myland

Building Your Future

Opening Doors, Empowering Lives

Annual Report 2025/26

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Opening Doors,
Empowering Lives

Owning a piece of land is one of the most profound aspirations in Sri Lankan culture. Yet for many young professionals and first-time buyers, the complexities of the real estate market can feel daunting. Steep initial costs and rigid financing have often kept this dream just out of reach.

At Myland Developments PLC, our mission is to bridge the gap between aspiration and ownership. We believe stepping onto your own property should be an achievable milestone for any hardworking Sri Lankan.

“Opening Doors, Empowering Lives” is our operational blueprint. We pioneer pathways that make real estate investment truly accessible by designing highly flexible financial solutions. From our signature interest-free installment schemes to seamless bank loan facilitation, we dismantle the anxiety traditionally associated with property acquisition. We engineer the financial scaffolding that empowers our clients to take that crucial first step with absolute confidence.

Empowerment also means providing strategic value. We meticulously identify and develop properties positioned for long-term growth, particularly in highly sought-after corridors along the expanding expressway networks in the Western Province. We ensure every property comes with clear titles, essential infrastructure, and the promise of a thriving community.

As we reflect on a year of steady growth, our truest measure of achievement remains the individuals and families we serve. Whether guiding first-time buyers or seasoned investors, Myland is here to unlock potential, foster sustainable communities, and open the doors to a brighter future.

myland

Building Your Future

PERFORMANCE HIGHLIGHTS

	Company	
	2025/26	2024/25 Restated*
Balance Sheet - LKR		
Cash & Cash Equivalents	7,545,900	6,431,835
Inventory Properties	246,988,706	195,643,237
Trade & Other Receivables	1,096,126	12,421,930
Total Current Assets	257,895,715	217,228,795
Total Non-Current Assets	8,875,863	69,776,069
Total Current Liabilities	69,540,705	79,004,197
Total Non-Current Liabilities	45,537,617	65,557,994
Total Shareholders' Equity	151,693,256	142,442,673
Income Statement - LKR		
Revenue	45,694,558	43,051,635
Gross Profit	11,877,163	11,735,767
EBITDA	14,398,144	(12,958,159)
Profit/(Loss) Before Taxes	8,354,750	(23,769,159)
Net Income/(Loss)	8,827,397	(16,764,521)
KEY RATIOS		
Profitability Ratios		
Return on Equity	5.82%	-11.77%
Return on Assets	3.31%	-5.84%
Return on Sales	19.32%	-38.94%
Gross Profit Margin	25.99%	27.26%
Asset Turnover Ratio	17.13%	15.00%
EPS	0.24	-0.46
Dividend Per Share	-	-
Current Ratio	3.71	2.75
Quick or Acid Test Ratio	3.71	2.75
Debt to Equity Ratio	0.76	1.01
NAV	4.18	3.93
Interest Coverage Ratio	2.78	-2.77

Blueprint to Reality

Every lasting legacy begins with a solid foundation. We collaborate closely with our clients to transform aspirations into actionable plans, ensuring every architectural detail aligns perfectly with their unique vision for the future.

CHAIRMAN'S REVIEW

Dear Shareholders,

It is my pleasure to present the Annual Report of Myland Developments PLC for the financial year ended 31st March 2026. The year under review was one of transition, renewal and important progress for the Company. After the change in controlling shareholding and the commencement of a new phase in Myland's corporate journey, considerable effort was directed towards strengthening the foundations upon which future growth will be built. While much of this work occurred behind the scenes, it has been instrumental in positioning the Company for sustainable value creation in the years ahead.

We have strengthened the foundations of Myland for its next phase of growth driven by disciplined execution, stronger governance and a clear strategic direction. As we move forward, our focus remains firmly on sustainable growth and enduring value creation.

Operating Landscape

The operating environment during the year reflected the broader recovery underway within the Sri Lankan economy. Following a period of unprecedented economic challenges, the country continued to demonstrate encouraging signs of stabilisation, supported by improved macroeconomic conditions, easing inflationary pressures, stronger external sector performance and growing investor confidence. Economic growth recovered during the year, providing greater certainty for businesses and creating a more supportive backdrop for investment activity.

