility and energy infrastructure space through the incorporation of Volt Industrial Company (Pvt) Ltd to support the growing electric vehicle charging infrastructure requirements across Sri Lanka.

JAT is the largest distributor in the world for Sayerlack, which is the wood coating brand of The Sherwin-Williams Company.

JAT represents an expanding portfolio of international and proprietary brands including SEAFORM – luxury kitchens, wardrobes and vanities, Harris – paint brushes, Borma Wachs – wood cosmetics, Herman Miller – ergonomic office furniture, Hormann – specialised fire doors, Dasso – bamboo flooring, OPPEIN – kitchens, wardrobes and vanities, COLAN – Italian inspired furniture for the workplace and home, along with a range of its own brands for key product categories including WHITE by JAT and Wallz – brilliant white paint, Brush Master – paint brushes for wood coating, Masters – wood coatings and J Chem – solvent-based paints.

CORPORATE VISION AND VALUES

The employees of the Group are accustomed to practice a set of values contained on page 9 of the report, in order to achieve the vision of the company of being the brand of choice to the finishing and furnishing industries in the South Asian Region.

INDEPENDENT AUDITORS' REPORT

The Independent Auditors' Report on the Financial Statements is given on pages 238 to 240 in this Annual Report.

FINANCIAL STATEMENTS

The Financial Statements of the Company and Group for the year ended 31 March 2026 which have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS), with the inclusion of the Chairman, Managing Director and Finance Director, are given as part of this Annual Report.

THE FINANCIAL STATEMENTS COMPRISE OF

- Statement of Profit or Loss and Other Comprehensive Income which provides a true and fair view of the profit and loss of the Company and its subsidiaries for the financial year
- Statement of Financial Position which presents a true and fair view of the state of affairs of the company and its subsidiaries as at the end of the financial year
- A Statement of Changes in Equity which presents a true and fair view of the changes in the Company and its subsidiaries retained earnings for the financial year
- A Statement of Cash Flow that presents a true and fair view of the flow of cash of the business for the financial year.

The Directors accept responsibility for the integrity and objectivity of the financial statements presented. The Directors confirm that the financial statements have been prepared,

- Using appropriate accounting policies which are applied in a consistent manner, disclosing and explaining material departures therefrom, if any.
- Presented in accordance with SLFRSs and LKASs
- Reasonable and prudent judgments and estimates have been made so that the form and substance of transactions are properly reflected
- Provides the information required by and otherwise comply with the Companies Act.

The responsibility of the auditors in relation to the financial statements prepared in accordance with provisions of the companies Act No. 7 of 2007, is set out in the report of the auditors.

Financial results of the Company/Group are included in pages 241 to 245. These reports together with the Audited Financial Statements reflect the state of affairs of the Company/ Group.

DISCLOSURES TO ACCOUNTS

Disclosures made by the company are stated in pages 246 to 321 in this report.

ACCOUNTING POLICIES

The accounting policies adopted in preparation of the Financial Statements are provided in detail in the Notes to the Financial Statements on pages 246 to 321. There have been no changes in the accounting policies adopted by the Group during the year under review. The Group prepared its financial statements in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) which have materially converged with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

REVENUE

Revenue generated by the Company amounted to 9,352 Mn while the Group revenue accounted to 12,642 Mn Contribution to Group revenue from the different business segments is contained in note 06 to the Financial Statements.

PROFIT & APPROPRIATIONS

	FY 26	FY 25
Group Profit Before Tax for the twelve months ended 31st March after deducting all expenses, providing for known liabilities and depreciation	1,694,066,820	1,605,568,405
Income tax expenses	(169,429,393)	173,244,260
Non-Controlling expenses	14,333,244	(8,882,277)
Profit for the Period	1,524,637,426	1,778,812,665
Total other comprehensive Income/ (Loss)	(6,905,472)	8,112,624
Balance Brought Forward from the Previous Year	8,144,271,007	6,757,052,187
Final Dividend for the Period 2024/25	229,872,049	102,081,555
Interim Dividend for the Period 2025/26	-	306,244,664
Total Available for Appropriation	9,416,013,193	8,144,271,007
Transfer to Reserve Fund	-	-
Total Appropriation	-	-
Balance on Group basis to be carried forward	9,416,013,193	8,144,271,007
Balance on Company basis to be carried forward	8,317,361,945	7,288,813,809

PROPERTY, PLANT AND EQUIPMENT

During the period under review, the Company and the Group invested a sum of 226 Mn and 283 Mn respectively in Property, Plant and Equipment.

Details of Property, Plant and Equipment and Intangible Assets and their movements are given in Notes 13 and 16 to the Financial Statements respectively. Details of Freehold Land and Buildings are given in Note 13 to the Financial Statements.

MARKET VALUE OF PROPERTIES

The freehold property of the Company/ Group is revalued by an Independent Qualified Valuer when there is a substantial difference between the fair value and the carrying amount of the freehold property.

The most recent valuation in respect of the Freehold properties was carried 3,700 Mn. Details of property valuations, including the valuation method and effective date of these valuations are provided in Note 13 to the Financial Statements

DIRECTORS' RESPONSIBILITIES

The Statement of the Directors' Responsibilities is given on page 234 of this report.

DIVIDENDS

During the financial year, a final dividend of Rs. 0.44 per share was declared for the financial year 2024/25 and no dividend was declared for the financial year 2025/26.

The Board of Directors obtained a Certificate of solvency from the Auditors prior to the date of dispatch of all dividend payments made in accordance with Section 57 of the Companies Act No. 07 of 2007.

The Company maintains a policy of declaring a dividend payout ratio ranges within 35% to 40%.

In accordance with Section 56 of the Companies Act, the Directors have confirmed their belief that the Company will, immediately after the said distribution is made, satisfy the solvency test in accordance with Companies Act. Following this declaration, the Directors have also obtained the Auditor's certificate affirming the company's solvency.

RESERVES

Group reserves and retained earnings as at 31 March 2026 amounted to Rs. 9,416 Mn. The break-up and movement are shown in the Statement of Changes in Equity in the Financial Statements.

STATED CAPITAL

Stated Capital as at 31 March 2026 for the Company amounted to Rs. 2,720 Mn. The movement and composition of the Stated Capital is disclosed in the Changes in Equity and in Note 18 to the Financial Statements.

THE INVESTMENT/DISPOSAL ACTIVITIES DURING THE YEAR

	Stake	Shareholder	Investment as of 31 March 2026	Principal activities
Volt Industrial Company (Pvt) Ltd	84%	JAT Holdings PLC	410,111,293	Manufacturer of Electric Vehicle Charges
Mirotone (NZ) Limited	100%	JAT Exports DMCC	488,505,500	Manufacturing and trading of coatings
Mirotone Australia PTY LTD	100%	JAT Holdings PLC	21,638	Manufacturing and trading of coatings

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

SHARE INFORMATION

The distribution and composition of shareholders and the information relating to earnings, dividends, net assets, market value per share and share trading is given in the Share Information section of the Annual Report.

As additional disclosures the Company's Board of Directors' shareholdings as of 31 March 2026, market capitalisation, public holding percentage and number of public shareholders are given on page 324 of the Annual Report.

During the year 12,028,703 shares were issued under Board approved Employee Share Option Scheme. Further details on this is given on page 227.

MAJOR SHAREHOLDERS

Details of the Company's twenty largest shareholders and the percentages held by each of them are disclosed on page 324 of the Annual Report.

EQUITABLE TREATMENT OF SHAREHOLDERS

The Group/Company has at all times ensured that all shareholders are treated equitably.

BOARD OF DIRECTORS

The following Directors served on the Board of the Company during the period under review.

- Dr. Sivakumar Selliah – Non-Executive/ Independent Director
- Aelian Gunawardene – Executive/Non-Independent Director
- Nishal Ferdinando – Executive/Non-Independent Director
- Hussain Akbarally – Non-Executive/ Independent Director
- Devaka Cooray – Non-Executive/ Independent Director
- Eng. Manju Haththotuwa – Non-Executive/Independent Director
- Joycelyn Gunawardene – Non-Executive/ Non-Independent Director
- Anika Williamson – Non-Executive/Non-Independent Director
- Richard Gunawardene – Non-Executive/ Non-Independent Director

Brief profiles of the existing Directors are shown on pages 34 to 37.

APPOINTMENT, RETIREMENT, AND RE-ELECTION OF DIRECTORS

In terms of Articles 88 (i) and 89 Mututantrige Parakrama Devaka Cooray Non-Executive/ Director and Hussain Akbarally – Non-Executive/ Independent Director retire by rotation and offer themselves for re-election at the Annual General Meeting.

The above-mentioned re-elections of the Directors have been reviewed and recommended by the Nominations and Governance Committee.

APPROVAL FOR THE CONTINUATION OF MR. MUTUTANTRIGE PARAKRAMA DEVAKA COORAY AS NON-EXECUTIVE INDEPENDENT DIRECTOR.

The Nominations and Governance Committee, having reviewed the profile, experience, and contribution of Mr. Mututantrige Parakrama Devaka Cooray, is of the view that continuing to obtain his services, as a Non-Executive Independent Director would be in the best interest of the Company.

The Committee considered that despite reaching the age of 70, Mr. Devaka Cooray's continued services as an Independent Director to be of significant value to the Company, given his extensive professional experience, deep understanding of governance and assurance practices, regional and international exposure, and his ability to provide independent judgment and strategic guidance that continue to contribute meaningfully to the deliberations and effectiveness of the Board.

Accordingly, the Committee recommended his continuation as an Independent Director upon reaching the age of seventy (70) years, in terms of CSE Listing Rule 9.8.3(ix).

With the recommendation of the Nominations and Governance Committee, the Board of Directors approved the continuation of Mr. Mututantrige Parakrama Devaka Cooray as a Non-Executive/Independent Director subject to the approval of the Shareholders at the AGM.

BOARD COMMITTEES

The Board had established and maintains the following Sub-Committees;

- Audit and Risk Management Committee
- HR and Remuneration Committee
- Related Party Transactions Review Committee
- Investments Committee
- Nominations and Governance Committee

Please refer pages 218 to 231 for the Board Sub-Committee reports.

INTERESTS REGISTER AND INTERESTS IN CONTRACTS

The Company has maintained an Interests Register as required under the Companies Act No. 7 of 2007.

The Directors have all made general disclosures relating to share dealings and indemnities and remuneration to the Board of Directors as permitted by Section 192 (2) of the Companies Act No. 7 of 2007 and no additional interests have been disclosed by any Director.

The Interest Register is available at the Registered Head Office of the Company, in keeping with the requirements of Section 119 (1) (d) of the Companies Act No. 7 of 2007.

DIRECTORATE AND SHAREHOLDING

Shareholding of the Group is stated in Note 322 of this report.

INDEMNITIES AND REMUNERATION

The HR and Remuneration Committee has recommended all approvals pertaining to indemnities and compensation, incorporating insights from market research, expert advice, and the specific management complexities associated with the Company, while aligning with the remuneration policy. The Director fees are in line with the market challenges associated with the Group.

DIRECTORS' REMUNERATION

Executive Directors' remuneration is structured within an established framework by the Board's Remuneration Committee to whom this task has been entrusted. The Directors are of the opinion that the framework assures appropriateness of remuneration and fairness for the Company. The total remuneration of the Executive Directors for the reporting period ended 31 March 2026 is given on page 215 of this report.

The total remuneration of Executive Directors and Non-executive Directors are Rs. 55 Mn and Rs. 37 Mn respectively. This includes the board fees, attendance fees and subcommittee fees paid to Non-executive Directors.

DIRECTORS' INDEMNITY AND INSURANCE

JAT has obtained a Directors' Liability Insurance from a reputed insurance company in Sri Lanka providing worldwide cover to the Directors of the Group.

DIRECTORS' INTEREST IN SHARES

The transactions of shares of the Directors of the JAT were reported during the reporting period are in page 322 under shareholders information.

DEBENTURES

There were no debentures held by the Directors of JAT.

DONATIONS

No donations were made to charities by the Company during the year.

RELATED PARTY TRANSACTIONS

The Directors declare that during the year under review there were no related party transactions which required shareholder approval or nonrecurrent related party transactions which required immediate market disclosures in accordance with Section 9.14 of the Listing Rules of the CSE.

EMPLOYMENT SHARE OPTION PLAN (ESOP)

During the year 2021/22, the Company implemented an Employee Share Option Plan (ESOP) to retain and motivate talented and critical employees for the business; motivate employees to align their self-interests with the best interests of the Company, reward employee performance with ownership in proportion to their contribution, and align individual performance of employees with the Company's objectives.

A total of 13,851,851 shares were allocated for the ESOP where the Exercise Price shall be the price at which the Company made its Initial Public Offering on the Colombo Stock Exchange which is Rs. 27/-.

Participants completed the exercise of their rights granted under the Employee Share Option Plan ("ESOP") during the financial year. Any grants that remained unexercised were cancelled with effect from 11 February 2026.

POLICIES

The Group and the Company have adopted the under-mentioned policies required to be established under Section 9 of the Listing Rules of CSE

1. Policy on matters relating to the Board of Directors
2. Policy on Board Committees
3. Policy on Corporate Governance, Nominations and Re-election
4. Policy on Remuneration
5. Policy on the Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the entity's listed securities.
6. Policy on Risk management and Internal controls
7. Policy on Relations with Shareholders and Investors
8. Policy on Environmental, Social, and Governance Sustainability
9. Policy on Control and Management of Company Assets and Shareholder Investments
10. Policy on Corporate Disclosure
11. Policy on Whistleblowing
12. Policy on Anti-Bribery and Corruption

The above policies are published on the Company's website.

CORPORATE GOVERNANCE

The Company has complied with Corporate Governance rules laid down by The Institute of Chartered Accountants of Sri Lanka. The Corporate Governance Section on pages 40 to 61 describes the good corporate governance principles adopted by the Company.

The company has complied with Section 9 of the Listing rules of the Colombo Stock Exchange (CSE) as described on pages 62 to 69.

SUSTAINABILITY

During the year, the Company also adopted the Sri Lanka Sustainability Disclosure Standards – SLFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 Climate-related Disclosures for the first time.

ENVIRONMENTAL PROTECTION

The Group complies with the relevant environmental laws, regulations and endeavours to comply with best practices at all times. An enhanced focus is being given to the ISO 14001:2015, in complying with the Environment Management System.

With the Group's commitment to conserve limited and non-renewable resources, along with its environmental goals and key initiatives, the steps taken by the Group to ensure environmental protection is given under Natural Capital on page 180.

CORPORATE SOCIAL RESPONSIBILITY

The sustainability division of the Company ensures all CSR activities of the Company aligns with United Nation Sustainable Development Goals (UN SDGs).

COMMITMENTS AND CONTINGENCIES

Commitments and Contingent Liabilities of the Group are disclosed in the Note 38 to the Financial Statements on page 317.

EVENTS AFTER THE REPORTING PERIOD

No circumstances have arisen since the Reporting Date, which would require adjustment or disclosure except for the details given in Note 39 to the Financial Statements on page 318.

STATUTORY PAYMENTS

The Board affirms that, to the extent of their awareness, all the company's obligations, including taxes, duties, levies, contributions on behalf of employees, and other statutory dues, that were due and payable by the company as of the reporting date, have been settled or, in certain cases, accounted for, except for certain assessments for which appeals have been lodged.

The declaration relating to statutory payments is made in the Statement of Directors' Responsibility on page 234.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

SUBSIDIARIES AND JOINT VENTURES

The names of the Directors holding office at the end of the reporting period ended 31 March 2026 in respect of the subsidiaries and joint ventures are given below.

Company Name	Directors
Brush Master (Pvt) Ltd	Aelian Gunawardene
	Joycelyn Gunawardene
	Kalidas Nadar Prem Sagar
	Kalidas Prabhu Darshan
	Somasundaram Sivasubramaniam
Worldwide Resins & Chemicals (Private) Limited	Somasundaram Sivasubramaniam
	Mangala Attanayake
	Richard Gunawardene
JAT Exports (Pvt) Ltd	Aelian Gunawardene
	Richard Gunawardene
JAT Exports DMCC	Anika Williamson
JAT Global Private Limited	Anika Williamson
	Richard Gunawardene
	Eranda Dandeniya
Asia Coatings (Pvt) Ltd	Nishal Ferdinando
	Anika Williamson
SEAFORM Bangladesh (Pvt) Ltd	Aelian Gunawardene
	Samia Afrin
	Gavin VanDort
	Alexander Sofalvi
JAT Australia PTY Ltd	Vajira Gunawardene
	Anika Williamson
JAT Paints Africa Limited	Aelian Gunawardene
	Nishal Ferdinando
	Ruwan Mihindukulasooriya
SEAFORM Perth PTY Ltd	Aelian Gunawardene
	Nishal Ferdinando
	Mark Hutchinson
Mirotone NZ Limited	Aelian Gunawardene
	Nishal Ferdinando
	Raymond Stallworthy
Volt Industrial Company (Pvt) Ltd	Aelian Gunawardene
	Nishal Ferdinando
	Beshan Kulapala
Mirotone Australia PTY Ltd	Aelian Gunawardene
	Nishal Ferdinando

RISK MANAGEMENT

Risk identification is an ongoing process which involves engagement with stakeholders and persistent monitoring of the business environment. Risk considerations also form a key input in determining strategy and formulating budgets. The responsibility for managing the Group's risk exposures lies with the Board of Directors who are assisted by the Audit and Risk Management Committee. The report on risk management is included in pages 118 to 127 of this report.

GOING CONCERN

The Board of Directors and the Management have formed judgement that the Company and its subsidiaries have adequate resources to continue in operational existence for the foreseeable future through the continuous implementation of risk mitigation initiatives, business continuity monitoring, response plans at the business unit level, and the Company's financial stability, and continue to adopt the going concern basis in preparing and presenting these financial statements.

DIRECTORS' DECLARATIONS

The Directors declare that having considered all information and explanations made available to them that,

- the Company complied with all applicable laws and regulations in conducting its business and are aware of changes, particularly to Listing Rules and applicable capital market provisions.
- they have declared all material interests in contracts involving the Company and refrained from voting on matters in which they were materially interested
- the Company has made all endeavours to ensure the equitable treatment of Shareholders
- the business is a going concern with supporting assumption or qualifications as necessary
- they have conducted a review of internal controls covering financial, operational and compliance controls and risk management and have obtained a reasonable assurance of their effectiveness and successful adherence herewith.

The Corporate Governance Report is given under the governance section of this Annual Report.

AUDITORS

The Financial Statements for the period under review were audited by Ernst and Young Chartered Accountants who offer themselves for reappointment for the ensuing year. The Directors propose the reappointment of Ernst and Young Chartered Accountants as Auditors of the Company for the ensuing year subject to the approval of the Shareholders at the Annual General Meeting.

The Audit and Risk Management Committee reviews the appointment of the Auditor, its effectiveness and its relationship with the Company including the level of audit fees paid to the Auditors. Details on the work of the Audit and Risk Management Committee are set out in the Audit and Risk Management Committee Report.

As far as the Directors are aware, the Auditors do not have any relationship or interest in the Company or its subsidiaries.

BENEFICIAL OWNERS REGISTER

Pursuant to the requirements introduced under the Companies (Amendment) Act, No. 12 of 2025 and the applicable Companies (Beneficial Ownership) Regulations, the Company has taken appropriate steps to identify, verify, declare and maintain records of its Ultimate Beneficial Owners (UBO). The Company has also appointed an authorised person to ensure the safekeeping of the Beneficial Owners Register and to facilitate the disclosure of relevant information to the Registrar of Companies and other authorised parties, as required by law.

The Directors are of the view that the Company has duly complied with the applicable statutory requirements relating to beneficial ownership, including the maintenance of the Beneficial Owners Register and the submission of relevant information to the Registrar of Companies, where required.

Accordingly, the Directors confirm that they have duly discharged their responsibilities in relation to the identification, declaration, recording and reporting of beneficial ownership information in accordance with the applicable legal and regulatory requirements.

ANNUAL GENERAL MEETING

The 13th Annual General Meeting will be held virtually centered at the "Board Room" of the Company at No. 351, Pannipitiya Road, Thalawathugoda, Sri Lanka on Tuesday, 30th June 2026 at 10.00 a.m.

NOTICE OF MEETING

The Notice of the Annual General Meeting to the shareholders is given on page 344.

Dr. Sivakumar Selliah
Chairman

Aelian Gunawardene
Managing Director

By Order of the Board
JAT Holdings PLC

N. I. D. Corporate Services (Pvt) Ltd
Secretaries to the Company

2 June 2026

BOARD SUB-COMMITTEE REPORTS

Audit and Risk Management Committee

LR 9.13.5



Devaka Cooray
Chairman
Non-Executive
Independent Director

ROLE

The Audit and Risk Management Committee is authorised to conduct an independent evaluation of JAT Holdings PLC and its subsidiaries' financial reporting processes in order to provide extra confidence to the Board of Directors regarding the accuracy of its financial statements and processing.

The Committee serves as a useful platform to support the Board of Directors in carrying out its duties to guarantee the quality of financial reporting and associated communications to the public and Shareholders.

SCOPE

Assess the Company's internal control and risk management systems to ensure control and compliance and improvements to the Board of Directors. In addition, the Committee determines whether the financial statements and disclosures are compliant with Sri Lanka Accounting Standards and discusses the statements compiled with the auditors at the year-end audit. Moreover, defining the risk culture, setting risk appetite, maintaining a risk management framework, overseeing insurance and information security, monitoring ESG and disaster recovery plans, obtaining audit opinions form internal audit teams of subsidiaries and providing regular updates to the board are under the scope of the Committee. The Committee assesses the independence and performance of the external and internal audit functions.

RULE

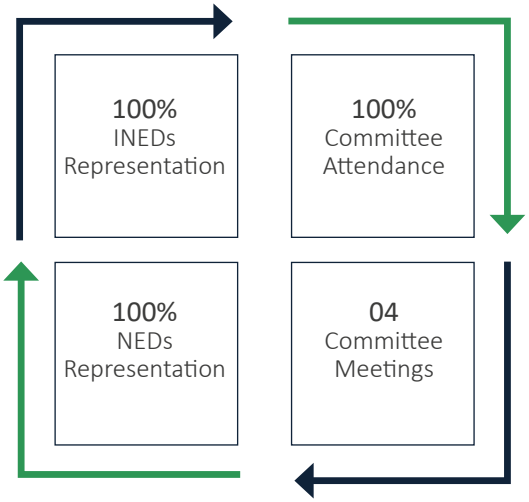
Rule	Provisions	Compliance status
Section 9.13 of the Listing Rules of the Colombo Stock Exchange	Mandatory	Fully compliant
Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka in 2023	Voluntary	Fully compliant

COMPOSITION AND ATTENDANCE OF COMMITTEE MEMBERS

LR 9.13.3

Board Members	Date of Appointment to the Committee	Committee Meetings
Devaka Cooray Chairman/NEID	09 August 2021	4/4
Dr. Sivakumar Selliah Member/NEID	09 August 2021	4/4
Hussain Akbarally Member/NEID	09 August 2021	4/4

Profiles of the members of this Committee are stated on pages 34 to 37 of this report.



SECRETARY TO THE COMMITTEE

Company Secretary

REGULAR ATTENDEES BY INVITATION

- Managing Director
- Executive Director/Chief Executive Officer
- Finance Director
- Head of Treasury
- Manager – Internal Audit

EXPERTISE OF THE COMMITTEE

The Chairman of the Committee is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and the Chartered Institute of Management Accountants, UK. Further information on the qualifications, experience and expertise of the Committee members is provided under the Board of Directors on page 34. Additionally, the Committee holds the authority to seek external professional advice when required, ensuring informed decision-making.

CHANGES IN COMMITTEE MEMBERSHIP DURING THE YEAR

None

COMMITTEE CHARTER

LR 9.13.2

The Committee has written terms of reference clearly defining its scope, authority and duties, which was adopted by the Board of Directors of the Company with the recommendation of the Committee. The Audit Committee Charter undergoes regular reviews and updates with the approval of the Board of Directors to ensure it incorporates new developments related to the Committee's functions.

FUNCTIONS OF THE COMMITTEE EFFECTIVE DISCHARGE OF ITS FUNCTIONS AND DUTIES

LR 9.13.4

During the year, the Committee continued to fulfil its mandate to monitor and review the scope, extent, and effectiveness of the activities of the Internal Audit Department. Internal Audit Division conducted planned audit assignments for Processes and Information Systems based on the risk-based Internal Audit Plan approved by the Committee for the year. The Internal Audit Department also performed other reviews based on the requirements from the Audit Committee, Management, or based on need.

Internal Audit reports are tabled at the Audit Committee meetings and directions of the Audit Committee are effectively communicated to the management including on follow-up of unresolved audit findings. Recognising the extraordinary challenges posed by macroeconomic conditions, the Internal Audit Department strategically re-evaluated its audit approach and conducted thorough assessments of the potential impact of these changes on the Group's operations and risk management strategies and ensured swift action was taken to implement necessary adjustments to audit procedures, as needed.

Internal Controls and Risk Management

The Board ensures the robustness of the Group's risk management and internal control systems, covering internal and external financial reporting, compliance with legal requirements, and the safeguarding of material information. To support this, the Audit and Risk Management Committee continuously review the effectiveness of the Group's risk management process and internal controls, reporting any deficiencies to the Board along with recommendations for improvement.

The Group has developed and implemented sufficient and acceptable internal control procedures to manage daily operational risks and prevent the unauthorised disclosure of sensitive information. These controls are designed to meet the requirements of both the Sri Lanka Auditing Standards and the Personal Data Protection Act, No.9 of 2022.

The Audit and Risk Management Committee provide a forum to review internal audit reports, assess the company's systems for detecting misappropriation of assets, identifying operational inefficiencies, and ensuring compliance with financial reporting requirements (including the Companies Act) and all applicable laws and regulations. The Committee receives and examines frequent reports from the Group Internal Audit division and ensures preventative actions are taken to minimise fraud, errors, or procedural violations. It also oversees the effectiveness of the company's information technology security and control environment.

The Committee assesses and approves the annual audit plan, budget, and resource requirements, and conducts a performance assessment of the internal audit function. Furthermore, it obtains assurance from the CEO and key management personnel regarding the adequacy and effectiveness of the entity's risk management and internal control systems.

The Group actively practices a comprehensive risk management framework, addressing various business and operational risks, including finance, legal, regulatory, IT, environmental, and strategic risks. While some risks cannot be entirely eliminated, effective mitigation plans and related policies are in place across the business units. Recognising the importance of enhanced oversight, JAT has combined the audit and risk functions under one committee to improve governance efficiency.

The Board has conducted a robust assessment of the principal risks facing the Company, including those that could threaten its business model, performance, solvency, or liquidity. Key external risk exposures emphasised during the year include:

- Economic contraction affecting the construction sector
- Sharp decline in inflation volatility toward the latter part of the reporting period
- Monetary policy adjustments by the Central Bank of Sri Lanka and Bangladesh Bank
- Trade deficit and foreign exchange liquidity impacts in Sri Lanka and Bangladesh
- Exchange rate volatility in Sri Lanka and other South Asian markets where JAT operates
- Migration of skilled labour
- Interest rate volatility and potential effects on borrowing costs across all operating markets
- The risks of arising from supply chain disruptions as well as AI and cybersecurity threats

Oversight of the External Audits

- Assist the Board by recommending the appointment of the External Auditor in compliance with the relevant statutes and regulations, the service period, the audit fee, and any resignation or dismissal of the auditor
- Assess the independence, objectivity and performance of the External Auditors and makes recommendations to the Board on the appointment/re-appointment of External Auditors
- Examine and discuss the External Auditors' Letter of Engagement with the External Auditors and management, including the scope of the audit, prior to the start of the audit
- Meet with External Auditors and management before the end of the audit to discuss and agree on the treatment of all audit matters
- Prior to the finalisation of the financial statements, meet with the External Auditors without management present to receive their advice on specific concerns and to determine whether they had any areas of concern
- Discuss the audit plan, scope and the methodology proposed to be adopted in conducting the audit with the Auditors, prior to commencement of the annual audit
- Evaluate the procedures established by the Auditors to maintain their independence following the independence guidance set forth in the Institute of Chartered Accountants of Sri Lanka's Code of Ethics
- Assess the performance of the External Auditors using a formal assessment process that included input from the Internal Auditors

BOARD SUB-COMMITTEE REPORTS

Audit and Risk Management Committee

The Group's external auditors are Ernst & Young Chartered Accountants, Sri Lanka, which is an audit form approved by the Securities and Exchange Commission of Sri Lanka, and the auditor has not engaged in any services which are in the restricted category as stipulated by the CSE for external auditors.

Written assurance was obtained from the external auditors, 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.

Ethics and good governance

The Committee consistently emphasised the importance of maintaining ethical standards among the staff. To achieve this, the Code of Ethics and Whistleblowing Policy were put in place and are followed by educating and encouraging all staff members. Thorough procedures were implemented to carry out unbiased investigations reported through whistleblowing or discovered through alternative methods. The Whistleblowing Policy ensures that the identity of whistleblowers is kept strictly confidential.

Sri Lanka accounting standards

The Committee examined the updated policy decisions concerning the implementation of new and revised Sri Lanka Accounting Standards (SLFRS/LKAS) that are relevant to the Company and provided recommendations to the Board of Directors.

Progress of implementation of SLFRS

The Committee monitored the progress of implementation of SLFRS as per the requirements of Sri Lanka Accounting Standards stipulations and the adherence to the Accounting Standards and will provide regular updates to the Board of Directors.

FOCUSED AREAS BY THE COMMITTEE IN 2025/26

Financial reporting system

The Committee assessed the Group's financial reporting system used for preparing quarterly and annual Financial Statements to ensure the processes are reliable and the accounting policies and methods are consistent and comply with Sri Lanka Financial Reporting Standards. The Committee recommended the Financial Statements to the Board for review and issuance. Additionally, the Committee evaluated the financial reporting system and acknowledged the adequacy of the content and quality of routine management information reports provided to its members. The Committee reviews;

- The sufficiency and efficiency of the Internal Controls, Systems, and Procedures related to Financial Reporting
- Efficiency of the Financial Reporting Systems is established to guarantee the reliability of the information shared with Stakeholders
- Financial Statements, Accounting Policies, practices, and the validity of the assumptions and judgments used in preparing the Financial Statements
- Methods used to ensure adherence to Sri Lanka Accounting Standards (SLFRS/LKAS) and other regulatory requirements for financial reporting and disclosures

Internal Controls and Risk Management

- Effectiveness of the Group's internal control framework and risk management processes to ensure that key risks were appropriately identified, assessed, and managed including evaluating the Group's overall risk profile and the adequacy of mitigation strategies
- Regular updates on risk management initiatives and control improvements

Internal Audit

- Effectiveness and independence of Internal Audit function in providing assurance over the Group's operations. During the year, the Committee:
    - Approved the risk-based internal audit plan and monitored its execution;
    - Reviewed internal audit reports and discussed significant findings and recommendations with management; and
    - Monitored the timely implementation of agreed corrective actions.
- The Committee also ensured that the internal audit function was adequately resourced and supported to carry out its responsibilities effectively across the Group.

Compliance

- Group's compliance with applicable laws, regulations, and internal policies, including adherence to the Listing Rules of the Colombo Stock Exchange and other relevant governance frameworks
- Reviewed the effectiveness of the Company's whistleblowing mechanisms and procedures

FOCUSING AREAS BY THE COMMITTEE FOR 2026/27

The Committee consistently emphasised the importance of focusing on several key areas to ensure robust governance and risk management. Here are some of the primary focus areas:

- Enterprise Risk Management: Dynamic risk environment influenced by geopolitical factors, supply chain disruptions, and technological advancements Strengthening the Group's risk management framework to address a dynamic risk landscape influenced by macroeconomic uncertainty, geopolitical developments, supply chain disruptions, and emerging risks associated with digital transformation and international operations.
- Regulatory Compliance: Staying up to date with evolving regulatory priorities, especially those from the Listing Rules of Colombo Stock Exchange and Code of Best practices on Corporate Governance
- Technology Oversight: With the rapid rise of Artificial Intelligence and generative AI, the possible technology risks are being considered enhancing oversight of information technology systems, cybersecurity frameworks, and data protection mechanisms in response to increasing digital reliance. Particular attention will be given to emerging risks associated with Artificial Intelligence, including data integrity, model governance, and the effective management of outsourced IT audit engagements.

ASSURANCE FROM THE CEO AND CFO

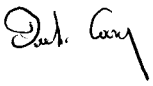
We confirm that the Board has received assurance from both the CEO and the CFO regarding the Group's operations and finances. This assurance underscores our commitment to maintaining robust governance practices and ensuring the integrity and transparency of our financial operations.

UPHOLDING FINANCIAL REPORTING STANDARDS

We assert the compliance with all financial reporting requirements outlined in the relevant regulations, including those stipulated by the Companies Act, the SEC Act, and other relevant financial reporting-related regulations. Our commitment to accuracy, transparency, and adherence to regulatory standards ensures that all necessary information requirements under these rules are met.

MEETING MINUTES/REPORTING TO THE BOARD

The meeting minutes of the Audit and Risk Management Committee are meticulously documented and are tabled at the Board Meetings enabling all Board Members to have access to same.



Devaka Cooray
Chairman – Audit and Risk Management Committee

2 June 2026

BOARD SUB-COMMITTEE REPORTS

Related Party Transactions Committee Report

LR 9.14.8

GRI 2-15



Hussain Akbarally
Chairman
Non-Executive
Independent Director

ROLE

LR 9.14.1

The Related Party Transactions Review Committee is responsible for independent reviewing of transactions between the Company and its related parties.

SCOPE

The primary objective of the Committee is to assess and consider all transactions with related parties of the Company in line with the Listing Rules of the Colombo Stock Exchange, in order to ensure that related parties are treated on par with other shareholders and constituents of the Company.

RULE

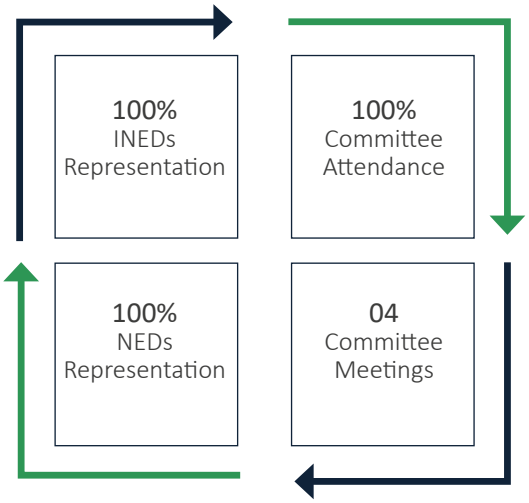
Rule	Provisions	Compliance status
Section 9.14 of the Listing Rules of the Colombo Stock Exchange	Mandatory	Fully compliant
Code of Best Practice, on related party transactions issued by the Institute of Chartered Accountants of Sri Lanka in 2023	Voluntary	Fully compliant

COMPOSITION AND ATTENDANCE OF COMMITTEE MEMBERS

LR 9.14.2

Board Members	Date of Appointment to the Committee	Committee Meetings
Hussain Akbarally Chairman/NEID	09 August 2021 Appointed as Chairman w.e.f. 26 August 2025	4/4
Dr. Sivakumar Selliah Member/NEID	09 August 2021	4/4
Devaka Cooray Member/NEID	09 August 2021	4/4
Eng. Manju Haththotuwa Member/NEID	26 August 2025	0/2

Profiles of the members of this Committee are stated on pages 34 to 37 of this report.



SECRETARY TO THE COMMITTEE

Company Secretary

REGULAR ATTENDEES BY INVITATION

- Managing Director
- Executive Director/Chief Executive Officer
- Finance Director
- Manager – Finance

CHANGES IN COMMITTEE MEMBERSHIP DURING THE YEAR

Hussain Akbarally appointed as the Chairman of the Committee with effect from 26 August 2025

COMMITTEE CHARTER

The Committee has written terms of reference clearly defining its scope, authority and duties, which was adopted by the Board of Directors of the Company with the recommendation of the Committee. The Related Party Transactions Review Committee Charter undergoes regular reviews and updates with the approval of the Board of Directors to ensure it incorporates new developments related to the Committee's functions. Board of Directors has adopted a clear policy ensure that the 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 operation.

FUNCTIONS OF THE COMMITTEE

LR 9.14.3, 9.14.4, 9.14.5

- Review in advance all proposed related party transactions of the Group prior to the transaction being entered into

- Seek any information the Committee requires from Management, employees or external parties with regard to any transaction entered into with a related party
- Obtain knowledge or expertise to assess all aspects of proposed related party transactions where necessary including obtaining appropriate professional and expert advice from suitably qualified person if required
- Recommend, where necessary, to the Board and obtain their approval prior to the execution of any related party transaction
- Monitor that all related party transactions of the entity are transacted on normal commercial terms and are not prejudicial to the interests of the parties concerned
- Review the economic and commercial substance of both recurrent/non-recurrent related party transactions
- Evaluate the transfer of resources, services, or responsibilities among related parties, regardless of whether there is a fee involved
- Review assets disposals between related parties, which may even involve seeking expert guidance from independent professionals on determining the value of the assets
- Establish guidelines for recurrent Related Party Transactions
- Ensure that timely and comprehensive disclosures, both in the immediate market context and within the Annual Report, are provided as mandated by the relevant rules and regulations
- Assess if the related party transaction is reasonable and in the best interests of the Company and its stakeholders
- Advise the entire Board, when deemed appropriate, that shareholder approval for the Company should be sought through a Special Resolution before proceeding with the specified transaction in accordance with Section 9.14.6(1)(A) and 9.14.6(1)(B) of the Listing Rules, when applicable
- Ensure that the interests of all shareholders are considered when dealing with related parties and avoidance of conflicts of interest
- Ensure that if a Director of the Company has a material personal interest in a matter being considered at a Board Meeting to approve as a Related Party Transaction, the said Director is not present while the matter is being considered at the meeting and does not vote on the said matter

Other significant transactions of non-listed subsidiaries:

The Committee is informed about the material transactions involving non-listed subsidiaries within the Group. The Group expanded its definition of Key Management Personnel (KMPs) to include all senior decision-makers. Therefore, to promote transparency and improve corporate governance, the Corporate Management Committee of the Company have been appointed as KMPs, in addition to the Directors.

The Committee obtained and reviewed yearly disclosures from all KMPs regarding any Related Party Transactions (RPTs) they were involved in, if applicable. The Committee's activities and perspectives were regularly shared with the Board of Directors on a quarterly basis, both through verbal briefings and by presenting the minutes of the Committee's meetings.

Non-recurrent Related Party Transactions (RPTs) of listed entities:

The Committee ensured that the Management establish suitable protocols to guarantee that any non-recurrent RPTs are submitted to the Committee for prior approval. As a result, the Committee assessed and granted advance approval for all proposed non-recurring RPTs.

Recurrent RPTs of listed entities:

The Committee has approved a set of transactions that aim to make it easier for senior management to disclose and provide assurances regarding their compliance with Section 9.14.6(b) of the Listing Rules. This allows the Management to avoid the need for the Committee to review and pre-approve certain transactions.

As a result, the Committee reviews recurrent RPTs and report the mentioned disclosures and assurances on a quarterly basis.

POLICIES AND PROCEDURES ON RELATED PARTY TRANSACTIONS

The Committee conducts its activities as per its predetermined standards and is entrusted with the task of reviewing RPTs other than those transactions explicitly exempted under the Code of Best Practice.

The policy ensures that procedures are in place to guarantee that the Company does not engage in any transactions with the related parties in a manner that would be more advantages to such parties.

- When reviewing a transaction, the Committee would decide whether the proposed transaction is carried out on an arm's length basis irrespective of whether it is recurrent or nonrecurrent in nature
- Review and approval would be either by meeting of members (subject to quorum being present) or by circulation
- Determine whether to obtain the approval of the Board of Directors for a RPT, the Committee will take into account, among other factors it deems appropriate, whether the proposed Related Party Transactions pose a conflict of interest to the Directors
- Ensure that all transactions involved with related parties are in the best interests of all stakeholders, maintain a high level of transparency in the procedures, and adhere to the regulations outlined in the Listing Rules

REVIEWING AND COMMUNICATION OF RELATED PARTY TRANSACTIONS

The Committee has diligently reviewed all RPTs conducted throughout the financial year and has provided comprehensive feedback and observations to the Board of Directors. Our thorough examination ensures transparency, fairness, and adherence to regulatory standards in all dealings involving related parties. By actively engaging in this oversight process, we uphold the principles of good governance and safeguard the interests of our stakeholders.

BOARD SUB-COMMITTEE REPORTS

Related Party Transactions Committee Report

BOARD ASSURANCE

The Board of Directors affirms in the Annual Report that all rules and regulations pertaining to Related Party Transactions have been diligently complied with, reflecting our unwavering commitment to transparency, integrity, and ethical business practices.

NON-RECURRENT RELATED PARTY TRANSACTIONS

There are no non-recurrent Related Party Transactions exceeding 10% of the Equity or 5% of the Total Assets of the Listed Entity in the reporting period.

RECURRENT RELATED PARTY TRANSACTIONS

There are no recurrent Related Party Transactions exceeding 10% of the consolidated gross revenue/income of the Group for the reporting period.

TRANSACTIONS DURING THE YEAR

Details of transactions with Related Parties during the year is set out in pages 314 to 317 of this report.

MEETING MINUTES/REPORTING TO THE BOARD

The minutes of the Related Party Transaction Review Committee meetings are meticulously documented and tabled at Board Meetings, thereby ensuring that all Board Members have access to them.