From a tourism sector perspective, Sri Lanka continues to position itself as a key regional destination, with the industry demonstrating strong post-crisis recovery momentum. Tourist arrivals have rebounded significantly, and government targets for continued growth in 2026 reflect an ambition to further strengthen tourism's contribution to foreign exchange earnings and employment generation. However, the sector remains highly exposed to external shocks, particularly geopolitical developments affecting air routes, fuel costs and discretionary travel demand. Moreover, while volume recovery has been evident, yield compression and variability in per-tourist spending continue to moderate the overall economic impact of tourism inflows.

Within this context, the implications for Myland Developments PLC are both structural and strategic in nature. The improving macroeconomic stability, combined with gradual recovery in tourism and investment sentiment, provides a supportive backdrop for long-term demand in residential land development, particularly in peri-urban and tourism-adjacent growth corridors. Strengthening foreign exchange inflows, improved liquidity conditions and easing interest rate cycles are expected to progressively enhance affordability and stimulate property market participation among both domestic and expatriate investor segments.

The Board remains mindful that resilience and disciplined decision-making will continue to be essential attributes for navigating the evolving landscape. Against this backdrop, the Board's focus throughout the year remained centred on strengthening governance, enhancing organisational capability and ensuring that the Company was positioned to respond effectively to emerging opportunities while maintaining prudent oversight of risk.

Return to Profitability & Challenges Ahead

One of the most encouraging developments during the year was the successful return of the Company to profitability. While financial performance is an important measure of progress, the Board views this achievement within a broader context. It reflects the strengthening of the organisation, improvements in operational discipline and the establishment of a more robust platform capable of supporting future growth. Importantly, it demonstrates the Company's ability to adapt, execute and create value despite a period of significant transition.

As a Board, we remain committed to maintaining a disciplined approach to capital allocation and portfolio management. Real estate remains a sector characterised by long investment horizons, cyclical demand patterns and evolving customer preferences. In such an environment, sustainable success depends not on pursuing growth at any cost, but on carefully balancing opportunity with prudence.

Our portfolio strategy continues to be anchored in the Company's core expertise of land acquisition, structured development and value creation through disciplined project execution. We remain focused on identifying opportunities within locations that exhibit strong long-term fundamentals, including improving infrastructure connectivity, urban expansion trends, demographic growth and increasing economic activity.

The Board believes that land will continue to play an important role within Sri Lanka's investment landscape. As economic conditions normalise and investor confidence strengthens, demand for well-located and professionally managed land developments is expected to remain resilient. In particular, we see significant long-term potential within emerging suburban and peri-urban growth corridors where infrastructure investment is reshaping patterns of development and economic activity. While opportunities remain attractive, the Board continues to maintain a strong focus on risk management.

Macroeconomic uncertainty remains an important consideration, particularly given the interconnected nature of global markets and the sensitivity of real estate investment to broader economic conditions. Interest rate movements, inflationary pressures, construction cost volatility, regulatory developments and changes in market liquidity all have the potential to influence operating performance and investment returns.

The Board also recognises the importance of maintaining agility within an environment where customer expectations continue to evolve. Trust, transparency, regulatory compliance and development quality have become critical determinants of purchasing decisions. We view these developments positively, as they reinforce the importance of the principles upon which Myland seeks to build its reputation.

Strengthening Governance

Good governance remains fundamental to the Company's long-term success. During the year, continued attention was devoted to strengthening governance structures, improving oversight mechanisms and enhancing organisational accountability. As we move forward, the Board will continue to prioritise transparency, ethical conduct, regulatory compliance and effective risk management across all aspects of the business.

The integration of Environmental, Social and Governance (ESG) principles into decision-making processes also continued to receive increasing attention during the year. The Board firmly believes that responsible development and long-term value creation are closely interconnected.

From an environmental perspective, greater emphasis is being placed on responsible land development practices, appropriate site planning and ensuring that projects are designed with due consideration for local environmental conditions and sustainability requirements. While the Company's activities do not carry the same environmental footprint as many industrial sectors, we recognise our responsibility to ensure that development is undertaken in a manner that respects the natural environment and promotes sustainable land use.

From a social perspective, our responsibility extends beyond the boundaries of our projects. We remain committed to creating developments that contribute positively to local communities while maintaining meaningful engagement with stakeholders.