Hussain Akbarally
Chairman – Related Party Transactions Review Committee

2 June 2026

BOARD SUB-COMMITTEE REPORTS

Investment Committee Report



Anika Williamson
Chairman
Non-Executive Non-Independent Director

ROLE

The Investment Committee possesses extensive expertise in the fields of investments, finance, and risk management. The primary role of the Investment Committee is to support the Board in fulfilling its obligation to Shareholders and Policyholders concerning the management of the investment portfolio. This includes the formulation of comprehensive investment guidelines for both the overall portfolio and specific segments within it.

SCOPE

The Committee reviews,

1. Investments related to Company's existing operations, where the quantum of investment planned is more than LKR 50 million
2. Investments in areas outside of the Company's existing operations, irrespective of quantum of investment.
3. Mergers and acquisitions, as well as the incorporation of subsidiaries and joint venture operations in both existing and new business lines

SECRETARY TO THE COMMITTEE

Company Secretary

REGULAR ATTENDEES BY INVITATION

- Managing Director
- Executive Director/Chief Executive Officer
- Finance Director

CHANGES IN COMMITTEE MEMBERSHIP DURING THE YEAR

None

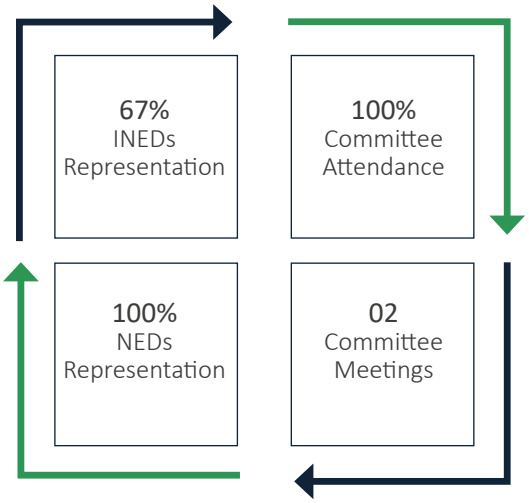
RULE

The Board established the Investment Committee based on the recommendation of the majority shareholders.

COMPOSITION AND ATTENDANCE OF COMMITTEE MEMBERS

Board Members	Date of Appointment to the Committee	Committee Meetings - Attended/Eligible to Attend
Anika Williamson Chairman/NENID	09 August 2021 Appointed as Chairman w.e.f. 01 April 2024	2/2
Devaka Cooray Member/NEID	09 August 2021	2/2
Hussain Akbarally Member/NEID	09 August 2021	2/2

Profiles of the members of this Committee are stated on pages 34 to 37 of this report.



FUNCTIONS OF THE COMMITTEE

- Manage investment risk and ensure full regulatory compliance
- Advice on exposure limits
- Provide suggestions for mitigating potential risks
- Suggestions for developing the investment plan
- Analyse the performance of the investments
- Assess whether internal and external investment regulations are being followed
- Examine well-known investment opportunities or investments that will significantly alter the Company's organisational structure – these consist of investments in subsidiaries, associates, special purpose vehicles, or associated parties; acquisitions, divestitures, spinoffs, mergers; equity investments (except from trading purposes); debentures; and government securities (apart from investments made to satisfy legal obligations) and assesses and provides recommendations to the Board on these matters
- Assess the risks and returns of the Company's investment portfolio

FOCUSED AREAS BY THE COMMITTEE IN 2025/26

During the year, the Group advanced its regional expansion strategy as part of the approved Long-Range Plan for the Group through the acquisition of Mirotone (NZ) Limited and the establishment of Mirotone operations in Australia scheduled for FY27.

MEETING MINUTES/ REPORTING TO THE BOARD

The minutes of the Related Party Transaction Review Committee meetings are meticulously documented and tabled at Board Meetings, thereby ensuring that all Board Members have access to them.



Anika Williamson
Chairman – Investment Committee
2 June 2026

BOARD SUB-COMMITTEE REPORTS

Human Resources and Remuneration Committee Report

LR 9.12.8

GRI 2-19, 2-20



Hussain Akbarally
Chairman
Non-Executive
Independent Director

ROLE

LR 9.12.2

The Human Resources and Remuneration Committee examines the proposals and recommendations made by the Management on the remuneration package for the Company's Executive Directors and Senior Management and makes the recommendation to the Board for approval. The Committee operates within the Board approved terms of reference and assists the Board of Directors to ensure that the remuneration policies in the Company align with the Company's objectives.

SCOPE

The scope of the Committee also involves, to look into the fees and perquisites of the Chairman, the Managing Director, CEO, and the Independent Directors of the Board. The Committee also reviews and approves staff promotions to ensure continuity of operations and long-term organisational success.

RULE

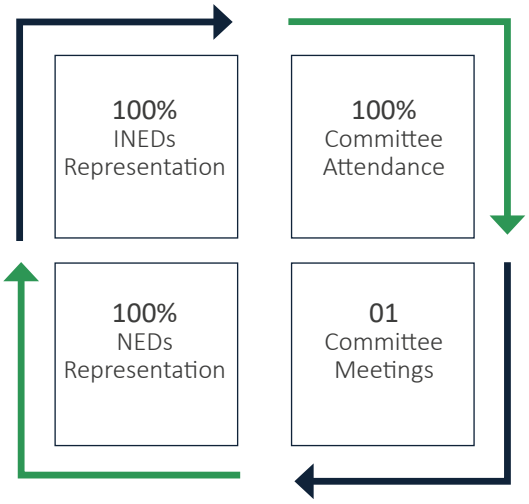
Rule	Provisions	Compliance status
Section 9.12 of the Listing Rules of the Colombo Stock Exchange	Mandatory	Fully compliant
Code of Best Practice, on remuneration functions issued by the Institute of Chartered Accountants of Sri Lanka in 2023	Voluntary	Fully compliant

COMPOSITION AND ATTENDANCE OF COMMITTEE MEMBERS

LR 9.12.6

Board Members	Date of Appointment to the Committee	Committee Meetings
Hussain Akbarally Chairman/NEID	09 August 2021 Appointed as Chairman w.e.f. 26 August 2025	1/1
Dr. Sivakumar Selliah Member/NEID	09 August 2021	1/1
Devaka Cooray Member/NEID	01 October 2024	1/1

Profiles of the members of this Committee are stated on pages 34 to 37 of this report.



SECRETARY TO THE COMMITTEE

Company Secretary

REGULAR ATTENDEES BY INVITATION

- Managing Director
- Executive Director/Chief Executive Officer

CHANGES IN COMMITTEE MEMBERSHIP DURING THE YEAR

Hussain Akbarally appointed as Chairman w.e.f. 26 August 2025.

COMMITTEE CHARTER

LR 9.12.5

The Committee has written terms of reference clearly defining its scope, authority and duties, which was adopted by the Board of Directors of the Company with the recommendation of the Committee. The HR and Remuneration Committee Charter undergoes regular reviews and updates with the approval of the Board of Directors to ensure it incorporates new developments related to the Committee's functions.

FUNCTIONS OF THE COMMITTEE

LR 9.12.7

Performance evaluations and remuneration

- Assess the Managing Director and Key Management Personnel's performance in relation to the predetermined objectives and targets and recommend adjustments to pay and benefits, ensuring fair and transparent evaluation guidelines
- Ensure that the performance-linked compensation component is structured and customised to harmonise the interests of employees with those of the Company and its primary stakeholders, all while promoting long-term and sustainable growth

- Evaluates compensation commitments, including pensions, for early termination in executive contracts and ensures that such terms are included in initial contracts, except in cases of misconduct.
- Considers time commitment and responsibilities when deciding Non-executive Directors' remuneration
- No Director is involved in fixing his/her own remuneration

Policy reviews

- Create rules, regulations, and boundaries for the compensation structure of the Group's top-level management team
- Provide advice and policy direction on human resource management concerns
- Examine executive compensation data periodically to ensure alignment with market or industry rates and approve annual raises, bonuses, and changes in requirements and incentives
- Establish a structured and flexible process for determining the compensation packages for Executive Directors and fixing the remuneration packages for individual Directors
- Recommend the remuneration payable to the Executive Directors and CEO of the Group and/or equivalent position thereof to the Board of the Company which will make the final determination upon consideration of such recommendations
- Considers overall Group pay and employment conditions when deciding annual salary increases

Promotions and recruitment

- Evaluate and propose promotions for key management personnel to the Board of Directors
- Address succession planning and matters related to the organisational structure
- Provide recommendations to the Board regarding the need for acquiring new expertise for the company
- The 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

REMUNERATION POLICY

The Company has a philosophy of attracting and retaining high-profile executives. In this context, the Committee considers competition, individual and collective performance, and target attainment while determining the Company's overall remuneration policy. The remuneration policy for Non-Executive Directors is based on the principle of non-discriminatory pay practices, ensuring that their independence is not impaired.

Remuneration and other benefits

LR 9.12.3, 9.12.4

The Board as a whole decides on the Non-Executive Directors' salaries based on the Committee's recommendations.

Remuneration of staff is based on the profile of the job holder and encompasses the base salary, benefits and fixed allowances, alongside a variable pay scheme designed to drive business goals and have been aligned with the goals of corporate governance.

Non-Executive Directors do not receive any performance-related or incentive payments, share option plans or retirement benefits, and no Director or employee is eligible for Company loans.

Based on market surveys carried out, the Group, has adopted measures while ensuring internal and external parity to attract the right talent from external talent pools and retain high performers within the organisation. No remuneration is paid to the Non-Executive Directors other than the Directors' fees and Sub Committee fees paid for participation in Board meetings and Subcommittee meetings.

The committee recommends pay framework for the Board of Directors and consults the Chairman/ CEO on executive/ senior management pay proposals while ensuring fair, transparent procedures for remuneration. The Committee takes into account the short, medium and long-term performance of the Group when designing remuneration packages of executive directors and make sure the packages are competitive enough to attract and retain top talent and that they exclude unnecessary pay increases. Remuneration for Non-Executive Directors is based on a policy which adopts the principle of non-discriminatory pay practices among them to ensure that their independence is not impaired

The aggregate remuneration of the Executive and Non-Executive Directors

The aggregate remuneration paid to Executive and Non-Executive Directors amounted to Rs. 55 Mn and Rs. 38 Mn respectively.

JAT EMPLOYEE SHARE OPTION PLAN

An Employee Share Option Plan (ESOP) is available in the Company which was introduced by aligning the Company's goals and objectives with individual performance to motivate employees through equity ownership. The Plan was introduced to selected employees based on position held, seniority, and contribution in terms of strategic and operational importance to the company.

The ESOP scheme, which is enforceable after 3 years of listing, will enable the selected employees to purchase Company shares at the IPO issue price and benefit from the capital appreciation which they would have contributed to, ensuring the individual performance is directly attributable to the mid-term goals of the Company.

The Employee Share Option Plan, established in June 2021 in accordance with the applicable CSE Listing Rules, was completed successfully in February 2026. During the financial year ended 31 March 2026, no new options were granted.

Disclosure of ESOP Information

	Status during FY26
Options granted during the year	NIL
Options exercised during the year	12,028,703
Shares arising from options exercised	12,028,703
Options cancelled during the year	1,823,148
Exercise Price	Rs. 27/-

BOARD SUB-COMMITTEE REPORTS

Human Resources and Remuneration Committee Report

DIRECTORS' DECLARATION

The Directors confirmed that the Company and its subsidiaries have not, directly or indirectly, provided any funds for the Employee Share Option Plan.

FOCUSED AREAS BY THE COMMITTEE IN 2025/26

The Group strengthened its rewards and bonus framework during the year with the introduction of a revised, Board-approved bonus policy designed to enhance alignment between performance and reward. The policy incorporates profitability-linked thresholds, clearly defined and transparent criteria, and a structured linkage to company, divisional, and individual performance, thereby promoting greater fairness and consistency in reward allocation. In addition, performance ranking principles continued to guide increment decisions, reinforcing a merit-based and performance-driven remuneration culture.

MEETING MINUTES/REPORTING TO THE BOARD

The minutes of the Related Party Transaction Review Committee meetings are meticulously documented and tabled at Board Meetings, thereby ensuring that all Board Members have access to them.



Hussain Akbarally
Chairman – HR and Remuneration Committee

2 June 2026

BOARD SUB-COMMITTEE REPORTS

Nominations and Governance Committee Report

LR 9.11.6

GRI 2-10



Devaka Cooray
Chairman
Non-Executive
Independent Director

ROLE

LR 9.11.1

Nominations and Governance Committee Assists the Board to ensure the required balance of expertise of the Board to meet the strategic demands of the Company and the Group is met.

SCOPE

The Nominations and Governance Committee is responsible for overseeing Board and key management appointments, re-elections, succession planning, and maintaining Board balance. While ensuring robust corporate governance practices and compliance to listing rules, the Committee also leads performance evaluations of the Board and CEO, monitors director independence, and ensures that induction, training, and succession plans are in place to support the long-term success of the organisation.

RULE

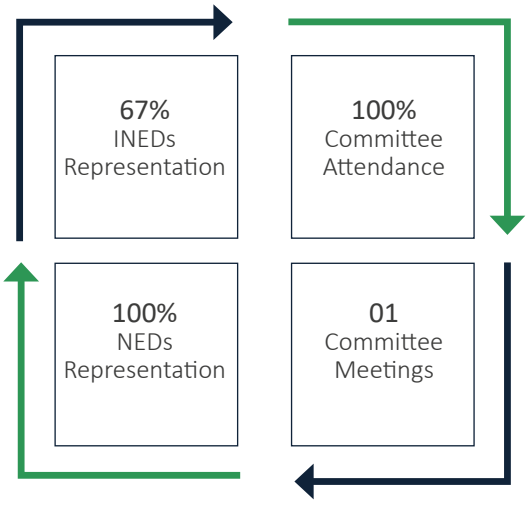
Rule	Provisions	Compliance status
Section 9.11 of the Listing Rules of the Colombo Stock Exchange	Mandatory	Fully compliant
Code of Best Practice, nomination functions issued by the Institute of Chartered Accountants of Sri Lanka in 2023	Voluntary	Fully compliant

COMPOSITION AND ATTENDANCE OF COMMITTEE MEMBERS

LR 9.11.4

Board Members	Date of Appointment to the Committee	Committee Meetings
Devaka Cooray Chairman/NEID	20 February 2023 Appointed as Chairman w.e.f. 01 October 2024	1/1
Dr. Sivakumar Selliah Member/NEID	20 February 2023	1/1
Joycelyn Gunawardene Member/NENID	01 January 2025	1/1

Profiles of the members of this Committee are stated on pages 34 to 37 of this report.



SECRETARY TO THE COMMITTEE

Company Secretary

REGULAR ATTENDEES BY INVITATION

- Managing Director
- Executive Director/CEO

CHANGES IN COMMITTEE MEMBERSHIP DURING THE YEAR

None

COMMITTEE CHARTER

LR 9.11.3

The Committee has written terms of reference clearly defining its scope, authority and duties, which was adopted by the Board of Directors of the Company with the recommendation of the Committee. The Nominations and Governance Committee Charter undergoes regular reviews and updates with the approval of the Board of Directors to ensure it incorporates new developments related to the Committee's functions.

FUNCTIONS OF THE COMMITTEE

LR 9.11.5

Alternate headings for this Charter of the Committee/ Scope of the Committee

- Consideration of making any appointment of new Directors or re-electing current Directors and other Key Management Personnel as per the established formal procedure
- Provide advice and recommendations to the Board on new appointments and need for new skills and plans for the Directors and Key Management Personnel including succession plans for these positions
- Review criteria such as qualifications, experience and key attributes required for eligibility for appointment to the Board and Key Management in the Company

BOARD SUB-COMMITTEE REPORTS

Nominations and Governance Committee Report

- Maintain optimum Board balance
- Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities
- Examine the organisation's executive and non-executive leadership requirements in order to ensure the organisation's long-term growth in a growing market
- Review prospective Director appointments that would ensure that the candidates have no conflict of interest between their job roles and personnel goals in relation to the present and future business plans
- Review Declarations from all Directors and Key Management Personnel, and propose same for Board's approval
- Maintain gender diversity to ensure company goals are achieved in the most effective manner
- Review and recommend the overall corporate governance framework including the related policies are in line with the Listing Rules of the Exchange, other applicable regulatory requirements and industry/international best practices
- Review of Compliance reports submitted by the management to ensure that all practices are as per the Corporate Governance framework of the entity which includes the entity's compliance with provisions of the Security and Exchnage Commission Act, Listing Rules of the Colomo Stock Exchange and other applicable laws, together with any deviations/non-compliances and the rational for same
- The committee ensures a succession plan for the Board of Directors, CEO and key management, and determine their training and development needs.

INFORMATION REGARDING DIRECTORS WHO ARE RE-ELECTED OR BEING PROPOSED FOR RE-ELECTION DURING THE YEAR

Name of the Board of Director	Board Committees served (as a member/ chairperson)	Date of 1st appointment as a Director	Date of last re-appointment as a Director	Directorships or Chairpersonships and other principal commitments both present and those held over the preceding three years in other Listed Entities	Any relationship between the candidate and the Directors, the listed entity and the shareholders with more than 10% of the shares
Devaka Cooray	Non-Executive/ Independent Director	01 January 2021	30 June 2023	-	-
Hussain Akbarally	Non-Executive/ Independent Director	19 June 2016	30 June 2024	-	-

As per the Articles of Association, one-third of the Directors for the time being, or if their number is not a multiple of three the number nearest to (but not greater than) one-third shall retire from office. Provided that a Director appointed to the office of Chairman, Chief Executive, Managing or Joint Managing Director, Manager or other Executive Officer shall not, while holding that office or a Director vacating office in terms of 88 (ii), be subject to retirement by rotation or be taken into account in determining the Directors to retire in each year.

The Directors to retire in every year shall be those who, being subject to retirement by rotation, have been longest in office since their last election or appointment, but as between persons who became or were last re-elected Directors on the same day the Directors to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election. The Committee members do not partake in decisions about their own appointments, and the board chairman does not chair the committee when selecting the successor and also the Chairman of the Board does not serve as the Chairman of any Board Sub-Committee, in line with good corporate governance practices. However, the Board reviews the participation, contribution and engagement of each Director at the re-election.

RECOMMENDATION FOR THE CONTINUATION OF MR. MUTUTANTRIGE PARAKRAMA DEVAKA COORAY AS NON-EXECUTIVE INDEPENDENT DIRECTOR

The Nominations and Governance Committee, having reviewed the profile, experience, and contribution of Mr. Mututantrige Parakrama Devaka Cooray, is of the view that continuing to obtain his services, as a Non-Executive Independent Director would be in the best interest of the Company.

Therefore the Committee considered that despite reaching the age of 70, Mr. Devaka Cooray's continued services as an Independent Director to be of significant value to the Company, given his extensive professional experience, deep understanding of governance and assurance practices, regional and international exposure, and his ability to provide independent judgment and strategic guidance that continue to contribute meaningfully to the deliberations and effectiveness of the Board.

Accordingly, the Committee recommended his continuation as an Independent Director upon reaching the age of seventy (70) years, in terms of CSE Listing Rule 9.8.3(ix).

PERIODIC EVALUATIONS CONDUCTED ON THE PERFORMANCE OF THE BOARD OF DIRECTORS AND THE CEO OF THE ENTITY

LR 9.7.2

The annual performance evaluation of the CEO and the Board of Directors of the

Entity is a transparent and robust process which happens annually by the authorised personnel including the Managing Director of the Group. This ensures that their responsibilities are being discharged of satisfactorily and that the Directors and the CEO are fit and proper to hold their positions.

A specific, assessment criteria aligned with the roles and responsibilities of the Board of Directors and the CEO is being followed annually which includes, leadership, strategic direction, risk management, financial performance, stakeholder relations, Board composition, diversity, Director independence, committee effectiveness and adherence to corporate governance principles.

PROCESSES ADOPTED BY THE LISTED ENTITY TO INFORM THE INDEPENDENT DIRECTORS OF MAJOR ISSUES RELATING TO THE ENTITY

The Company informs the Independent Directors of major issues relating to the entity at a Board meeting by submitting a Board Paper or via written resolutions. There were no major issues that required Board attention during the year in review.

BOARD DIVERSITY

Board diversity is an integral consideration to ensure Board performance is at the highest level. Please refer page 47 for information on the Directors range of experience, skills, age and gender.

INDUCTION AND TRAINING

A procedure is in place to carry out orientation for newly appointed Directors primarily led by the Chairman in order to ensure a sound understanding of the corporate governance requirements, the applicable laws and Policy on matters relating to the Board of Directors will be shared as the handbook for the newly appointed Directors.

Directors are updated quarterly and time to time as necessity on new laws and regulations and changes to existing laws and regulations including those relating to governance.

THE CRITERIA FOR DETERMINING INDEPENDENCE OF THE DIRECTORS

All Directors submit annual declarations on independence/non-independence in accordance with the Articles of Association, stipulations of the Listing Rules of the Colombo Stock Exchange. The Independence is determined against the criteria set out in the Code of Best Practice on Corporate Governance (2023) and Section 9 of the CSE Listing Rules and all Directors satisfy the criteria of being independent in character and judgement and be free of any relationships or circumstances which could affect independent judgement.

ENSURING COMPLIANCE

The Directors confirm that to the best of their knowledge belief that all statutory payments, duties and levies payable by the Company and its subsidiaries in relation to regulatory and statutory authorities that were due in respect of the Company and its subsidiaries as at the balance sheet date have been duly paid where relevant provided for.

POLICIES AND PROCEDURES

LR 9.11.2

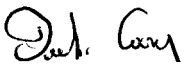
The Committee conducts its activities as per its policy and guidelines. The policy ensures that the procedures are in place to guarantee that the new appointments and re-elections to the Board and other related governance processes are happening in the most accurate and reliable way.

FOCUSED AREAS BY THE COMMITTEE IN 2025/26

- Succession planning: Committee oversaw succession planning at the holding company level to ensure continuity of leadership and long-term sustainability. This includes evaluating suitable internal candidates for key positions, while maintaining an optimal balance of skills, experience, independence, and diversity aligned with the Group's strategic direction.
- Re-election of Directors: Committee continued to strengthen the Board's long-term effectiveness through structured and a robust re-election process. The Committee evaluates and recommends the appointment, re-appointment, and re-election of Directors, ensuring an optimal balance of skills, experience, independence, and diversity aligned with the Company's strategic direction.

MEETING MINUTES/REPORTING TO THE BOARD

The minutes of the Nomination and Governance Committee meetings are meticulously documented and tabled at Board Meetings, thereby ensuring that all Board Members have access to them.



Devaka Cooray
Chairman – Nominations and Governance Committee

2 June 2026

BOARD OF DIRECTORS – COMMUNICATION POLICY

GRI 2-16

POLICY STATEMENT

JAT Holdings PLC values the input and insights of all its stakeholders, including lenders, creditors, shareholders and borrowers and other interested parties and believes that effective communication strengthens the role of the Company's Board of Directors as an active, informed and engaged body. To facilitate communication, this policy outlines the procedures for communicating with the Board, its Committees and its members.

This policy is regularly reviewed to ensure it aligns with the communication best practices.

The company has established a Communication Policy that outlines various communication channels aimed at ensuring that all company stakeholders receive timely information.

The Company's Communication Policy clearly outlines the need for efficient and punctual communication.

This policy has been approved by the Board of Directors and has become effective from 31 of March 2016. The Board of Directors will oversee this policy and will review it and may recommend any changes from time to time. The Board can modify this policy unilaterally at any time without notice.

The Communication Policy is designed to ensure that stakeholder communication is carried out efficiently, and the Board regularly assesses and updates the policy to enhance its scope and effectiveness in policy implementation.

DISCLOSURES OF MAJOR AND MATERIAL TRANSACTIONS

The Communication Policy ensures that the Company complies with SEC and CSE regulations by disclosing significant and substantial transactions to shareholders. The Company has a well-established process for meeting these obligations. No transactions have occurred that would significantly impact the Company's assets, and there have been no major related party transactions, except for those already disclosed, which include Shareholder engagement and voting, Statement of Compliance, and Related Party Disclosures.

COMMUNICATION TO THE BOARD

Stakeholders and other interested parties can communicate with the Board as a whole, the Independent Directors or any individual member of the Board or any Committee of the Board. All such written communications should be submitted by mail to No. 351, Pannipitiya Road, Thalawathugoda, Sri Lanka or submitted electronically via the company's official website.

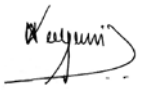
PROCEDURES FOR HANDLING COMMUNICATIONS TO THE BOARD

The Board has designated the Company's Board Secretary as its agent to receive and review written communications addressed to the Board, any of its Committees, or any Board member or group of members. The Board Secretary may communicate with the sender for any clarifications. In additions, the Board Secretary will promptly forward to the Chairman of the Audit Committee any communication regarding legal, ethical or compliance issues by management or any other matter deemed by the Board Secretary to be potentially material to the Company.

As an initial matter, the Board Secretary will determine whether the communication is a proper communication for the Board. The Board Secretary will not forward to the Board, any Committees or any Director communications of a personal nature or not related to the duties and responsibilities of the Board, including without limitations, junk mail and mass mailings, business solicitations, opinion survey polls or any other communications deemed by the Board Secretary to be immaterial to the Company.

Separately, the parent Company's Audit and Risk Management Committee has established a Group Whistleblowing Policy for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters, fraud and unethical business practices, sexual harassment/misconduct, racial or religious discrimination and the confidential, anonymous submission by employees or any other concerned persons of concerns regarding questionable practices or events that would be harmful to the Company's progress and reputation.

By Order of the Board,
JAT Holdings PLC



N.I.D. Corporate Services (Pvt) Ltd
Secretaries to the Company

2 June 2026
Colombo

CHIEF EXECUTIVE OFFICER'S AND CHIEF FINANCIAL OFFICER'S RESPONSIBILITY STATEMENT

The Financial Statements of JAT Holdings PLC and the Consolidated Financial Statements of the Company and its subsidiaries (the Group) as at 31 March 2026 are prepared and presented in conformity with the following requirements:

- Sri Lanka Accounting Standards issued by The Institute of Chartered Accountants of Sri Lanka (LKAS and SLFRS)
- Companies Act No. 07 of 2007 and amendments thereto
- Listing Rules of the Colombo Stock Exchange
- Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995
- Code of Best Practice on Corporate Governance 2023; issued jointly by The Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission Sri Lanka
- Acts, Circulars, Gazettes issued by the Taxation Authorities for Corporates
- Exchange Control Act No. 22 of 2017

The formats used in the preparation of the Financial Statements and disclosures are made in compliance with the formats prescribed by the Sri Lanka Accounting Standards. Additionally, the requirements as per the laws of the countries where the foreign subsidiaries are domiciled are abided by.

The Accounting Policies used in the preparation of the Financial Statements are appropriate and are consistently applied by the Group. There are no departures from the prescribed Accounting Standards in their adoption. Comparative information has been reclassified wherever necessary to comply with the current presentation, and material departures, if any, have been disclosed and explained. Significant accounting policies and estimates that involved a high degree of judgment and complexity were discussed with the External Auditors and the Audit and Risk Management Committee.

The Board of Directors and the Management of the Company accept responsibility for the integrity and objectivity of these Financial Statements. The estimates and judgments relating to the Financial Statements were made on a prudent and reasonable basis, in order to ensure that the Financial Statements are reflected in a true and fair manner and the form and substance of transactions and the Company's state of affairs are reasonably presented. We also confirm that the Group has adequate resources to continue in operation and has applied the going concern basis in preparing these Financial Statements.

JAT is in responsible for creating, implementing, and sustaining internal controls and procedures within the company. To ensure this, the Company and the Group have taken proper and sufficient care in installing a system of internal controls and accounting records, for safeguarding assets and for preventing and detecting frauds as well as other irregularities, which is reviewed, evaluated and updated on an ongoing basis.

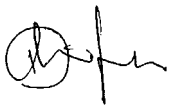
The Internal Audit Department has conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company and the Group were consistently followed. The Company affirm that there were no significant inadequacies or substantial weaknesses in the way internal controls are established and executed, especially in detecting fraudulent activities involving management or other staff. However, there are inherent limitations that should be recognised in weighing the assurances provided by any system of internal controls and accounting.

The Audit and Risk Management Committee holds meetings with the internal audit team and the independent external auditor. In order to maintain full independence, both the external auditor and internal auditors have unrestricted access to the members of the Audit and Risk Management Committee for discussing significant issues. The Audit and Risk Management Committee reviewed all of the internal and external audit and inspection programmes, the efficiency of the internal control systems and procedures, the quality of accounting policies and their adherence to statutory and regulatory requirements, the external audit plan and the management letters, are also followed up on any issues raised during the statutory audit, the details of which are given in the Audit and Risk Management Committee Report on pages 218 to 221 of this Annual Report.

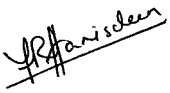
The Financial Statements of the Company and the Group were audited by Messrs. Ernst & Young Chartered Accountants, Sri Lanka and their Report is given on pages 238 to 240 of this Annual Report.

We confirm that:

- the Group has complied with all applicable laws and regulations and prudential requirements,
- there are no material non-compliances,
- there are no material litigations that are pending against the Group other than those disclosed in Note 38.2 of the Financial Statements of this Annual Report,
- all taxes, duties, levies and other statutory payments by the Group and all contributions, levies and taxes payable on behalf of and in respect of the employees of the Group as at 31 March 2026 have been paid, or where relevant provided for.



Nishal Ferdinando
Director/Chief Executive Officer



Rizna Dilshard
Director – Finance, Corporate Planning and Processes

2 June 2026
Colombo

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are responsible under sections 150 (1), 151, 152 (1) and 153 of the Companies Act No. 07 of 2007, to ensure compliance with the requirements set out therein and to prepare Financial Statements for the twelve months financial period ended 31 March 2026 giving a true and fair view of the state of affairs of the Company and the Group and of the profit of the Company and the Group for the said financial period.

The Directors are also responsible, under Section 148, for ensuring that proper accounting records are kept enabling, determination of financial position with reasonable accuracy, preparation of Financial Statements and audit of such statements to be carried out readily and properly.

The Directors are responsible, pursuant to Section 130(a) of the Companies (Amendment) Act No. 12 of 2025 and the Companies (Beneficial Ownership) Regulation No. 01 of 2026, for ensuring that the Ultimate Beneficial Owner (UBO) is properly identified, duly declared, and accurately recorded with the Registrar of Companies, in collaboration with the appointed authorised person.

The Board accepts responsibility for the integrity and objectivity of the Financial Statements presented. The Directors confirm that in preparing the Financial Statements, appropriate accounting policies have been selected and applied consistently and where necessary changes to accounting policies have been made with adequate disclosures while reasonable and prudent judgements have been made so that the forms and substance of transactions are properly reflected.

The financial reports include the following

1. A Statement of Comprehensive Income for the Company and its subsidiaries, offering an accurate representation of their financial performance during the fiscal year.
2. A Statement of Financial Position, providing an accurate representation of the Company and its subsidiaries' financial status at the end of the fiscal year.

The Directors confirm that the Financial Statements have been prepared and presented in accordance with the Sri Lanka Accounting Standards (SLFRSs/ LKASs), Companies Act No. 07 of 2007 and the Listing Rules of the Colombo Stock Exchange and Code of Best Practice on Corporate Governance issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka). Further, the Financial Statements provide the information required by the Companies Act and the Listing Rules of the Colombo Stock Exchange.

The Directors have several key responsibilities

- Maintain accurate accounting records that provide a reasonably precise view of the Group and Company's financial status. This ensures compliance with relevant laws and regulations and allows auditors to thoroughly review the financial statements
- Establish an ongoing system for identifying, assessing, and managing significant risks that the Company faces and regularly review the effectiveness of this system
- Take reasonable measures to protect the assets of the Company and the Group, as well as to prevent and detect instances of fraud and other irregularities and maintaining the integrity of publicly available statutory and audited information
- Ensure that appropriate accounting policies are consistently selected and applied

The Board of Directors acknowledges accountability for the integrity and impartiality of the Financial Statements provided.

The Directors are of the opinion, based on their knowledge of the Company, key operations and specific inquiries that adequate resources exist to support the Company and the Group on a going concern basis over the next year. These Financial Statements have been prepared on that basis.

The Directors have taken reasonable measures to safeguard the assets of the Company and the Group and in that context have instituted appropriate systems of internal control with a view to preventing and detecting fraud and other irregularities. These have been reviewed, evaluated and updated on an ongoing basis.

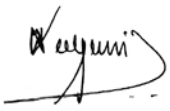
The Board of Directors declared an Interim Dividend and a Final Dividend for the twelve months' period ended 31 March 2025 in terms of the Articles of Association of the Company and in line with Section 56 of the Companies Act No 07. of 2007. The solvency test was satisfied immediately after such distribution in accordance with Section 57 of the Companies Act No 07. of 2007 and have obtained in respect of dividends paid, necessary certificates of solvency from the External Auditors.

The External Auditors, Messrs. Ernst & Young, Chartered Accountants, who will be proposed to be reappointed as the Auditors of the Company at the Annual General Meeting were provided with every opportunity to undertake the inspections, they considered appropriate to enable them to form their opinion on the Financial Statements. The report of the Auditors, shown on pages 238 to 240 sets out their responsibilities in relation to the Financial Statements. The Board has recommended the Messrs. Ernst and Young, Chartered Accountants be reappointed as Auditors for the year FY 27.

COMPLIANCE REPORT

The Directors confirm that to the best of their knowledge all statutory payments relating to employees and the Government that were due in respect of the Company and its subsidiaries as at the balance sheet date have been paid or where relevant provided for.

By Order of the Board
JAT Holdings PLC



N. I. D. Corporate Services (Pvt) Ltd
Secretaries to the Company

2 June 2026

DIRECTORS' STATEMENT ON INTERNAL CONTROLS

LR 9.16

The following statement fulfils the requirement to publish the Directors' Statement on internal controls as per principle D.2.2 the Code of Best Practice on Corporate Governance 2023 issued by the Institute of Chartered Accountants of Sri Lanka.

RESPONSIBILITY

The Board of Directors is responsible for maintaining a sound system of internal controls to safeguard shareholders' investments and the Company's assets. The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Company and Group. This process includes enhancing the system of internal controls as and when there are changes to the business environment or regulatory guidelines. The process is regularly reviewed by the Board.

The internal control system can offer a reasonable but not absolute assurance when it comes to detecting significant errors or fraudulent activities.

The Board believes that the existing internal control mechanisms implemented comprising internal checks, internal audits, risk management policies, and financial and other controls are adequate. This system is designed in a way that provides an assurance in protecting assets and ensuring that transactions are appropriately authorized and accurately recorded. This design aims to either prevent or identify significant errors and irregularities within a reasonable timeframe.

In addition, the Board has formed several committees, namely the Audit and Risk Management Committee, HR and Remuneration Committee, Related Party Transaction Review Committee, Investment Committee, and Nominations and Governance Committee. These Committees play a vital role in enhancing the effectiveness and reliability of internal control system and risk management procedures.

The Board is of the view that the system of internal controls in place is sound and adequate to provide reasonable assurance regarding the reliability of financial reporting, and the preparation of Financial Statements for external purposes are in accordance with relevant accounting principles and regulatory requirements. The Board has implemented the following to obtain reasonable assurance that proper systems of internal controls are in place:

- Various committees instituted to assist the Board in ensuring the effectiveness of Company's operations and the operations are in accordance with the corporate strategies, annual budget and policies, taking into consideration the business environment and internal operating conditions.
- The Internal Audit Department ensuring the efficiency and effectiveness of the Company's Internal Control System. The Internal Audit Department reviews and reports on the internal control environment in the Company and also monitors compliance with policies and procedures, and their suitability of design and effectiveness on an ongoing basis. Audits are carried out on all subsidiaries in accordance with the annual audit plan approved by the Audit and Risk Management Committee. Findings are submitted to the Audit and Risk Management Committee for review at their periodic meetings.
- Continuous monitoring by the Internal Audit Department of the internal control system over financial reporting to mitigate the risk of misrepresentation of financial reporting. The Company regularly assess and enhance the procedures and controls associated with important accounts and disclosures in the financial statements.
- The Audit and Risk Management Committee approvals on the annual audit plan, review of internal control issues identified by the Internal Audit Department, the Independent External Auditors, regulatory authorities, and the management and evaluation of the adequacy and effectiveness of the risk management and internal control systems. They also review the internal audit functions with particular emphasis on the scope of audits and quality of internal audits. The minutes of the Audit and Risk Management Committee meetings are tabled at the Board meetings.
- The adoption of new Sri Lanka Accounting Standards comprising LKAS and SLFRS in 2023. Processes that are required to comply with new requirements of recognition, measurement, presentation and disclosures were introduced and implemented. Continuous monitoring is in progress to ensure effective implementation of the required processes.
- The comments made by External Auditors in connection with the internal control system during the financial year taken into consideration and appropriate steps taken to incorporate them where appropriate.
- The organisation has embraced a more technology-oriented approach, leading to greater dependency on cyber connectivity. In this modern era, safeguarding and preserving the organisation's valuable information assets has become a top concern. The Board of Directors has implemented essential measures to mitigate the risk of a security breach. In the past year, proactive measures were implemented to control the risk of cyberattacks by reducing the areas susceptible to threats and potential vulnerabilities that could be exploited.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

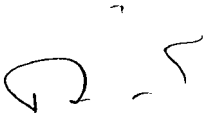
The External Auditors, Ernst & Young, have examined the Directors' Statement on internal control over financial reporting in the Annual Report for the year ending 31 March 2026. They have informed the Board that, based on their assessment, they have not identified any issues that would lead them to believe that the statement contradicts their understanding of the process adopted by the Board in the design and effectiveness of the Company's financial reporting internal controls.

DIRECTORS' STATEMENT ON INTERNAL CONTROLS

CONFIRMATION

The board acknowledges that the implemented systems are meant to manage, not completely eliminate, the risk of failing to meet business objectives. These systems offer reasonable, but not absolute, assurance against significant financial errors or losses. The company has insurance and physical safeguards in place to protect its major assets and minimise potential losses in the event of unexpected adverse events. The Board of Directors and management reassessed operational and financial risks and evaluated any noted modifications on internal controls.

The Board of Directors confirm that the financial reporting system of JAT Holdings PLC has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes has been done in accordance with the Sri Lanka Accounting Standards, requirements of the Company's Act No. 7 of 2007 and the Listing Rules of the Colombo Stock Exchange.



Dr. S. Selliah
Chairman – JAT Holdings PLC



Devaka Cooray
Chairman – Audit and Risk Management Committee

2 June 2026

PATHS OF PROSPERITY

Financial Statements

Financial stewardship remains central to JAT Holdings' sustainable growth. Transparent reporting, capital optimisation, and disciplined execution translate operational performance into measurable results that support continued value creation.

INDEPENDENT AUDITOR'S REPORT

Ernst & Young
Chartered Accountants
Rotunda Towers
No. 109, Galle Road
P.O. Box 101
Colombo 03, Sri Lanka

Tel: +94 11 246 3500
Fax: +94 11 768 7869
Email: eysl@lk.ey.com
ey.com

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF JAT HOLDINGS PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of JAT Holdings PLC ("the Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group"), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss 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 our audit addressed the key audit matter
Revenue from contracts with customers The Group derived its revenue of Rs. 12.6 Bn from the sale arrangements for products and services provided by the Group entities as disclosed in Note 6 to the financial statements. Revenue was a key audit matter due to: • The significance of the reported revenue • Sigh volume of transactions recorded during the current year • Significant judgment exercised by management when - Determining the timing of satisfaction of performance obligations - Determining the transaction price and amounts allocated to performance obligations	**Our audit procedures included the following key procedures;** • Understood the nature of revenue arrangements entered by the group entities • Tested relevant controls over the recognition of revenue. Our procedures included testing the general IT control environment and key IT application controls relating to the most significant IT systems relevant to revenue. • Performed appropriate analytical procedures to understand and assess the reasonableness of the reported revenues. • Tested revenue transactions by reviewing relevant purchase orders, quotations sales orders, sales invoices, delivery notes and other relevant supporting documents. Our procedures included testing revenue cutoff at the period-end date to determine whether transactions are recorded in the proper period and to the proper accounts • Tested journal entries posted to revenue accounts. • Assessed the reasonableness of significant judgements made by management when determining the timing of satisfaction of performance obligations, transaction price and allocating amounts to performance obligations based on the respective terms and conditions of customer contracts. We also assessed the adequacy of the disclosures in respect of revenue in Note 6 to the financial statements.

Key audit matter	How our audit addressed the key audit matter
Existence and valuation of inventories As disclosed in Note 23 to the financial statements, as at 31 March 2026, the carrying value of inventories amounted to Rs. 3.4 Bn. The existence and carrying value of inventories was a key audit matter due to the: • Materiality of the reported balance which represents 21% of the total consolidated assets • Judgements applied by the management in valuing the inventories at hand and in determining the provision for slow-moving and obsolete inventory	**Our audit procedures included the following key procedures;** • Obtained an understanding of the types and forms of inventories maintained by the entity, together with key processes and controls relating to the management and measurement of inventories • Performed procedures to understand the design of controls related to inventories and tested relevant key controls • Observed physical inventory counts and reconciled the count results to the inventory reports that support the reported balance as at the reporting date • Tested the valuation of inventory at cost is as per the Company's accounting policy • Tested the age analysis of inventories considered by management for purposes of determining the allowance for slow-moving and obsolete inventory • Tested whether inventories were stated at the lower of cost and net realizable value, by comparing cost with subsequent selling prices of such items • Assessed the reasonableness of judgements applied by the management in recording inventories at NRV, and in determining allowance for slow- moving and obsolete inventory We also assessed the adequacy of disclosures made in relation to inventories, and related allowances in Notes 23 to the financial statements.

Other Information included in the 2025/26 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 for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

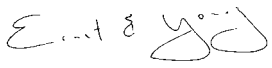
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Report on other legal and regulatory requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 7752.



3 June 2026
Colombo

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 FCCA, 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 FCA 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)

A member firm of Ernst & Young Global Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Revenue from contracts with customers	6	12,642,493,981	11,624,502,652	9,351,686,700	8,372,797,293
Cost of sales		(7,848,483,742)	(7,612,967,986)	(5,590,963,828)	(5,197,918,930)
Gross profit		4,794,010,239	4,011,534,666	3,760,722,872	3,174,878,363
Other income	7	246,733,384	154,043,157	42,013,654	16,532,091
Selling and distribution expenses		(1,765,931,961)	(1,351,742,313)	(1,273,828,153)	(1,045,968,151)
Administrative expenses		(1,428,588,475)	(991,027,214)	(1,077,451,184)	(721,723,693)
Results from operating activities		1,846,223,188	1,822,808,296	1,451,457,190	1,423,718,609
Finance cost	8	(293,766,806)	(347,604,013)	(182,981,862)	(228,758,900)
Finance income	8	183,574,283	153,645,903	170,746,575	158,018,318
Share of results of equity accounted investees (Net of tax)	17.2	(41,963,846)	(23,281,780)	-	-
Profit before tax	9	1,694,066,820	1,605,568,405	1,439,221,903	1,352,978,028
Income tax expense	10	(169,429,393)	173,244,260	(174,748,435)	283,221,035
Profit for the year		1,524,637,426	1,778,812,665	1,264,473,468	1,636,199,063
Profit for the period attributable to:					
Equity holders of the parent		1,510,304,182	1,787,694,942	1,264,473,468	1,636,199,063
Non-controlling interest		14,333,244	(8,882,277)	-	-
		1,524,637,426	1,778,812,665	1,264,473,468	1,636,199,063
Other comprehensive Income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Currency translation of foreign operations		2,433,619	(103,059,934)	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		2,433,619	(103,059,934)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial gains/(losses) on defined benefit plans	30.1	(5,508,561)	5,785,283	(4,656,371)	5,307,021
Tax on other comprehensive income	10	(1,396,911)	2,373,302	(1,396,911)	2,373,302
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of tax		(6,905,472)	8,158,585	(6,053,282)	7,680,323
Other comprehensive income for the period, net of tax		(4,471,853)	(94,901,349)	(6,053,282)	7,680,323
Total Comprehensive Profit for the year, net of tax		1,520,165,573	1,683,911,316	1,258,420,186	1,643,879,385
Total Comprehensive Income attributable to:					
Equity holders of the parent		1,506,417,668	1,691,575,018	1,258,420,186	1,643,879,385
Non-controlling interest		13,747,906	(7,663,702)	-	-
		1,520,165,574	1,683,911,316	1,258,420,186	1,643,879,385
Basic/Diluted earnings per share	11	2.92	3.50		
Dividend per share	12	0.44	0.80		

The accounting policies and notes on pages 246 to 320 form an integral part of these financial statements.

Figures in brackets indicate deductions.

STATEMENT OF FINANCIAL POSITION

As at 31 March	Note	Group		Company	
		2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
ASSETS					
Non-current assets					
Property, plant and equipment	13	3,837,258,561	3,636,559,581	3,363,794,072	3,309,226,843
Right-of-use assets	14	376,699,936	153,885,074	94,368,654	121,461,844
Investment properties	15	693,029,153	534,000,000	-	-
Intangible assets	16	774,513,413	150,282,229	113,538,995	125,214,736
Investments in subsidiaries	17.1	-	-	1,567,328,390	1,120,009,897
Investment In Equity Accounted Investees	17.2	34,445,290	46,761,857	-	-
Consumable biological assets	18	103,806,730	79,167,950	103,806,730	79,167,950
Net Investment in the lease	19	57,891,176	96,742,183	57,891,176	96,742,183
Long term financial assets	20	87,190,000	74,220,000	87,190,000	74,220,000
Deferred Tax Assets	32	147,603,415	234,692,649	53,462,680	229,608,026
		6,112,437,674	5,006,311,523	5,441,380,697	5,155,651,478
Current assets					
Inventories	23	3,480,464,306	2,866,360,928	2,308,267,844	2,147,451,377
Income tax recoverable		52,591,653	49,219,164	51,588,674	46,149,917
Trade and other receivables	24	5,784,090,457	4,940,087,052	4,353,359,476	3,568,040,973
Advances and prepayments	25	710,715,054	1,418,316,788	370,814,871	1,153,855,872
Net Investment in the lease	19	97,937,449	38,716,484	97,937,449	38,716,484
Amounts due from related parties	37	100,802,414	60,188,888	1,021,064,638	429,949,161
Short term financial assets	21	1,178,399,003	1,119,245,585	892,505,556	722,085,091
Cash and cash equivalents	26	278,812,392	320,456,758	176,221,132	175,213,112
		11,683,812,728	10,812,591,646	9,271,759,640	8,281,461,987
Non-Current Assets held for sale	27	-	202,000,000	-	202,000,000
		11,683,812,728	11,014,591,647	9,271,759,640	8,483,461,987
Total assets		17,796,250,404	16,020,903,169	14,713,140,337	13,639,113,465
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	28	2,719,996,301	2,395,221,320	2,719,996,301	2,395,221,320
Retained earnings		9,416,013,193	8,144,271,007	8,317,361,945	7,288,813,809
Foreign currency translation reserve		(123,810,540)	(126,747,603)	-	-
Equity attributable to equity holders of the parent		12,012,198,954	10,412,744,724	11,037,358,246	9,684,035,129
Non-controlling interest		69,987,088	(21,877,254)	-	-
Total equity		12,082,186,042	10,390,867,470	11,037,358,246	9,684,035,129
Non-current liabilities					
Interest bearing loans and borrowings	29	262,302,448	82,689,530	37,260,250	59,371,136
Retirement benefit obligation	30	126,664,392	105,518,588	122,727,982	103,154,212
		388,966,840	188,208,119	159,988,231	162,525,348
Current liabilities					
Trade and other payables	31	1,885,118,293	2,059,434,792	1,477,247,307	1,698,216,806
Amounts due to related parties	37	8,106,496	7,726,504	62,954,353	84,496,800
Income tax liabilities		47,559,930	109,392,009	-	-
Interest bearing loans and borrowings	29	2,733,941,327	2,619,687,569	1,561,632,681	1,544,206,236
Bank Overdrafts	26.2	650,371,474	645,586,706	413,959,519	465,633,146
		5,325,097,520	5,441,827,580	3,515,793,860	3,792,552,988
Total equity and liabilities		17,796,250,404	16,020,903,169	14,713,140,337	13,639,113,465

It is certified that the financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Rizna Dilshard
Finance Director

The Board of Directors is responsible for these financial statements. Signed for and on behalf of the Board by:

Dr. Sivakumar Selliah
Chairman

Aelian Gunawardene
Managing Director

The accounting policies and notes on pages 246 to 320 form an integral part of these financial statements.
2 June 2026
Colombo

STATEMENT OF CHANGES IN EQUITY

GROUP

	Note	Attributable to equity holders of the parent					
		Stated capital	Retained earnings	Foreign currency translation reserve	Total	Non-controlling interest	Total equity
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 1 April 2024		2,395,221,320	6,757,052,187	(24,447,762)	9,127,825,746	(12,543,373)	9,115,282,373
Profit for the year		-	1,787,694,942	-	1,787,694,942	(8,882,277)	1,778,812,665
Other comprehensive income							
Currency translation of foreign operations				(102,299,841)	(102,299,841)	(760,093)	(103,059,934)
Actuarial gains/(losses) on defined benefit plans			5,739,322		5,739,322	45,961	5,785,283
Income tax effect on defined benefit plan			2,373,302		2,373,302	-	2,373,302
Total other comprehensive income/(loss), net of tax			8,112,624	(102,299,841)	(94,187,217)	(714,132)	(94,901,349)
Total comprehensive income/(loss) for the year, net of tax		-	1,795,807,566	(102,299,841)	1,693,507,725	(9,596,409)	1,683,911,316
Acquistion of non controlling Interests			(262,528)		(262,528)	262,528	-
Dividends to equity holders	12		(408,326,218)	-	(408,326,218)	-	(408,326,218)
As at 31 March 2025		2,395,221,320	8,144,271,007	(126,747,603)	10,412,744,725	(21,877,254)	10,390,867,470
Profit for the year		-	1,510,304,182	-	1,510,304,182	14,333,244	1,524,637,426
Other comprehensive income							
Currency translation of foreign operations				2,937,063	2,937,063	(503,444)	2,433,619
Actuarial gains/(losses) on defined benefit plans			(5,426,665)		(5,426,665)	(81,895)	(5,508,561)
Income tax effect on defined benefit plan			(1,396,911)		(1,396,911)	-	(1,396,911)
Total other comprehensive income/(loss), net of tax			(6,823,577)	2,937,063	(3,886,514)	(585,340)	(4,471,853)
Total comprehensive income/(loss) for the year, net of tax		-	1,503,480,605	2,937,063	1,502,624,376	13,747,905	1,520,165,573
Acquistion of non controlling Interests					-	78,116,437	78,116,437
Prior year adjustment			(1,866,370)		(1,866,370)		(1,866,370)
Issue of shares		324,774,981					324,774,981
Dividends to equity holders	12		(229,872,049)	-	(229,872,049)	-	(229,872,049)
As at 31 March 2026		2,719,996,301	9,416,013,193	(123,810,540)	12,012,198,954	69,987,088	12,082,186,042

Foreign currency translation reserve comprises of all foreign exchange differences arising from the translation of foreign subsidiaries in the Group.

The accounting policies and notes on pages 246 to 320 form an integral part of these financial statements.

Figures in brackets indicate deductions.

STATEMENT OF CHANGES IN EQUITY

COMPANY

	Note	Stated capital Rs.	Retained earnings Rs.	Total Rs.
As at 1 April 2024		2,395,221,320	6,053,260,642	8,448,481,962
Profit for the year		-	1,636,199,063	1,636,199,063
Other comprehensive income				
Acturial gains/(losses) on defined benefit plans	30.1		5,307,021	5,307,021
Income tax effect on defined benefit plan			2,373,302	2,373,302
Total other comprehensive income, net of tax			7,680,323	7,680,323
Total comprehensive income/(loss) for the year, net of tax		-	1,643,879,385	1,643,879,386
Dividends to equity holders	12	-	(408,326,218)	(408,326,218)
As at 31 March 2025		2,395,221,320	7,288,813,809	9,684,035,129
Profit for the year		-	1,264,473,468	1,264,473,468
Other comprehensive income				
Acturial gains/(losses) on defined benefit plans	30.1		(4,656,371)	(4,656,371)
Income tax effect on defined benefit plan			(1,396,911)	(1,396,911)
Total other comprehensive income, net of tax			(6,053,282)	(6,053,282)
Total comprehensive income/(loss) for the year, net of tax		-	1,258,420,186	1,258,420,186
Issue of shares		324,774,981	-	324,774,981
Dividends to equity holders	12	-	(229,872,049)	(229,872,049)
As at 31 March 2026		2,719,996,301	8,317,361,945	11,037,358,246

The accounting policies and notes on pages 246 to 320 form an integral part of these financial statements.

Figures in brackets indicate deductions.

STATEMENT OF CASH FLOWS

Year ended 31 March 2026	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Cash flows from/ (used in) operating activities					
Profit before tax		1,694,066,821	1,605,568,405	1,439,221,903	1,352,978,028
Adjustments for,					
Depreciation of property, plant and equipment	13	235,075,232	229,481,330	198,769,671	199,384,602
Amortization for intangible assets	16.5	37,315,819	32,690,436	37,147,869	32,642,615
Depreciation of right-of-use assets	14	53,855,557	37,035,101	39,306,909	24,037,058
Depreciation of Investment Property	15	-	-	-	8,747,187
Provision for defined benefit plans	30.1	23,483,046	22,792,986	22,630,241	22,034,577
Provision for obsolete and slow moving inventories	9	17,552,949	(169,885,438)	17,552,949	(182,725,804)
Disposal loss/(gain) on property, plant and equipment	7	(21,621,728)	(2,034,601)	(20,073,986)	(2,034,601)
Changes in fair value of biological assets	18	(16,973,390)	(775,571)	(16,973,390)	(775,571)
Changes in fair value of investment in other financial assets		(5,390,263)	(16,415,186)	(5,390,263)	(16,415,186)
Imapirment of investment property held for sale	7	-	5,888,029	-	5,888,029
Changes in fair value of investment properties	15	(120,063,294)	(103,462,424)	-	-
(Profit)/ Loss Share of equity accounted investees		41,963,846	23,281,780	-	-
Allowances for expected credit losses	9	22,174,998	(69,875,696)	20,340,902	(69,977,951)
Dividend income	8.2	(584,829)	(359,458)	(584,830)	(359,458)
Finance income	8.2	(183,574,526)	(139,306,840)	(170,746,578)	(157,658,860)
Finance costs	8	293,767,048	352,760,033	182,981,863	228,758,899
Unrealised (gain) / loss on foreign exchange (net)		(11,286,739)	(25,823,888)	(11,286,739)	(6,678,669)
Operating profit before working capital changes		2,059,760,548	1,781,558,998	1,732,896,522	1,437,844,895
(Increase)/ decrease in inventories		(347,953,596)	187,967,526	(178,369,416)	305,567,298
Increase in trade and other receivables		(492,156,433)	(533,074,713)	(603,659,405)	(854,296,396)
Increase in amount due from related parties		(40,613,527)	(39,232,842)	(591,115,477)	(154,026,241)
(Increase)/ decrease in advances and prepayments		844,134,582	(421,472,693)	791,519,393	(264,687,522)
Increase/ (decrease) in amount due to related parties		379,992	7,726,504	(21,542,448)	58,371,954
Decrease in trade and other payables		(329,146,742)	(210,308,289)	(220,969,496)	509,222,627
Cash generated from operations		1,694,404,825	773,164,491	908,759,673	1,037,996,615
Tax paid		(86,050,458)	(107,691,370)	(5,438,757)	(3,410,506)
Defined benefit plan cost paid	30	(7,845,803)	(4,467,926)	(7,712,843)	(4,467,926)
Finance cost paid		(285,939,042)	(337,621,959)	(173,513,201)	(217,384,970)
Net cash flow from/(used in) operating activities		1,314,569,523	323,383,236	722,094,872	812,733,213
Cash flows from/(used in) investing activities					
Purchase and constructions of property, plant & equipment		(423,973,486)	(271,433,936)	(263,520,970)	(167,876,436)
Acquisition of intangible assets		(23,935,924)	(24,591,225)	(25,472,128)	(5,028,350)
Proceeds from disposal of property, plant and equipment		33,600,625	4,636,615	21,779,661	4,636,615
Investment in biological assets		(7,665,390)	(6,124,435)	(7,665,390)	(6,124,435)
Net change in lease investments		(9,083,219)	(2,116,287)	(9,083,219)	(2,116,285)
Investment in subsidiaries		(1,018,317,751)	-	(447,318,493)	(106,389,094)
Investment in fixed deposits and money market funds		(387,268,110)	(1,102,296,906)	(355,000,000)	(919,264,017)
Proceeds from redemption of money market funds		365,511,513	1,096,858,449	230,000,000	995,216,141
Dividend income received		584,830	359,458	584,830	359,458
Payments made for acquisition of right-of-use assets		45,060,301	(53,500,003)	(12,213,720)	(53,500,003)
Proceeds from sale of financial instruments- fair valued through profit or loss		14,870,780	21,825,924	14,272,755	21,825,924
Purchase of financial instruments- fair valued through profit or loss		(598,025)	(411,405)	-	(411,405)
Investment in debentures		(12,970,000)	3,275,664	(12,970,000)	3,275,664
Increase in the interest in equity accounted investees			(70,043,636)		
Interest income received		130,846,911	80,452,457	116,443,596	128,997,867
Net cash flows from/(used in) investing activities		(1,293,336,946)	(323,109,266)	(750,163,078)	(106,398,356)
Cash flows from/(used in) financing activities					
Repayment of interest bearing loans and borrowings	29	(9,392,886,341)	(8,043,571,803)	(5,674,620,780)	(6,482,249,480)
Proceeds from interest bearing loans and borrowings	29	9,289,940,587	8,700,163,027	5,685,951,808	6,350,070,284
Payments under lease liabilities	14.1	(40,750,982)	(40,588,897)	(25,484,107)	(27,892,074)
Dividend paid	12	(229,872,049)	(408,326,218)	(229,872,049)	(408,326,218)
Issue of Shares		324,774,981	-	324,774,981	-
Net cash from / (used in) from financing activities		(48,793,806)	207,676,109	80,749,853	(568,397,488)
Effects of exchange rate changes on cash and cash equivalents		(18,867,905)	(53,741,495)	-	-
Net increase in cash and cash equivalents		(46,429,134)	154,208,582	52,681,647	137,937,369
Cash and cash equivelents at the beginning of the year		(325,129,948)	(479,338,529)	(290,420,034)	(428,357,403)
Cash and cash equivelents at the end of the year	26	(371,559,082)	(325,129,947)	(237,738,387)	(290,420,034)

The accounting policies and notes on pages 246 to 320 form an integral part of these financial statements.

Figures in brackets indicate deductions.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 Reporting Entity

JAT Holdings PLC is a public limited liability company incorporated and domiciled in Sri Lanka. The ordinary shares of the Company are listed on the Colombo Stock Exchange of Sri Lanka. The registered office and principal place of business of the Company is located at No. 351, Pannipitiya Road, Thalawathugoda.

1.2 Consolidated Financial Statements

The financial statements for the year ended 31 March 2026 comprise "the Company" referring to JAT Holdings PLC as the holding Company and "the Group" referring to the companies whose accounts have been consolidated therein.

1.3 Approval of Financial Statements

The financial statements for the year ended 31 March 2026 were authorised for issue by the Board of Directors on 03 June 2026

1.4 Principal Business Activities and Nature of Operations of the Company and the Group

JAT Holdings PLC is engaged in the businesses of importing, exporting, manufacturing, distributing and trading of chemicals and chemical products, furniture, electric vehicle chargers and related services, and locally sourced produce and products. The Group also operates as agents, representatives, suppliers and dealers in the aforesaid products and services. Information relating to the subsidiaries of the Group is disclosed in Note 2.5.

JAT Holdings PLC does not have an identifiable parent of its own. JAT Holdings PLC is the ultimate parent of the Group.

1.5 Responsibility for financial statements

The Board of Directors is responsible for the preparation and presentation of financial statements of the Group and the Company as per Sri Lanka Accounting Standards and the provisions of the Companies Act No. 07 of 2007. The Board of Directors acknowledges their responsibility for the financial statements, as set out in the "Annual Report of the Board of Directors", "Statement of Directors' Responsibilities for Financial Statements" and the certification on the financial position on pages 212 to 217, 234 and 242 respectively of this Annual Report.

1.6 Components of Financial Statements

The Financial Statements include the following components:

The Statement of Profit or Loss and Other Comprehensive Income, which presents the financial performance of the Group and the Company for the year under review.

Statement of Financial Position providing the information on the financial position of the Group and the Company as at the year end.

Statement of Changes in Equity depicting all changes in shareholders' funds during the year under review of the Group and the Company.

Statement of Cash Flows providing the information to the users, the amount of Cash and Balances with Banks inflows to and outflows from the Group and the Company.

Notes to the Financial Statements comprising material accounting policy information and other explanatory information.

1.7 Number of employees

The number of employees of the Group at the end of the year was 545 (2025 – 509), Company – 391 (2025– 350).

2. MATERIAL ACCOUNTING POLICY INFORMATION

Summary of material accounting policies are presented along with the relevant individual notes to the Consolidated Financial Statements.

Those accounting policies presented with each note, have been applied consistently by the Group to the all periods presented in this report.

2.1 Statement of compliance

The financial statements of the Group and the separate financial statements of the Company, which comprise the Statement of Profit or Loss and other comprehensive income, statement of financial position, statement of changes in equity and the statement of cash flows, together with the accounting policies and notes (the "financial statements") have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/ LKAS) as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and in compliance with the Companies Act No. 7 of 2007.

2.2 Basis of measurement & preparation

The Financial Statements of the Group and the Company have been prepared on an accrual basis and under the historical cost convention , except for the following material items stated in the statement of financial position.

Item	Basis of measurement	Disclosure notes
Consumable biological assets	Measured at fair value	Note 18
Financial assets at fair value through profit or loss	Measured at fair value	Note 22
Financial assets at amotised cost	Measured at amotised cost	Page 22
Retirement benefit obligations	Measured at the present value of the defined benefit obligation	Note 30
Investment Property	Measured at fair value	Note 15
Interest bearing loans and borrowings	Measured at amortised cost using effective interest method	Note 29

Where appropriate, the specific policies are explained in the succeeding notes.

2.3 Going concern

The Group has prepared the financial statements for the year ended 31 March 2026 on the basis that it will continue to operate as a going concern. Based on the information available, management has assessed the prevailing macroeconomic conditions and their effect on the Group companies in determining the going concern basis for the preparation of the financial statements.

Management has formed the judgment that the Company, its subsidiaries, and joint ventures have adequate resources to continue operating for the foreseeable future, supported by the ongoing implementation of risk mitigation initiatives, continuous monitoring of business continuity and response plans at each business unit, and the overall financial strength of the Group.

2.4 Business Combinations

a) Basis of Consolidation

The Consolidated Financial Statements encompass the Company, its subsidiaries (together referred to as the "Group") and the Group's interest in equity accounted investees (Joint Ventures).

Subsidiaries and equity accounted investees are disclosed in Note 17 to the Financial Statements.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquirer's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured after initial recognition and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SLFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss or other comprehensive income in accordance with SLFRS 9. Other contingent consideration that is not within the scope of SLFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

b) Control over an Investee

Control is achieved when the Group is exposed, or rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction

If the Group loses control over a Subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

c) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Company's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the company and its associates and joint ventures are eliminated to the extent of the Company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

Subsidiaries & their controlling percentages of the Group, which have been consolidated are as follows:

Subsidiary/ Sub-subsidiary	Principal activities	County of incorporation	Effective holding	
			2026	2025
Worldwide Resins & Chemicals (Private) Limited	Trading of chemicals to the local market	Sri Lanka	100%	100%
Brush Masters (Private) Limited	Manufacturing and Trading of brushes and rollers to the local market	Sri Lanka	90.39%	90.39%
JAT Global (Private) Limited	Importing and trading of chemical products	India	98.37%	98.37%
JAT Exports (Private) Limited	Business of exporters and offshore businesses of chemical products	Sri Lanka	100%	100%
JAT Exports DMCC	Offshore businesses of chemical products	United Arab Emirates (U.A.E)	100%	100%
Asia Coatings (Private) Limited	Importing/Manufacturing and trading of chemical products	Bangladesh	99.98%	99.98%
Mirotone (NZ) Limited	Manufacturing and distribution of wood coatings and surface coatings	New Zealand	100%	-
SEAFORM Bangladesh (Private) Limited	Design, custom manufacturing, and installation of premium modular kitchens, luxury wardrobes, and custom cabinetry.	Bangladesh	73.29%	73.29%
Mirotone Australia PTY LTD	Provides high performance wood coating solutions for furniture, joinery, flooring, and interior wood applications across the Australian Market	Australia	100%	-
Volt Industrial Company (Private) Limited	Develops and operates Sri Lanka's largest EV charging network while manufacturing and managing smart, cloud-connected charging solutions.	Sri Lanka	84%	-

d) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the Consolidated Financial Statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way

as unrealised gains, but only to the extent that there is no evidence of impairment.

e) Non-controlling interests (NCI)

Non-controlling interests are measured initially at their proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition.

Non-controlling interest which represents the portion of profit or loss and net assets not held by the Group, are shown as a component of profit for the year in the consolidated income statement and statement of comprehensive income and as a component of equity in the consolidated statement of financial position, separately from equity attributable to the shareholders of the parent.

f) Impairment of goodwill

Goodwill is tested for impairment annually (as at 31 March) or more frequently when events or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than their carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the closing rate at each reporting date.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

g) Loss of control

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in the income statement. Any investment retained is recognised at fair value. The total profits and losses for the year of the Company and of its subsidiaries included in consolidation are shown in the consolidated income statement and consolidated statement of comprehensive income and all assets and liabilities of the Company and of its subsidiaries included in consolidation are shown in the Consolidated Statement of Financial Position.

2.4 Functional and presentation currency

The consolidated financial statements are presented in Sri Lankan Rupees (LKR), which is the primary economic environment in which the holding company operates. Each entity in the Group uses the currency of the primary economic environment in which they operate as their functional currency.

The following subsidiaries are using different functional currencies other than Sri Lankan Rupees (LKR.):

Name of the subsidiary	Country of incorporation	Functional currency
JAT Global (Pvt) Ltd	India	Indian Rupees (INR)
JAT Exports DMCC	United Arab Emirates	US Dollars (USD)
Asia Coatings (Pvt) Limited	Bangladesh	Bangladesh Taka (BDT)
Seaform Bangladesh (Pvt) Ltd	Bangladesh	Bangladesh Taka (BDT)
Mirotone (NZ) Limited	New Zealand	New Zealand Dollars (NZD)

2.5 Consolidation of subsidiaries with different accounting periods

The Financial Statements of the parent Company and subsidiaries are prepared to a common financial year ending 31st March, except for JAT Exports DMCC whose financial year ends on 31st December. This subsidiary prepared financial information as at 31st March 2026 for consolidation purpose. The reason for using different reporting period by JAT Exports DMCC is due to the regulatory requirement of the free trade Zone in Dubai which the company operates in. The Financial Statements of the parent and subsidiaries are prepared using uniform accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

2.6 Materiality and aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial as permitted by the Sri Lanka Accounting Standard – LKAS 1 on 'Presentation of Financial Statements.

Notes to the financial statements are presented in a systematic manner which ensures the understandability and comparability of financial statements of the Group and the Company. Understandability of the financial statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

2.7 Offsetting

Assets and liabilities or income and expenses, are not offset unless required or permitted by Sri Lanka Accounting Standards.

2.8 Comparative information

Comparative information, including quantitative, narrative, and descriptive details, is disclosed for the previous year in the financial statements to enhance the understanding of the current year's financial position and performance, and to improve comparability between periods. Where necessary, the presentation and classification of the previous year's financial statements are reclassified to ensure better

presentation and consistency with the current year's financial statements.

Amendments to the financial statements due to changes in accounting standards are discussed in Note 42.

However, no significant changes have been made to the comparative information that would materially affect its comparability or interpretation other than changes discussed in Note 42.

3. OTHER MATERIAL ACCOUNTING POLICIES NOT COVERED WITH INDIVIDUAL NOTES

3.1 Current versus Non-Current Classification

The Group presents assets and liabilities in the Statement of Financial Position based on current/noncurrent classification. An asset is current when it is: Expected to be realised or intended to sell or consumed in the normal operating cycle Held primarily for the purpose of trading

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating Cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non current assets and liabilities.

3.2 Statement of Cash Flows

The Statement of Cash Flows is prepared using the "Indirect Method" in accordance with the Sri Lanka Accounting Standard – LKAS 7 on "Statement of Cash Flows". Cash and short-term deposits in the Statement of Financial Position comprise cash at banks and on hand and short-term deposits and money market investments with a maturity of three months or less. For the purpose of the Statement of Cash Flows, Cash and Balances with Banks consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts. Cash and Balances with Banks as referred to in the Statement of Cash Flows are comprised of those items as explained in Note 26

3.3 Foreign currency

a) Foreign currency translations and balances

Transactions in foreign currencies are translated into the respective functional currencies of Group Companies at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit and loss.

Non-monetary items that are measured based on historical cost in a foreign currency are not translated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on the change in fair value of the item (i.e., translation differences on items of which fair value gain or loss is recognised in OCI or Profit or Loss are also recognised in OCI or Profit or Loss, respectively)

b) Foreign operations

The results and financial position of overseas operations that have a Functional Currency different from the company's Presentation Currency are translated into the company's Presentation Currency as follows:

- Assets and liabilities are translated at the rates of exchange ruling at the Reporting date.
- Income and expenses are translated at the average exchange rate for the period, unless this average rate is not a reasonable approximation of the rate prevailing at the transaction date, in which case income and expenses are translated at the exchange rates ruling at the transaction date.

The exchange rates applicable during the period were as follows:

Currency	Closing rate		Average rate	
	2026	2025	2026	2025
United States Dollar (USD)	315.54	296.32	304.54	297.91
Indian Rupee (INR)	3.32	3.46	3.44	3.53
Bangladeshi Taka (BDT)	2.56	2.44	2.49	2.53
New Zealand Dollar (NZD)	180.48	-	179.29	-
Australian Dollar(AUD)	216.38	182.80	201.44	-

All resulting exchange differences are recognised in the OCI and accumulated in the Foreign Currency Translation Reserve (Translation Reserve), which is a separate component of Equity, except to the extent that the translation difference is allocated to the NCI.

3.4 Impairment of non-financial assets

The Group assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the group of non-financial asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell or its value in use and is determined for an individual asset, unless the asset

does not generate cash inflows that are largely independent of those from other assets or group of non-financial assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The amount of impairment losses are recognized in the profit and loss during the reporting period.

3.5 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Consolidated Financial Statements require management to make judgments, estimates and assumptions that affect the reported amounts of Revenues, Expenses, Assets and Liabilities, and the disclosure of Contingent Liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Note 36 – Financial Risk Management/ Sensitivity Analysis

Judgements

In the process of applying the Group's accounting policies, management has made various judgments. Those which management has assessed to have the most significant effect on the amounts recognized in the Consolidated Financial Statements have been discussed in the individual notes of the related financial statement line items.

Estimates and Assumptions

Information about assumptions and estimation uncertainties at 31 March 2026 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year have been discussed in the individual notes of the related financial statement line items.

4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. Adoption of these amendments and interpretations will not have significant impact on the consolidated financial statements of the Group.

SLFRS 18 Presentation and Disclosure in Financial Statements

SLFRS 18, which replaces LKAS 1, introduces significant enhancements to the way financial information is organized 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.

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.

The potential impact of SLFRS 19 is currently being identified and evaluated.

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.

The impact of these amendments is currently being identified and evaluated.

5 SEGMENTAL INFORMATION

Accounting Policy

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The Group has now organised its business units into three reportable operating segments based on the geographical locations.

The Group's operating segments are components of the Group whose operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions regarding the allocation of resources and to assess segment performance. Resources are allocated and performance is assessed based on the respective business sectors. Discrete financial information is available for each operating segment. Segment results reported to the CODM include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.

5.1 Business Segments

The Group's internal organisation and management are structured based on geographical locations, with each location supervised by dedicated country managers and regional managers. The operating segments represent this business structure, reflecting the Group's geographical spread of operations.

The Group is organised into business units according to their geographic regions, and the operating segments are defined accordingly. The measurement policies the Group uses for segment reporting under SLFRS 8 remain consistent with those applied in its Financial Statements.

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the Consolidated Financial Statements of the Group. All inter-segment transfers are carried out at arm's length prices.

The operating results of each geographical segment are reviewed regularly by management to make decisions regarding resource allocation and to assess segment performance. Discrete financial information is available for each segment, and segment results reported to management include items directly attributable to the segment as well as those reasonably allocated.

All transactions between Group companies, whether inter segmental or intra-segmental, are conducted on an arm's length basis and in a manner consistent with transactions with third parties.

As at 31 March	Sri Lanka Operations		Bangladesh Opeartions		Dubai Operations		Others (Other than Reportable segments)		Group	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Revenue										
Segmental Revenue- Gross	9,351,686,700	8,372,797,293	1,935,499,484	2,368,335,520	499,891,774	727,232,225	1,220,100,750	561,431,629	13,007,178,708	12,029,796,667
Inter Segmental revenue	(61,036,407)	(53,409,185)	(8,958,950)	-	(121,762,224)	(197,908,280)	(172,927,145)	(153,976,550)	(364,684,727)	(405,294,015)
Total Revenue	9,290,650,293	8,319,388,108	1,926,540,534	2,368,335,520	378,129,550	529,323,945	1,047,173,605	407,455,079	12,642,493,981	11,624,502,652
Results										
Segmental Results	(7,666,009,645)	(6,745,129,453)	(1,678,795,526)	(1,958,544,270)	(305,388,691)	(527,827,188)	(1,146,076,935)	(570,193,446)	(10,796,270,796)	(9,801,694,357)
Finance cost	(182,104,095)	(222,986,897)	(67,602,351)	(76,532,051)	(41,375,232)	(41,915,967)	(4,260,744)	(11,325,118)	(293,766,806)	(352,760,033)
Finance income	138,497,092	127,726,328	28,548,507	6,651,178	17,937,756	24,310,285	166,547	114,132	183,574,286	158,801,922
Share of Joint Venture Companies Profit	-	-	-	-	(41,963,846)	(23,281,780)	-	-	(41,963,846)	(23,281,780)
Profit before tax	1,581,033,646	1,478,998,086	208,691,164	339,910,377	7,339,538	(39,390,705)	(102,997,527)	(173,949,354)	1,694,066,820	1,605,568,405
Income tax expense	(174,748,434)	283,221,035	(34,849,390)	(103,606,227)	-	-	40,168,431	(6,370,549)	(169,429,393)	173,244,260
Profit for the year	1,406,285,212	1,762,219,121	173,841,773	236,304,151	7,339,538	(39,390,705)	(62,829,095)	(180,319,902)	1,524,637,426	1,778,812,665
Attributable to										
Equity holders of the parent	1,406,285,211	1,762,219,121	173,807,005	233,462,581	7,339,538	(39,390,705)	(77,127,571)	(170,969,357)	1,510,304,182	1,785,321,640
Non-controlling interest			34,768	2,841,570	-	-	14,298,476	(9,350,545)	14,333,244	(6,508,975)
	1,406,285,211	1,762,219,121	173,841,773	236,304,151	7,339,538	(39,390,705)	(62,829,095)	(180,319,902)	1,524,637,426	1,778,812,665

Information based on the primary segments (Business Segment)

As at 31 March	Sri Lanka Operations		Bangladesh Opeartions		Dubai Operations		Others (Other than Reportable segments)		Group	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
ASSETS										
Non-Current Assets										
Property, Plant and Equipment	3,363,794,074	3,309,226,842	317,006,575	323,516,101	-	-	156,457,915	3,816,638	**3,837,258,561**	3,636,559,581
Investment properties	-	-	-	-	693,029,153	534,000,000	-	-	**693,029,153**	534,000,000
Right-of-use assets	94,368,654	121,461,844	20,849,628	32,423,230	-	-	261,481,653	-	**376,699,936**	153,885,074
Other Financial Assets	87,190,000	74,220,000	-	-	-	-	-	-	**87,190,000**	74,220,000
Other Assets	1,842,565,290	1,421,134,765	862,799	406,519	928,234,779	385,884,527	319,275,053	-	**3,090,937,922**	1,807,425,811
Segmental Non-Current Assets	5,387,918,019	4,926,043,451	338,719,002	356,345,850	1,621,263,932	919,884,527	737,214,621	3,816,638	**8,085,115,572**	6,206,090,466
Deferred Tax Asset									**147,603,415**	234,692,649
Eliminations/Adjustments									**(2,120,281,312)**	(1,434,471,594)
Total Non-Current Assets									**6,112,437,674**	5,006,311,521
Segmental Current Assets										
Other Financial Assets	892,505,556	722,085,092	44,505,959	96,391,888	241,387,489	300,768,606	-	-	**1,178,399,009**	1,119,245,590
Segmental Current Assets	8,327,665,412	7,513,226,979	1,587,237,847	1,737,578,227	606,103,962	650,319,979	1,548,418,665	781,591,507	**12,069,425,886**	10,682,716,692
Income Tax Recoverable	-	-	-		-		-		**52,591,653**	49,219,159
Eliminations/Adjustments									**(1,616,603,815)**	(1,038,589,794)
Total Current Assets									**11,683,812,728**	10,812,591,647
Assets classified as held for sale									-	202,000,000
Total Assets									**17,796,250,404**	16,020,903,169
Non-Current Liabilities										
Segmental Non Current Liabilities	159,988,232	162,525,348	10,008,671	23,318,392	-	-	218,969,939	2,364,376	**388,966,841**	188,208,116
Deferred Tax Liabilities									-	-
Eliminations/Adjustments									-	-
Total Non-Current Liabilities									**388,966,841**	188,208,116
Current Liabilities										
Segmental Current Liabilities	3,515,793,861	3,792,552,988	633,152,970	880,919,560	1,841,049,677	1,377,145,212	901,614,620	317,877,323	**6,891,611,128**	6,368,495,084
Income tax payable									**47,559,929**	109,392,009
Eliminations/Adjustments									**(1,614,071,012)**	(1,036,059,517)
Total Current Liabilities									**5,325,097,519**	5,441,827,575
Total Liabilities									**5,714,064,360**	5,630,035,691

6 REVENUE FROM CONTRACTS WITH CUSTOMERS

Accounting Policy

Revenue from contracts with customers is recognised when control of 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 such goods or services. Revenue is recognised based on the terms of the respective sales arrangements and contractual agreements, where applicable.

The Group operates through a number of operating segments, as disclosed in Note 5 to these Financial Statements. In respect of all operating segments, management has determined that the Group acts as the principal in the respective revenue arrangements

a) Goods transferred at a point in time

Under SLFRS 15, revenue is recognised upon the satisfaction of performance obligations. Revenue from the sale of goods is recognised at a point in time when control of the asset is transferred to the customer. For local sales, this generally occurs upon delivery of the goods. In the case of export sales, the timing of revenue recognition is determined based on the applicable shipment terms for each transaction. Revenue relating to the supply and installation of products is recognised upon completion of the installation and transfer of control to the customer. The Group also assesses whether contracts include additional promises that constitute separate performance obligations, to which a portion of the transaction price is allocated.

b) Services transferred over time

The Group determines, at contract inception, whether it satisfies the performance obligation over time or at a point in time. For each performance obligation satisfied over time, revenue is recognised over time using an appropriate output method to measure progress towards complete satisfaction of the respective performance obligation.

c) Evaluation of point of transfer goods or services to the customer under revenue recognition

The following factors were considered in determining the point of transfer of control to the customer

- The entity has a present right to payment for the goods or the service
- The customer has legal title to the goods or the service
- The entity has transferred physical possession of the goods or the service
- The customer has the significant risks and rewards of ownership of the goods or the service.
- The customer has accepted the goods or the service.

Whilst the above indicators assist in the determination of transfer of control, none of the indicators above are meant to individually establish or conclude whether control has been transferred. Further all criteria need not be present. Hence, the above evaluation requires significant judgement

d) Presentation and disclosure

As required for the financial statements, the Group disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Group also disclosed information about the relationship between the disclosure of disaggregated revenue and revenue information disclosed for each reportable segment. Refer to Note 6.1 for the disclosure on disaggregated revenue.

e) Accounting Judgement, Estimate and Assumption

SLFRS 15 requires entities to exercise judgement,taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

In determining the transaction price for the sale of goods and the services the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to customers where applicable. However,

- The Group generally does not receive long-term advances from its customers for the services which entails a significant financing component.

- The period between the transfer of the promised service to the customer and the related customer payment is generally one year or less.

f) Contract assets

Contract assets are the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer, with rights that are conditional on some criteria other than the passage of time. Upon satisfaction of the conditions, the amounts recognised as contract assets are reclassified to trade receivables

g) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Contact liabilities of the Group have been disclosed in the Note 6.2.

Revenue by sales category

Year ended 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Local sales	**9,247,981,438**	7,871,455,119	**8,802,799,849**	7,590,876,448
Export sales	**2,951,278,418**	3,056,652,800	**105,652,726**	85,526,111
Project sales	**443,234,125**	696,394,733	**443,234,125**	696,394,733
	12,642,493,981	11,624,502,652	**9,351,686,700**	8,372,797,293

Revenue by geographic market

Year ended 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Revenue generated within Sri Lanka	**9,691,215,563**	8,567,849,852	**9,246,033,974**	8,287,271,182
Revenue generated outside Sri Lanka	**2,951,278,418**	3,056,652,800	**105,652,726**	85,526,111
	12,642,493,981	11,624,502,652	**9,351,686,700**	8,372,797,293

Revenue Generated within Sri Lanka includes all local sales and Project sales.

6.1 Disaggregation of revenue

Based on the nature of the product sold

Year ended 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Wood coatings	**8,790,605,596**	8,397,600,568	**6,089,247,250**	5,590,669,890
Paints, chemicals and other products	**2,224,041,740**	1,931,436,657	**1,771,284,308**	1,498,268,630
Brushes	**573,415,697**	513,702,427	**573,203,514**	513,638,661
Furnitures	**38,200,459**	69,614,360	**38,200,459**	69,614,360
Finishing, furnishing projects and Others	**466,992,760**	676,648,641	**452,244,594**	665,105,753
EV Chargers	**549,237,729**	35,500,000	**427,506,575**	35,500,000
	12,642,493,981	11,624,502,652	**9,351,686,700**	8,372,797,293

Wood coatings

This segment is engaged in the import and manufacturing of a range of water-based and polyurethane-based wood coating solutions. Revenue from contracts with customers is recognised at a point in time when control of the goods is transferred to the customer, which generally occurs upon delivery. Revenue is measured at the transaction price agreed under the contract with customers, based on the consideration received or receivable.