Governance remains the cornerstone upon which environmental and social commitments are built. The Board continues to strengthen oversight processes, internal controls, risk management practices and compliance frameworks to ensure that the Company operates with integrity, accountability and transparency.

Outlook

Looking ahead, the Board remains cautiously optimistic regarding the future. The gradual improvement in macroeconomic conditions, easing monetary pressures and strengthening investor confidence provide a more supportive environment for the real estate sector than has been experienced in recent years. At the same time, continued urbanisation, infrastructure development and increasing demand for secure investment assets are expected to support long-term opportunities within the land development market.

CHAIRMAN'S REVIEW

The Company enters the new financial year with a strengthened organisational structure, a clearer strategic direction and a host of opportunities that provide confidence in its future prospects. We will continue to focus on disciplined growth, prudent capital management and the creation of sustainable value for shareholders.

We are also encouraged by the opportunities that may arise through closer strategic alignment and collaboration within the broader Ambeon Group ecosystem. The ability to leverage shared expertise, governance frameworks, strategic insights and complementary capabilities will further strengthen the Company's capacity to execute its long-term objectives.

Acknowledgements

On behalf of the Board, I would like to express my sincere appreciation to our shareholders for their continued trust and support during this important period in the Company's development. I also extend my gratitude to our customers, business partners, regulators and all stakeholders who continue to place their confidence in Myland.

Finally, I wish to thank my fellow Directors, the management team and all employees for their commitment, professionalism, and dedication throughout the year.

The progress achieved during 2025/26 would not have been possible without their collective efforts.

While challenges will undoubtedly remain, the foundations established during the year provide confidence that Myland Developments PLC is well positioned to pursue its next phase of growth and create enduring value for all stakeholders.

Sgd.
Savanth Sebastian
Chairman

28 August 2026

EXECUTIVE DIRECTOR'S REVIEW

The financial year 2025/26 was a defining year for Myland Developments PLC as it was characterised by transition and restructuring, following the change in controlling shareholding. The immediate priority thereafter was ensuring that the Company had the right foundation, people, processes and governance framework to support its next phase of expansion and growth. Seizing this opportunity for renewal, the Company's sole focus was stabilising operations, strengthening internal capabilities and creating a more disciplined and accountable organisation.

I am pleased to note that these efforts have yielded positive results. Most notably, the Company successfully returned to profitability during the year, marking an important milestone in our transformation journey and demonstrating the resilience of our business model. The progress achieved was the result of the cumulative impact of strengthening the operational structure, improving execution discipline, enhancing decision-making processes and aligning the organisation around a common vision for sustainable growth.

"This year has been a journey of renewal and transformation for Myland. I am proud of the progress we have made in strengthening our people, capabilities and purpose, and look forward to building on this momentum as we shape a stronger future together."

Operating Environment

The operating environment during the year was considerably more stable than in the preceding years. Sri Lanka's economy continued its gradual recovery, supported by lower inflation, improved monetary stability, easing interest rates and increasing investor confidence, creating a more favourable backdrop for business activity and contributing to improving sentiment across several sectors, including real estate. However, the recovery remained uneven. While confidence improved, customers continued to exercise caution in their purchasing decisions.

The market has become increasingly discerning, with buyers taking a more considered approach to investment decisions than in previous years. This has fundamentally changed the way developers engage with customers and position their offerings. Within the land development sector, demand has increasingly shifted towards projects that offer affordability, credibility, transparency and long-term value. Buyers today seek confidence in the developer, assurance regarding legal and regulatory compliance and a clear understanding of the long-term potential of their investment. These evolving market dynamics reinforce the importance of maintaining high standards across every aspect of our operations.

Building a Stronger Organisation

The key operational priority during the year was the successful transition and stabilisation of the organisation following the change in ownership structure. A considerable amount of management attention was directed towards rebuilding and strengthening the internal framework. This involved aligning the management and operational teams, reinforcing accountability structures, strengthening governance processes and ensuring that the organisation possessed the capabilities necessary to execute its strategic objectives effectively. Particular emphasis was placed on creating clearer

EXECUTIVE DIRECTOR’S REVIEW

operational responsibilities, improving communication channels and enhancing coordination across functions.