Paints, chemicals and other products

This segment focuses on the manufacturing of emulsion paints, resins, chemicals, and other industrial solutions. Revenue from contracts with customers is recognised at a point in time when control of the goods is transferred to the customer, which generally occurs upon delivery. Revenue is measured at the transaction price agreed under the contract with customers, based on the consideration received or receivable.

Brushes

This segment focuses on the manufacturing of brushes, rollers, handles, and other paint and wood coating application solutions. Revenue from contracts with customers is recognised at a point in time when control of the goods is transferred to the customer, which generally occurs upon delivery. Revenue is measured at the transaction price agreed under the contract with customers, based on the consideration received or receivable.

Furniture

This segment is engaged in the importation of chairs, workstations, tables, cupboards, sofas, coffee machines, shutters, and other office and domestic furnishing solutions. Revenue from contracts with customers is recognised at a point in time when control of the goods is transferred to the customer, which generally occurs upon delivery. Revenue is measured at the transaction price agreed under the contract with customers, based on the consideration received or receivable.

Finishing and furnishing projects

This segment focus on undertaking of domestic and industrial finishing, furnishing and development projects.

At contract inception, the Group assesses whether performance obligations are satisfied over time or at a point in time in accordance with the terms of the contract and applicable accounting requirements. The timing and amount of cash flows are determined based on the contractual agreements with customers.

Electric Vehicle (EV) Chargers

This segment provides EV charging infrastructure solutions including equipment supply, installation, services, and rentals. Revenue from equipment sales is recognised at a point in time upon delivery or installation. Charging service revenue is recognised at the point of service, while rental income is recognised over time in accordance with SLFRS 16.

6.1 Disaggregation of revenue (Contd...)

Based on the geographical locations of the customers

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Sri Lanka	9,691,215,563	8,567,849,852	9,246,033,974	8,287,271,182
India	15,706,039	251,873,449	15,723,249	10,017,964
Bangladesh	2,208,009,386	2,657,614,412	359,442	-
Maldives	92,607,997	101,963,877	24,254,123	31,677,985
kenya	39,903,813	24,003,653	39,903,813	22,632,752
New Zealand	526,224,652	-	-	
Others	68,826,529	21,197,409	25,412,097	21,197,409
	12,642,493,981	11,624,502,652	9,351,686,700	8,372,797,293

Based on timing of transfer Goods and services

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Goods transferred at a point of time	12,199,259,856	10,928,107,919	8,908,452,575	7,676,402,560
Services transferred over time	443,234,125	696,394,733	443,234,125	696,394,733
	12,642,493,982	11,624,502,652	9,351,686,700	8,372,797,293

6.2 Contract balances

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Contract liabilities	27,148,522	61,828,600	27,148,522	61,828,600

6.3 Movement in Contract Liabilities

The movement in contract liabilities during the year is as follows:

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Opening balance	61,828,600	-	61,828,600	-
Amounts received during the year	114,473,601	758,223,333	114,473,601	758,223,333
Revenue recognised during the year	(149,153,679)	(696,394,733)	(149,153,679)	(696,394,733)
Closing balance	27,148,522	61,828,600	27,148,522	61,828,600

Contract liabilities represent consideration received from customers in advance in the form of top-up charges for electric vehicle charging services, for which the Group has not yet satisfied the related performance obligations. These amounts arise when cash collection is received prior to the transfer of services to the customer.

Customers are required to prepay and top up their charging wallets prior to utilising the charging services. Amounts received in advance and not yet recognised as revenue are recorded as contract liabilities. Accordingly, amounts previously recognised as contract liabilities are transferred to revenue in the statement of profit or loss when the related performance obligations are satisfied.

7 OTHER INCOME

Accounting Policy

a) Rental income

Rental income is recognized on an accrual basis.

b) Gains and losses

Rental income is recognized on an accrual basis.

c) Gains and losses

Net gains and losses of a revenue nature on the disposal of Property, Plant & Equipment and other non-current assets including investments are accounted for in the Statements of Profit or Loss, after deducting from proceeds on disposal, the carrying amount of the assets and related selling expenses.

Gains and losses arising from activities incidental to the main revenue generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis.

c) Net gain / (loss) from fair value remeasurement refer note 15

d) Changes in fair value of biological assets refer note 18

e) Other income

Other income is recognized on an accrual basis.

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Sundry income	68,407,786	14,306,208	1,666,279	14,929,949
Rent income	19,667,188	39,352,382	3,300,000	4,679,999
Changes in fair value of biological assets	16,973,390	775,571	16,973,390	775,571
Net gain / (loss) from fair value remeasurement	120,063,293	97,574,395	-	(5,888,029)
Gain on disposal of property, plant, and equipment	21,621,727	2,034,601	20,073,985	2,034,601
	246,733,384	154,043,157	42,013,654	16,532,091

7.1 Net gain / (loss) from fair value remeasurement

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Change in Fair value of Investment properties	120,063,293	103,462,424	-	-
Impairment loss of asset transferred to held for sale	-	(5,888,029)	-	(5,888,029)
	120,063,293	97,574,395	-	(5,888,029)

8 NET FINANCE INCOME/COST

Accounting Policy

Finance income comprises interest income earned on funds invested, dividend income and the unwinding of fair value differences on financial assets measured at amortised cost. Interest income is recognised using the effective interest rate (EIR) method, which allocates interest income over the relevant period by applying the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial asset. Finance income is recognised in the Statement of Profit or Loss.

Finance costs comprise interest expense on borrowings, interest expense on other financial liabilities, finance charges on lease liabilities, unwinding of fair value differences on financial assets measured at amortised cost, and net foreign exchange gains and losses arising from financial assets and liabilities.

Foreign exchange gains and losses are recognised within finance costs in the Statement of Profit or Loss irrespective of whether the overall foreign currency movement results in a net gain or net loss position.

8.1 Finance Cost

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Interest expenses on bank overdrafts	55,249,382	67,960,332	35,178,736	45,797,739
Interest expenses on import loans	112,535,681	149,342,931	61,124,118	79,534,078
Interest expenses on lease liabilities	12,236,977	15,138,075	9,468,662	11,373,929
Interest expenses on bank loans	136,078,285	87,989,462	80,217,455	78,835,418
ECBA/Intercompany Loan interest	-	-	877,768	5,772,002
Foreign exchange loss/(Gain)	(22,333,519)	27,173,213	(3,884,878)	7,445,734
	293,766,806	347,604,013	182,981,862	228,758,900

8.2 Finance Income

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Interest Income on Loans and Receivables				
- Related parties	62,585,329	44,242,123	32,313,477	30,193,589
- Others	62,210,906	64,387,538	79,655,050	82,808,488
Dividend income on financial assets at fair value through profit or loss	584,829	359,458	584,829	359,458
Changes in fair value of financial assets	-	-	-	-
Realised gains on financial assets at fair value through profit or loss	32,565,995	25,521,159	32,565,995	25,521,159
Unrealised gains on financial assets at fair value through profit or loss	25,627,224	19,135,624	25,627,224	19,135,624
	183,574,283	153,645,903	170,746,575	158,018,318
Net Finance Cost/(Income)	110,192,522	193,958,111	12,235,287	70,740,581

9 PROFIT BEFORE TAX

Accounting Policy

Expenditure recognition

Expenses are recognised in the Statement of Profit or Loss on the basis of a direct association between costs incurred and the earning of specific items of income. All expenditure incurred in the ordinary course of business and in maintaining Property, Plant and Equipment in a state of efficiency has been charged to the Statement of Profit or Loss.

For the purpose of presentation of the Statement of Profit or Loss, the "function of expenses" method has been adopted, on the basis that it presents fairly the elements of the Company's and Group's performance

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Include in cost of sales				
Employees benefits including the following				
- Defined benefit plan costs	**2,201,646**	2,304,733	**1,474,505**	1,340,459
- Defined contribution plan costs- EPF & ETF	**15,221,237**	9,501,907	**12,866,125**	8,280,988
- Other staff cost	**398,066,011**	182,335,352	**232,008,882**	124,607,156
Depreciation on property, plant & equipment	**136,005,738**	146,711,057	**108,040,419**	117,796,205
Amortization of right-of-use assets	**10,149,538**	12,998,043	**-**	-
Included in administrative expenses				
Employees benefits including the following				
- Director Emoluments	**93,749,701**	77,693,280	**74,296,418**	60,564,943
- Defined benefit plan costs	**5,618,834**	6,954,036	**4,377,862**	4,560,273
- Defined contribution plan costs- EPF & ETF	**31,694,038**	26,469,095	**28,028,589**	22,910,472
- Other staff cost	**566,555,462**	362,727,504	**339,781,186**	270,646,384
Depreciation on property, plant & equipment	**85,742,714**	64,590,041	**78,961,521**	63,408,164
Depreciation on Investment Property	**-**	26,861,521	**-**	8,747,187
Amortization of intangible assets	**35,497,451**	33,116,633	**35,497,451**	33,090,971
Auditors remuneration (Including Foreign Subsidiaries)	**12,512,845**	10,153,633	**2,578,162**	4,434,456
Provision/(Reversal) for Obsolete and Slow-moving Stocks	**17,552,949**	(169,885,438)	**17,552,949**	(182,725,804)
Donations	**-**	1,908,786	**-**	555,000
Included in selling & distribution expenses				
Employees benefits including the following				
- Defined benefit plan costs	**20,573,151**	17,233,291	**17,801,812**	14,835,129
- Defined contribution plan costs- EPF & ETF	**31,094,261**	25,144,988	**29,406,516**	23,339,599
- Other staff cost	**599,492,374**	453,416,099	**372,771,386**	334,276,359
Provision/ (Reversal) for Impairment of Trade Receivables	**22,174,998**	(69,875,696)	**20,340,902**	(69,977,951)
Depreciation on property, plant & equipment	**17,544,297**	18,180,232	**14,438,448**	18,180,232
Amortization of right-of-use assets	**39,306,909**	24,037,058	**39,306,909**	24,037,058

10 INCOME TAX EXPENSE

Accounting Policy

Tax expense comprises of current and deferred tax. Current tax and deferred tax are recognised in the Statement of Profit or Loss except to the extent that it relates to a business combination, or items recognised directly in Equity or in Other Comprehensive Income.

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income taxes relating to items recognized directly in Other Comprehensive Income are also recognized in Other Comprehensive Income and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Provision for taxation is made on the basis of the accounting profit for the year, as adjusted for taxation purposes, in accordance with the provisions of the Inland Revenue Act, No. 24 of 2017 as amended. This note also includes the major components of tax expense and a reconciliation between the Profit Before Tax and Tax Expense, as required by the Sri Lanka Accounting Standard – LKAS 12- Income Taxes.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
- Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:
- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current tax and deferred tax relating to items recognized directly in statement of other comprehensive income are also recognized in statement of other comprehensive income and not in the statement of profit or loss.

Deferred tax assets and liabilities are set off if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales tax

Revenues, expenses and assets are recognized 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 authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated with the amount of sales tax included. The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Current income tax	**38,288,697**	121,539,705	**-**	-
Current income tax charge	**-**	(15,087,640)	**-**	-
Income tax (over)/under provision in respect of previous years	**-**	-	**-**	-
Irrecoverable economic service charge	**38,288,697**	106,452,065	**-**	-
Deferred tax expense				
Deferred taxation charge/(reversal) (Note 10.5)	**131,140,696**	(282,069,627)	**174,748,434**	(285,594,337)
Total Income tax expense	**169,429,393**	(175,617,562)	**174,748,434**	(285,594,337)
Consolidated Statement of Other Comprehensive Income				
Deferred tax Charge/(reversal)				
Actuarial loss on employee benefit obligation	**1,396,911**	2,373,302	**1,396,911**	2,373,302
Tax on other comprehensive income	**1,396,911**	2,373,302	**1,396,911**	2,373,302
Income Tax Expense	**170,826,305**	(173,244,260)	**176,145,346**	(283,221,035)

10 INCOME TAX EXPENSE (CONTD.)

10.1 A reconciliation between income tax expense and the product of accounting profit multiplied by the statutory tax rate is as follows;

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Profit before taxation	**1,694,066,820**	1,605,568,405	**1,439,221,903**	1,352,978,028
Add: Aggregate disallowed items	**232,822,668**	(34,742,254)	**193,673,518**	(168,194,280)
Less: Aggregate allowable items	**(944,718,695)**	(536,499,035)	**(831,153,885)**	(443,287,814)
Less: Tax exempt income	**(93,293,138)**	(231,096)	**(209,295)**	(231,096)
Add: Other sources of income	**46,896,945**	41,578,934	**45,040,265**	41,578,934
Exempt Loss	**29,565,436**	152,096,361	**-**	-
Tax loss utilised during the year	**(815,732,454)**	(790,761,680)	**(846,572,505)**	(782,843,772)
Taxable profit	**149,607,581**	437,009,635	**-**	-
Income tax charged at:				
Standard Rates	**38,288,697**	106,452,065	**-**	-
Current tax expense	**38,288,697**	106,452,065	**-**	-
Charge/(reversal) of temporary differences (Note 10.5)	**131,140,696**	(282,069,627)	**174,748,435**	(285,594,337)
Tax Expense	**169,429,393**	(175,617,562)	**174,748,435**	(285,594,337)
Effective tax rate	**26%**	28%	**0%**	0%

10.2 General provisions

As per the Inland Revenue Act, No. 24 of 2017 and the subsequent amendments thereto, all Group companies which are resident in Sri Lanka are liable to Income Tax at 30% on taxable profit during the period.

Corporate Taxes of non-resident companies in the Group have been computed in keeping with the domestic statutes in their respective countries.

10.3 Income tax rates

Overseas operations

Companies incorporated and operating outside Sri Lanka are liable for income tax in accordance with the provisions of the foreign jurisdictions applicable to the respective companies. Set out below are the Income tax rates applicable for the companies in the relevant foreign jurisdictions.

Company	Country	Income tax rate
Asia Coatings (Private) Limited	Bangladesh	27.50%
Seaform Bangladesh (Pvt) Limited	Bangladesh	27.50%
JAT Global (Private) Limited	India	30.00%
Mirotone NZ Limited	New Zealand	28.00%
JAT Exports DMCC	UAE	9.00%
JAT Paints Africa Ltd	Kenya	30.00%
Seaform perth PTY Ltd	Australia	25.00%

10.4 In determining the arm's length price, the Group has complied with the transfer pricing regulations prescribed in the Inland Revenue Act and amendment thereto and the Gazette notifications issued on transfer pricing.

10.5 Deferred tax expense /(reversal)

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Deferred tax arising from				
- Accelerated depreciation for tax purposes	**131,639,498**	236,415,937	**86,075,255**	236,610,335
- Investment properties (Building)	**-**	(1,722,509)	**-**	(5,047,035)
- Biological assets	**7,294,434**	(13,985,363)	**7,294,434**	(1,722,509)
- Retirement benefit obligation	**(3,305,613)**	30,901,185	**(7,464,237)**	(11,980,930)
- Provision for doubtful debts	**(5,271,021)**	5,748,659	**(4,183,602)**	26,316,544
- Provision for obsolete and slow moving inventories	**9,316,890**	34,279,736	**13,222,851**	8,962,660
- Right-of-use assets	**7,891,549**	344,325	**(2,273,127)**	35,318,195
- Benefit arising from tax losses and others	**(15,028,130)**	(574,051,597)	**83,473,771**	(574,051,597)
Total deferred tax charge/(reversal)	**132,537,608**	(282,069,627)	**176,145,346**	(285,594,337)

10.6 Tax losses carried forward

Unutilised carry forward Group tax losses as at 31 March 2026 is LKR 1.2 Bn. (Provisional) (2025- LKR 1.8 Bn). During the year, the Group incurred a tax loss of LKR 309 Mn and utilised LKR 844 Mn of brought forward tax losses.

11 BASIC/DILUTED EARNINGS PER SHARE

Accounting Policy

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for outstanding share options) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

As at 31 March	Group	
	2026 Rs.	2025 Rs.
Net profit attributable to equity holders of the company	**1,510,304,182**	1,787,694,942
Weighted average number of ordinary shares in issue applicable to basic earnings per share	**517,579,683**	510,407,773
Earnings per share	**2.92**	3.50

12 DIVIDENDS PER SHARE

As at 31 March	Group			
	2026		2025	
	Dividend per share Rs.	Gross dividend Rs.	Dividend per share Rs.	Gross dividend Rs.
Equity dividend on ordinary shares declared and paid during the year				
Final dividend (Previous years' final dividend paid in the current year)	0.44	229,872,049	0.20	102,081,554
First interim dividend declaration	-	-	0.60	306,244,664
Total	0.44	229,872,049	0.80	408,326,218

12.1 Dividend Payout

As at 31 March	Group	
	2026 Rs.	2025 Rs.
Dividend Payout	15%	23%

13 PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

The group applies the requirements of LKAS 16 on 'Property Plant and Equipment' in accounting for its owned assets which are held for and use in the provision of the services or for administration purpose and are expected to be used for more than one year.

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 reliably measured.

Measurement and subsequent costs

Property, plant, and equipment are initially stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group & Company recognise such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred.

Depreciation

Depreciation is recognised in the Statement of profit or Loss on a straight-line basis over the estimated useful lives of each part of an 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.

The estimated useful life of assets is as follows;

Asset	Years.
Office and factory buildings	50 Years
Office equipment	7 Years
Computers	4 Years
Furniture and fittings	6- 10 Years
Motor vehicles	4- 6 Years
Store equipment	6- 10 Years
Signboards	5 Years
Factory equipment	7 Years
Lab equipment	7- 10 Years
Plant and machinery	10- 25 Years
Leasehold improvements	4 Years

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at end of each reporting period. An estimation change in the useful life of fixed asset during the period has occurred and the underlying assumptions considered are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised prospectively.

Assets in the course of construction

Capital expenditure incurred in relation to fixed assets which are not completed as at the reporting date are shown as capital work-in-progress and is stated at cost. On completion, the related assets are transferred to property, plant and equipment. Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

Derecognition

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognizing of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss statement in the year the asset is derecognized.

Impairment of property plant and equipment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the income statement, except that, impairment losses in respect of property, plant and equipment previously revalued are recognised against the revaluation reserve through the statement of other comprehensive income to the extent that it reverses a previous revaluation surplus.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction, or production of an asset that takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of that asset. The amounts of the borrowing costs which are eligible for capitalisation are determined in accordance with the in LKAS 23- Borrowing Costs.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

13.1 Group

13.1.1 Gross carrying amounts

	Balance as at 01.04.2025	Additions	Disposals	Acquisition through business combinations	Exchange difference	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At cost						
Freehold						
Land	567,571,589	-	-	-	-	**567,571,589**
Office and factory buildings	2,045,931,564	60,207,893	-	-	6,249,290	**2,112,388,749**
Office equipments	50,359,134	8,105,630	(12,473)	2,828,124	694,784	**61,975,199**
Computers	126,885,799	72,656,022	(1,639,400)	29,208,247	466,423	**227,577,092**
Furniture and fittings	118,201,189	14,502,383	(139,695)	18,032,025	1,534,439	**152,130,343**
Motor vehicles	181,734,662	620,297	(24,344,116)	-	692,586	**158,703,430**
Store equipments	20,447,842	9,223,820	(3,780,834)	-	943,435	**26,834,262**
Sign boards	9,978,881	126,775	-	-	66,422	**10,172,077**
Factory equipments	53,624,840	175,512	-	-	1,981,694	**55,782,046**
Lab equipments	138,575,217	47,461,769	-	-	139,955	**186,176,941**
Plant and machinery	963,835,630	104,362,305	(5,044,733)	344,311,137	6,404,056	**1,413,868,394**
	4,277,146,347	317,442,409	(34,961,253)	394,379,535	19,173,087	**4,973,180,124**
Leasehold						
Leasehold Improvements	42,905,813	11,750,894	-	-	-	**54,656,706**
	42,905,813	11,750,894	-	-	-	**54,656,706**
Total value of depreciable assets	4,320,052,160	329,193,301	(34,961,253)	394,379,535	19,173,087	**5,027,836,830**

	Balance as at 01.04.2025	Additions	Transfers	Acquisition through business combinations	Exchange difference	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
In the course of construction						
Capital work in progress	110,713,839	68,972,361	(85,655,932)	-	737,307	**94,767,574**
	110,713,839	68,972,361	(85,655,932)	-	737,307	**94,767,574**
Total gross carrying amount	4,430,765,999	398,165,663	(120,617,185)	394,379,535	19,910,395	**5,122,604,405**

13.1.2 Depreciation

	Balance as at 01.04.2025	Charge for the year	Disposals	Acquisition through business combinations	Exchange difference	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At cost						
Freehold						
Office and factory buildings	221,015,318	39,602,218	-	-	251,495	**260,869,032**
Office equipments	30,264,517	3,718,071	-	2,816,341	160,165	**36,959,094**
Computers	75,374,504	25,601,713	(1,636,383)	28,916,230	277,227	**128,533,290**
Furniture and fittings	50,637,991	16,272,362	(11,641)	17,695,618	296,349	**84,890,679**
Motor vehicles	134,431,609	16,712,119	(17,983,493)	-	244,580	**133,404,816**
Store equipments	2,984,056	3,814,260	(8,764)	-	188,149	**6,977,700**
Sign boards	5,282,732	1,503,829	-	-	22,464	**6,809,025**
Factory equipments	11,690,165	8,247,859	-	-	525,925	**20,463,950**
Lab equipments	41,699,273	19,340,016	-	-	62,687	**61,101,976**
Plant and machinery	219,989,772	88,629,799	(3,342,074)	225,204,080	2,385,234	**532,866,812**
	793,369,937	223,442,247	(22,982,357)	274,632,271	4,414,279	**1,272,876,379**
Leasehold						
Leasehold improvements	836,481	11,632,985	-	-	-	**12,469,464**
	836,481	11,632,985	-	-	-	**12,469,464**
Total depreciation	**794,206,418**	**235,075,232**	**(22,982,357)**	**274,632,271**	**4,414,279**	**1,285,345,844**

13.1.3 Net book values

	2026 Rs.	2025 Rs.
At cost		
Freehold		
Land	**567,571,589**	567,571,589
Office and factory buildings	**1,851,519,718**	1,824,916,245
Office equipments	**25,016,104**	20,094,617
Computers	**99,043,801**	51,511,294
Furniture and fittings	**67,239,663**	67,563,198
Motor vehicles	**25,298,614**	47,303,053
Store equipments	**19,856,561**	17,463,786
Sign boards	**3,363,051**	4,696,150
Factory equipments	**35,318,096**	41,934,676
Lab equipments	**125,074,964**	96,875,944
Plant and machinery	**881,001,581**	743,845,858
	3,700,303,746	3,483,776,410
Leasehold		
Leasehold improvements	**42,187,242**	42,069,332
	42,187,242	42,069,332
In the course of construction		
Capital work in progress	**94,767,572**	110,713,839
	94,767,572	110,713,839
Total carrying amount of property, plant and equipment	**3,837,258,561**	3,636,559,581

13.1.4 During the financial year, the group acquired property, plant and equipment to the aggregate value of Rs.364,193,225/- (2025 - Rs.439,446,795/-). Cash payments amounting to Rs. 423,973,486/- (2025- Rs.271,433,936/-) were made during the year for purchase of property, plant and equipment.

13.1.5 As at 31 March 2026, the group had a total of fully depreciated assets still in use amounting to Rs. 272,407,691/- (2025- Rs.197,854,213/-)

13.1.6 In 2026, the Group sold property, plant, and equipment with a net carrying amount of Rs. 11,355,740/- (2025- Rs. 2,602,014/-) for a cash consideration of Rs. 32,980,484/- (2025- Rs. 4,636,615/-). The net gains on these disposals were recognised as part of other operating income in the statement of profit or loss.

13.1.7 The exchange difference has arisen as a result of the translation of property, plant and equipment of foreign operations which are accounted for in foreign currencies and translated to the reporting currency at the balance sheet date.

13.1.8 There was no borrowing costs capitalised on interest-bearing loans and borrowings and lease liabilities by the Group on qualifying assets during the financial years 2025/2026. (2024/2025- Nil)

13.1.9 On re-assessment of the fair value of the Group's assets, it has been identified that there is no impairment of property plant and equipment which requires provision in the financial statements.

13.2 Company

13.2.1 Gross carrying amounts

	Balance as at 01.04.2025	Additions	Disposals	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
At cost				
Freehold				
Land	567,571,589	-	-	**567,571,589**
Office and factory buildings	1,941,826,161	17,119,742	-	**1,958,945,903**
Office equipments	40,888,029	6,749,774	-	**47,637,803**
Computers	115,064,491	37,250,491	(1,639,400)	**150,675,582**
Furniture and fittings	80,604,063	12,356,255	-	**92,960,318**
Motor vehicles	162,435,859	620,297	(15,114,040)	**147,942,116**
Store equipments	4,051,578	213,669	-	**4,265,247**
Sign boards	8,628,319	126,775	-	**8,755,094**
Factory equipments	7,654,446	36,864	-	**7,691,310**
Lab equipments	135,729,462	47,461,769	-	**183,191,231**
Plant and machinery	856,902,314	104,362,305	(5,044,733)	**956,219,886**
	3,921,356,312	226,297,944	(21,798,173)	**4,125,856,080**
Leashold				
Leasehold improvements	42,905,813	11,750,894	-	**54,656,707**
	42,905,813	11,750,894	-	**54,656,707**
Total value of depreciable assets	3,964,262,125	238,048,838	(21,798,173)	**4,180,512,792**

	Balance as at 01.04.2025	Incurred during the	Transfers	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
In the course of construction				
Capital work in progress	77,773,838	68,972,361	(51,978,624)	**94,767,574**
	77,773,838	68,972,361	(51,978,624)	**94,767,574**
Total gross carrying amount	4,042,035,962	307,021,200	(73,776,797)	**4,275,280,366**

13.2.2 Depreciation

	Balance as at 01.04.2025	Charge for the year	Disposal Transfer	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
At cost				
Freehold				
Office and factory buildings	217,442,742	36,710,323	-	**254,153,065**
Office equipments	27,700,523	2,171,244	-	**29,871,767**
Computers	68,429,208	23,312,788	(1,636,383)	**90,105,613**
Furniture and fittings	40,176,753	11,927,547	-	**52,104,301**
Motor vehicles	129,692,081	12,846,888	(15,114,039)	**127,424,930**
Store equipments	882,262	570,840	-	**1,453,103**
Sign boards	4,884,824	1,227,670	-	**6,112,494**
Factory equipments	3,878,808	1,162,134	-	**5,040,942**
Lab equipments	40,660,166	18,898,074	-	**59,558,241**
Plant and machinery	198,225,270	78,309,173	(3,342,074)	**273,192,369**
	731,972,641	187,136,685	(20,092,497)	**899,016,830**
Leashold				
Leasehold Improvements	836,479	11,632,985	-	**12,469,464**
	836,479	11,632,985	-	**12,469,464**
Total depreciation	732,809,120	198,769,670	(20,092,497)	**911,486,294**

13.2.3 Net book values

As at 31 March	Company	
	2026 Rs.	2025 Rs.
At cost		
Freehold		
Land	567,571,589	567,571,589
Office and factory buildings	1,704,792,838	1,724,383,419
Office equipments	17,766,036	13,187,505
Computers	60,569,968	46,635,282
Furniture and fittings	40,856,017	40,427,310
Motor vehicles	20,517,186	32,743,778
Store equipments	2,812,144	3,169,316
Sign boards	2,642,598	3,743,496
Factory equipments	2,650,367	3,775,638
Lab equipments	123,632,989	95,069,296
Plant and machinery	683,027,517	658,677,045
	3,226,839,255	3,189,383,674
Leashold		
Leasehold improvements	42,187,242	42,069,334
	42,187,242	42,069,334
In the course of construction		
Capital work in progress	94,767,574	77,773,838
	94,767,574	77,773,838
Total carrying amount of property, plant and equipment	3,363,794,072	3,309,226,843

13.2.4 During the financial year, the company acquired property, plant, and equipment to the aggregate value of Rs.307,021,202/- (2025 - Rs. 206,294,931/-). Cash payments amounting to Rs. 263,520,970/- (2025- Rs.167,876,436/-) were made during the year for purchase of property, plant and equipment.

13.2.5 As at 31 March 2026, the Company had a total of fully depreciated assets still in use amounting to Rs. 256,326,872/- (2025- Rs. 182,843,339/-).

13.2.6 In 2026, the company sold property, plant and equipment with a total net carrying amount of Rs. 1,702,659/- (2025- Rs. 2,602,014/-) for a cash consideration of Rs 21,779,661/- (2025- Rs. 4,636,615/-). The net gains on these disposals were recognised as part of other operating income in the statement of profit or loss.

13.2.7 There was no borrowing costs capitalised on interest-bearing loans and borrowings and lease liabilities by the Company on qualifying assets during the financial years 2025/2026. (2024/2025- Nil)

13.2.8 On re-assessment of the fair value of the Company's assets, it has been identified that there is no impairment of property plant and equipment which requires provision in the financial statements.

13.3 Value and ownership of freehold land and freehold buildings of the Group/Company

Location	Property	No. of Buildings	Ownership	Extent	Carrying value
					Rs.
Thalawathugoda	Land	-	Freehold	A-1, R-0, P4.83	243,621,000
	Building	01	Freehold	63,246 Sq. ft	502,017,147
Kahathuduwa	Land	-	Freehold	A-2, R-1, P-45.70	75,170,590
	Building	05	Freehold	65,486 Sq. ft	261,717,568
Badulla	Land	-	Freehold	A-0, R-1, P-32	4,000,000
Horana	Land	-	Freehold	A-0, R2, P- 24.05	7,500,000
	Building	01	Freehold	15,048 Sq. ft	904,307,290
Kaduwela	Land		Freehold	A0, R1, P1.60	38,999,000
	Building	01	Freehold	10000 Sq. ft	20,180,185
Hokandara	Land	-	Freehold	A-0, R-0, P-14.17	25,755,000
	Building	01	Freehold	4,000 Sq. ft	16,721,833
Ekala Land	Land	-	Freehold	A0, R5, P65	172,526,000
Bangladesh-Dhaka	Building	01	Leasehold	24,200 Sq. ft	145,596,838
Bangladesh-Dhaka (Alkyd Plant)	Building	01	Leasehold	5,100 Sq. ft	49,372,736

13.4 Property, plant & equipment with a carrying value of Rs.858 Mn (2025- Rs. 757 Mn) for the Group/Company have been pledged as security for term loans obtained. The details are shown in Note 29.3 to the Financial Statements

14 RIGHT-OF-USE ASSETS

Accounting Policy

14.1 Leases

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.

14.2 Group as a lessee

The Group/Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group/Company recognises lease liabilities in respect of lease payments and right-of-use assets representing the right to use the underlying leased assets over the lease term.

The Group/Company reassesses whether a contract is, or contains, a lease only when the terms and conditions of the contract are modified subsequent to the initial recognition.

14.3 Right-of-Use Assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made on 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 depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets in the group as follows:

Description	Period
Land and buildings	2- 15 Years
Office Equipment	8 years
Computers	7 years
Motor Vehicle	6 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

14.4 Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings Note 29 to the Financial Statements.

14.5 Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As at 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
At the beginning of the year	**153,885,074**	116,020,774	**121,461,844**	81,693,669
Acquisition through business combinations	**620,687,934**	-	**-**	-
Additions	**12,213,718**	63,805,233	**12,213,719**	63,805,233
Amortisation	**(413,061,839)**	(37,035,101)	**(39,306,909)**	(24,037,058)
Effect of movements in exchange rates	**2,975,045**	11,094,168	**-**	-
At the end of the year	**376,699,933**	153,885,074	**94,368,654**	121,461,844

14.6 Lease liabilities

As at 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
At the beginning of the year	**115,182,554**	135,451,456	**79,639,233**	85,852,149
Additions	**337,751,736**	10,305,229	**-**	10,305,229
Effect of movements in exchange rates	**(50,295,173)**	(5,123,308)	**-**	-
Interest Expense	**6,678,570**	15,138,074	**9,468,661**	11,373,930
Payments	**(40,750,982)**	(40,588,897)	**(25,484,107)**	(27,892,074)
At the end of the year	**368,566,707**	115,182,555	**63,623,788**	79,639,234
Current	**126,458,464**	32,493,025	**26,363,538**	20,268,098
Non-current	**242,108,242**	82,689,530	**37,260,250**	59,371,136
Total	**368,566,707**	115,182,555	**63,623,788**	79,639,234
Following are the amounts recognised in the statemnet of profit or loss for the year ended 31 March				
Amortisation of right-of-use assets	**413,061,839**	37,035,101	**39,306,910**	24,037,058
Interest expense on lease liabilities	**6,678,570**	15,138,074	**9,468,661**	11,373,930
Total amount recognised in income statement	**419,740,409**	52,173,175	**48,775,571**	35,410,987

During the reporting period, there were no expenses recognized in profit or loss relating to short-term leases or leases of low-value assets

The Group had total cash outflows for leases of Rs. 40,750,982/- in 2026 (2025: Rs. 40,588,897/-). The future cash outflows relating to leases that have not yet commenced are disclosed in Note 36.3.1

The Company had total cash outflows for leases of Rs. 25,484,107/- in 2026 (2025: Rs. 27,892,074/-). The future cash outflows relating to leases that have not yet commenced are disclosed in Note 36.3.2

15 INVESTMENT PROPERTIES

Accounting Policy

15.1 Basis of recognition

Investment property is recognized as an asset when it is probable that future economic benefits associated with the property will flow to the company, and the cost of the property can be measured reliably. These properties, which are held either to earn rental income or for capital appreciation or both, are recognized as investment properties.

15.2 Basis of Measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, the investment properties are stated at fair values, which reflect market conditions at the reporting date.

Gains or losses arising from changes in fair values of investment properties are included in the Statement of Profit or Loss in the year in which they arise, including the corresponding tax effect. Fair values are evaluated annually by an accredited external, independent valuer.

15.3 Derecognition

Investment properties are derecognized either when they have been disposed of, or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. The difference between the net disposal proceeds and the carrying amounts of the asset is recognized in the Statement of Profit or Loss in the period of derecognition. Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner occupied property the deemed cost for subsequent accounting is the fair value at the date of change in use. If the owner of occupied property becomes an investment property, the group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Carrying value				
At the beginning of the year	**534,000,000**	674,771,495	-	218,823,451
Additions/(Disposals)	-	(214,823,451)	-	(218,823,451)
Net gain / (loss) from fair value remeasurement	**120,063,294**	103,462,424	-	
Effect of movements in exchange rates	**38,965,859**	(29,410,468)	-	-
At the end of the year	**693,029,153**	534,000,000	-	-
Accumulated Depriciation				
At the beginning of the year	-	6,747,715	-	2,188,235
Depreciation	-	26,861,522	-	8,747,187
Depreciation Removal on Reclassification of Investment Property	-	(33,500,413)	-	(10,935,422)
Effect of movements in exchange rates	-	(108,823)		
At the end of the year	-	-	-	-
Fair value at the end of theyear	**693,029,153**	534,000,000	-	-

Following are the amounts recognised in income statement for the year ended 31 March.

For the year ended 31st March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Rental Income derived from investment properties	**17,267,188**	8,758,514	-	-
Direct operating expenses generating rental income	**(3,006,007)**	(2,849,839)	-	-
Net profit arising from investment properties	**14,261,181**	5,908,675	-	-

15.4 Description of valuation techniques used and key inputs to valuation of investment properties:

The fair value of investment property is determined based on independent valuations carried out by Prathap Chartered Valuation and Consultancy (Pvt) Ltd, Chartered Valuation Surveyors with recent experience in the valuation of properties of similar nature, location, and category. The valuation of investment property has been performed in accordance with the requirements of LKAS 40 and SLFRS 13. The valuations had been carried out based on transactions observed in the market.

Company	Location	Plot	Building area (Sq Ft)	Value of building	Valuation Method	Rate of Return
JAT Exports DMCC	Altair Residencies, Unit No. 20H, Sir James Peiris Mawatha, Colombo 02.	20H	2,096 sq.ft	231,009,718	Comparison Method of Valuation	4.4%
JAT Exports DMCC	"Altair Residencies, Unit No. 21H, Sir James Peiris Mawatha, Colombo 02.	21H	2,096 sq.ft	231,009,718	Comparison Method of Valuation	4.4%
JAT Exports DMCC	Altair Residencies, Unit No. 23H, Sir James Peiris Mawatha, Colombo 02.	23H	2,096 sq.ft	231,009,718	Comparison Method of Valuation	4.4%
Fair Value of Investment Properties of the Group as at 31 March 2026				693,029,153		

15.5 Significant Unobservable Inputs

Description of the above valuation techniques together with narrative descriptions on sensitivity of the fair value measurement to changes in significant unobservable inputs are tabulated below

Valuation Technique	Significant Unobservable Valuation Inputs	Sensitivity of the Fair Value Measurement to Inputs	Range of Estimates for Unobservable Inputs	Sensitivity	Value
Comparison Method of Valuation This method estimates the fair value of a property by referencing the selling prices of comparable properties transacted within a reasonably recent period. The valuation process involves analyzing recent market transactions of similar assets and applying necessary adjustments to account for differences in size, nature, location, and condition of the specific property being valued. Additionally, transactions that appear to be outliers such as those influenced by particularly motivated buyers or sellers are adjusted or excluded to ensure the derived value reflects a fair market estimate.	Price per square foot for building	Estimated fair value would increase (decrease) if; Price per square foot increases / (decreases)	110,000 per sq.ft	+/- 10% (+/- 23,100,971)	231,009,718

16 INTANGIBLE ASSETS

Accounting Policy

16.1 Basis of recognition

An Intangible asset is recognised if it is probable that the future economic benefits associated with the assets will flow to the Group and cost of the assets can be reliably measured.

16.2 Measurement and subsequent costs

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the profit or loss statement in the year in which the expenditure is incurred.

16.3 Useful economic lives and amortisation

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The estimated useful lives of intangible assets with finite lives are as follows.

Asset class	Useful life
Computer software	5 years
Development Cost – EV Chargers	5 years

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the profit or loss statement in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives and goodwill are not amortised but tested for impairment annually, or more frequently when an indication of impairment exists either individually or at the cash-generating unit level. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis

Research and development costs

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an individual project is recognised as an intangible asset, when the Group can demonstrate:

The technical feasibility of completing the intangible asset so that it will be available for use or sale, Its intention to complete and its ability to use or sell the assets how the assets will generate future economic benefits the availability of resources to complete the assets, the ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure of an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

16.4 Derecognition

Intangible assets are de-recognised on disposal or when no future economic benefits are expected from its use. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

A summary of the policies applied to the Group's intangible assets is, as follows:

Intangible Assets	Useful Life	Type	Subsequent measurement	Impairment testing	Rate
Software	Finite	Acquired	Cost Model	-	20%
Goodwill	Indefinite	Acquired	Cost Model	Tested for Impairment	-
Development Cost – EV Chargers	Finite	Internally Generated	Cost Model	-	20%

Recoverable amounts of the CGU have been ascertained based on value in use calculations and the assumptions used are as follows. The business acquisition to which the goodwill is attributable is valued based on the earnings growth method Assumptions applied in such computations are reviewed each year.

Variable	Assumptions Used	Change	Impact on Value In Use	Impact on Goodwill
Discount Rate	The discount rate used is the risk free rate, adjusted by the addition of an appropriate risk premium and the Beta Factor- 14%- 16%	+1%	-17.5%	No Impact
		-1%	20.8%	No Impact
Long-Term Growth Rate for Cash Flows for Subsequent - Years	Based on historical growth rate and business plan 2%- 4%	+1%	12.29%	No Impact
		-1%	-10.40%	No Impact
Inflation Rate	Based on the current inflation rate and the percentage of the total cost subject to the inflation.			

16.5 Group

As at 31 March	Goodwill	Computer Software	Development Cost – EV Chargers	2026 Rs.	2025 Rs.
Cost					
At the beginning of the year	24,660,972	200,355,504	-	**225,016,476**	202,604,484
Acquisition through business combinations	300,867,244	196,132,924	123,142,129	**620,142,297**	-
Additions	-	26,065,223	-	**26,065,223**	24,591,225
Effect of movements in exchange rates	15,308,350	(2,814)	-	**15,305,536**	(2,179,232)
At the end of the year	340,836,566	422,550,838	123,142,129	**886,529,532**	225,016,478
Amortization					
At the beginning of the year	-	74,734,250	-	**74,734,250**	42,086,794
Acquisition through business combinations	-	-	-	**-**	-
Amortization for the year	-	37,315,819	-	**37,315,819**	32,690,436
Effect of movements in exchange rates	-	(33,950)	-	**(33,950)**	(42,981)
At the end of the year	-	112,016,119	-	**112,016,119**	74,734,249
Carrying value at the end of the year	340,836,566	310,534,719	123,142,129	**774,513,413**	150,282,229

16.6 Acquisition of Subsidiary and Goodwill

On 1 November 2025, JAT Exports DMCC, a wholly owned subsidiary of the Group, acquired 100% of the issued share capital of Mirotone (NZ) Limited, thereby obtaining control over its operations. Further, on 25 June 2025, JAT Holdings PLC incorporated Volt Industrial Company (Private) Limited as a wholly owned subsidiary of the Group. Accordingly, the financial results, assets and liabilities of Mirotone (NZ) Limited and Volt Industrial Company (Private) Limited have been consolidated into the Group financial statements from their respective dates of acquisition/incorporation in accordance with applicable SLFRSs.

The transaction has resulted in the recognition of goodwill amounting to LKR 300,867,244 which represents the excess of the purchase consideration over the net identifiable assets acquired. Subsequent to initial recognition, the carrying value of goodwill has been adjusted upward to LKR 14,200,529 primarily due to currency exchange rate fluctuations between the reporting currency and the functional currency of the acquired entity.

16.7 Research and development cost

During the year, the Group capitalised internally generated development costs amounting to LKR 123 million relating to deveopment of EV Chargers. These costs have been recognised as intangible assets in accordance with IAS 38. No borrowing costs were capitalised

Employee-related development costs are capitalised in accordance with LKAS 19 – Employee Benefits, where directly attributable employee costs engaged in development activities are included as part of the cost of the intangible asset.

Capitalisation of development costs ceased when the product becomes commercially viable and available for use.

Movement of Development cost as follows,

	2026 Rs.	2025 Rs.
At the beginning of the year	-	-
Acquisition through business combinations		
Technical know-how	78,116,437	-
Product development costs	45,025,692	-
At the end of the year	123,142,129	-

16.8 Company

As at 31 March	Computer software	
	2026 Rs.	2025 Rs.
Cost		
At the beginning of the year	198,475,838	193,447,488
Acquisitions during the year	25,472,128	5,028,350
At the end of the year	223,947,966	198,475,838
Amortization		
At the beginning of the year	73,261,102	40,618,487
Amortization for the year	37,147,869	32,642,615
At the end of the year	110,408,971	73,261,102
Carrying value at the end of the year	113,538,995	125,214,736

17 INVESTMENTS

17.1 Investment In Subsidiaries

Accounting Policy

Investment in Subsidiaries are initially recognised at cost in the Financial Statements of the Company. Any transaction cost relating to acquisition of subsidiaries are immediately recognised in the Statement of Profit or Loss. Following initial recognition, investment in subsidiaries are carried at cost less any accumulated impairment losses.

As at 31 March	Number of shares		Holding		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Worldwide Resins & Chemicals (Private) Limited	**1,000,000**	1,000,000	**100%**	100%	**10,000,000**	10,000,000
JAT Global (Private) Limited	**7,546,198**	7,546,198	**98.37%**	98.37%	**173,011,448**	173,011,448
Brush Master (Private) Limited	**1,040,678**	1,040,678	**90.39%**	90.39%	**94,477,094**	94,477,094
JAT Exports (Private) Limited	**10,587,236**	10,587,236	**100%**	100%	**105,872,360**	105,872,360
Volt Industrial Company Pvt Ltd	**41,011,129**	-	**84%**	0%	**410,111,293**	-
JAT Exports DMCC	**8,442**	8,002	**100%**	100%	**773,856,195**	736,648,995
Total					**1,567,328,390**	1,120,009,897

17.2 Investment In Equity Accounted Investees

Accounting Policy

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Joint ventures which have been accounted for using the equity method, are:

- JAT Paints Africa Ltd
- Seaform Perth PTY Ltd

The Group's investments in joint ventures are accounted for using the equity method. Under the equity method, the investment in joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The income statement reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the income statement outside operating profit.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of results of equity accounted investees' in the Income Statement.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in income statement.

As at 31 March		Holding		Investment as at 01.04.2025	Share of profit (Loss)	Balance as at 31st March	
Investor	Investee	2026	2025	2026			2025
JAT Exports DMCC	JAT Paints Africa Ltd	60%	60%	18,248,862	(18,248,862)	-	18,248,862
JAT Exports DMCC	Seaform Perth PTY Ltd	50%	50%	28,512,995	5,932,294	34,445,290	28,512,995
Total					(12,316,567)	34,445,290	46,761,857

Ownership & Control Assesment

Although the Group holds a 60% equity interest in the joint venture, it does not have control over the relevant activities of the entity as defined by SLFRS 10 – Consolidated Financial Statements. The contractual arrangement governing the joint venture stipulates that key decisions require unanimous consent from both parties, thereby granting equal decision-making rights regardless of ownership percentage.

As a result, the Group does not have the power to unilaterally direct the relevant activities of the investee and, therefore, does not control the entity. Accordingly, the investee is accounted for as a joint venture under the equity method in accordance with SLFRS 11 – Joint Arrangements, rather than being consolidated as a subsidiary.

Summarised Financial Information of Equity Accounted Investees

As at 31 March	JAT Paints Africa Ltd		Seaform Perth PTY Ltd		Total	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Group share of;						
Revenue	19,677,564	11,387,538	123,941,741	74,884,299	143,619,305	86,271,837
Operating expenses including cost of sales	(40,520,163)	(19,508,700)	(145,062,987)	(90,016,776)	(185,583,150)	(109,525,476)
Net finance cost	-	(28,140)	-	-	-	(28,140)
Share of results of equity accounted investees	(20,461,260)	(8,149,303)	(21,104,403)	(15,132,477)	(41,565,663)	(23,281,780)
Total Comprehensive Income	(20,461,260)	(8,149,303)	(21,104,403)	(15,132,477)	(41,565,663)	(23,281,780)
Group share of;					-	-
Total assets	62,833,527	71,175,637	84,098,609	55,096,701	146,932,136	126,272,338
Total liabilities	33,113,501	-	139,874,095	84,054,178	172,987,596	84,054,178
Net assets	29,720,026	71,175,637	(55,775,486)	(28,957,477)	(26,055,460)	42,218,160

Losses attributable to JAT Paints Africa Ltd exceeded the carrying amount of the investment, and accordingly, recognition of further losses was discontinued, with the excess recognised as a provision for joint venture losses.

Although the net assets of Seaform Perth Pty Ltd were in a deficit position, an impairment assessment determined that the recoverable amount exceeded the carrying amount and, accordingly, no impairment loss was recognised.

18 CONSUMABLE BIOLOGICAL ASSETS

Accounting Policy

Fair valuation of consumable biological assets

Biological assets are measured on initial recognition and at each reporting date at fair value less costs to sell, except where fair value cannot be measured reliably. Changes in fair value less costs to sell are recognized in profit or loss in the period in which they arise. Fair valuation involves use of assumptions which are provided in Note 18.1. Such estimations are subject to significant uncertainties due to the sensitivity of assumptions used.

Biological Assets

Biological assets are classified as either mature biological assets or immature biological assets. Mature biological assets are those that have attained harvestable specifications or are able to sustain regular harvests. Immature biological assets are those that have not yet attained harvestable specifications.

Biological assets are classified into bearer biological assets and consumable biological assets. Consumable biological assets include managed timber trees that are cultivated for harvesting as agricultural produce or for sale as biological assets. Bearer biological assets are not processed within the Group

Bearer biological assets

Bearer biological assets are measured at cost less accumulated depreciation and accumulated impairment losses, if any, in terms of LKAS 16 – Property Plant & Equipment

Consumable biological assets

Consumable biological assets include managed timber trees those that are to be harvested as agricultural produce or sold as biological assets. Expenditure incurred on consumable biological assets (managed timber trees) is measured on initial recognition and at the end of each reporting period at its fair value less cost to sell in terms of LKAS 41. The cost is treated as approximation to fair value of young plants as the impact on biological transformation of such plants to price during this period is immaterial.

The fair value of timber trees are measured using discounted cash flow (DCF) method taking in to consideration the current market prices of timber(Sandalwood), applied to expected timber content of a tree at the maturity by an independent professional valuer. All other assumptions and sensitivity analysis are given in Note 18.3

The gain or loss arising on initial recognition of consumable biological assets at fair value less cost to sell and from a change in fair value less cost to sell of consumable biological assets are included in Statement of Profit or Loss for the period in which it arises.

Permanent impairments to biological asset are charged to the Statement of Profit or Loss in full and reduced to the net carrying amounts of such asset in the year of occurrence after ascertaining the loss.

As at 31 March	Company/ Group	
	2026	2025
	Rs.	Rs.
At the beginning of the year	**79,167,950**	72,267,944
Changes in fair value less costs to sell	**16,973,390**	775,571
Increase due to development	**7,665,390**	6,124,435
At the end of the year	**103,806,730**	79,167,950

The Group's/ Company's biological assets consist of a Sandalwood plantation & Agarwood plantation situated in the Village of Meegahakiula.

As at 31 March 2026, the Group / Company had 327 of immature sandalwood trees & 985 of Agarwood trees (2025: 327).

18.1 Valuation of biological assets

a. Sandlewood Plantation

The fair value less costs to sell of sandalwood trees is determined based on estimates of yield, costs to incur until harvest, Cost of sells, expected Scented of heartwood content per a tree and market prices at harvest and Sandalwood quality. In 2026, Sandalwood's market price is estimated to Rs. 20,000/- per kilogram (2025: Rs. 19,000/- per kilogram). Significant unobservable inputs used in fair value measurements of sandalwood are the following:

	2026 Rs.	2025 Rs.
Total number of Trees	327	327
Total number of Harvestable trees (6% allowance for death (2025:6%)	313	313
Harvest at maturity	313 @ 17.5 Kg	313 @ 17.5 Kg
Estimated scented of heartwood	5,477 Kg	5,477 Kg
Value at harvest (per Kg)	Rs. 20,000	Rs. 19,000
Discount rate	18%	20%
Number of years to maturity	0.5	1.5
Wood content per tree at maturity	17.50 Kg	17.50 Kg

b. Agarwood Plantation

As at the reporting date, the Company maintains 985 Agarwood trees under cultivation as part of its long-term agricultural investment portfolio. The average development and maintenance cost incurred per tree at this stage is estimated to range between LKR 2,500 and LKR 4,000, including cultivation, irrigation, fertilization, and related upkeep costs.

Commercial harvesting of Agarwood is generally expected to commence between 8 to 12 years from the date of planting, depending on the growth conditions and inoculation success rates. Premium-quality Agarwood products are anticipated to be obtainable after approximately 15 years or more, which is expected to enhance the commercial value of the plantation.

Significant unobservable inputs used in fair value measurements of Agarwood are the following:

	2026	2025
Total number of Trees	985	-
Agawood chips content per tree at maturity	5 Kg -20 Kg	-
Value of a tree	3,000	-
Number of years to commercial harvesting	8-12	-

18.2 Valuation processes

The Group / Company has an External Valuer (Mr. W. M. Chandrasena) that performs the valuation of biological assets. When considering the appropriate market prices for sandalwood/Agarwood to use, the valuer reviews available information, including: the age of trees, the maturity age of trees, the annual marginal increase in growth in the timber content, the number of years to harvest in case of trees for harvest, the timber content of immature trees at an estimated future harvestable date, estimate the current price of sandalwood/agarwood of the root per kg at relevant date.

18.3 Sensitivity analysis

Sensitivity variation sales price

Net present value of the biological assets as appearing in the statement of financial position are very sensitive to the changes into the average sales prices applied. Simulations made for sandalwood trees show that an increase or decrease by 10% of the estimated future selling price while other variables remained unchanged, has the following effect on the net present value of biological assets:

	+10%	-10%
Sandalwood & Agarwood plantation (Rs.)	10,380,673	(10,380,673)

Sensitivity variation discount rate

Net present value of the biological assets as appearing in the statement of financial position are very sensitive to changes of the discount rate applied. Simulations made for sandalwood trees show that an increase or decrease by 1% of the estimated future discount rate has the following effect on the net present value of biological assets:

	+1%	-1%
Sandalwood plantation (Rs.)	(427,245)	427,245

19 NET INVESTMENT IN THE LEASE

The assets are reported as receivables at an amount equal to the net investment in the lease. Lease income from finance leases is recognised over the term of the lease based on the effective interest rate method.

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
At the end of the year	**135,458,667**	132,304,886	**135,458,667**	132,304,886
Effect of movements in exchange rates	**11,286,739**	1,037,495	**11,286,739**	1,037,495
Interest	**27,011,686**	24,553,839	**27,011,686**	24,553,839
Payments	**(17,928,467)**	(22,437,553)	**(17,928,467)**	(22,437,553)
At the end of the year	**155,828,625**	135,458,667	**155,828,625**	135,458,667
Current	**97,937,449**	38,716,484	**97,937,449**	38,716,484
Non-current	**57,891,176**	96,742,183	**57,891,176**	96,742,183

The Group/Company has entered in to finance lease on its one condominium property at Altair Residencies, Colombo 02 for a period of 5 Years

The table below summarises the maturity profile of the Group's/Company's lease rentals receivables at 31 March 2026 based on contractual undiscounted payments.

As at 31 March 2026	Within one Year Rs.	1 to 3 Years Rs.	3 to 5 Years Rs.	Total Rs.
Lease Rentals Receivables	114,570,500	57,891,313	-	172,461,813

20 LONG TERM FINANCIAL ASSETS

Accounting Policy

Financial assets are classified as measured at amortised cost if they are held within a business model whose objective is to hold the assets to collect contractual cash flows, and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in the Statement of Profit or Loss when the asset is derecognised, modified, or impaired.

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Quoted Investments				
Investment in Debentures	**87,190,000**	74,220,000	**87,190,000**	74,220,000
	87,190,000	74,220,000	**87,190,000**	74,220,000

The table below summarises the maturity profile of the Group's/Company's debenture receivables at 31 March 2026 based on contractual undiscounted payments.

As at 31 March 2026	Amount	Start	Maturity	Years to Maturity	Within one Year Rs.	1 to 3 Years Rs.	3 to 5 Years Rs.
Commercial Bank PLC	6,960,000	12/12/22	5 Yrs- 12/12/2027	1.7	-	6,960,000	-
Sampath Bank PLC	50,000,000	2/9/23	5 Yrs- 02/09/2028	1.86	-	50,000,000	-
Commercial Bank PLC	17,260,000	12/20/23	5 Yrs- 12/20/2028	2.73	-	17,260,000	-
Commercial Bank Green Bond	12,970,000	8/12/25	5 Yrs- 8/12/2030	4.37			12,970,000

The investment is made on long term debentures issued by Sampath bank PLC and Commercial Bank PLC.

The respective information relates to debentures are mentioned below

Issuer Details	Coupon Rate	Tenure
Sampath Bank PLC	28%	5 Years
Commercial Bank PLC	28%	5 Years
Commercial Bank PLC	15%	5 Years
Commercial Bank PLC- Green Bond	10.55%	5 Years

21 SHORT TERM FINANCIAL ASSETS

Accounting Policy

The Group classifies its short-term financial assets based on the business model for managing the assets and the contractual cash flow characteristics of the instruments, as follows:

(a) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Listed equity securities and investments in money market funds are classified as financial assets at fair value through profit or loss, as these investments are either held for trading purposes or do not satisfy the criteria for measurement at amortised cost. Such financial assets are measured at fair value in the Statement of Financial Position, with all resultant gains and losses arising from changes in fair value recognised in the Statement of Profit or Loss during the period in which they arise.

(b) Financial Assets at Amortised Cost

Investments in fixed deposits are classified as financial assets measured at amortised cost, as they are held within a business model intended to collect contractual cash flows, and the contractual cash flows represent solely payments of principal and interest. These financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Interest income is recognised in the Statement of Profit or Loss on an accrual basis.

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Equity instruments designated at fair value through profit or loss				
Listed equity investments (Note 21.1)	**14,710,703**	23,593,196	**14,710,703**	23,593,196
Investment in money market funds (Note 21.2)	**476,294,852**	298,491,895	**476,294,853**	298,491,895
Other financial assets at amortized cost				
Investment in fixed deposits (Note 21.3)	**687,393,448**	797,160,494	**401,500,000**	400,000,000
	1,178,399,003	1,119,245,585	**892,505,556**	722,085,091

21.1 Investment in quoted securities - Group/ Company

As at 31 March	No. of shares		Market value	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Lanka Tiles PLC	**17,440**	17,440	**797,008**	884,208
Access Engineering PLC	**-**	97,823	**-**	3,766,186
Hayleys PLC	**-**	55,390	**-**	7,588,430
LOLC Holdings PLC	**3,612**	3,612	**1,913,457**	2,148,237
Kotagala Plantations PLC	**-**	29,500	**-**	265,500
Lankem Developments PLC	**109,710**	82,283	**1,952,838**	1,456,409
Balangoda Plantations PLC	**24,000**	24,000	**1,440,000**	1,620,000
Horana Plantations PLC	**25,000**	25,000	**1,172,500**	1,115,000
Swisstek (Ceylon) PLC	**-**	50,000	**-**	2,330,000
Renuka Foods PLC	**203,464**	101,732	**5,880,110**	1,119,052
Lankem Ceylon PLC	**21,332**	8,000	**874,612**	695,200
Softlogic Life Insurance PLC	**8,356**	8,356	**680,178**	604,974
			14,710,703	23,593,196

21.2 Investment in money market funds

	Credit Rating	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Capital Alliance Investments Limited	A	**476,294,852**	298,491,895	**476,294,852**	298,491,895
		476,294,853	298,491,895	**476,294,853**	298,491,895

21.3 Investment in fixed deposits

	Credit Rating	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Commercial Bank	AA-(lka)	**46,005,959**	96,391,888	**1,500,000**	-
Hatton National Bank	AA-(lka)	**241,387,489**	300,768,606	**-**	-
Habib Bank Fixed Deposit	AA(lka)	**400,000,000**	400,000,000	**400,000,000**	400,000,000
		687,393,448	797,160,494	**401,500,000**	400,000,000

21.4 Impairment of investments in fixed deposits and money market funds

Management has assessed the provision of impairment of fixed deposits and money market funds by considering the credit ratings of these institutions and considering other economic factors and concluded that the resulting impairment provision is immaterial to the financial statements.

22 FINANCIAL INSTRUMENTS

Accounting Policy

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

22.1 Financial assets

a) Recognition and initial measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under SLFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

b) Subsequent Measurement

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon de-recognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order 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

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes debentures, Fixed deposits, Green bond, trade receivables and amounts due from related parties.

Financial assets at fair value through OCI (debt instruments)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling 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.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under LKAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Group's financial assets at fair value through profit or loss include investment in quoted equity instruments and investment in un-quoted equity instruments under other non-current financial assets.

c) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired or;
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

d) Impairment of financial assets

Further disclosure relating to impairment of financials assets are also provided in the following notes:

- Disclosures for significant assumptions Note 3.4
- Financial assets Notes 22.1
- Trade receivables, including contract assets Note 24

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

22.2 Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and amounts due to related parties.

b) Subsequent Measurement

The measurement of financial liabilities depends on their classification as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by SLFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the Statement of Profit or Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss so designated at the initial date of recognition, and only if criteria of SLFRS 9 are satisfied. The group has not designated any financial liability at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit or Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit or Loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

22.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if;

- There is a currently enforceable legal right to offset the recognised amounts and
- There is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

22.4 Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques.

Such techniques may include:

- Using recent arm's length market transactions.
- Reference to the current fair value of another instrument that is substantially the same
- A discounted cash flow analysis or other valuation models.

An analysis of fair values of financial instruments and further details as to how they are measured are provided below

22.5 Financial assets and liabilities by categories in accordance with SLFRS 9 - Group

The following table shows the carrying amounts and fair values of financial assets and financial liabilities of the Group and the Company.

As at 31 March	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Financial Assets					
Financial Assets at Amortised Cost					
Quoted debt instruments	20	**87,190,000**	74,220,000	**87,190,000**	74,220,000
Investment in fixed deposits	21.3	**687,393,448**	797,160,494	**401,500,000**	400,000,000
Trade and other receivables	24	**5,784,090,457**	4,940,087,052	**4,353,359,476**	3,568,040,973
Other Financial Assets					
Amounts due from related parties	37	**100,802,414**	60,188,889	**1,021,064,638**	429,949,161
Cash and Short Term Deposits		**278,812,392**	320,456,758	**176,221,132**	175,213,112
Financial Assets at FVTPL					
Listed equity investments	21.1	**14,710,703**	23,593,196	**14,710,703**	23,593,196
Investment in money market funds	21.2	**476,294,852**	298,491,895	**476,294,853**	298,491,895
Financial Liabilities					
Interest Bearing Loans and Borrowings	29.1	**2,627,677,069**	2,587,194,544	**1,535,269,143**	1,523,938,139
Amounts Due to Related Parties	37	**8,106,496**	7,726,504	**62,954,353**	84,496,800
Lease Liability	14.1	**368,566,706**	115,182,555	**63,623,788**	79,639,233
Trade and Other Payables	31	**1,885,118,293**	2,059,434,792	**1,477,247,309**	1,698,216,809
Bank Overdraft	26.2	**650,371,474**	645,586,706	**413,959,519**	465,633,146

Financial assets of which carrying values are reasonable approximates at their fair value

The management assessed that the fair values of cash and short-term deposits, trade and other receivables, amounts due from related parties approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair value of quoted equity shares are based on market prices available in Colombo stock exchange at the reporting date.

Financial liabilities of which carrying values are reasonable approximates at their fair value

The management assessed that the fair values of trade and other payables and interest bearing loans and borrowings approximate their carrying amounts largely due to the short-term maturities of these instruments.

Long term loans and financial leases approximate their carrying amount as majority of the loan portfolio consist of loans obtained at variable interest rates.

23 INVENTORIES

Accounting Policy

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

The cost incurred in bringing inventories to its present location and condition is accounted using the following cost formulae:-

- Finished goods and work-in-progress- At the cost of direct materials, direct labor and an appropriate portion of factory overhead on normal operating capacity.
- Raw materials- At purchase cost on First in First (FIFO) basis
- Goods in transit- At actual cost

23.1 Provision for obsolete and slow-moving inventories

A provision for slow moving inventories is recognized based on the best estimates available to management on their future recovery. As Management uses present conditions and historical information as the basis to determine the future recoverability, actual future losses on inventories could vary from the allowance made in these financial statements.

Provision for Paint Items (Items with shelf-life)

The company makes a hundred percent (100%) provision when the inventory item exceeds its average shelf-life. The estimated lifespan of the paint items has been decided by the company's Research and Development team or specified by the original manufacturer.

Provision for non-paint Items (Items with no shelf-life)

Similarly, for the non-paint items (i.e. furniture, Paint Brushes, and Rollers, etc), the company makes a judgmental provision based on the nature and the aging bucket of the inventory category. The Management of the company decided the percentage of provision by consulting the internal technical experts advice based on the factors that may negatively impact the value of the inventory including the change in saleable condition, obsolesces, shrinkage etc.

As at 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Finished goods	**1,866,906,916**	1,726,289,684	**1,308,340,597**	1,362,671,423
Raw materials	**1,588,390,647**	1,177,817,051	**1,038,638,987**	832,453,491
Goods in transits	**3,301,895**	599,301	**-**	-
Work in progress	**136,604,353**	113,425,969	**54,141,772**	85,986,366
	3,595,203,811	3,018,132,005	**2,401,121,356**	2,281,111,280
Less: Provision for obsolete and slow moving inventories (Note 23.1)	**(114,739,505)**	(151,771,077)	**(92,853,512)**	(133,659,903)
	3,480,464,306	2,866,360,928	**2,308,267,844**	2,147,451,377

23.1 Provision for obsolete and slow moving inventories

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
At the beginning of the year	**151,771,077**	340,703,125	**133,659,903**	332,734,932
Provision/Write off of obsolete and slow moving inventories (net)	**(37,031,572)**	(188,932,048)	**(40,806,391)**	(199,075,029)
At the end of the year	**114,739,505**	151,771,077	**92,853,512**	133,659,903

24 TRADE AND OTHER RECEIVABLES

Accounting Policy

The Company reviews its individually significant Receivables at each reporting date to assess whether an impairment loss should be recorded in the Statement of Profit or Loss. In particular, management's judgment is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance. The Company applies a simplified approach in calculating ECLs for the impairment assessment, due to the adoption of SLFRS 09.

Impairment of Trade Receivables

For trade receivables and contract assets, the Group applies the simplified approach in measuring expected credit losses (ECLs). A loss allowance is recognised based on lifetime ECLs at each reporting date using a provision matrix derived from historical credit loss experience, adjusted for forward-looking information. Loss given default is estimated using historical recovery rates, with macroeconomic adjustments based primarily on GDP growth rates.

The allowance for expected credit losses is disclosed in note 24.3.

As at 31 March	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Trade receivables					
-Related Parties	24.1	**57,776,046**	148,127,080	**69,406,373**	39,520,328
-Others		**5,159,937,883**	4,244,729,782	**4,030,270,438**	3,337,473,829
	24.2	**5,217,713,929**	4,392,856,862	**4,099,676,811**	3,376,994,157
Provision for Impairment	24.3	**(128,118,896)**	(111,453,882)	**(94,895,773)**	(80,950,435)
		5,089,595,033	4,281,402,979	**4,004,781,038**	3,296,043,722
Other receivables		**694,495,424**	658,684,072	**348,578,438**	271,997,251
		5,784,090,457	4,940,087,052	**4,353,359,476**	3,568,040,973

24.1 Trade receivables - Related Parties

As at 31 March	Relationship	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Brush Master (Pvt) Ltd	Subsidiary	-	-	-	33,634,848
Worldwide Resins & Checmicals (Pvt) Ltd	Subsidiary	-	-	-	277,501
JAT Exports DMCC	Subsidiary	-	-	**11,620,160**	-
JAT Global (Pvt) Ltd	Subsidiary	-	-	-	59,355
Asia Coatings (Pvt) Ltd	Subsidiary	-	-	**10,167**	10,167
JAT Paints Africa Limited	Joint Venture	**57,776,046**	-	**57,776,046**	-
JAT Holdings Bangladesh (Pvt) Ltd	Affiliate	-	142,588,624	-	-
JAT Tradings (Pvt) Ltd	Affiliate	-	2,411	-	2,412
Bileeta (Pvt) Ltd	Affiliate	-	5,536,045	-	5,536,045
		57,776,046	**148,127,080**	**69,406,373**	**39,520,328**

24.2 Trade receivables

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Trade debtors- Local	4,603,718,820	3,861,436,135	3,786,916,564	3,161,574,920
Project debtors	213,529,975	165,427,554	213,529,975	165,427,554
Export debtors	400,465,134	365,993,172	99,230,272	49,991,683
	5,217,713,929	4,392,856,861	4,099,676,811	3,376,994,157
Provision for Impairment (Note 24.3)	(128,118,896)	(111,453,882)	(94,895,773)	(80,950,435)
	5,089,595,033	4,281,402,979	4,004,781,038	3,296,043,722

24.3 Provision for Impairment

Movements in the allowance for impairment of Trade Receivables

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Movement in Provision for Impairment				
At the beginning of the year	111,453,882	200,277,157	80,950,435	150,734,054
Provision for the year	15,779,434	(88,514,884)	13,945,338	(69,783,619)
Effect of movements in exchange rates	1,312,972			
Write off during the year	(427,392)	(308,391)	-	-
At the end of the year	128,118,896	111,453,882	94,895,773	80,950,435

The Group adopted Expected Credit Loss (ECL) approach for the impairment of its financial assets. This enables better credit risk reporting of financial instruments by carrying reasonably quantified default risk adjusted value of assets in the balance sheet and minimising the timing difference in recognition of future default loss.

24.4 The Age Analysis of Trade Receivables as at 31 March, is as follows

	Neither due nor impaired	Past due but not impaired					
		0 to 30 days	31 to 60 days	61 to 90 days	91 to 244 days	> 244 days	Total
Group							
2026	4,252,576,500	410,562,469	88,799,960	92,841,758	55,197,006	317,736,236	5,217,713,929
2025	3,879,578,505	55,546,960	99,916,070	82,800,204	53,860,587	221,154,535	4,392,856,861

	Neither due nor impaired	Past due but not impaired					
		0 to 30 days	31 to 60 days	61 to 90 days	91 to 244 days	> 244 days	Total
Company							
2026	3,639,426,511	185,443,734	41,852,007	34,941,046	86,134,100	111,879,412	4,099,676,810
2025	3,081,403,170	43,522,542	92,234,794	37,524,760	49,797,959	72,510,932	3,376,994,157

25 ADVANCES AND PREPAYMENTS

Accounting Policy

Advances and prepayments are recognised initially at cost and represent payments made in advance for goods or services to be received in future periods. Prepayments are subsequently recognised as expenses in the Statement of Profit or Loss on a systematic basis over the period in which the related economic benefits are consumed. The expected utilisation or settlement of advances and prepayments is within twelve months from the reporting date, they are classified as current assets.

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Advances - Related parties (Note 25.1)	-	5,536,045	-	5,536,045
- Project related	-	498,914,612	-	498,914,612
- Local & Foreign Supplier	**536,782,541**	742,635,362	**281,855,360**	552,422,522
- others	**73,327,180**	98,718,099	**17,090,974**	35,086,515
Prepayments	**100,605,333**	72,512,670	**71,868,537**	61,896,177
Total advances and prepayments	**710,715,054**	1,418,316,788	**370,814,871**	1,153,855,871

During the financial year 2025/26, project-related advances amounting to LKR 498 million were utilised towards an investment in Volt Industrial Company Pvt Ltd, a newly established Electric Vehicle (EV) charger manufacturing company. Pursuant to the transaction, the Company acquired 84% of the fully paid ordinary share capital of the entity, amounting to LKR 410 million. The remaining balance of the advances was reclassified to current account balances.

The aggregate transaction value relating to the two entities has been disclosed under the Related Party Transactions Note 37 to the financial statements.

25.1 Advances -Related parties

As at 31 March	Relationship	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Bileeta (Pvt) Ltd	Affiliate	-	5,536,045	-	5,536,045
		-	5,536,045	-	5,536,045

26 CASH AND CASH EQUIVALENTS

Accounting Policy

Cash and cash equivalents are cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

Bank overdrafts form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of preparing the Statement of Cash Flows

26.1 Favourable cash and cash equivalent balances

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Cash and bank balances	**278,812,392**	320,456,758	**176,221,132**	175,213,112
	278,812,392	320,456,758	**176,221,132**	175,213,112

26.2 Unfavourable cash and cash equivalent balances

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Bank overdrafts	**(650,371,474)**	(645,586,707)	**(413,959,519)**	(465,633,146)
Total cash and cash equivalents for the purpose of cash flow statement	**(371,559,082)**	(325,129,948)	**(237,738,387)**	(290,420,034)

27 NON CURRENT ASSETS HELD FOR SALE

Accounting Policy

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification

Property, plant and equipment, Investment Property and intangible assets are not depreciated or amortised once classified as held for sale. Assets classified as held for sale are presented separately as current asset in the Statement of Financial Position

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Non current assets held for sale	-	202,000,000	-	202,000,000
	-	202,000,000	-	202,000,000

During the financial year 2025/26, the Non-Current Asset Held for Sale relating to Unit No. 30B of Altair Apartment, previously classified under investment property, was fully derecognised upon completion of the disposal during the year. The asset, which had been presented as Non-Current Assets Held for Sale in the previous reporting period, was sold and the full agreed consideration of LKR 202 million was received in accordance with the terms of the Memorandum of Understanding entered into with the buyer.

28 STATED CAPITAL

As at 31st March	2026		2025	
	Number of shares	Rs.	Number of shares	Rs.
At the beginning of the year	510,407,773	2,395,221,320	510,407,773	2,395,221,320
Exercise of Employee Share Options	12,028,703	324,774,981		
At the end of the year	522,436,476	2,719,996,301	510,407,773	2,395,221,320

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

28.1 EMPLOYEE SHARE OPTION SCHEME (ESOS)

Accounting Policy

Employees of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions). The Group applies Sri Lanka Accounting Standard – SLFRS 2 Share-based Payment in accounting for employee remuneration in the form of shares.

For the options granted under the employee share option scheme, the equity instruments issued are recognized directly in Stated Capital within Equity when the options are exercised, shares are allotted, and the respective cash consideration is received from the employees. No prior expenses or share option reserves were recognized as the options were exercised at the designated exercise price upon completing the required listing and service criteria.

Employee Share Option Scheme (ESOS)

During the year 2021/22, the Company established an Employee Share Option Scheme (ESOS) in principle of the Colombo Stock Exchange and approval of Shareholders of the Company. Under the ESOS 2021, 12,028,703 ordinary voting shares, representing 2.36% of the total issued and fully paid ordinary voting shares of the Company have been exercised by the employees of the Company during the financial year 2025/26.

- The primary terms and conditions of the scheme are detailed below:
- Exercise Price: Fixed at LKR 27.00 per share.
- Vesting Condition: Service and performance tracking up to five years post-listing.
- Exercise Window: Executable upon completion of the five-year vesting period and wrapped up within a one-year execution window.
- Settlement: Equity-settled only. There are no cash settlement alternatives.

During the financial year 2025/26, the exercise period concluded. All applicable eligible employees exercised their allocations. Consequently, all outstanding shares under this scheme were fully issued and the corresponding cash consideration was collected in full during the financial year 2025/26 itself, increasing the Stated Capital of the company.

Movements During the Year

As at 31 March 2026	Number of Shares	Excise Price (LKR)
Outstanding at the Beginning of the Year	-	-
Granted During the Year	12,028,703	27.00
Exercised During the Year	(12,028,703)	27.00
Outstanding at the End of the Year	-	-

29 INTEREST BEARING LOANS AND BORROWINGS

Other financial liabilities

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Current interest bearing loans and borrowings				
Bank loans (Note 29.1)	**2,607,482,863**	2,587,194,544	**1,535,269,143**	1,523,938,139
Lease liabilities (Note 29.2)	**126,458,464**	32,493,025	**26,363,538**	20,268,097
	2,733,941,327	2,619,687,569	**1,561,632,681**	1,544,206,236
Non-current interest bearing loans and borrowings				
Bank loans (Note 29.1)	**20,194,206**	-	**-**	-
Lease liabilities (Note 29.2)	**242,108,242**	82,689,530	**37,260,250**	59,371,136
	262,302,448	82,689,530	**37,260,250**	59,371,136
Total Interest bearing loans and borrowings	**2,996,243,775**	2,702,377,099	**1,598,892,931**	1,603,577,372

29.1 Bank loans

Group

	As at 31.03.2025 Rs.	Loan Obtained Rs.	Repayment Rs.	Exchange Difference Rs.	As at 31.03.2026 Rs.	Current Rs.	Non-current Rs.
Short term loans							
People's Bank	125,000,000	550,000,000	(450,000,000)		**225,000,000**	225,000,000	-
Commercial Bank PLC	923,370,199	2,910,884,420	(3,145,508,053)	1,125,434	**689,872,000**	689,872,000	-
Standard Chartered	50,000,000	-	(50,000,000)		**-**	-	-
Seylan Bank	50,000,000	50,000,000	(100,000,000)		**-**	-	-
Hatton National Bank PLC	222,240,000	1,244,483,449	(1,007,830,448)	14,415,000	**473,308,001**	473,308,001	-
Sampath Bank	-	250,000,000	-		**250,000,000**	250,000,000	
Habib Bank	33,709,949	197,817,874	(156,385,689)	1,657,866	**76,800,000**	76,800,000	-
Import loans	-				**-**		
Hatton National Bank PLC	699,066,972	1,755,945,218	(2,158,234,904)	58,842,937	**355,620,223**	355,620,223	-
Commercial Bank PLC	252,242,795	1,324,593,630	(1,171,581,808)	3,624,031	**408,878,649**	408,878,649	-
NDB Bank PLC	118,986,356	877,751,437	(940,159,871)		**56,577,922**	56,577,922	-
Habib Bank	112,578,273	99,866,289	(184,587,337)	5,536,636	**33,393,861**	33,393,861	
Term Loan					**-**	-	
Bank of New Zealand	-	86,824,681	(28,598,230)		**58,226,413**	38,032,207	20,194,206
	2,587,194,544	**9,348,166,999**	**(9,392,886,341)**	**85,201,904**	2,627,677,069	**2,607,482,863**	**20,194,206**

Company

	As at 31.03.2025 Rs.	Loan Obtained Rs.	Repayment Rs.	Exchange Difference Rs.	As at 31.03.2026 Rs.	Current Rs.	Non-current Rs.
Short Term Loans							
People's Bank	125,000,000	550,000,000	(450,000,000)	-	**225,000,000**	225,000,000	-
Commercial Bank PLC	798,300,000	2,463,310,000	(2,691,609,977)	-	**570,000,023**	570,000,023	-
Standard Chartered	50,000,000	-	(50,000,000)	-	**-**	-	-
Seylan Bank	50,000,000	50,000,000	(100,000,000)	-	**-**	-	-
Sampath Bank	-	250,000,000	-	-	**250,000,000**	250,000,000	
Import Loans							
Hatton National Bank PLC	229,212,646	486,580,565	(667,345,980)	-	**48,447,231**	48,447,231	-
Commercial Bank PLC	152,439,137	1,008,309,806	(775,504,955)	-	**385,243,967**	385,243,967	-
Standard Chartered	-			-	**-**	-	-
NDB Bank PLC	118,986,356	877,751,437	(940,159,871)	-	**56,577,922**	56,577,922	
	1,523,938,139	**5,685,951,808**	**(5,674,620,783)**	**-**	1,535,269,143	1,535,269,143	**-**

29.2 Lease Liabilities

As at 31 March	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Current		**126,458,464**	32,493,025	**26,363,538**	20,268,098
Non-current		**242,108,243**	82,689,530	**37,260,250**	59,371,136
Total	14	**368,566,707**	115,182,555	**63,623,788**	79,639,234

29.3 INTEREST-BEARING LOANS AND BORROWINGS (CONTD.)

29.3 Nature and repayment terms of the facilities

Lender	Nature of facility.	Nominal Interest rate	Repayment terms	Carrying value of facility	
				2026	2025
	Rs			Rs.	Rs.
JAT Holdings PLC					
Standard Charted Bank	Short term loan (revolving)	-	Up to 90 Days	-	50,000,000
	Overdraft	-	On demand	-	41,584,502
Commercial Bank of Ceylon PLC	Short term loan (revolving)	AWPLR (reviewed weekly)	Within 90 days	570,000,000	797,300,000
	Import loan	AWPLR (reviewed weekly)	Within 180 days	385,244,009	153,693,920
	Overdraft	AWPLR (reviewed weekly)	On demand	132,843,671	92,417,057
Hatton National Bank	Import loan	AWPLR (Weekly review)	Within 120 days	48,447,231	217,532,646
	Overdraft	AWPLR (Weekly review)	On demand	63,270,949	53,295,931
Peoples Bank	Short term loan (revolving)	AWPLR (weekly review)	Within 120 days	225,000,000	100,000,000
	Overdraft	AWPLR+0.5% (weekly review)	On demand	12,923,290	24,186,371
National Development Bank	Import loan	AWPLR (reviewed weekly)	Within 90 days	56,577,922	172,250,766
	Overdraft	AWPLR (reviewed weekly)	On demand	38,174,357	73,624,587
Seylan Bank	Short term loan (revolving)	AWPLR + 0.5% (reviewed weekly)	Within 120 days	-	50,000,000
	Overdraft	AWPLR + 0.5% (reviewed weekly)	On demand	81,363,324	99,932,390
DFCC Bank	Overdraft	AWPLR + 0.5% (reviewed monthly)	On demand	85,383,926	96,686,479
Sampath Bank	Short term loan (revolving)	Money Market Rate (Reviewd Monthly)	Within 180 days	250,000,000	-
JAT Exports DMCC					
Hatton National Bank	Short Term Loan/Import Loan (EUR)	3M EUR ESTR + 4%	Within 6 months	307,172,992	469,854,327
	Short Term Loan/Import Loan (USD)	SOFR 3M + 4%	Within 6 months	473,310,000	222,240,000
Worldwide Resins & Chemicals (Pvt) Ltd					
Commercial Bank of Ceylon PLC	Overdraft	4.5% p.a. (Fixed)	On Demand	-	-
	Import Loan	AWPLR+0.5%	Within 180 days	17,965,521	115,371,285
	Short Term Loan	AWPLR+0.5%	Within 90 days	40,000,000	
Asia Coating (Pvt) Ltd.					
Commercial Bank of Ceylon PLC	Overdraft	12.50%	On Demand	47,136,997	81,513,923
	Import-LTR/UPAS	12.50%	Within 120 Days	5,669,117	73,688,636
	Short Term loans	12.50%	Within 120 Days	79,872,000	23,061,463
Habib Bank Limited	Overdraft	13%	On Demand	95,863,078	97,336,924
	Import-LTR/UPAS	13%	180 Days	33,393,862	112,578,273
	Short Term loans	13%	180 Days	76,800,000	33,709,949
Mirotone (NZ) Limited					
Scottish Pacific	Overdraft	8.42%	On Demand	93,412,164	-
Bank of New Zealand	Term Loan	9.79%	Due in Nov 2027	58,226,413	-

Assets pledged

The following assets have been pledged as security for above liabilities:

Lender	Nature of facility.	Nominal Interest rate	Repayment terms	Carrying value of facility	
				2026	2025
	Rs			Rs.	Rs.
JAT Holdings PLC					
Standard Charted Bank (Closed)	Short term loans			-	Rs.375 Mn
	Overdraft				
	Import loan				
Commercial Bank of Ceylon PLC	Overdraft	Lien over savings deposit		Rs. 75 Mn	Rs. 55.83 Mn
	Letters of credit	Mortgage over Property at No 351, Pannipitiya Road, Thalawathugoda		Rs. 824 Mn	Rs. 566.93 Mn
	Import Demand Loan				
	Revolving short term loan	Insurance policy over above property		Rs. 2,703 Mn	Rs. 362.20 Mn
	Shipping guarantee facility	Mortgage over Stocks at Advantis Logistic Hub		Rs. 200 Mn	
	Letters of Guarantee	Insurance over above Stock		Rs. 200 Mn	
	Stand By Letter of Credit				
Habib Bank Limited	SBLC	LKR Fixed Deposit (125% cash collateral)		Rs. 400 Mn	Rs. 400 Mn
National Development Bank PLC	Import loan	Primary Mortgage Over Stocks at Kahathuduwa & Book Debts		Rs.616 Mn	Rs.616 Mn
	Overdraft				
Seylan Bank	Overdraft	Lien over savings deposit		Rs. 21 Mn	Rs. 14.9 Mn
DFCC Bank	Overdraft	Lien over X-treme saver Money Market		Rs. 30 Mn	Rs. 19 Mn
JAT Exports DMCC					
Hatton National Bank	Import Loan/Short Term Loan	Fixed Deposits		Euro 1.5Mn	USD 1.015 Mn
	SBLC	Corporate Guarantee-JAT Holdings PLC			
Asia Coatings Pvt Ltd					
Habib Bank Limited	Short Term Loan (Revolving)	SBLC from HBL SL backed by FD		USD 1 Mn	USD 1 Mn
	Import Loan				
	Overdraft				
Commercial Bank of Ceylon PLC	Short Term Loan (Revolving)	Lien over FD (bearing No.381800006456)		BDT 17.30 Mn	BDT 39 Mn
	Import Line	Stock and Book debt		BDT 230 Mn	BDT 230 Mn
	Overdraft				
Mirotone (NZ) Limited					
Bank of New Zealand	Term Loan	General Securities Agreement over all assets, except Debtors Ledger		NZ $ 322,623	-
Scottish Pacific	Overdraft	First charge over Debtors Ledger		NZ $ 517,581	-

30 EMPLOYEE BENEFIT OBLIGATIONS

Accounting Policy

The cost of defined benefit obligations and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate.In determining the appropriate discount rate, management considers the interest rates of long term Government Bonds (Treasury Bonds) corresponding to the average work life of the employees.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

Defined contribution plans– Employees' provident fund & employees' trust fund

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with the respective statutes and regulations in Sri Lanka. The Company contributes 12 % and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

Defined benefit plan – Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The defined benefit is calculated by independent actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability.