The progress made during this period has been encouraging. We have successfully established a more structured operating environment, strengthened internal controls and improved the overall effectiveness of decision-making processes across the business. Perhaps more importantly, we have cultivated a stronger culture of accountability and execution. While organisational transformation is an ongoing process, the foundations established during the year provide the Company with a significantly stronger platform from which to pursue future opportunities.

Return to Profitability

One of the most satisfying outcomes of the year was the Company's return to profitability despite the Company operating in a period of organisational restructuring and transition. Restoring financial stability while simultaneously strengthening operational capabilities validates the disciplined approach adopted by management towards cost management, capital allocation and project execution. The management remained focused on deploying resources selectively and ensuring that investments were directed towards opportunities capable of generating sustainable value, which strengthened its financial position while preserving the flexibility required to pursue future growth initiatives. Although we are encouraged by the progress achieved, we remain mindful that profitability must be sustained through consistent execution, prudent decision-making and attention to operational efficiency.

Customer-centric Ethos

One of the most notable developments observed during the year was the increasing importance placed on trust and transparency. Customers are assessing the credibility of the developer, the quality of documentation, the certainty of approvals and the overall integrity of the transaction process. This trend aligns closely with our long-standing belief that sustainable success in the real estate industry is built on trust rather than transactions.

Furthermore, customers continue to seek developments that provide a balance between affordability and long-term appreciation potential. The ability to offer flexible entry points and structured payment options has therefore become increasingly important.

Another trend shaping the market is the growing expectation for organised developments with appropriate infrastructure and planning standards. Buyers increasingly prefer projects that offer ownership opportunities and a clear pathway for future value creation.

In addition, interest from expatriate Sri Lankans and investment-focused buyers continued to strengthen during the year. For many of these customers, land remains one of the most attractive long-term investment assets available in Sri Lanka, offering both security and appreciation potential. These evolving customer preferences continue to influence the way we design, market and deliver our projects.

Strengthening the Myland Brand

As customer expectations continue to evolve, the importance of a strong and trusted brand becomes increasingly evident. Our objective is to position Myland as more than a land developer. We aim to be recognised as a trusted partner that enables secure land ownership and creates long-term value for customers and investors.

During the year, we intensified efforts to strengthen our market presence and improve the visibility of our projects. Greater emphasis was placed on communicating our value proposition more clearly and engaging customers through more structured and targeted marketing initiatives.

We also adopted a more focused approach to customer segmentation. Different customer groups have different needs and investment objectives. Accordingly, our marketing efforts increasingly target specific segments including first-time landowners, mid-income investors, professionals and expatriate Sri Lankans seeking secure investment opportunities.

At the same time, we remain committed to ensuring consistency across every customer interaction. Whether through marketing materials, project presentations, digital platforms or direct engagement, our objective is to ensure that customers experience the same standards of professionalism, transparency and reliability that define our brand.

Investing in People

The progress achieved during the year reflects the dedication, adaptability and professionalism of our employees, who embraced change while continuing to support the Company’s objectives. Following the ownership transition, considerable effort was devoted to building a stronger and more aligned team. New structures were introduced, responsibilities were clarified and greater emphasis was placed on collaboration and accountability. The Company remains committed to creating a work environment that supports professional development, encourages innovation and rewards performance. Beyond our business operations, we also remain committed to contributing positively to the communities in which we operate.

Future Outlook

Having successfully completed an important phase of organisational strengthening, we are now entering a period focused on growth and expansion. The Company has identified a strong pipeline of development opportunities and plans to invest towards the acquisition and development of strategically located land during the coming year. These opportunities have been selected based on careful evaluation of location characteristics, infrastructure connectivity, development potential, market demand and expected returns.

Looking beyond the immediate pipeline, we see several factors supporting long-term growth. These include ongoing infrastructure development, increasing urbanisation, rising demand for land ownership, growing interest from expatriate investors and the continued attractiveness of land as a long-term investment asset.

While we remain mindful of potential economic uncertainties, we are encouraged by the direction in which both the economy and the real estate sector are moving. The foundations established during the year have positioned Myland more strongly than at any point since the ownership transition. We now have a more capable team, stronger governance structures, improved operational discipline and a clearly defined growth strategy.

In addition, enhancing technological capabilities and accelerating digitalisation initiatives will contribute significantly to the organisation's development by improving efficiency, innovation and overall performance. The road ahead will undoubtedly present challenges. However, we believe the Company is better equipped than ever to respond to changing market conditions, capitalise on emerging opportunities and continue building value for shareholders.