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Key assumptions used in determining the defined retirement benefit obligations are given below. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

The gratuity liability is not funded in the planned assets.

Movement in Gratuity Liability During the Year

As at 31 March	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
At the beginning of the year		105,518,588	92,978,812	103,154,212	90,894,582
Charge for the Year	30.1	23,483,046	22,792,986	22,630,241	22,034,577
Actuarial (gain)/loss		5,508,561	(5,785,283)	4,656,371	(5,307,021)
Benefits paid during the year		(7,845,803)	(4,467,926)	(7,712,843)	(4,467,926)
At the end of the year		126,664,392	105,518,588	122,727,982	103,154,212

30.1 Gratuity Expense Recognized During the Year

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Post Employee Benefit Expenses for				
Current service cost	12,907,543	11,635,530	12,314,820	11,127,228
Interest cost	10,575,503	11,157,456	10,315,421	10,907,349
	23,483,046	22,792,986	22,630,241	22,034,577
Actuarial gains and losses recognized directly in OCI				
Recognized during the period	5,508,561	(5,785,283)	4,656,371	(5,307,021)

Messrs. Actuarial and Management Consultants (Pvt) Ltd Actuaries, carried out an actuarial valuation of the defined benefit plan gratuity on 31 March 2026. Appropriate and compatible assumptions were used in determining the cost of retirement benefits. The liability is not externally funded.

The Projected Unit Credit Method is used to determine the present value of the defined benefit obligation and the current service cost.

30.2 The principal assumptions used in determining defined benefit obligation are shown below:

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Discount rate	10%	10%- 11%	10%	10%
Salary increment	8%	8%	8%	8%
Staff turnover	16% - 20%	16%- 20%	20%	20%
Retirement age	60 years	60 years	60 years	60 years

Assumptions regarding future mortality are based on A 1967/70 mortality table, issued by the Institute of Actuaries, London.

30.3 Sensitivity of assumptions employed in actuarial valuation

Values appearing in the financial statements are very sensitive to the changes in financial and non financial assumptions used.

A Sensitivity analysis was carried out as follows,

		2026		2025	
		Effect on comprehensive income increase / (reduction)	Effect on employee benefit obligation increase / (reduction) in the liability	Effect on comprehensive income increase / (reduction)	Effect on employee benefit obligation increase / (reduction) in the liability
30.3.1 Group					
Increase/(decrease) in discount rate	+1%	4,396,977	(4,396,977)	3,601,354	(3,601,354)
	-1%	(4,753,855)	4,753,855	(3,885,277)	3,885,277
Increase/ (decrease) in salary increment	+1%	(5,321,027)	5,321,027	(4,337,139)	4,337,139
	-1%	5,002,618	(5,002,618)	4,086,168	(4,086,168)
30.3.2 Company					
Increase/ (decrease) in discount rate	+1%	4,227,999	(4,227,999)	3,493,943	(3,493,943)
	-1%	(4,570,706)	4,570,706	(3,768,670)	3,768,670
Increase/ (decrease) in salary increment	+1%	(5,117,897)	5,117,897	(4,209,104)	4,209,104
	-1%	4,812,391	(4,812,391)	3,966,494	(3,966,494)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

30.4 The following are the expected payments to the defined benefit plan in future years

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Within the next 12 months	**36,436,810**	16,834,268	**36,063,179**	16,583,074
Between 2 and 5 years	**56,485,154**	64,957,042	**53,711,970**	63,429,661
Between 5 and 10 years	**26,953,588**	18,492,099	**26,444,808**	18,070,234
Beyond 10 years	**6,788,839**	5,235,178	**6,508,024**	5,071,243
Total expected payments	**126,664,391**	105,518,587	**122,727,981**	103,154,212

30.5 The Group weighted average duration of the defined benefit plan obligation at the end of the reporting period is 4.40 years (2025: 4.53 years).

31 TRADE AND OTHER PAYABLES

Accounting Policy

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

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

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Trade payables-Others	**486,357,424**	591,220,243	**221,629,573**	459,381,370
Related parties (Note 31.1)	**2,364,378**	23,007,288	**21,730,223**	58,618,517
	488,721,802	614,227,531	**243,359,796**	517,999,887
Other payables	**1,236,114,377**	1,222,052,646	**1,154,828,472**	965,305,131
Contract liabilities (Advances Received)	**107,047,912**	202,823,331	**60,268,274**	197,638,331
Sundry creditors including accrued expenses	**53,234,202**	**20,331,284**	**18,790,766**	**17,273,460**
	1,885,118,293	**2,059,434,792**	**1,477,247,307**	**1,698,216,806**

31.1 Trade Payables - Related Parties

	Relationship	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Brush Masters (Pvt) Ltd	Subsidiary	-	-	**19,284,227**	52,841,036
Worldwide Resins & Chemicals (Pvt) Ltd	Subsidiary	-	-		-
JAT Global (Pvt) Ltd	Subsidiary	-	-	**81,618**	172,459
JAT Holdings Bangladesh (Pvt.) Ltd	Affiliate	-	22,313,990		4,911,724
JAT Technologies (Pvt) Ltd	Affiliate	**96,676**	96,676	**96,676**	96,676
JAT Property Group (Pvt) Ltd	Affiliate	**596,622**	596,622	**596,622**	596,622
Bileeta (Pvt) Ltd	Affiliate	**1,671,080**		**1,671,080**	
Flexospan Steel Buildings (Pvt) Ltd	Affiliate	-	-		-
		2,364,378	23,007,288	**21,730,223**	58,618,517

32 DEFERRED TAX ASSETS AND LIABILITIES

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Deferred Tax Assets	147,603,415	234,692,649	53,462,680	229,608,026
Deferred Tax Assets	147,603,415	234,692,649	53,462,680	229,608,026

32.1 Differed Tax Assets

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
At the beginning of the year	234,692,650	(48,982,845)	229,608,026	(55,986,310)
Amount origination/ (reversal) of temporary differences				
- Recognised in profit or loss				
Accelerated depreciation for tax purposes	(131,639,498)	(237,183,371)	(86,075,255)	(233,936,603)
Biological assets	(7,294,434)	1,722,509	(7,294,434)	1,722,509
Retirement benefit obligation	1,908,702	13,985,363	6,067,326	11,980,930
Provision for doubtful debts	5,271,021	(30,901,185)	4,183,602	(26,316,544)
Provision for obsolete and slow moving inventories	(9,316,891)	(5,748,659)	(13,222,851)	(8,962,660)
Right-of-use assets	(7,891,549)	(34,279,736)	2,273,127	(35,318,195)
Effects of movements in exchange rates	-	(344,325)	-	-
Carried forward business losses	15,028,130	574,051,597	(83,473,771)	574,051,597
- Recognised in other comprehensive income				
Actuarial gains and losses on defined benefit plans	1,396,911	2,373,302	1,396,911	2,373,302
- Net effect for the year	(132,537,608)	283,675,495	(176,145,346)	285,594,336
- Recognised Asset from Acquisition				
Carried forward business losses	45,448,373	-	-	-
At the end of the year	147,603,415	234,692,649	53,462,680	229,608,026

Net deferred tax asset/liability on each temporary difference which were recognized in the financial statements are disclosed below.

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Deferred tax liability				
Capital allowances for tax purpose	(466,387,651)	(341,958,298)	(419,864,157)	(333,788,902)
Tax Effect of Investment Properties	-	-	-	-
Consumable biological assets	(28,676,694)	(21,382,260)	(28,676,694)	(21,382,260)
Right-of-use assets	(19,641,233)	(44,544,360)	(34,165,426)	(36,438,553)
	(514,705,578)	(407,884,917)	(482,706,277)	(391,609,715)
Deferred tax assets				
Right-of-use assets	994,282	8,885,831	-	-
Expected credit losses	34,039,324	28,768,303	28,468,732	24,285,130
Retirement benefit obligation	35,529,852	32,224,239	36,818,394	29,354,157
Provision for obsolete and slow moving inventories	34,861,684	44,178,574	27,856,054	41,078,905
Tax Effect of Property Plant & Equipment	-	2,021,072	-	-
Carried forward business losses & Others	556,883,851	526,499,549	443,025,777	526,499,549
	662,308,993	642,577,567	536,168,957	621,217,741
	147,603,415	234,692,649	53,462,680	229,608,026

Unutilised carry forward Group tax losses as at 31 March 2026 is LKR 1.2 Bn. (Provisional) (2025- LKR 1.8 Bn). During the year, the Group incurred a tax loss of LKR 309 Mn and utilised LKR 844 Mn of brought forward tax losses.

33 PRINCIPAL SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Financial information of subsidiaries with material non-controlling interests, namely Seaform Bangladesh (Pvt) Ltd, Volt Industrial Company (Pvt) Ltd and Brush Master (Private) Limited, is depicted below

As at 31 March	Volt Industrial Company (Pvt) L td	Seaform Bangladesh (Pvt) Ltd		Brush Master (Private) Limited	
	2026	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.	Rs.
Non-controlling interest	16.00%	26.71%	26.71%	9.6%	9.6%
Non-current assets	503,866,250	1,944,549	2,193,117	523,302	1,109,611
Current assets	371,327,821	45,310,021	26,103,132	71,776,220	90,867,482
Total assets	875,194,071	47,254,570	28,296,249	72,299,522	91,977,093
Non-current liabilities	-	-	33,603	3,936,411	2,364,376
Current liabilities	272,546,873	104,590,979	64,288,955	14,439,735	49,216,300
Total liabilities	272,546,873	104,590,979	64,322,558	18,376,146	51,580,676
Equity attributable to the owners of the company	506,223,647	(42,020,519)	(26,403,682)	48,741,340	36,514,322
Non-controlling interests	96,423,552	(15,315,890)	(9,622,627)	5,182,036	3,882,096
Year ended 31st March					
Revenue from contracts with customers	121,731,154	14,748,166	11,542,888	171,727,403	140,701,630
Profit/(loss) after tax	114,419,469	(19,372,361)	(38,123,387)	14,379,149	7,874,727
Profit attributable to the owners of the company	96,112,354	(14,197,552)	(27,940,630)	12,997,313	6,414,843
Profit/(Loss) attributable to the non-controlling interests	18,307,115	(5,174,809)	(10,182,757)	1,381,836	1,459,884
Total comprehensive income	114,419,469	(22,004,157)	(38,123,387)	13,526,959	8,352,989
Net cash inflow/(outflow) from operating activities	(18,105,867)	(20,640)	(6,915,980)	2,550,335	(45,223,977)
Net cash (outflow) from investing activities	(456,154,965)	(21,620)	6,849,878	-	(930,973)
Net cash inflow/(outflow) from financing activities	488,227,730	-	-	-	45,861,094
Total net cash inflow/(outflow)	13,966,898	(42,260)	(66,101)	2,550,335	(293,856)

34 FAIR VALUE MEASUREMENT

Accounting Policy

The Group measures financial instruments and non-financial assets, including investment properties and biological assets, at fair value at each reporting date. Fair value-related disclosures for financial instruments and non-financial assets measured at fair value, or for which fair values are disclosed, are presented below.

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 assets and liabilities that are recognized in the financial statements on a recurring basis, the Management determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for both recurring fair value measurement, such as investment properties and unquoted equity instruments, and for non-recurring measurement, such as assets held for sale in discontinued operations

External valuers are involved for valuation of significant assets, such as Biological assets and Investment Properties. Involvement of external values is decided by the Management after discussion with the Group Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company'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 presents the valuation results to the Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

The Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

	Disclosure Notes
Disclosures for valuation methods, significant estimates and assumptions	Notes 18.1 and 15
Quantitative disclosures of fair value measurement hierarchy	Note 35
Investment in quoted equity shares	Notes 21.1
Consumable biological assets	Note 18
Investment Property	Note 15
Financial Instruments (Including those carried at amortized cost)	Notes 22

As at 31 March 2026, the Group held the following financial instruments carried at fair value in the Statement of Financial Position

35 FAIR VALUE MEASUREMENT HIERARCHY

35.1 Fair value measurement hierarchy for assets as at 31 March 2026

Group

Assets measured at fair value:	Note	Date of valuation	Fair value measurement using			
			Total Rs.	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Non-financial assets						
Consumable biological assets	18	31 March 2026	103,806,730	-	-	103,806,730
Investment properties	15	31 March 2026	693,029,153			693,029,153
Non financial assets as at 31 March 2026			796,835,883	-	-	796,835,883
Financial assets						
Equity instruments designated at fair value through profit or loss						
Quoted equity shares	21.1	31 March 2026	14,710,703	14,710,703	-	-
Investment in money market funds	21.2	31 March 2026	476,294,852	476,294,852	-	-
Financial assets as at 31 March 2026			491,005,555	491,005,555	-	-

Company

Assets measured at fair value:	Note	Date of valuation	Fair value measurement using			
			Total Rs.	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Non-financial assets						
Consumable biological assets	18	31 March 2026	103,806,730			103,806,730
Non financial assets as at 31 March 2026			103,806,730	-	-	103,806,730
Financial assets						
Equity instruments designated at fair value through profit or loss						
Quoted equity shares	21.1	31 March 2026	14,710,703	14,710,703		
Investment in money market funds	21.2	31 March 2026	476,294,852	476,294,852		
Financial assets as at 31 March 2026			491,005,555	491,005,555	-	-

As at 31 March 2025, the Group held the following financial instruments carried at fair value in the Statement of Financial Position:

35.2 Fair value measurement hierarchy for assets as at 31 March 2025

Group

Assets measured at fair value:	Note	Date of valuation	Fair value measurement using			
			Total Rs.	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Non-financial assets						
Consumable biological assets	18	31 March 2025	79,167,950	-	-	79,167,950
Investment properties	15	31 March 2025	534,000,000			534,000,000
Non financial assets as at 31 March 2025			613,167,950	-	-	613,167,950
Financial assets						
Equity instruments designated at fair value through profit or loss						
Quoted equity shares	21.1	31 March 2025	23,593,196	23,593,196	-	-
Investment in money market funds	21.2	31 March 2025	298,491,895	298,491,895	-	-
Financial assets as at 31 March 2025			322,085,091	322,085,091	-	-

Company

Assets measured at fair value:	Note	Date of valuation	Fair value measurement using			
			Total Rs.	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Non-financial assets						
Consumable biological assets	18	31 March 2025	79,167,950	-	-	79,167,950
Non financial assets as at 31 March 2025			79,167,950	-	-	79,167,950
Financial assets						
Equity instruments designated at fair value through profit or loss						
Quoted equity shares	21.1	31 March 2025	23,593,196	23,593,196	-	-
Investment in money market funds	21.2	31 March 2025	298,491,895	298,491,895	-	-
Financial assets as at 31 March 2025			322,085,091	322,085,091	-	-

36 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial assets comprise loans and other receivables, trade and other receivables, and cash and short-term deposits arising directly from its operations. The Group also holds other financial instruments classified at fair value through profit or loss.

The Group's principal financial liabilities comprise loans and borrowings, lease liabilities, and trade and other payables. These financial liabilities are primarily used to finance the Group's operations and support its business activities.

The Group's financial risk management framework provides assurance to senior management that financial risk activities are governed by appropriate policies and procedures, and that financial risks are identified, measured, and managed in accordance with the Group's risk management policies and objectives through the Group Treasury function. The Group is exposed to market risk, credit risk, and liquidity risk arising from its financial instruments.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

36.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and equity investments and investments designated under fair value through profit or loss.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising returns. Financial instruments exposed to market risk include loans and borrowings, deposits, and financial assets measured at fair value through other comprehensive income (FVOCI).

36.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to interest rate risk relates primarily to its long-term debt obligations with fixed interest rates. For other funding requirements, the Group maintains an appropriate mix of fixed and floating interest rate borrowings, taking into consideration the predictability of future cash flows.

The Group Treasury function closely monitors fluctuations in market interest rates and regularly advises the Group's business sectors on appropriate risk mitigation strategies.

36.1.2 Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Year ended 31 March	Increase decrease in basis points	Company	Group
		Effect on profit before tax	Effect on profit before tax
		Rs.	Rs.
2026	+ 500	(9,089,339)	(14,795,071)
	- 500	9,089,339	14,795,071
2025	+ 500	(8,753,954)	(12,767,018)
	- 500	8,753,954	12,767,018

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

36.1.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk arising from cash flows in overseas operations and foreign currency transactions, which are affected by movements in foreign exchange rates.

The Group treasury monitors foreign exchange market conditions and provides regular market updates to management, supported by advice from external consultants. Based on these recommendations and within the decision-making authority delegated by the Board of Directors, management decides whether to hold, sell, or enter into forward exchange contracts to manage foreign currency exposures.

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rate, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency risk as at 31st March 2026 and 2025, and sensitivity analysis to profit & loss and equity if exchange rate increased / (decrease) by 5%.

As at 31 March 2026	Change in rates		Group		Company	
			Effect on profit before tax		Effect on profit before tax	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
USD	+ 5%	- 5%	14,213,438	(14,213,438)	3,912,020	(3,912,020)
EURO	+ 5%	- 5%	(473,385)	473,385	(1,110,995)	1,110,995

As at 31 March 2025	Change in rates		Group		Company	
			Effect on profit before tax		Effect on profit before tax	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
USD	+ 5%	- 5%	19,895,206	(19,895,206)	10,015,114	(10,015,114)
EURO	+ 5%	- 5%	(4,616,776)	4,616,776	(4,778,216)	4,778,216

36.1.4 Equity price risk

The Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities.

The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Board of Directors reviews and approves all equity investment decisions.

All the listed equity instruments were measured based on the prices available as of 31 March 2026.

As at 31 March	2026		2025	
	Rs.	%.	Rs.	%.
Materials	-	0%	2,330,000	10%
Capital goods	1,671,620	11%	12,934,024	55%
Food beverage & tobacco	10,445,448	71%	5,575,961	24%
Diversified financials	1,913,457	13%	2,148,237	9%
Insurance	680,178	5%	604,974	3%
	14,710,703	100%	23,593,196	100%

As at 31 March 2026 the company conducted a sensitivity analysis to assess the impact of a ±10% change in the market price of quoted shares on its financial position and performance. Below table demonstrates the sensitivity to a reasonably possible change in quoted share prices with all other variables held constant.

Year ended 31 March	Changes in Rates	Group	Company
		Effect on profit before tax	Effect on profit before tax
		Rs.	Rs.
2026	+10%	1,471,070	1,471,070
	-10%	(1,471,070)	(1,471,070)
2025	+10%	2,359,320	2,359,320
	-10%	(2,359,320)	(2,359,320)

36.2 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Carrying amount of financial assets represents the maximum credit exposure of those assets. The Group's maximum exposure to credit risk at the reporting date were as follows;

	Note	2026		2025	
		Rs.	Rs.	Rs.	Rs.
Trade and other receivables	24	5,784,090,457	79%	4,940,087,052	76%
Amounts due from related parties	37	100,802,414	1%	60,188,889	1%
Short term financial assets					
- Investment in money market funds	21.2	476,294,852	7%	298,491,895	5%
- Investment in fixed deposits	21.3	687,393,448	9%	797,160,494	12%
Cash at bank and cash equivalents	26.1	278,812,392	4%	320,456,758	5%
		7,327,393,563	100%	6,416,385,085	100%

36.2.1 Trade receivables

Customer credit risk is managed by each company subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on the established credit risk evaluation policy and individual credit limits are defined in accordance with this assessment.

The Group has established a credit policy under which each new customer is individually assessed for creditworthiness before standard payment and delivery terms are offered. The assessment process includes consideration of external credit ratings, where available, and bank references in certain cases. Credit limits are established for each customer, representing the maximum outstanding exposure permitted with Management approval. These limits are reviewed on a monthly basis. Customers who do not meet the Group's creditworthiness criteria are required to transact on a prepayment or cash basis. Outstanding trade receivables are regularly monitored at both sector level and by Group Management.

Minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data.

Receivable balances are monitored on an ongoing basis to minimise bad debt risk and to ensure default rates are kept very low, whilst the improved operating environment resulted in improved collections during the financial year although there could be stresses in the ensuing year on account of the macroeconomic uncertainty and related impacts to our customers on account of elevated inflation and interest rates and the possible impact on consumer discretionary spend.

The Group secures collateral such as bank guarantees, cash guarantees, and mortgage bonds from customers based on their past performance and creditworthiness. Impairment is assessed individually for major customers at each reporting date, while a provision matrix calculates Expected Credit Loss (ECL) for others, using provision rates linked to days past due across customer segments with similar loss patterns. The matrix, initially based on historical default rates, is regularly updated and calibrated with forward-looking information to reflect current credit risk.

Please refer below for the detailed breakdown of available security.

	Bank Guarantee.	Mortgage Bond	Cash Guarantee	Total Security
2026	881,500,000	110,000,000	224,012,810	1,215,512,810
2025	818,000,000	110,000,000	146,940,388	1,074,940,388

36.2.2 Cash and cash equivalents, money market, short term, and fixed deposits

Credit risk from balances with banks is managed in accordance with the Group treasury policy. Investments of surplus funds are made only with approved counterparties as per this policy.

The Group held cash in hand and at bank equivalents of Rs. 279 mn at 31 March 2026 (2025- Rs. 320 mn) which represents its maximum credit exposure on these assets.

Respective credit ratings of banks and other investment companies which group cash balances held are as follows;

Sri Lanka	Bangladesh	New Zealand
Sampath Bank PLC – AA-(lka)	Commercial Bank of Ceylon PLC- AAA	Bank of New Zealand- A+
Commercial Bank of Ceylon PLC – AA-(lka)	Dutch Bangla Bank Limited (DBBL)- AAA	
Hatton National Bank PLC– AA-(lka)	Midland Bank PLC- A+	
People's Bank – AA-(lka)	Habib Bank Limited (HBL)- AA-	
Seylan Bank- A+(lka)		
National Development Bank PLC-A-(lka)		
DFCC Bank PLC-A(lka)		
Habib Bank - AA(lka)		
Capital Alliance Limited- A+		

36.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk may arise from mismatches in the timing of cash inflows and outflows relating to operating activities, borrowings, trade and other payables, and other financial liabilities. The Group monitors its exposure to liquidity risk by maintaining a minimum level of liquidity and ensuring the availability of adequate funding facilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases.

The Group has assessed the concentration of risk with respect to the refinancing of its debt and concluded that it is low. Access to funding sources is sufficiently available, and debt maturing within twelve months can be refinanced through existing lending arrangements, where necessary. The Group maintains a balanced funding structure through the use of short-term and long-term financing arrangements and continuously monitors its liquidity position to ensure adequate funding is available to meet its operational and financial commitments as they fall due.

36.3.1 Maturity analysis - Group

The table below summarises the maturity profile of the Group's financial liabilities at 31 March 2026 based on contractual undiscounted payments.

As at 31 March 2026	Payable on demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Financial liabilities						
Bank loans	-	1,652,376,888	955,108,125	20,194,258	-	2,627,679,271
Lease liabilities	-	27,304,415	123,357,976	247,738,506	28,216,661	426,617,558
Bank overdrafts	650,371,474		-	-	-	650,371,474
Amounts due to related parties	-	8,106,496	-	-	-	8,106,496
Trade and other payables	-	1,885,118,293	-	-	-	1,885,118,293
	650,371,474	3,580,632,596	1,078,466,100	267,932,765	28,216,661	5,605,619,597

As at 31 March 2025	Payable on demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Financial liabilities						
Bank loans	-	2,339,382,126	247,803,682	-	-	2,587,185,808
Lease liabilities	-	12,887,849	35,582,433	84,558,026	3,265,507	136,293,815
Bank overdrafts	645,586,707		-	-	-	645,586,707
Amounts due to related parties	-	7,726,504	-	-	-	7,726,504
Trade and other payables	-	2,059,434,791	-	-	-	2,059,434,791
	645,586,707	4,419,431,270	283,386,115	84,558,026	3,265,507	5,436,227,625

36.3.2 Maturity analysis - Company

The table below summarises the maturity profile of the company's financial liabilities at 31 March 2026 based on contractual undiscounted payments.

As at 31 March 2026	Payable on demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Financial liabilities						
Bank loans		1,439,151,422	96,117,740	-	-	1,535,269,162
Lease liabilities	-	5,770,593	27,787,777	44,234,696	1,370,514	79,163,580
Bank overdrafts	413,959,519		-	-	-	413,959,519
Amounts due to related parties	-	62,954,353	-	-	-	62,954,353
Trade and other payables	-	1,477,247,309	-	-	-	1,477,247,309
	413,959,519	2,985,123,677	123,905,517	44,234,696	1,370,514	3,568,593,923

As at 31 March 2025	Payable on demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Financial liabilities						
Bank loans		1,470,760,560	53,177,600	-	-	1,523,938,160
Lease liabilities	-	5,967,746	23,604,473	66,412,966	3,265,507	99,250,692
Bank overdrafts	465,633,146		-	-	-	465,633,146
Amounts due to related parties	-	84,496,800	-	-	-	84,496,800
Trade and other payables	-	1,698,216,806	-	-	-	1,698,216,806
	465,633,146	3,259,441,912	76,782,073	66,412,966	3,265,507	3,871,535,603

37 RELATED PARTY TRANSACTIONS

Refer Note 2.4 for effective equity holding percentages and other key information's of Group entities.

37.1 Company does not have an identifiable parent of its own

37.1.2 Terms and conditions of transactions with related parties

Transactions with related parties are carried out in the ordinary course of business. Outstanding current account balances at year end are unsecured and settlements are made in cash. Transactions are conducted on terms equivalent to those prevailing in arm's length transactions.

37.1.3 Guarantees

Guarantees given by the Company to banks on behalf of related parties are disclosed in the Note 38.2 to these financial statements.

37.1.4 Non-recurrent Related Party Transactions

There were no other non-recurrent Related Party Transactions of the Company which in aggregate value exceeds 10% of the equity or 5% of the total assets whichever is lower as per March 31, 2026.Audited Financial Statements, which required additional disclosures in the Annual Report under Colombo Stock Exchange Listing Rule 9.14.8 and the Code of Best Practices on Related PartyTransactions published in accordance with the Securities and Exchange Commission Directive issued under Section 13(c) of the Securities and Exchange Commission Act.

37.1.5 Recurrent Related Party Transactions

There were no other recurrent Related Party Transactions which in aggregate value exceeds 10% of the consolidated revenue of the Group as per 31 March 2026 Audited Financial Statements, which required additional disclosures in the Annual Report under the Colombo Stock Exchange Listing Rule 9.14.8 and and Code of Best Practices on Related Party Transactions under the Securities and Exchange Commission Directive issued under Section 13(c) of the Securities and Exchange Commission Act.

37.1.6 Loans receivable from Related Parties

A loan amounting to US$ 697,860 has been granted by JAT Export DMCC to Asia Coating (Pvt) Ltd (ACL) and ACL granted a loan amounting to BDT 16,863,363 to SEAform Bangladesh (Pvt) Ltd during 2024/25 period. As at 31 March 2026, the outstanding balances of these loans amounted to US$ 656,373 (LKR 207,111,936) and BDT 16,863,363, respectively.

Other than the above, there were no outstanding intercompany loans or advances within the Group as at 31 March 2026.

37.1.7 No provision was made in respect of related party receivables. No security has been obtained for related party receivables and all related party dues are paid on demand.

37.1.8 The details of guarantees provided to the banks on behalf of related parties are disclosed in Note 38.2

37.1.9 Disclosure as per the requirement of the Colombo Stock Exchange Listing Rule Section 9.3.2 (a) and 9.3.2 (b) are on page 222- Related Party Transactions Review Committee Report.

Amounts due from related parties

		Group		Company	
	Relationship	2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
JAT Holdings Bangladesh Pvt Ltd	Affiliate	-	44,593	-	44,593
CPL Associates	Affiliate	-	4,148,000	-	-
JAT Africa Ltd	Joint Venture	16,478,359	1,064,690	16,320,773	1,064,689
SEAFORM Bangladesh Pvt Ltd	Subsidiary	-	-	-	354,829
JAT Exports DMCC	Subsidiary	-	-	726,249,517	421,977,494
Asia Coatings (Pvt) Ltd	Subsidiary	-	-	-	6,345,589
JAT Exports (Private) Limited	Subsidiary	-	-	-	-
JAT Australia PTY LTD	Subsidiary	21,623,014	-	-	-
CPL Associates	Affiliate	4,352,000	-	-	-
JAT Global (Private) Limited	Subsidiary	-	-	-	161,966
Volt Industrial Company Pvt Ltd	Subsidiary	-	-	278,494,348	-
Key management personnel		58,349,041	54,931,605	-	-
		100,802,414	60,188,888	1,021,064,638	429,949,161

Amounts due to related parties

		Group		Company	
	Relationship	2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
JAT Exports (Private) Limited	Subsidiary	-	-	14,266,831	26,884,718
Worldwide Resins & Chemicals (Pvt) Ltd	Subsidiary	-	-	4,636,847	57,612,082
Brush Master (Private) Limited	Subsidiary			44,050,674	-
SEA Kitchen Bangladesh Pvt. Ltd	Affiliate	8,106,496	7,726,504	-	-
		8,106,496	7,726,504	62,954,353	84,496,800

37.2 Transactions with Related Entities

37.2.1 Transactions with subsidiaries

Details of significant related party disclosures are as follows:	Company					
	Subsidiary		Equity Accounted Investees		Other	
	2026	2025	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Services Rendered	308,939,232	200,290,643	15,256,084	-	1,200,461	2,540,206
Trade Sales	200,671,872	63,022,838	39,903,813	-	-	205,648
Shared Costs	500,000	600,000	-	-	484,000	822,200
Trade Purchases	169,839,587	181,692,430	-	-	44,206,842	16,908,488
Advance to Share Capital	233,280,000	-	-	-	-	-
Share Issue	37,207,200	106,389,094	-	-	-	-
Interest Charged	32,313,478	19,219,857	-	-	-	-

37.2.2

Entity	Nature of Transaction	2026	2025
		Rs.	Rs.
JAT Global (Pvt) Ltd	Services Rendered	6,589	160,167
Worldwide Resins & Chemicals (Pvt) Ltd	Trade Sales	-	375,385
	Trade Purchases	1,415,695	15,664,406
	Shared Costs	500,000	600,000
	Services Rendered	94,451,897	21,702,917
JAT Exports (Pvt) Ltd	Services Rendered	358,087	367,428
JAT Exports DMCC	Services Rendered	68,603,366	76,947,835
	Trade Sales	12,635,297	
	Advance to Share Capital	233,280,000	
	Share Issue	37,207,200	60,528,000
	Interest Charged	32,313,478	19,219,857
Brush Master (Pvt) Ltd	Trade Purchases	132,754,585	166,028,024
	Trade Sales	56,689,169	62,647,452
	Share Issue		45,861,094
	Services Rendered	51,582,496	44,094,308
Seaform Bangladesh (Pvt) Ltd	Services Rendered	354,829	5,636,986
Asia Coatings (Pvt) Ltd	Services Rendered	6,345,589	51,381,001
	Trade Sales	359,442	
	Trade Purchases	8,958,950	
Volt Industrial Company (Pvt) Ltd	Services Rendered	87,236,379	
	Purchase of Goods	157,698,321	

37.2.3 Transactions with Related Entities

Entity	Relationship	Nature of Transaction	2026	2025
			Rs.	Rs.
Solid Land Development (Pvt) Ltd	Key Management Personnel	Services Rendered	255,331	365,832
JAT Property Group (Pvt) Ltd	Key Management Personnel	Services Rendered	556,630	1,806,725
		Trade Sales	-	205,648
		Shared Costs	484,000	704,000
A Plus Technologies (Pvt) Ltd	Key Management Personnel	Trade purchases	3,976,720	
		Services Rendered	117,071	43,308
Flexospan Steel Buildings (Pvt) Ltd	Key Management Personnel	Services Rendered	271,429	324,341
		Shared Costs	-	118,200
Bileeta (Pvt) Ltd	Key Management Personnel	Trade Purchases	40,230,122	16,908,488
JAT Paints Africa Ltd	Joint Venture	Services Rendered	15,256,084	
		Trade Sales	39,903,813	

37.3 Transactions with key management personnel

The key management personnel of the Company are the members of its Board of Directors. There are no transaction with such KMP and their close family members, other than mentioned below.

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Short-term employee benefits	91,965,441	64,922,873	91,965,441	58,831,266
Ordinary shares buy back	-	-	-	-
Proceeds for the disposal of property, plant and equipment	-	-	-	-

37.3.1 Transactions, Arrangements and Agreements Involving Key Management Personnel

Other than above no significant transactions had taken place involving Key Management Personnel and their close family members

38. COMMITMENTS AND CONTINGENCIES

Provisions

Provisions 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. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in Profit or Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, 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 a finance cost.

38.1 Commitments

(a) Capital Commitments

The Company and Group do not have significant capital commitments as at the reporting date.

38.2 Contingencies

The Company/Group has given corporate guarantees to the following parties on behalf of the Group of Companies and other affiliates to obtain finance facilities. Directors do not expect Liabilities to arise from these guarantees.

- JAT Holdings PLC has provided a corporate guarantee of LKR 155 Mn to Commercial Bank of Ceylon PLC as security for the banking facilities granted to Worldwide Resins & Chemicals (Pvt) Ltd.
- JAT Holdings PLC has also provided a corporate guarantee amounting to EUR 943K to Hatton National Bank PLC in respect of the banking facilities granted to JAT Exports DMCC.
- JAT Exports DMCC has provided corporate guarantees in favor of the Trustees of the Kesha Family Trust and Scottish Pacific Business Finance Limited to support and secure the lease obligations, financing facilities, and other obligations of Mirotone (NZ) Limited under its lease and financing arrangements.

As at 31 March 2026, the Company had no material contingent liabilities arising from litigation, claims, or legal proceedings. No legal actions were pending or threatened against the Company that would require disclosure as a contingent liability in the financial statements.

39 EVENTS OCCURRING AFTER THE REPORTING DATE

There have no other material events occurring after the reporting date that require adjustments to or disclosure in the financial statements.

40 CAPITAL MANAGEMENT

Capital includes ordinary shares. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and 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. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Year ended 31 March	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Debt / Equity	**27%**	31%	**18%**	21%

Year ended 31 March	Note	Group	
		2025 Rs.	2026 Rs.
Interest Bearing Borrowings	29	2,627,677,069	**2,587,194,544**
Bank Overdraft	26.2	650,371,474	**645,586,707**
Debt		3,278,048,543	**3,232,781,251**
Equity Attributable to Equity Holders of the Parent		12,012,198,954	**10,412,744,724**
Non-Controlling Interests		69,987,088	**(21,877,254)**
Total Equity		12,082,186,042	**10,390,867,470**
Equity and Debt		15,360,234,585	**13,623,648,721**
Gearing Ratio		21%	**24%**

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 & 2026

41 UTILIZATION OF PROCEEDS FROM INITIAL PUBLIC OFFERING (IPO)

The proceeds raised through the Initial Public Offering (IPO) have been utilized for the purposes and objectives stated in the Prospectus and Circular to Shareholders. During the financial year 2025/26, the Company completed the intended activities and fully utilized the funds allocated for the respective objectives. Details of the utilization of proceeds are set out in the table below.

Objective as per Prospectus/ Circular	Amount Allocated as per Prospectus/ Circular in LKR	Amount Allocated as per EGM held on 06.10.2022	Amount Allocated from proceeds in LKR (A)	% of Total Proceeds	Amounts utilized in LKR (B)	% of utilization against Allocation (B/A)
Investment in enhancing the existing R&D facility to a fully fledged state-of-the-art facility for all coatings	433,165,000	237,538,310	237,538,310	16%	237,538,310	100%
Setting up a Manufacturing Facility in Bangladesh	515,423,927	168,239,985	168,239,985	11%	168,239,983	100%
Investment in expanding the "WHITE by JAT" Marketing and Development Initiatives	256,884,046	256,884,046	256,884,046	17%	256,884,046	100%
Setting up a Manufacturing Facility in East Africa	301,523,927	301,523,927	301,523,927	20%	298,000,000	99%
Installation of Alkyd Plant in Bangladesh	-	101,000,000	101,000,000	7%	101,000,000	100%
Investment in Financial Instruments	-	441,810,632	441,810,632	29%	441,000,000	100%
Investment in Working Capital						
TOTAL	1,506,996,900	1,506,996,900	1,506,996,900	100%	1,502,662,339	100%

This disclosure is made in compliance with Rule 7.6(xiii) of the Colombo Stock Exchange (CSE) Listing Rules, as applicable.

42 COMPARATIVE INFORMATION

Reclassifications have been made to prior year's consolidated statement of profit or loss and other comprehensive income to enhance the comparability with the current year's financial statements. The items were reclassified as follows:

Group	Previously Reported As at 31.03.2025	Reclassification	After Reclassification As at 31.03.2026
Statement of profit or loss and other comprehensive income			
Finance Income	158,801,922	(5,156,020)	**153,645,903**
Finance Cost	(352,760,033)	5,156,020	**(347,604,013)**

During the year, foreign exchange gains previously presented under Finance Income in the prior year financial statements have been reclassified to Finance Costs to conform with the current year presentation.

Disaggregation of revenue

	Previously Reported As at 31.03.2025	Reclassification	After Reclassification As at 31.03.2026
Wood coatings	8,397,600,568	-	8,397,600,568
Paints, chemicals and other products	2,060,567,909	(129,131,252)	1,931,436,657
Brushes	420,071,174	93,631,253	513,702,427
Furnitures	69,614,360	-	69,614,360
Finishing, furnishing projects and Others	676,648,641	-	676,648,641
EV Chargers	-	35,500,000	35,500,000
	11,624,502,652	-	11,624,502,652

During the year, the Group reclassified certain comparative revenue categories within the disaggregation of revenue note to improve the presentation and alignment of product classifications. Accordingly, revenue previously reported under Paints, chemicals and other products has been reclassified to Brushes and EV Chargers. These reclassifications had no impact on the total revenue, profit for the year, total assets, liabilities, or equity previously reported.

Statement of profit or loss and other comprehensive income

Company	Previously Reported As at 31.03.2025	Reclassification	After Reclassification As at 31.03.2026
Wood coatings	5,590,669,890	-	5,590,669,890
Paints, chemicals and other products	1,627,399,882	(129,131,252)	1,498,268,630
Brushes	420,007,408	93,631,253	513,638,661
Furnitures	69,614,360	-	69,614,360
Finishing, furnishing projects and Others	665,105,753	-	665,105,753
EV Chargers	-	35,500,000	35,500,000
	8,372,797,293	-	8,372,797,293

During the year, the Company reclassified certain comparative revenue categories within the disaggregation of revenue note to improve the presentation and alignment of product classifications. Accordingly, revenue previously reported under Paints, chemicals and other products has been reclassified to Brushes and EV Chargers. These reclassifications had no impact on the total revenue, profit for the year, total assets, liabilities, or equity previously reported.

43. QUARTERLY ANALYSIS

Information Purposes Only

	Quarter 01		Quarter 02		Quarter 03		Quarter 04	
	2026	2025	2026	2025	2026	2025	2026	2025
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Revenue	2,265,924,415	2,197,078,889	2,885,461,634	2,339,069,598	2,956,681,101	3,034,677,652	4,522,414,846	4,053,675,868
Profit before tax	166,446,045	140,775,099	307,431,731	267,095,092	398,169,926	430,395,504	809,649,402	764,127,381
Income tax expense	(17,155,894)	(16,464,040)	(58,962,600)	120,189,999	(21,736,673)	59,600,241	(61,153,777)	16,416,245
Profit for the period	149,290,150	124,311,059	248,469,130	387,285,090	376,433,252	489,995,746	748,106,192	780,543,626
Equity holders of the parent company	151,961,248	124,907,993	250,541,536	38,531,188	375,732,788	489,528,310	733,106,192	788,958,010
Non-controlling interests	(2,671,098)	(596,934)	(2,072,405)	1,913,902	700,464	467,436	15,389,434	(8,414,384)
Total comprehensive income for the period, net of tax	158,413,058	105,275,843	267,696,744	332,392,878	374,200,782	439,028,645	726,199,221	805,211,155
Non-current assets	4,938,486,557	4,941,838,091	5,387,094,625	5,027,682,125	6,028,030,814	5,132,668,179	6,129,838,886	5,010,447,408
Current assets	10,965,012,494	9,284,657,864	10,923,167,790	9,783,253,474	11,207,672,076	10,149,232,028	11,717,800,084	11,012,067,563
Non-current liabilities	190,203,767	205,420,208	189,304,687	201,350,723	427,929,484	200,336,408	649,578,399	188,241,727
Current liabilities	5,086,893,838	4,800,517,531	5,047,446,005	5,158,715,338	5,232,898,937	5,191,665,616	5,107,663,928	5,445,408,570

SHAREHOLDER INFORMATION

STATED CAPITAL

As at 31 March		2026	2025	Variance
Stated Capital		2,719,996,301	2,395,221,320	14%
Number of Ordinary Shares		522,436,476	510,407,773	2%
Class of Shares	Ordinary Shares			
Voting Rights	One vote per ordinary share			

STOCK EXCHANGE LISTING

The issued ordinary shares of JAT Holdings PLC are listed with the Colombo Stock Exchange of Sri Lanka.

DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH 2026

From	To	No. of Shareholders	%	No. of Shares	%
1	1,000	4,671	57.05	1,454,468	0.28
1,001	10,000	2,547	31.11	9,728,539	1.86
10,001	100,000	795	9.71	24,114,923	4.62
100,001	1,000,000	154	1.88	42,175,486	8.07
Over 1,000,000		21	0.26	444,963,060	85.17
Total		8,188	100.00	522,436,476	100.00

CATEGORIES OF SHAREHOLDERS AS AT 31ST MARCH 2026

	No. of Shareholders	%	No. of Shares	%
Local Individuals	7,845	95.81	422,132,200	80.80
Local Institutions	314	3.83	83,941,852	16.07
Foreign Individuals	28	0.34	14,145,028	2.71
Foreign Institutions	1	0.01	2,217,396	0.42
Total	8,188	100.00	522,436,476	100.00

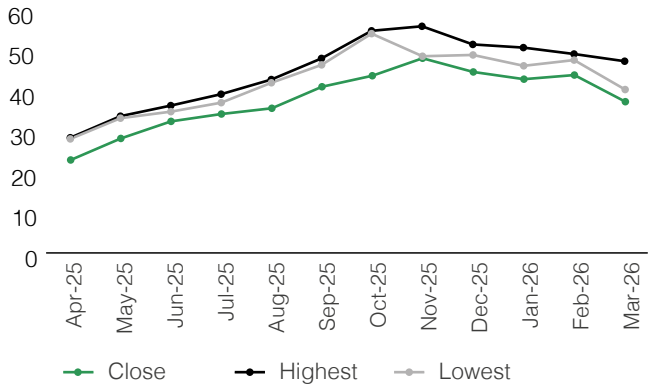
DIRECTORS' AND CEO'S SHAREHOLDING AS AT 31ST MARCH 2026

	Name of Director	No. of Shares
1	Dr. Sivakumar Selliah	1,320,000
2	Aelian Gunawardene	332,408,639
3	Hussain Akbarally	-
4	Devaka Cooray	550,000
5	Manju Haththotuwa	-
6	Joycelyn Gunawardene	9,637,246
7	Anika Williamson	13,725,137
8	Richard Gunawardene	13,746,832
9	Nishal Ferdinando (CEO)	571,852

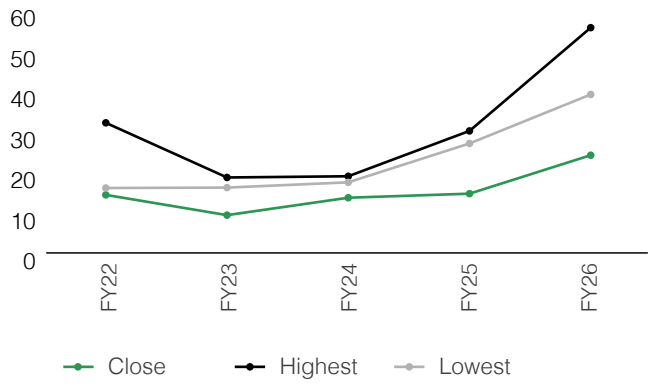
MARKET INFORMATION OF THE ORDINARY SHARES OF THE COMPANY

12 months ended	Q1	Q2	Q3	Q4	FY26	FY25
Market price per share						
Highest during the year	37.00	48.00	55.50	49.80	55.50	30.00
Date/s highest price was recorded	6-Jun-2025	26-Sep-2025	3-Nov-2025	9-Jan-2026	03-Nov-25	18-Feb-2025
Lowest during the year	24.00	34.70	43.50	36.00	24.00	14.50
Date/s lowest price was recorded	8-Apr-2025	18-Jul-2025	15-Oct-2025	17-Mar-2026	8-Apr-2025	3-Sep-2026
As at end of the period	35.50	46.40	48.20	39.00	39.00	26.90
Dividends paid per share (Rs.)						
Trading Statistics						
Number of Transactions during the year	11,079	19,305	20,521	12,399	63,304	29,410
Number of shares traded during the year	49,401,782	68,020,468	39,204,604	16,996,132	173,622,986	113,603,069
Value of shares traded during the year (Rs.)	1,633,737,861	2,715,240,825	1,960,065,138	749,667,731	7,058,711,555	2,633,455,067
Average daily turnover (Rs)	28,167,894	43,099,061	32,132,215	12,706,233	29,289,260	11,064,937
Percentage of total market turnover (%)	0.72	0.62	0.60	0.22	0.53	0.67
Market capitalisation (Rs)	18,252,758,668	24,123,779,874	25,147,171,510	20,375,022,564	20,375,022,564	13,729,969,094
Percentage of total market capitalisation (%)	0.28	0.31	0.31	0.27	0.27	0.24

Share Price Movement



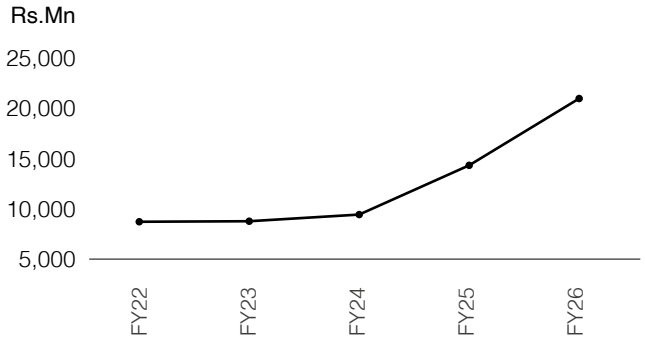
Share Price Movement over Years



Share Movement against ASPI



Market Capitalization



SHAREHOLDER INFORMATION

PUBLIC HOLDING AS AT 31ST MARCH 2026

The Public Holding Percentage	19.85%
Total number of shareholders who held public shares	8,173
Total No. of shareholders	8,188
The float adjusted market capitalisation (Rs.)	4,044,479,361

The float adjusted market capitalisation of the Company falls under Option 4 of Rule 7.13.1 (i) (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

TOP TWENTY SHAREHOLDERS LIST - DATED 31ST MARCH 2026

NAME	As at 31.03.2026 No. of Shares	%	As at 28.03.2025 No. of Shares	%
MR. AELIAN WINSTON GUNAWARDENE	332,408,639	63.63%	332,408,639	65.13%
FALCON TRADING (PVT) LTD	27,077,498	5.18%	27,077,498	5.31%
MR. RICHARD WINSTON GUNAWARDENE	13,746,832	2.63%	13,717,832	2.69%
MRS. ANIKA NIRANJALIE WILLIAMSON	13,725,137	2.63%	13,717,832	2.69%
SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	11,032,733	2.11%	11,032,733	2.16%
MRS. JOYCELYN GUNAWARDENE	9,637,246	1.84%	9,145,221	1.79%
MRS. ARUNTHATHI SELLIAH	6,360,000	1.22%	4,240,000	0.83%
HATTON NATIONAL BANK PLC- CAPITAL ALLIANCE QUANTITATIVE EQUITY FUND	4,623,958	0.89%	6,488,234	1.27%
ARUNODHAYA (PRIVATE) LIMITED	3,385,000	0.65%	3,385,000	0.66%
ARUNODHAYA INVESTMENTS (PRIVATE) LIMITED	3,360,000	0.64%	3,360,000	0.66%
ARUNODHAYA INDUSTRIES (PRIVATE) LIMITED	3,360,000	0.64%	3,360,000	0.66%
STANDARD CHARTERED BANK DIFC BRANCH S/A EFG HERMES UAE L.L.C	2,217,396	0.42%	1,965,434	0.39%
ANDYSEL PRIVATE LIMITED	2,120,000	0.41%	2,120,000	0.42%
MR. K. ARAVINTHAN	2,120,000	0.41%	-	0.00%
BANSEI SECURITIES CAPITAL (PVT) LTD/I.S.P. PERERA	1,714,607	0.33%	1,702,972	0.33%
MR. G.J. FERNANDO	1,532,181	0.29%	1,282,181	0.25%
MR. A.P.L. FERNANDO	1,461,833	0.28%	-	0.00%
HATTON NATIONAL BANK PLC A/C NO.4 (HNB RETIREMENT PENSION FUND)	1,380,000	0.26%	-	0.00%
DR. SIVAKUMAR SELLIAH	1,320,000	0.25%	1,320,000	0.26%
RANAVAV HOLDINGS (PVT) LTD	1,250,000	0.24%	-	0.00%
	443,833,060	84.95%	436,323,576	85.49%
OTHERS	78,603,416	15.05%	74,084,197	14.51%
TOTAL	522,436,476	100.00%	510,407,773	100.00%

DIVIDENDS

Year ended 31 March	DPS (Rs.)	Dividends (Rs.)
2022	0.82	404,580,699
2023	0.83	423,638,452
2024	0.79	403,222,141
2025	0.80	408,326,219
2026	0.44	229,872,049

10 YEAR SUMMARY - GROUP

Year ended 31 March	2025/26 Rs.	2024/25 Rs.	2023/24 Rs.	2022/23 Rs.	2021/22 Rs.	2020/21 Rs.	2019/20 Rs.	2018/19 Rs.	2017/18 Rs.	2016/17 Rs.
Trading results										
Gross Turnover	**12,642,493,981**	11,624,502,652	11,556,354,523	10,167,326,936	8,896,808,118	5,359,510,190	6,295,513,667	6,547,228,876	5,446,689,000	5,782,965,328
Profit from operating activities	**1,846,223,188**	1,822,808,296	1,355,307,968	1,931,429,422	1,186,131,327	684,866,421	836,613,233	1,053,078,090	692,512,518	1,114,524,093
Net finance income/(cost)	**(110,192,522)**	(193,958,111)	(144,798,416)	(445,425,630)	71,756,398	(40,374,552)	(133,105,173)	(111,816,410)	(106,198,342)	(83,023,258)
Profit before taxation	**1,694,066,820**	1,605,568,405	1,210,509,552	1,486,003,791	1,257,887,725	644,491,868	703,508,060	941,261,680	586,314,176	1,031,500,835
Tax expenses	**(169,429,393)**	173,244,260	(187,265,688)	(185,082,691)	(47,331,041)	(44,054,405)	(43,624,797)	(60,291,578)	48,463,543	(129,198,152)
Profit for the year	**1,524,637,426**	1,778,812,665	1,023,243,864	1,300,921,100	1,210,556,684	600,437,463	659,883,264	880,970,102	634,777,719	902,302,683
Statement of financial position										
Assets										
Property, plant and equipment	**3,837,258,561**	3,636,559,581	3,631,260,418	1,979,440,089	1,667,971,362	1,530,699,458	1,435,361,574	1,487,443,551	1,316,298,723	1,084,679,458
Intangible assets	**774,513,413**	150,282,229	160,517,690	18,941,870	17,627,288	22,480,109	24,156,939	23,873,057	20,344,464	80,529,287
Right-of-use assets	**376,699,936**	153,885,074	116,020,774	76,080,912	15,142,330	25,520,798	44,390,742	-	-	-
Investment properties	**693,029,153**	534,000,000	668,023,780	-	-	-	43,039,000	4,103,900	-	-
Consumable Biological Assets	**103,806,730**	79,167,950	72,267,944	68,830,578	68,577,048	58,120,344	49,241,160	33,822,114	26,368,238	16,217,483
Other Investments	**87,190,000**	74,220,000	77,495,664	59,489,052	-	-	2,467,248	19,684,448	14,588,000	14,588,000
Advance paid for investment properties	**-**	-	-	715,298,499	142,421,669	142,421,669	94,196,239	94,196,239	-	-
Net Investment in the lease	**57,891,176**	96,742,183	130,588,283	138,183,850	-	-	-	-	-	-
Investments in Joint Ventures	**34,445,290**	46,761,857	-	-	-	-	-	-	-	-
Deferred tax asset	**147,603,415**	234,692,649	7,003,465	-	-	-	-	-	6,133,016	25,919,758
Current assets	**11,683,812,728**	11,014,591,646	9,585,893,691	9,952,817,133	9,632,304,036	5,278,549,174	5,463,814,488	5,293,241,644	4,851,821,885	4,471,071,098
Total assets	**17,796,250,401**	16,020,903,169	14,449,071,711	13,009,081,983	11,544,043,733	7,057,791,552	7,156,667,391	6,993,300,053	6,235,554,327	5,693,005,084
Equity and liabilities										
Share capital	**2,719,996,301**	2,395,221,320	2,395,221,320	2,395,221,320	2,395,221,320	918,770,013	918,770,013	918,770,013	918,770,013	918,770,013
Retained earnings	**9,416,013,193**	8,144,271,007	6,757,052,187	6,138,539,386	5,263,420,779	4,451,031,493	4,073,144,201	3,674,269,393	2,937,989,797	2,454,670,452
Non-controlling interest	**69,987,088**	(21,877,254)	(12,543,372)	(13,807,358)	(8,337,725)	(4,369,381)	(6,089,990)	(1,103,326)	(2,006,627)	3,252,293
Reserves	**(123,810,540)**	(126,747,603)	(24,447,762)	107,899,325	96,297,224	(24,866,702)	(23,849,583)	(24,298,241)	(24,189,450)	4,290,285
Retirement benefit obligation	**126,664,393**	105,518,590	92,978,812	74,142,249	63,888,296	57,308,540	46,338,309	36,306,416	33,556,928	24,328,246
Long term loans and borrowings	**262,302,448**	82,689,531	114,115,432	57,376,938	13,588,091	39,199,622	36,500,846	62,332,065	232,205,387	230,879,150
Deferred tax liability	**-**	-	55,986,311	58,885,477	14,334,396	-	19,182,904	19,170,797	-	-
Current liabilities	**5,325,097,518**	5,441,827,580	5,070,708,784	4,190,824,648	3,705,631,352	1,620,717,967	2,092,670,692	2,307,852,936	2,139,228,279	2,056,814,646
Total Equity and liabilities	**17,796,250,400**	16,020,903,169	14,449,071,711	13,009,081,983	11,544,043,733	7,057,791,552	7,156,667,391	6,993,300,053	6,235,554,327	5,693,005,084
Ratios										
NP Ratio (%)	**12%**	15%	9%	13%	14%	11%	10%	13%	12%	16%
Return On Equity (%)	**13%**	17%	11%	15%	16%	11%	13%	19%	17%	27%
Return on Total Assets (%)	**9%**	11%	7%	10%	10%	9%	9%	13%	10%	16%
Current Ratio (Times)	**2.19**	2.02	1.89	2.37	2.60	3.26	2.61	2.29	2.27	2.17
Quick Ratio (Times)	**1.54**	1.50	1.13	1.54	1.99	2.29	1.76	1.67	1.51	1.48
Annual Sales Growth (%)	**9%**	1%	14%	14%	66%	-15%	-4%	20%	-6%	18%

VERTICAL ANALYSIS

FOR THE LAST FIVE YEARS STATEMENT OF PROFIT OR LOSS

Group	31st March 2026 (12 Months)		31st March 2025 (12 Months)		31st March 2024 (12 Months)		31st March 2023 (12 Months)		31st March 2022 (12 Months)	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Revenue from contracts with customers	**12,642,493,981**	**108.8%**	**11,624,502,652**	**100.6%**	**11,556,354,523**	**113.7%**	**10,167,326,936**	**114.3%**	**8,896,808,118**	**166.0%**
Local Sales	9,247,981,438		7,871,455,119		7,252,918,823		6,838,857,124		6,545,406,235	
Export Sales	2,951,278,418		3,056,652,800		4,056,031,297		2,866,282,090		1,976,543,387	
Project Sales	443,234,125		696,394,733		247,404,403		760,936,715		374,858,496	
Cost of sales	(7,848,483,743)	103.1%	(7,612,967,986)	93.4%	(8,167,796,663)	121.1%	(6,743,495,940)	107.2%	(6,293,400,077)	169.4%
Gross profit	**4,794,010,239**	**119.5%**	**4,011,534,666**	**117.9%**	**3,388,557,860**	**99.0%**	**3,423,830,996**	**131.5%**	**2,603,408,041**	**158.3%**
Other income	246,733,385	160.2%	154,043,157	25.3%	545,837,097	433.8%	125,813,099	187.9%	66,948,815	127.3%
Selling and distribution expenses	(1,765,931,961)	130.6%	(1,351,742,313)	104.2%	(1,296,373,315)	154.5%	(839,320,124)	101.8%	(824,388,131)	116.0%
Administrative expenses	(1,428,588,475)	144.2%	(991,027,214)	75.4%	(1,282,713,674)	168.5%	(761,285,745)	115.4%	(659,837,398)	219.1%
Results from operating activities	**1,846,223,188**	**101.3%**	**1,822,808,296**	**134.0%**	**1,355,307,968**	**70.2%**	**1,949,038,226**	**164.3%**	**1,186,131,327**	**173.2%**
Net finance income/(cost)	(110,192,522)	56.8%	(193,958,111)	-131.8%	144,798,416	-32.5%	(463,034,435)	645.3%	71,756,398	177.7%
Profit before tax	**1,694,066,820**	**105.5%**	**1,605,568,405**	**132.4%**	**1,210,509,552**	**81.5%**	**1,486,003,791**	**118.1%**	**1,257,887,725**	**195.2%**
Profit for the year	**1,524,637,426**	**85.7%**	**1,778,812,665**	**174.2%**	**1,023,243,864**	**78.7%**	**1,300,921,100**	**107.5%**	**1,210,556,684**	**201.6%**

Company	31st March 2026 (12 Months)		31st March 2025 (12 Months)		31st March 2024 (12 Months)		31st March 2023 (12 Months)		31st March 2022 (12 Months)	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Revenue from contracts with customers	**9,351,686,700**	**111.7%**	**8,372,797,293**	**116.9%**	**7,304,020,157**	**102.0%**	**7,161,896,306**	**107.5%**	**6,660,847,225**	**147.6%**
Local Sales	8,802,799,849		7,590,876,448		6,998,810,599		6,347,781,145		6,285,988,730	
Export Sales	105,652,726		85,526,111		57,805,155		53,178,447		-	
Project Sales	443,234,125		696,394,733		247,404,403		760,936,714		374,858,495	
Cost of sales	(5,590,963,828)	107.6%	(5,197,918,930)	120.0%	(4,850,032,154)	112.0%	(4,330,928,805)	95.2%	(4,549,794,831)	148.5%
Gross profit	**3,760,722,872**	**118.5%**	**3,174,878,363**	**112.1%**	**2,453,988,003**	**86.7%**	**2,830,967,501**	**134.1%**	**2,111,052,394**	**145.8%**
Other income	42,013,656	254.1%	16,532,091	4.9%	277,511,872	82.6%	335,770,973	137.0%	245,070,416	155.9%
Selling and distribution expenses	(1,273,828,153)	121.8%	(1,045,968,151)	-125.8%	(1,029,234,975)	126.5%	831,215,001	105.7%	(786,455,595)	125.5%
Administrative expenses	(1,077,451,184)	149.3%	(721,723,693)	114.0%	(1,020,909,601)	163.2%	(625,605,788)	115.2%	(542,891,889)	150.4%
Results from operating activities	**1,451,457,191**	**101.9%**	**1,423,718,609**	**83.7%**	**681,355,297**	**39.4%**	**1,709,917,686**	**166.5%**	**1,026,775,327**	**166.1%**
Net finance income/(cost)	(12,235,285)	17.3%	(70,740,581)	-20.7%	(52,717,182)	14.7%	341,105,612	14257.9%	(2,392,390)	4.6%
Profit before tax	**1,439,221,906**	**106.4%**	**1,352,978,028**	**99.5%**	**628,638,117**	**45.9%**	**1,368,812,074**	**133.6%**	**1,024,382,938**	**181.1%**
Profit for the year	**1,264,473,471**	**77.3%**	**1,636,199,063**	**128.2%**	**627,384,284**	**48.8%**	**1,284,324,964**	**128.7%**	**997,714,093**	**188.5%**

HORIZONTAL ANALYSIS

FOR THE LAST FIVE YEARS STATEMENT OF PROFIT OR LOSS

Group	31st March 2026 (12 Months)		31st March 2025 (12 Months)		31st March 2024 (12 Months)		31st March 2023 (12 Months)		31st March 2022 (12 Months)	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Revenue from contracts with customers	**12,642,493,981**	**108.8%**	**11,624,502,652**	**100.6%**	**11,556,354,523**	**113.7%**	**10,167,326,936**	**114.3%**	**8,896,808,118**	**166.0%**
Local Sales	9,247,981,438		7,871,455,119		7,252,918,823		6,838,857,124		6,545,406,235	
Export Sales	2,951,278,418		3,056,652,800		4,056,031,297		2,866,282,090		1,976,543,387	
Project Sales	443,234,125		696,394,733		247,404,403		760,936,715		374,858,496	
Cost of sales	(7,848,483,743)	103.1%	(7,612,967,986)	93.4%	(8,167,796,663)	121.1%	(6,743,495,940)	107.2%	(6,293,400,077)	169.4%
Gross profit	**4,794,010,239**	**119.5%**	**4,011,534,666**	**117.9%**	**3,388,557,860**	**99.0%**	**3,423,830,996**	**131.5%**	**2,603,408,041**	**158.3%**
Other income	246,733,385	160.2%	154,043,157	25.3%	545,837,097	433.8%	125,813,099	187.9%	66,948,815	127.3%
Selling and distribution expenses	(1,765,931,961)	130.6%	(1,351,742,313)	104.2%	(1,296,373,315)	154.5%	(839,320,124)	101.8%	(824,388,131)	116.0%
Administrative expenses	(1,428,588,475)	144.2%	(991,027,214)	75.4%	(1,282,713,674)	168.5%	(761,285,745)	115.4%	(659,837,398)	219.1%
Results from operating activities	**1,846,223,188**	**101.3%**	**1,822,808,296**	**134.0%**	**1,355,307,968**	**70.2%**	**1,949,038,226**	**164.3%**	**1,186,131,327**	**173.2%**
Net finance income/(cost)	(110,192,522)	56.8%	(193,958,111)	-131.8%	144,798,416	-32.5%	(463,034,435)	645.3%	71,756,398	177.7%
Profit before tax	**1,694,066,820**	**105.5%**	**1,605,568,405**	**132.4%**	**1,210,509,552**	**81.5%**	**1,486,003,791**	**118.1%**	**1,257,887,725**	**195.2%**
Profit for the year	**1,524,637,426**	**85.7%**	**1,778,812,665**	**174.2%**	**1,023,243,864**	**78.7%**	**1,300,921,100**	**107.5%**	**1,210,556,684**	**201.6%**

Company	31st March 2026 (12 Months)		31st March 2025 (12 Months)		31st March 2024 (12 Months)		31st March 2023 (12 Months)		31st March 2022 (12 Months)	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Revenue from contracts with customers	9,351,686,700	111.7%		116.9%	7,304,020,157	102.0%	7,161,896,306	107.5%	6,660,847,225	147.6%
Local Sales	8,802,799,849				6,998,810,599		6,347,781,145		6,285,988,730	
Export Sales	105,652,726				57,805,155		53,178,447		-	
Project Sales	443,234,125				247,404,403		760,936,714		374,858,495	
Cost of sales	(5,590,963,828)	107.6%		120.0%	(4,850,032,154)	112.0%	(4,330,928,805)	95.2%	(4,549,794,831)	148.5%
Gross profit	3,760,722,872	118.5%		112.1%	2,453,988,003	86.7%	2,830,967,501	134.1%	2,111,052,394	145.8%
Other income	42,013,656	254.1%		4.9%	277,511,872	82.6%	335,770,973	137.0%	245,070,416	155.9%
Selling and distribution expenses	(1,273,828,153)	121.8%		-125.8%	(1,029,234,975)	126.5%	831,215,001	105.7%	(786,455,595)	125.5%
Administrative expenses	(1,077,451,184)	149.3%		114.0%	(1,020,909,601)	163.2%	(625,605,788)	115.2%	(542,891,889)	150.4%
Results from operating activities	1,451,457,191	101.9%		83.7%	681,355,297	39.4%	1,709,917,686	166.5%	1,026,775,327	166.1%
Net finance income/(cost)	(12,235,285)	17.3%		-20.7%	(52,717,182)	14.7%	341,105,612	14257.9%	(2,392,390)	4.6%
Profit before tax	1,439,221,906	106.4%		99.5%	628,638,117	45.9%	1,368,812,074	133.6%	1,024,382,938	181.1%
Profit for the year	1,264,473,471	77.3%		128.2%	627,384,284	48.8%	1,284,324,964	128.7%	997,714,093	188.5%

VERTICAL ANALYSIS

FOR THE LAST FIVE YEARS STATEMENT OF FINANCIAL POSITION

Group	31st March 2026		31st March 2025		31st March 2024		31st March 2023		31st March 2022	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
ASSETS										
Non-current assets										
Property, plant and equipment	3,837,258,561	21.6%	3,636,559,581	22.7%	3,631,260,418	25.1%	1,979,440,089	15.2%	1,667,971,362	14.4%
Right-of-use assets	376,699,936	2.1%	153,885,074	1.0%	116,020,774	0.8%	76,080,912	0.6%	15,142,330	0.1%
Investment properties	693,029,153	3.9%	534,000,000	3.3%	668,023,780	4.6%	-	0.0%	-	0.0%
Intangible assets	774,513,413	4.4%	150,282,229	0.9%	160,517,690	1.1%	18,941,870	0.1%	17,627,288	0.2%
Investments in subsidiaries	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Other Investments	87,190,000	0.5%	74,220,000	0.5%	77,495,664	0.5%	59,489,052	0.5%	-	0.0%
Net Investment in the lease	57,891,176	0.3%	96,742,183	0.6%	130,588,283	0.9%	138,183,850	1.1%	-	0.0%
Consumable biological assets	103,806,730	0.6%	79,167,950	0.5%	72,267,944	0.5%	68,830,578	0.5%	68,577,048	0.6%
Advance paid for investment properties	-	0.0%	-	0.0%	-	0.0%	715,298,499	5.5%	142,421,669	1.2%
Investments in Joint Ventures	34,445,290	0.2%	46,761,857	0.3%	-	0.0%	-	0.0%	-	0.0%
Deferred Tax Assets	147,603,415	0.8%	234,692,649	1.5%	7,003,465	0.0%	-	0.0%	-	0.0%
	6,112,437,673	34.3%	5,006,311,523	31.2%	4,863,178,020	33.7%	3,056,264,850	23.5%	1,911,739,697	16.6%
Current assets										
Inventories	3,480,464,306	19.6%	2,866,360,928	17.9%	2,884,443,016	20.0%	3,511,755,816	27.0%	2,253,759,798	19.5%
Income tax recoverable	52,591,653	0.3%	49,219,164	0.3%	46,476,961	0.3%	-	0.0%	-	0.0%
Trade and other receivables	5,784,090,457	32.5%	4,940,087,051	30.8%	4,318,348,208	29.9%	3,670,323,743	28.2%	4,784,543,338	41.4%
Advances and prepayments	710,715,054	4.0%	1,418,316,788	8.9%	996,844,095	6.9%	1,590,711,826	12.2%	787,270,868	6.8%
Net Investment in the lease	97,937,449	0.6%	38,716,484	0.2%	1,716,601	0.0%	1,522,505	0.0%	-	0.0%
Amounts due from related parties	100,802,414	0.6%	60,188,888	0.4%	62,463,305	0.4%	15,466,305	0.1%	61,400,571	0.5%
Short term financial assets	1,178,399,003	6.6%	1,119,245,585	7.0%	1,051,395,258	7.3%	887,203,460	6.8%	1,056,499,610	9.2%
Assets classified as held for sale	-	0.0%	202,000,000	1.3%	-	0.0%	-	0.0%	-	0.0%
Cash and cash equivalents	278,812,392	1.6%	320,456,758	2.0%	224,206,247	1.6%	275,833,478	2.1%	688,829,851	6.0%
	11,683,812,728	65.7%	11,014,591,645	68.8%	9,585,893,691	66.3%	9,952,817,133	76.5%	9,632,304,036	83.4%
Total assets	17,796,250,401	100.0%	16,020,903,169	100.0%	14,449,071,711	100.0%	13,009,081,983	100.0%	11,544,043,733	100.0%
EQUITY AND LIABILITIES										
Capital and reserves										
Stated capital	2,719,996,301	15.3%	2,395,221,320	15.0%	2,395,221,320	16.6%	2,395,221,320	18.4%	2,395,221,320	20.7%
Retained earnings	9,416,013,193	52.9%	8,144,271,007	50.8%	6,757,052,187	46.8%	6,138,539,386	47.2%	5,263,420,779	45.6%
Foreign currency translation reserve	(123,810,540)	-0.7%	(126,747,603)	-0.8%	(24,447,762)	-0.2%	107,899,325	0.8%	96,297,224	0.8%
Equity attributable to equity holders of the parent	12,012,198,954	67.5%	10,412,744,724	65.0%	9,127,825,745	63.2%	8,641,660,031	66.4%	7,754,939,323	67.2%
Non-controlling interest	69,987,088	0.4%	(21,877,254)	-0.1%	12,543,373	-0.1%	(13,807,358)	0.1%	(8,337,725)	0.1%
Total equity	12,082,186,042	67.9%	10,390,867,470	64.9%	9,115,282,372	63.1%	8,627,852,673	66.3%	7,746,601,598	67.1%
Non-current liabilities										
Interest bearing loans and borrowings	262,302,448	1.5%	82,689,530	0.5%	114,115,432	0.8%	57,376,938	0.4%	13,588,091	0.1%
Retirement benefit obligation	126,664,393	0.7%	105,518,589	0.7%	92,978,812	0.6%	74,142,249	0.6%	63,888,296	0.6%
Deferred tax liability	-	0.0%	-	0.0%	55,986,311	0.4%	58,885,477	0.5%	14,334,396	0.1%
	388,966,841	2.2%	188,208,119	1.2%	263,080,555	1.8%	190,404,664	1.5%	91,810,782	0.8%
Current liabilities										
Trade and other payables	1,885,118,293	10.6%	2,059,434,792	12.9%	2,275,741,041	15.8%	2,516,304,370	19.3%	2,413,243,197	20.9%
Amounts due to related parties	8,106,496	0.0%	7,726,504	0.0%	-	0.0%	-	0.0%	4,607,375	0.0%
Interest bearing loans and borrowings	2,733,941,328	15.4%	2,619,687,569	16.4%	2,674,439,532	18.5%	1,557,543,932	12.0%	1,275,445,841	11.0%
Income tax payable	47,559,929	0.3%	109,392,009	0.7%	120,528,211	0.8%	116,976,344	0.9%	12,334,939	0.1%
Bank Overdrafts	650,371,472	3.7%	645,586,706	4.0%						
	5,325,097,518	29.9%	5,441,827,579	34.0%	5,070,708,784	35.1%	4,190,824,646	32.2%	3,705,631,353	32.1%
Total equity and liabilities	**17,796,250,400**	**100.0%**	**16,020,903,168**	**100.0%**	**14,449,071,711**	**100.0%**	**13,009,081,983**	**100.0%**	**11,544,043,733**	**100.0%**

Company	31st March 2026		31st March 2025		31st March 2024		31st March 2023		31st March 2022	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
ASSETS										
Non-current assets										
Property, plant and equipment	3,363,794,072	22.9%	3,309,226,843	24.3%	3,343,337,028	27.7%	1,872,397,657	17.7%	1,663,832,775	16.5%
Right-of-use assets	94,368,654	0.6%	121,461,844	0.9%	81,693,669	0.7%	23,620,842	0.2%	15,142,330	0.2%
Investment properties	-	0.0%	-	0.0%	216,635,216	1.8%	-	0.0%	-	0.0%
Intangible assets	113,538,995	0.8%	125,214,736	0.9%	152,829,001	1.3%	11,157,602	0.1%	9,688,032	0.1%
Investments in subsidiaries	1,567,328,390	10.7%	1,120,009,897	8.2%	1,013,620,803	8.4%	633,275,240	6.0%	333,818,740	3.3%
Other Investments	87,190,000	0.6%	74,220,000	0.5%	72,267,944	0.6%	59,489,052	0.6%	-	0.0%
Net Investment in the lease	57,891,176	0.4%	96,742,183	0.7%	130,588,283	1.1%	138,183,850	1.3%	-	0.0%
Consumable biological assets	103,806,730	0.7%	79,167,950	0.6%	77,495,664	0.6%	68,830,578	0.7%	68,577,048	0.7%
Advance paid for investment properties	-	0.0%	-	0.0%	-	0.0%	218,823,451	2.1%	142,421,669	1.4%
Deferred Tax Assets	53,462,680	0.4%	229,608,026	1.7%	-	0.0%	-	0.0%	-	0.0%
	5,441,380,697	37.0%	5,155,651,478	37.8%	5,088,467,610	42.1%	3,025,778,272	28.6%	2,233,480,594	22.2%
Current assets										
Inventories	2,308,267,844	15.7%	2,147,451,377	15.7%	2,270,292,871	18.8%	2,681,493,784	25.3%	2,146,186,902	21.3%
Income tax recoverable	51,588,674	0.4%	46,149,917	0.3%	42,739,408	0.4%	-	0.0%	6,212,097	0.1%
Trade and other receivables	4,353,359,476	29.6%	3,568,040,973	26.2%	2,642,624,852	21.9%	2,411,654,625	22.8%	3,145,299,054	31.3%
Advances and prepayments	370,814,871	2.5%	1,153,855,872	8.5%	889,168,349	7.4%	1,508,332,929	14.3%	744,554,705	7.4%
Net Investment in the lease	97,937,449	0.7%	38,716,484	0.3%	1,716,601	0.0%	1,522,505	0.0%	-	0.0%
Amounts due from related parties	1,021,064,638	6.9%	429,949,161	3.2%	275,922,920	2.3%	222,508,575	2.1%	367,231,598	3.7%
Short term financial assets	892,505,555	6.1%	722,085,091	5.3%	774,394,249	6.4%	618,217,309	5.8%	868,684,706	8.6%
Assets classified as held for sale	-	0.0%	202,000,000	1.5%	-	0.0%	-	0.0%	-	0.0%
Cash and cash equivalents	176,221,132	1.2%	175,213,112	1.3%	88,338,022	0.7%	115,240,932	1.1%	547,892,271	5.4%
	9,271,759,640	63.0%	8,483,461,987	62.2%	6,985,178,580	57.9%	7,558,970,659	71.4%	7,826,061,333	77.8%
Total assets	**14,713,140,338**	**100.0%**	**13,639,113,465**	**100.0%**	**12,073,646,190**	**100.0%**	**10,584,748,931**	**100.0%**	**10,059,541,927**	**100.0%**
EQUITY AND LIABILITIES										
Capital and reserves										
Stated capital	2,719,996,301	18.5%	2,395,221,320	17.6%	2,395,221,320	19.8%	2,395,221,320	22.6%	2,395,221,320	23.8%
Retained earnings	8,317,361,945	56.5%	7,288,813,809	53.4%	6,053,260,642	50.1%	5,828,321,631	55.1%	4,966,747,147	49.4%
Foreign currency translation reserve	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Equity attributable to equity holders of the parent	11,037,358,246	75.0%	9,684,035,129	71.0%	8,448,481,962	70.0%	8,223,542,951	77.7%	7,361,968,467	73.2%
Non-controlling interest	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total equity	11,037,358,246	75.0%	9,684,035,129	71.0%	8,448,481,962	70.0%	8,223,542,951	77.7%	7,361,968,467	73.2%
Non-current liabilities										
Interest bearing loans and borrowings	37,260,250	0.3%	59,371,136	0.4%	72,450,294	0.6%	14,616,309	0.1%	2,265,966	0.0%
Retirement benefit obligation	122,727,981	0.8%	103,154,212	0.8%	90,894,582	0.8%	72,827,983	0.7%	62,913,258	0.6%
Deferred tax liability	-	0.0%	-	0.0%	55,986,310	0.5%	55,170,522	0.5%	14,334,396	0.1%
	159,988,231	1.1%	162,525,348	1.2%	219,331,186	1.8%	142,614,814	1.3%	79,513,620	0.8%
Current liabilities										
Trade and other payables	1,477,247,309	10.0%	1,698,216,806	12.5%	1,193,493,580	9.9%	830,839,981	7.8%	1,401,216,873	13.9%
Amounts due to related parties	62,954,353	0.4%	84,496,800	0.6%	26,124,847	0.2%	-	0.0%	-	0.0%
Interest bearing loans and borrowings	1,561,632,681	10.6%	1,544,206,236	11.3%	2,186,214,616	18.1%	1,355,896,675	12.8%	1,216,842,967	12.1%
Income tax payable	-	0.0%	-	0.0%	-	0.0%	31,854,509	0.3%	-	0.0%
Bank Overdrafts	413,959,519	2.8%	465,633,146							
	3,515,793,861	23.9%	3,792,552,988	27.8%	3,405,833,042	28.2%	2,218,591,165	21.0%	2,618,059,840	26.0%
Total equity and liabilities	14,713,140,338	100.0%	13,639,113,465	100.0%	12,073,646,190	100.0%	10,584,748,931	100.0%	10,059,541,927	100.0%

HORIZONTAL ANALYSIS

FOR THE LAST FIVE YEARS STATEMENT OF FINANCIAL POSITION

Group	31st March 2026		31st March 2025		31st March 2024		31st March 2023		31st March 2022	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
ASSETS										
Non-current assets										
Property, plant and equipment	3,837,258,561	105.5%	3,636,559,581	100.1%	3,631,260,418	183.4%	1,979,440,089	118.7%	1,667,971,362	109.0%
Right-of-use assets	376,699,936	244.8%	153,885,074	132.6%	116,020,774	152.5%	76,080,912	502.4%	15,142,330	59.3%
Investment properties	693,029,153	129.8%	534,000,000	79.9%	668,023,780	0.0%	-	0.0%	-	0.0%
Intangible assets	774,513,413	515.4%	150,282,229	93.6%	160,517,690	847.4%	18,941,870	107.5%	17,627,288	78.0%
Investments in subsidiaries	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Other Investments	87,190,000	117.5%	74,220,000	95.8%	77,495,664	130.3%	59,489,052	0.0%	-	0.0%
Net Investment in the lease	57,891,176	59.8%	96,742,183	74.1%	130,588,285	94.5%	138,183,850	0.0%	-	0.0%
Consumable biological assets	103,806,730	131.1%	79,167,950	109.5%	72,267,944	105.0%	68,830,578	100.4%	68,577,048	118.0%
Advance paid for investment properties	-	0.0%	-	0.0%	-	0.0%	715,298,499	502.2%	142,421,669	100.0%
Investments in Joint Ventures	34,445,290	73.7%	46,761,857	0.0%	-	0.0%	-	0.0%	-	0.0%
Deferred Tax Assets	147,603,415	62.9%	234,692,649	3351.1%	7,003,465	0.0%	-	0.0%	-	0.0%
	6,112,437,673	122.1%	5,006,311,523	102.9%	4,863,178,020	33.7%	3,056,264,850	159.9%	1,911,739,697	107.4%
Current assets										
Inventories	3,480,464,306	121.4%	2,866,360,928	99.4%	2,884,443,016	82.1%	3,511,755,816	155.8%	2,253,759,798	144.2%
Income tax recoverable	52,591,653	106.9%	49,219,164	105.9%	46,476,961	0.0%	-	0.0%	-	0.0%
Trade and other receivables	5,784,090,457	117.1%	4,940,087,051	114.4%	4,318,348,208	117.7%	3,670,323,743	76.7%	4,784,543,338	168.7%
Advances and prepayments	710,715,054	50.1%	1,418,316,788	142.3%	996,844,095	62.7%	1,590,711,826	202.1%	787,270,868	915.6%
Net Investment in the lease	97,937,449	253.0%	38,716,484	2255.4%	1,716,601	112.7%	1,522,505	0.0%	-	0.0%
Amounts due from related parties	100,802,414	167.5%	60,188,888	96.4%	62,463,305	403.9%	15,466,305	25.2%	61,400,571	86.7%
Short term financial assets	1,178,399,003	105.3%	1,119,245,585	106.5%	1,051,395,258	118.5%	887,203,460	84.0%	1,056,499,610	487.3%
Assets classified as held for sale	-	0.0%	202,000,000	0.0%		0.0%		0.0%		0.0%
Cash and cash equivalents	278,812,392	87.0%	320,456,758	142.9%	224,206,247	81.3%	275,833,478	40.0%	688,829,851	139.0%
	11,683,812,728	106.1%	11,014,591,645	114.9%	9,585,893,691	96.3%	9,952,817,133	103.3%	9,632,304,036	182.5%
Total assets	**17,796,250,401**	**111.1%**	**16,020,903,169**	**110.9%**	**14,449,071,711**	**111.1%**	**13,009,081,983**	**112.7%**	**11,544,043,733**	**163.6%**
EQUITY AND LIABILITIES										
Capital and reserves										
Stated capital	2,719,996,301	113.6%	2,395,221,320	100.0%	2,395,221,320	100.0%	2,395,221,320	100.0%	2,395,221,320	260.7%
Retained earnings	9,416,013,193	115.6%	8,144,271,007	120.5%	6,757,052,187	110.1%	6,138,539,386	116.6%	5,263,420,779	118.3%
Foreign currency translation reserve	(123,810,540)	97.7%	(126,747,603)	518.4%	(24,447,762)	-22.7%	107,899,325	112.0%	96,297,224	387.3%
Equity attributable to equity holders of the parent	12,012,198,954	115.4%	10,412,744,724	114.1%	9,127,825,745	105.6%	8,641,660,031	111.4%	7,754,939,323	145.1%
Non-controlling interest	69,987,088	-319.9%	(21,877,254)	-174.4%	12,543,373	-90.8%	(13,807,358)	165.6%	(8,337,725)	190.8%
Total equity	**12,082,186,042**	**116.3%**	**10,390,867,470**	**114.0%**	**9,115,282,372**	**105.6%**	**8,627,852,673**	**111.4%**	**7,746,601,598**	**145.1%**
Non-current liabilities										
Interest bearing loans and borrowings	262,302,448	317.2%	82,689,530	72.5%	114,115,432	198.9%	57,376,938	422.3%	13,588,091	46.2%
Retirement benefit obligation	126,664,393	120.0%	105,518,589	113.5%	92,978,812	125.4%	74,142,249	116.0%	63,888,296	115.5%
Deferred tax liability	-	0.0%	-	0.0%	55,986,311	95.1%	58,885,477	410.8%	14,334,396	100.0%
	388,966,841	206.7%	188,208,119	71.5%	263,080,555	138.2%	190,404,664	207.4%	91,810,782	105.8%
Current liabilities										
Trade and other payables	1,885,118,293	91.5%	2,059,434,792	90.5%	2,275,741,041	90.4%	2,516,304,370	104.3%	2,413,243,197	214.1%
Amounts due to related parties	8,106,496	104.9%	7,726,504	0.0%	-	0.0%	-	0.0%	4,607,375	5028.9%
Interest bearing loans and borrowings	2,733,941,328	104.4%	2,619,687,569	98.0%	2,674,439,532	171.7%	1,557,543,932	122.1%	1,275,445,841	253.5%
Income tax payable	47,559,929	43.5%	109,392,009	90.8%	120,528,211	103.0%	116,976,344	948.3%	12,334,939	100.0%
Bank Overdrafts	650,371,472	100.7%	645,586,706	0.0%		0.0%		#DIV/0!		0.0%
	5,325,097,518	**97.9%**	**5,441,827,579**	**107.3%**	**5,070,708,784**	**121.0%**	**4,190,824,646**	**113.1%**	**3,705,631,353**	**227.3%**
Total equity and liabilities	**17,796,250,400**	**111.1%**	**16,020,903,169**	**110.9%**	**14,449,071,711**	**111.1%**	**13,009,081,983**	**112.7%**	**11,544,043,733**	**163.6%**

Company	31st March 2026		31st March 2025		31st March 2024		31st March 2023		31st March 2022	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%
ASSETS										
Non-current assets										
Property, plant and equipment	3,363,794,072	101.6%	3,309,226,843	176.7%	1,872,397,657	112.5%	1,663,832,775	108.9%	1,528,228,246	107.1%
Right-of-use assets	94,368,654	77.7%	121,461,844	514.2%	23,620,842	156.0%	15,142,330	59.3%	25,520,797	57.5%
Investment properties	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Intangible assets	113,538,995	90.7%	125,214,736	1122.2%	11,157,602	115.2%	9,688,032	66.8%	14,504,680	91.4%
Investments in subsidiaries	1,567,328,390	139.9%	1,120,009,897	176.9%	633,275,240	189.7%	333,818,740	100.0%	333,818,740	100.0%
Other Investments	87,190,000	117.5%	74,220,000	124.8%	59,489,052	100.0%	-	0.0%	-	0.0%
Net Investment in the lease	57,891,176	59.8%	96,742,183	70.0%	138,183,850	100.0%	-	0.0%	-	0.0%
Consumable biological assets	103,806,730	131.1%	79,167,950	115.0%	68,830,578	100.4%	68,577,048	118.0%	58,120,344	118.0%
Advance paid for investment properties	-	0.0%	-	0.0%	218,823,451	153.6%	142,421,669	100.0%	142,421,669	103.8%
Deferred Tax Assets	53,462,680	23.3%	229,608,026	0.0%	-	0.0%	-	0.0%		0.0%
	5,441,380,697	105.5%	5,155,651,478	170.4%	3,025,778,272	135.5%	2,233,480,594	106.2%	2,102,614,476	104.6%
Current assets										
Inventories	2,308,267,844	107.5%	2,147,451,377	80.1%	2,681,493,784	124.9%	2,146,186,902	146.8%	1,461,999,666	87.6%
Income tax recoverable	51,588,674	111.8%	46,149,917	0.0%	-	0.0%	6,212,097	33.1%	18,788,089	25.4%
Trade and other receivables	4,353,359,476	122.0%	3,568,040,973	147.9%	2,411,654,625	76.7%	3,145,299,054	135.9%	2,315,246,921	110.1%
Advances and prepayments	370,814,871	32.1%	1,153,855,872	76.5%	1,508,332,929	202.6%	744,554,705	980.5%	75,934,260	145.5%
Net Investment in the lease	97,937,449	253.0%	38,716,484	2542.9%	1,522,505	100.0%	-	0.0%	-	0.0%
Amounts due from related parties	1,021,064,638	237.5%	429,949,161	193.2%	222,508,575	60.6%	367,231,598	149.2%	246,056,188	105.2%
Short term financial assets	892,505,555	123.6%	722,085,091	116.8%	618,217,309	71.2%	868,684,706	400.7%	216,806,589	100.0%
Assets classified as held for sale	-	0.0%	202,000,000	0.0%	-	0.0%	-	0.0%		0.0%
Cash and cash equivalents	176,221,132	100.6%	175,213,112	152.0%	115,240,932	21.0%	547,892,271	253.2%	216,355,313	57.2%
	9,271,759,640	109.3%	8,483,461,987	112.2%	7,558,970,659	96.6%	7,826,061,333	172.0%	4,551,187,026	100.9%
Total assets	**14,713,140,338**	**107.9%**	**13,639,113,465**	**128.9%**	**10,584,748,931**	**105.2%**	**10,059,541,927**	**151.2%**	**6,653,801,502**	**102.1%**
EQUITY AND LIABILITIES										
Capital and reserves										
Stated capital	2,719,996,301	113.6%	2,395,221,320	100.0%	2,395,221,320	100.0%	2,395,221,320	260.7%	918,770,013	100.0%
Retained earnings	8,317,361,945	114.1%	7,288,813,809	125.1%	5,828,321,631	117.3%	4,966,747,147	113.6%	4,372,129,973	107.6%
Foreign currency translation reserve	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Equity attributable to equity holders of the parent	11,037,358,246	114.0%	9,684,035,129	117.8%	8,223,542,951	111.7%	7,361,968,467	139.1%	5,290,899,986	106.2%
Non-controlling interest	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total equity	**11,037,358,246**	**114.0%**	**9,684,035,129**	**117.8%**	**8,223,542,951**	**111.7%**	**7,361,968,467**	**139.1%**	**5,290,899,986**	**106.2%**
Non-current liabilities										
Interest bearing loans and borrowings	37,260,250	62.8%	59,371,136	406.2%	14,616,309	645.0%	2,265,966	22.0%	10,292,086	35.3%
Retirement benefit obligation	122,727,981	119.0%	103,154,212	141.6%	72,827,983	115.8%	62,913,258	112.2%	56,079,631	122.9%
Deferred tax liability	-	0.0%	-	0.0%	55,170,522	384.9%	14,334,396	100.0%	-	0.0%
	159,988,231	98.4%	162,525,348	114.0%	142,614,814	179.4%	79,513,620	119.8%	66,371,717	70.6%
Current liabilities										
Trade and other payables	1,477,247,309	87.0%	1,698,216,806	204.4%	830,839,981	59.3%	1,401,216,873	170.7%	820,994,171	138.0%
Amounts due to related parties	62,954,353	74.5%	84,496,800	100.0%	-	0.0%	-	0.0%	-	0.0%
Interest bearing loans and borrowings	1,561,632,681	101.1%	1,544,206,236	113.9%	1,355,896,675	111.4%	1,216,842,967	255.9%	475,535,629	56.1%
Income tax payable	-	0.0%	-	0.0%	31,854,509	100.0%	-	0.0%	-	0.0%
Bank Overdrafts	413,959,519	88.9%	465,633,146	100.0%	-	0.0%		0.0%		0.0%
	3,515,793,861	**92.7%**	**3,792,552,988**	**170.9%**	**2,218,591,165**	**84.7%**	**2,618,059,840**	**201.9%**	**1,296,529,799**	**89.8%**
Total equity and liabilities	**14,713,140,338**	**107.9%**	**13,639,113,465**	**128.9%**	**10,584,748,931**	**105.2%**	**10,059,541,927**	**151.2%**	**6,653,801,502**	**1021.0%**

OUR PRESENCE

HEAD OFFICE

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Tel: +880 1701 217888

Seaform Bangladesh (Pvt) Ltd

House-21, Road-13 C, Block- E, Banani, Dhaka,
PO: 1213

INDIA

JAT Global (Pvt) Ltd

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JAT Exports DMCC

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Seaform Perth PTY LTD

Unit 1, 18 Hector Street W, Osborne Park, West Australia, 6017

Mirotone Australia PTY Ltd

No. 31, Hudson Street, Bayswater, West Australia 6053
Warehouse: Unit 5/9, Feeder Street, Narangba, Queensland, Australia 4504

KENYA

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INDEPENDENT ASSURANCE ON SUSTAINABILITY REPORTING

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INDEPENDENT ASSURANCE REPORT TO THE BOARD OF THE DIRECTORS OF JAT HOLDINGS PLC ON THE INFORMATION PRESENTED WITH REFERENCE TO THE GRI AND THE INTEGRATED REPORTING <IR> FRAMEWORK IN THE INTERGRATED ANNUAL REPORT – 2026

SCOPE

We have been engaged by the management of JAT Holdings PLC ("the Company") to perform an independent limited assurance engagement, as defined by the Sri Lanka Standards on Assurance Engagements, on the information presented with reference to the GRI (Global Reporting Initiative) and the Integrated Reporting <IR> Framework ("Information") in its Integrated Annual Report for the year ended 31 March 2026 (the "Report").

MANAGEMENT'S RESPONSIBILITY

Management of the Company is responsible for preparation and presentation of the information with reference to the GRI and the Integrated Reporting <IR> framework. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the information that is free from material misstatement, whether due to fraud or error.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. The firm applies Sri Lanka Standards on Quality Management and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

OUR RESPONSIBILITY

Our responsibility is to express a conclusion on the information presented in Report with reference to the GRI and the Integrated Reporting <IR> framework. We conducted our limited assurance engagement in accordance with the Sri Lanka Standard on Assurance Engagements 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information ("SLSAE 3000") issued by the Institute of Chartered Accountants of Sri Lanka. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the information is free from material misstatement.

A limited assurance engagement undertaken in accordance with SLSAE 3000 involves assessing the risks of material misstatement of the information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and were included,

- Comparing of the content of the Report against the GRI and the Integrated Reporting <IR> framework.
- Inquiring relevant organization's personnel to understand the process for collection, analysis, aggregation, and presentation of data.
- Cross checking the non-financial data /information presented in the Report with the supporting documents and schedules maintained by the Company.
- Checking the calculations performed by the organization on a sample basis through recalculation.

CONCLUSION

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the information, as defined above, for the year ended 31 March 2026, is not presented, in all material respects, with reference to the GRI and the Integrated Reporting <IR> Framework.

DISCLOSURES COVERED BY OUR LIMITED ASSURANCE ENGAGEMENT

The selected Sustainability Related Disclosures pertaining to sustainability standards (Notwithstanding the <IR> Framework) covered by our Limited assurance engagement are:

Sustainability Related Disclosures	JAT Holdings PLC's sections	Page Number
GRI Standards	GRI Content Index	334 to 339

OTHER MATTER

Our assurance is not extending to the prospective/comparative information, or any other information presented in the Report other than based on the GRI and the Integrated Reporting <IR> framework. Further, we do not provide any assurance on the assumptions and achievability of prospective information presented in the Report including forward-looking statements and growth-related projections.

Deloitte Partners Sri Lanka
Chartered Accountants
Colombo
2nd June 2026

C S Manoharan FCA, T U Jayasinghe FCA, M D B Boyagoda FCA, H A C H Gunarathne FCA, M P M T Gunasekara FCA, N R Gunasekera FCA, M S J Henry FCA, M M R Hilmy FCA, H P V Lakdeva FCA, K M D R P Manatunga ACA, M M M Manzeer FCA, L A C Tillekeratne ACA, D C A J Yapa ACA

GRI INDEX

Statement of use	JAT Holdings PLC has reported in accordance with the GRI Standards with the GRI Standards for the period from 01 April 2025 to 31 March 2026					
GRI 1 used	GRI 1 : Foundation 2021					
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			REMARKS
			REQUIREMENT (S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	9				
	2-2 Entities included in the organization's sustainability reporting	4				
	2-3 Reporting period, frequency and contact point	4				
	2-4 Restatements of information	4				
	2-5 External assurance	4				
	2-6 Activities, value chain and other business relationships	10, 163, 175				
	2-7 Employees	151				
	2-8 Workers who are not employees	152				
	2-9 Governance structure and composition	44, 47, 60				
	2-10 Nomination and selection of the highest governance body	229				
	2-11 Chair of the highest governance body	50				
	2-12 Role of the highest governance body in overseeing the management of impacts	45, 50, 52, 60				
	2-13 Delegation of responsibility for managing impacts	45, 50, 52, 60				
	2-14 Role of the highest governance body in sustainability reporting	60, 104				
	2-15 Conflicts of interest	51				
	2-16 Communication of critical concerns	232				No ciritical concerns communicated during the reporting period
	2-17 Collective knowledge of the highest governance body	48				
	2-18 Evaluation of the performance of the highest governance body	49				
	2-19 Remuneration policies	51, 59				
	2-20 Process to determine remuneration	51, 59				
	2-21 Annual total compensation ratio	-	2- 21	Confidentiality constraints	Compensation ratio will not be disclosed due to confidentiality concerns of the company.	
	2-22 Statement on sustainable development strategy	26				
	2-23 Policy commitments	43, 52, 159				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			REMARKS
			REQUIREMENT (S) OMITTED	REASON	EXPLANATION	
	2-24 Embedding policy commitments	43, 52, 159				
	2-25 Processes to remediate negative impacts	159				
	2-26 Mechanisms for seeking advice and raising concerns	159				
	2-27 Compliance with laws and regulations	117				No incidents were reported during the year
	2-28 Membership associations	176				
	2-29 Approach to stakeholder engagement	97				
	2-30 Collective bargaining agreements	158				
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	104				
	3-2 List of material topics	104				
Economic performance						
GRI 201: Economic Performance 2016	3-3 Management of material topics	53, 150, 153, 193				
	201-1 Direct economic value generated and distributed	16				
	201-2 Financial implications and other risks and opportunities due to climate change	193				
	201-3 Defined benefit plan obligations and other retirement plans	154				
	201-4 Financial assiatnce received from government	-				No assistance was received
Indirect economic impacts						
GRI 3: Material Topics 2021	3-3 Management of material topics	172				
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	176				
	203-2 Significant indirect economic impacts	176				
Procurement practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	176				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	176				
Anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	41				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	-				No such incidents were assessed during the year
	205-2 Communication and training about anti-corruption policies and procedures	51, 52				
	205-3 Confirmed incidents of corruption and actions taken	-				No such incidents were assessed during the year

GRI INDEX

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			REMARKS
			REQUIREMENT (S) OMITTED	REASON	EXPLANATION	
Anti-competitive behaviour						
GRI 3: Material Topics 2021	3-3 Management of material topics	53				
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions fro anti-competitive behaviour, anti-trust and monopoly practices	-				No material cases were reported during the year
Tax						
GRI 3: Material Topics 2021	3-3 Management of material topics	131				
GRI 207: Tax 2019	207-1 Approach to tax	262				
	207-2 Tax governance, control, and risk management					
	207-3 Stakeholder engagement and management of concerns related to tax	103				
	207-4 Country-by-country reporting	133				
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	181				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	185				
	302-2 Energy Consumption Outside the Organization	–	Energy consumption outside the organization	Information unavailable/ incomplete	Company is in the process of implementing mechanism to collect data.	
	302-3 Energy intensity	185				
	302-4 Reduction of energy consumption	185				
	302-5: Reductions in Energy Requirements of Products and Services	–	Reductions in Energy Requirements of Products and Services	Information unavailable/ incomplete	Company is in the process of implementing mechanism to collect data.	
Water and effluents						
GRI 3: Material Topics 2021	3-3 Management of material topics	181				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	186				
	303-2 Management of water discharge-related impacts	186				
	303-3 Water withdrawal	186				
	303-4 Water discharge	187				No incidents of non-compliance with discharge limits
	303-5 Water consumption	187				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			REMARKS
			REQUIREMENT (S) OMITTED	REASON	EXPLANATION	
Emissions						
GRI 3: Material Topics 2021	3-3 Management of material topics	181				
GRI 305: Emissions 2016	305-1 Reducing carbon footprint under NC	187				
	305-2 Energy indirect (Scope 2) GHG emissions	188				
	305-3 Other indirect (Scope 3) GHG emissions	188				
	305-4 GHG emissions intensity	188				
	305-5 Reduction of GHG emissions	186				
	305-6 Emissions of Ozone-Depleting Substances	_		Not applicable	Company's products do not emit these as substances	
	305-7 Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions	_		Not applicable	Company's products do not emit these as substances	
Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	181				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	189				
	306-2 Management of significant waste-related impacts	189				
	306-3 Waste generated	189				
	306-4 Waste diverted from disposal	189				
	306-5 Waste directed to disposal	189				
Employment						
GRI 3: Material Topics 2021	3-3 Management of material topics	149				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	152				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	153				
	401-3 Parental leave	160				
Labor/management relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	149				
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	158				
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	149				

GRI INDEX

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			REMARKS
			REQUIREMENT (S) OMITTED	REASON	EXPLANATION	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	156				
	403-2 Hazard identification, risk assessment, and incident investigation	156				
	403-3 Occupational health services	156				
	403-4 Worker participation, consultation, and communication on occupational health and safety	156				
	403-5 Worker training on occupational health and safety	156				
	403-6 Promotion of worker health	156				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	156				
	403-8 Workers covered by an occupational health and safety management system	156				
	403-9 Work-related injuries	156				
	403-10 Work-related ill health	156				
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics	149				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	155				
	404-2 Programs for upgrading employee skills and transition assistance programs	155				
	404-3 Percentage of employees receiving regular performance and career development reviews	155				
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	41, 149				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	47				
	405-2 Ratio of basic salary and remuneration of women to men	153				
Non-discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	149				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	158				
Freedom of association and collective bargaining						
GRI 3: Material Topics 2021	3-3 Management of material topics	149				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	158, 176				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			REMARKS
			REQUIREMENT (S) OMITTED	REASON	EXPLANATION	
Child labor						
GRI 3: Material Topics 2021	3-3 Management of material topics	149				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	158				
Forced or compulsory labor						
GRI 3: Material Topics 2021	3-3 Management of material topics	149				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	158				
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	172				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	176				
	413-2 Operations with significant actual and potential negative impacts on local communities	176				No such incidents were reported during the year
Public policy						
GRI 3: Material Topics 2021	3-3 Management of material topics	53				
GRI 415: Public Policy 2016	415-1 Political contributions	-				No contributions were made during the year
Customer health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	172				
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	174				
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	174				
Customer privacy						
GRI 3: Material Topics 2021	3-3 Management of material topics	172				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	175				No substantiated complaints reported during the year

DIRECTORS' DIRECTORSHIPS IN OTHER COMPANIES

Dr. Sivakumar Selliah
Chairman - Non-Executive Director/ Independent

Directorships: 14

Listed Companies: 5

Non-Executive: 5
Executive: 0

Unlisted Companies: 9

Non-Executive: 9
Executive: 0

- Commercial Bank of Ceylon PLC – Non-Executive Director
- Orysys Ltd – Non-Executive Chairman
- Lanka Tiles PLC – Non-Executive Director
- ACL Cables PLC – Non-Executive Director
- Lanka Walltiles PLC – Non-Executive Director
- Soul Corporation (Pvt) Ltd – Non-Executive Chairman
- Vydexa (Lanka) Power Corporation (Pvt) Ltd – Non-Executive Chairman
- Cleanco Lanka (Pvt) Ltd – Non-Executive Chairman
- Swisstek (Ceylon) PLC – Non-Executive Director
- ArunoAus PTY Ltd – Non-Executive Director
- Andysel (Private) Limited) – Non-Executive Chairman
- Arunodhaya (Private) Limited – Non-Executive Director
- Arunodhaya Industries (Pvt) Ltd – Non-Executive Director
- Arunodhaya Investments (Pvt) Ltd – Non-Executive Director

Aelian Gunawardene
Founder and Managing Director/ Executive Director

Directorships: 27

Listed Companies: 0

Unlisted Companies: 27

Non-Executive: 1
Executive: 26

- JAT Exports (Pvt) Ltd – Executive Director
- Brush Master (Pvt) Ltd – Executive Director
- JAT Paints Africa Limited – Executive Director
- Seaform Bangladesh Pvt. Ltd – Managing Director
- Mirotone NZ Limited – Executive Chairman
- Volt Industrial Company (Pvt) Ltd – Executive Director
- Seaform Perth PTY Ltd – Executive Director
- Mirotone Australia PTY Ltd – Executive Director
- JAT Property Group (Private) Limited – Managing Director
- 96 Development (Private) Limited – Managing Director
- 77 Development (Private) Limited – Managing Director
- Millenium Distributors and Traders (Private) Limited – Managing Director
- James Global (Pvt) Ltd – Managing Director
- James Mineral Products (Pvt) Ltd – Managing Director
- James Global Mineral Sands (Pvt) Ltd – Managing Director
- JAT Minerals (Pvt) Ltd – Managing Director
- J. Chem Coatings (Private) Limited – Managing Director
- Komari Beach Resort (Pvt) Ltd – Managing Director
- JAT Brushes (Pvt) Ltd – Managing Director
- JAT Leisure (Pvt) Ltd – Managing Director
- Direct Dredging (Pvt) Ltd – Managing Director
- Force Steel Structures (Pvt) Ltd – Non-Executive Director
- ARK Investments International (Pvt) Ltd - Executive Director
- Bileeta Australia Pty Ltd – Executive Director
- Bileeta SDN. BHD – Executive Director
- ARK Investments International (Pvt) Ltd – Managing Director
- Ocean Terra L.L.C-FZ – Managing Director

Nishal Ferdinando
Executive Director/Chief Executive Officer

Directorships: 5

Listed Companies: 0

Unlisted Companies: 5

Non-Executive: 0
Executive: 5

- Asia Coatings Pvt. Ltd – Executive Chairman
- Seaform Perth PTY Ltd – Executive Director
- Mirotone NZ Limited – Executive Director
- Volt Industrial Company (Pvt) Ltd – Executive Director
- Mirotone Australia PTY Ltd – Executive Director

Devaka Cooray
Non-Executive Director/Independent

Directorships: 14

Listed Companies: 5

Non-Executive: 5
Executive: 0

Unlisted Companies: 9

Non-Executive: 8
Executive: 1

- United Motors Lanka PLC – Non-Executive Director
- U M L Heavy Equipment Limited – Non-Executive Director
- U M L Property Developments Limited – Non-Executive Director
- Unimo Enterprises Limited – Non-Executive Director
- Dutch Lanka Trailer Manufacturers Ltd – Non-Executive Director
- Dutch Lanka Engineering (Pvt) Ltd – Non-Executive Director
- Management Systems (Pvt) Ltd – Managing Director
- Hatton National Bank PLC – Senior Independent Director
- Jetwing Symphony PLC – Non-Executive Director
- The Lighthouse Hotel PLC – Non-Executive Director
- H V A Foods PLC – Non-Executive Director
- George Steuart and Company Limited – Non-Executive Director
- Secretarial Services (Pvt) Ltd – Non-Executive Director
- The Children Heart Project of Sri Lanka – Non-Executive Director

Hussain Akbarally
Non-Executive Director/Independent

Directorships: 67

Listed Companies: 1

Non-Executive: 0
Executive: 1

Unlisted Companies: 66

Non-Executive: 0
Executive: 66

- A B Developments (Pvt) Ltd – Executive Director
- A B Properties (Pvt) Ltd – Executive Director
- Aeroforce (Pvt) Ltd – Executive Director
- Akbar Brothers (Pvt) Ltd – Executive Director
- Akbar Brothers Exports (Pvt) Ltd – Executive Director
- Barista Coffee Lanka (Private) Limited – Executive Director
- Beta Power (Pvt) Ltd – Executive Director
- Bluesky Ev (Private) Limited – Executive Director
- Chadstone Holdings (Pvt) Ltd – Executive Director
- Cleanco Lanka (Pvt) Ltd – Executive Director
- Clifton Investments (Private) Limited – Executive Director
- Colombo Coffee Company (Private) Limited – Executive Director
- Crossbrand Investments (Private) Limited – Executive Director
- Daily Life Renewable Energy (Pvt) Ltd – Executive Director
- Debug Ella (Private) Limited – Executive Director
- Diya Janani (Pvt) Ltd – Executive Director
- Econova Energy (Pvt) Ltd – Executive Director
- Econova Power (Pvt) Ltd – Executive Director

- Energenix (Pvt) Ltd – Executive Director
- Energy Reclamation (Pvt) Ltd – Executive Director
- Ethical Extracts (Private) Limited – Executive Director
- Falcon Developments (Pvt) Ltd – Executive Director
- Falcon Properties (Pvt) Ltd – Executive Director
- Falcon Trading (Pvt) Ltd – Executive Director
- Flexi Print (Pvt) Ltd – Executive Director
- Flinth Commercial Park (Pvt) Ltd – Executive Director
- Glowbal Outlets (Pvt) Ltd – Executive Director
- Glowbal Retail (Private) Limited – Executive Director
- Greensands (Private) Limited – Executive Director
- Gurugoda Hydro (Private) Limited – Executive Director
- H N Mining Consultancy (Private) Limited – Executive Director
- H.P.D.Power (Private) Limited – Executive Director
- Hirujanani (Pvt) Ltd – Executive Director
- Hiruras Power (Pvt) Ltd – Executive Director
- Ironwood Restaurant Holding (Pvt) Ltd – Executive Director
- Joule Power (Pvt) Ltd – Executive Director
- Kebettigollawa Solar Power (Pvt) Ltd – Executive Director
- Land & Buildings Ltd – Executive Director
- Laviyaniholdings (Pvt) Ltd – Executive Director
- Layards Investments (Pvt) Ltd – Executive Director
- Melanka Power Moraketiya (Private) Limited – Executive Director
- Mosaic Art (Pvt) Ltd – Executive Director
- Nirmalapura Wind Power (Private) Limited – Executive Director
- Pack USA (Private) Limited – Executive Director
- Peak Power Delta (Pvt) Ltd – Executive Director
- Powergen Lanka (Private) Limited – Executive Director
- Quick Tea (Pvt) Ltd – Executive Director
- Racing Systems (Private) Limited – Executive Director
- Renewgen (Private) Limited – Executive Director
- Rividhanavi (Private) Limited – Executive Director
- Satva Automotive (Pvt) Ltd – Executive Director
- Seguwantivu Wind Power (Private) Limited – Executive Director
- Seruwawila Photovoltaic (Pvt) Ltd – Executive Director
- Sky Solar (Pvt) Ltd – Executive Director
- Slick Technologies (Private) Limited – Executive Director
- Solar One Ceylon (Private) Limited – Executive Director
- Solar Universe (Pvt) Ltd – Executive Director
- Sooryashakthi (Pvt) Ltd – Executive Director
- Sunny Clime Lanka (Pvt) Ltd – Executive Director
- Suryadhanavi (Pvt) Ltd – Executive Director
- Terraqua International (Private) Limited – Executive Director
- Terraqua Kokawita (Private) Limited – Executive Director
- Vanguard Hotels Lanka (Private) Limited – Executive Director
- Vidatamunai Wind Power (Private) Limited – Executive Director
- Vidul Madugeta (Private) Limited – Executive Director
- Vydexa (Lanka) Power Corporation (Private) Limited – Executive Director
- Windforce PLC – Executive Director

Eng. Manju Haththotuwa
Non-Executive Director/Independent

Directorships: 1

Listed Companies: 0

Unlisted Companies: 1

Non-Executive: 0
Executive: 1

- BCF Lanka (Pvt) Ltd – Executive Director

Joycelyn Gunawardene
Non-Executive Director/Non-Independent

Directorships: 5

Listed Companies: 0

Unlisted Companies: 5

Non-Executive: 4
Executive: 1

- Brush Master (Pvt) Ltd –Non-Executive Director
- J. Chem Coatings (Private) Limited – Non-Executive Director
- Colombo Kade (Private) Limited – Non-Executive Director
- JAT Leisure (Private) Limited – Executive Director
- James Mineral Products (Pvt) Ltd – Non-Executive Director

Anika Williamson
Non-Executive Director/Non-Independent

Directorships: 7

Listed Companies: 0

Unlisted Companies: 7

Non-Executive: 3
Executive: 4

- JAT Exports DMCC – Executive Director
- Asia Coatings Pvt. Ltd – Managing Director
- JAT Global Private Limited – Non-Executive Director
- JAT Australia PTY Ltd – Non-Executive Director
- Gammaa Extracts (Pvt) Ltd – Executive Director
- JAT Minerals (Pvt) Ltd – Non-Executive Director
- ARK Investments International (Pvt) Ltd - Executive Director

Richard Gunawardene
Non-Executive Director/Non-Independent

Directorships: 15

Listed Companies: 0

Unlisted Companies: 15

Non-Executive: 7
Executive: 8

- JAT Exports (Pvt) Ltd – Non-Executive Director
- Worldwide Resins & Chemicals (Private) Limited – Non-Executive Director
- JAT Global Private Limited – Non-Executive Director
- Evolvex Ventures (Pvt) Ltd – Executive Director
- A Plus Technologies (Private) Limited – Non-Executive Director
- Gammaa Extracts (Pvt) Ltd – Executive Director
- JAT Minerals (Pvt) Ltd – Non-Executive Director
- JAT Brushes (Pvt) Ltd – Non-Executive Director
- Flexospan Steel Buildings (Private) Limited – Non-Executive Director
- JAT Property Group (Private) Limited – Executive Director
- 96 Development (Private) Limited – Executive Director
- 77 Development (Private) Limited – Executive Director
- Millenium Distributors and Traders (Private) Limited – Executive Director
- 146 Residencies (Pvt) Ltd – Executive Director
- ARK Investments International (Pvt) Ltd – Executive Director

NOTES

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT the Thirteenth (13th) Annual General Meeting of JAT HOLDINGS PLC will be held as a virtual meeting centered at the "Board Room" of the Company at No. 351, Pannipitiya Road, Thalawathugoda, Sri Lanka on 30th June 2026 at 10.00 a.m. for the following businesses;

ROUTINE BUSINESS

1. To receive the Annual Report of the Board of Directors on the affairs of the Company and its Subsidiaries, the Financial Statements for the year ended 31st March 2026, and the report of the Auditors thereon.

2. To re-elect Mr. Mututantrige Parakrama Devaka Cooray as a Non-Executive/ Independent Director, in terms of Articles 88(i) and 89 of the Articles of Association of the Company.

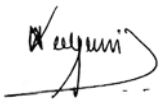
3. To approve the continuation of Mr. Mututantrige Parakrama Devaka Cooray as a Non-Executive Independent Director of the Company upon reaching the age of seventy (70) years in 2027, as recommended by the Nominations and Governance Committee and approved by the Board of Directors, in terms of Listing Rule 9.8.3(ix) of the Colombo Stock Exchange.

4. To re-elect Mr. Hussain Akbarally as a Non-Executive/Independent Director, in terms of Articles 88(i) and 89 of the Articles of Association of the Company.

5. To re-appoint M/S Ernst and Young Chartered Accountants as the Company's Auditors for the ensuing year and to authorize the Directors to determine their remuneration.

6. To authorize the Board of Directors to determine donations for the year ending 31st March 2027 and up to the next Annual General Meeting.

By order of the Board
JAT HOLDINGS PLC



N.I.D. Corporate Services (Pvt) Ltd
Company Secretaries
2 June 2026

Notes:

1. A Shareholder entitled to attend and to vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her.

2. A proxy need not be a Shareholder of the Company.

3. A form of proxy is enclosed for this purpose.

4. The completed form of proxy must be deposited at the registered office of the Company, No. 351, Pannipitiya Road, Thalawathugoda, Sri Lanka or must be emailed to sujeeva@jatholdings.com/sh@jatholdings.com or facsimile on +94 11-2773793 not less than 36 hours before the time appointed for holding the Meeting.

FORM OF PROXY

I/We* (in block letters) .....
of ..... being a Shareholder/
Shareholders of JAT HOLDINGS PLC, hereby appoint .....
..... of .....
..... whom failing DR. SIVAKUMAR SELLIAH whom failing MR. AELIAN WINSTON GUNAWARDENE whom failing MR. NISHAL FERDINANDO whom failing MR. HUSSAIN AKBARALLY whom failing MR. MUTUTANTRIGE PARAKRAMA DEVAKA COORAY whom failing MR. BHARATHA MANJU SRI KUMAR HATHTHOTUWA whom failing MRS. JOYCELYN GUNAWARDENE whom failing MRS. ANIKA NIRANJALIE WILLIAMSON NEE GUNAWARDENE whom failing MR. RICHARD WINSTON GUNAWARDENE* as my/our proxy to represent me/us and to vote on my/our behalf at the THIRTEETN (13TH) ANNUAL GENERAL MEETING of the Company to be held on 30th June 2026 and any adjournment thereof, and at every poll which may be taken in consequence thereof to vote:-

ROUTINE BUSINESSES	In favour	Against
1. To re-elect Mr. Mututantrige Parakrama Devaka Cooray as a Non-Executive/ Independent Director, in terms of Articles 88(i) and 89 of the Articles of Association of the Company,	☐	☐
2. To approve the continuation of Mr. Mututantrige Parakrama Devaka Cooray as a Non-Executive Independent Director of the Company upon reaching the age of Seventy (70) years in 2027, as recommended by the Nominations and Governance Committee and approved by the Board of Directors, in terms of Listing Rule 9.8.3(ix) of the Colombo Stock Exchange.	☐	☐
3. To re-elect Mr. Hussain Akbarally as a Non-Executive/ Independent Director, in terms of Articles 88(i) and 89 of the Articles of Association of the Company.	☐	☐
4. To re-appoint M/S Ernst and Young Chartered Accountants as the Company's Auditors for the ensuing year and to authorize the Directors to determine their remuneration.	☐	☐
5. To authorize the Board of Directors to determine donations for the year ending 31st March 2027 and up to the date of the next Annual General Meeting.	☐	☐

Signed this ..... day of ..... 2026.

.....
Signature of Shareholder

Notes:

(i) Please delete the inappropriate words.

(ii) A proxy need not be a Shareholder of the Company

(iii) Instructions as to completion appear on the reverse of this form.

FORM OF PROXY

INSTRUCTIONS AS TO COMPLETION OF PROXY

The instrument appointing a proxy shall in the case of an individual be signed by the appointor-or by his/her attorney.

In the case of a Company/Corporation, the proxy must be completed in the manner prescribed by its Articles of Association.

In the case of a proxy signed by an Attorney, the Power of Attorney must be deposited at the Registered Office for registration, if such Power of Attorney has not been registered with the Company.

The full name and address of the proxy and of the shareholder appointing the proxy should be entered legibly in the Form of Proxy.

Please indicate with an "X" in the space provided how your proxy is to vote on each resolution. If no indication is given the proxy at his/her discretion will vote as he/she thinks fit.

To be valid this Form of Proxy must be deposited at the registered office of the Company No. 351, Pannipitiya Road, Thalawathugoda or must be emailed to sujeeva@jatholdings.com/sh@jatholdings.com-or-facsimile on +94-11-2773793 not less than 36 hours before the time appointed for holding the Meeting.

SHAREHOLDER FEEDBACK FORM

It is the endeavour of the JAT Holdings PLC to ensure maximum satisfaction of its shareholders. In order to enable us to continually improve upon the quality of service provided, we try to seek your feedback on the level of satisfaction derived by you on the basis of your interaction with us. Your feedback will help us further improvement of our services to match your expectations.

Please direct all feedback to the Company Secretary by filling this form.

Company Secretaries,
N. I. D Corporate Services (Pvt) Ltd,
No. 18/49A, ½, Circular Road B. Muhandiram E. D. Dabare Mawatha, Colombo 5.

Kindly rate our services on various parameters by ticking any one box in each row:

Timely receipt of

	Outstanding	Very Good	Good	Poor
Annual Reports				
Dividend				
Other documents/Correspondence				

Quality and Content of Annual Report

	Outstanding	Very Good	Good	Poor
Report on Corporate Governance				
Management Discussion and Analysis				
Balance Sheet, Profit and Loss Account and other financial statements				

Quality and Contents of Annual Report

	Outstanding	Very Good	Good	Poor
Through shareholder communication				
Through Annual Reports				
Through newspapers/ Press				
Through our website (www.jatholdings.com)				
Through e – mails (If we have your email)				

Quality and Contents of Annual Report

	Outstanding	Very Good	Good	Poor
Overall Quality				

Comments/Suggestions/Remarks

CORPORATE INFORMATION

COMPANY NAME
JAT Holdings PLC

LEGAL FORM
A Public Limited Liability Company incorporated in Sri Lanka on 1 July 1993 under the Companies Act No. 17 of 1982 and reregistered under the Companies Act No. 7 of 2007.
The Company was listed on the Colombo Stock Exchange on 12 August 2021.

COMPANY REGISTRATION NUMBER
PQ00237072

ACCOUNTING YEAR END
31 March

REGISTERED OFFICE
No. 351, Pannipitiya Road, Thalawathugoda, Sri Lanka
Tel: +94 11- 4407700
Fax: +94 11- 2773793
Email: info@jatholdings.com
Website: www.jatholdings.com

BANKERS
The Commercial Bank of Ceylon PLC
Hatton National Bank PLC
DFCC Bank PLC
National Development Bank PLC
People's Bank
National Savings Bank
Seylan Bank PLC
Sampath Bank PLC
Habib Bank Ltd
Nations Trust Bank

AUDITORS
Ernst & Young Chartered Accountants, Sri Lanka
Rotunda Towers, No. 109, Galle Road, Colombo 03

SECRETARIES
N.I.D. Corporate Services (Pvt) Ltd
No. 18/49A,1/2, Circular Road B,
Muhandiram E. D. Dabare Mawatha, Colombo 05

REGISTRARS
Central Depository Systems (Pvt) Ltd,
No. 04-01, West Block, World Trade Centre,
Echelon Square, Colombo 01

INVESTOR RELATIONS
JAT Holdings PLC
No. 351, Pannipitiya Road, Thalawathugoda, Sri Lanka
Tel: +94 11- 4407700
Email: sh@jatholdings.com

BOARD OF DIRECTORS
Dr. Sivakumar Selliah – Chairman
Aelian Gunawardene – Managing Director
Nishal Ferdinando – Chief Executive Officer
Hussain Akbarally
Devaka Cooray
Eng. Manju Haththotuwa
Joycelyn Gunawardene
Anika Williamson
Richard Gunawardene

AUDIT & RISK MANAGEMENT COMMITTEE
Devaka Cooray – Chairman
Dr. Sivakumar Selliah
Hussain Akbarally

HR & REMUNERATION COMMITTEE
Hussain Akbarally – Chairman
Dr. Sivakumar Selliah
Devaka Cooray

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE
Hussain Akbarally – Chairman
Devaka Cooray
Dr. Sivakumar Selliah
Eng. Manju Haththotuwa

INVESTMENT COMMITTEE
Anika Williamson – Chairman
Devaka Cooray
Hussain Akbarally

NOMINATIONS AND GOVERNANCE COMMITTEE
Devaka Cooray – Chairman
Dr. Sivakumar Selliah
Joycelyn Gunawardene

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