Appreciation

I wish to extend my sincere appreciation to our Chairman and Board of Directors for their guidance and support throughout this important year of transition and progress.

I also thank our shareholders for their continued confidence in the Company, our customers for placing their trust in us, and our financiers, contractors, suppliers and business partners for their continued support.

Most importantly, I would like to thank our employees for their resilience and commitment during a period of significant change. Their contribution has been instrumental in the progress achieved during the year.

Together, we look forward to building on this momentum and creating a stronger, more successful Myland Developments PLC in the years ahead.

Sgd.
Dr. Ranjan Dissabandara
Executive Director

28 August 2026

PROFILE OF DIRECTORS

Dr. K S Narangoda
Non-Executive Director

Dr. Sajeeva Narangoda is currently the Group CEO/Executive Director of Ambeon Holdings PLC, Ambeon Capital PLC and Executive Director of Harischandra Mills PLC. Dr. Narangoda also serves as a Non-Executive Director on the respective Boards of Colombo City Holdings PLC, Eon Tec (Pvt) Ltd, Taprobane Capital Plus (Pvt) Ltd, Lexington Resorts (Pvt) Ltd, and Sherwood Capital (Pvt) Ltd. His illustrious career includes serving Dankotuwa Porcelain PLC as its Chief Executive Officer, Colombo City Holdings PLC as its Chief Executive Officer/ Executive Director, and Millennium IT ESP as its Executive Director. Further, under his leadership Hemas Holdings PLC and Brown and Company PLC have established multiple secondary care general hospitals in Sri Lanka. He has also been serving the Australian Council on Healthcare Standards International (ACHSI) as an International Hospital Assessor since 2012 and as the Regional Representative for South Asia since 2019. Dr. Narangoda holds a Bachelor of Dental Surgery degree from the University of Peradeniya, Sri Lanka, Master of Science (Finance and Management) from Keele University UK. He is also a Fellow Member of the Chartered Institute of Management Accountants (CIMA) UK and a fellow member of Certified Practicing Accountants (CPA) Australia. As an international researcher, he has been an integral member of the research team at the International Research Collaborative - Health and Equity at the University of Western Australia specializing in healthcare pricing and is the primary author for several international research publications.

Mr. S L Sebastian
Chairman/Independent Non-Executive Director

Mr. Savanth Sebastian has a wealth of experience in economics, financial services and investment management and currently serves on the Boards of Directors of Ambeon Capital PLC, Ambeon Holdings PLC, Voguetex Pvt Ltd and ArpicoAtaraxia Asset Management. He also served on the Board of Directors of Nations Trust Bank PLC. Mr. Sebastian brings with him twenty-one years of industry experience, having carried out responsibilities for nine years as the Senior Economist within the Global Markets research team at Commonwealth Bank in Australia, advising Federal and State Governments, high net worth private and institutional clients, and internal stake holders - including Colonial First State and the Commonwealth Bank senior leadership team. Prior to this, he spent four years working in and then managing the International trading desk for Commonwealth Securities – the stock broking division of Commonwealth Bank, Australia which transacted across 31 international markets. While in the role he was responsible for the facilitation of Strategic Trading Accounts – allowing CBA Treasury to manage risk and drive an alternative source of revenue. He holds a Bachelor of Commerce in Actuarial Studies & Finance, is an Accredited Advisor of the Australian Stock Exchange, and a Master Practitioner of the Australian Stockbrokers and Financial Advisers Association. Mr. Sebastian has published numerous research reports for institutional clients covering domestic and global macroeconomic policy and analysis of equity markets.

Mr. M D J R Goonetilleke

Independent Non-Executive Director

Mr. Ravi Goonetilleke is an experienced banker with over 30 years of experience across two banks. He has extensive expertise in operational and business functions, including Cash Management, Custody, Trustee and Fund Services, and Trade and Remittances. During his 26-year tenure at Deutsche Bank AG, Colombo, he was actively involved in landmark business transactions in Cash Management and cross-border Custody, as well as Trustee and Fund Services product offerings. He has undergone extensive training in product, operations, and management across many countries in the region, including conducting country specific product audits overseas. He was also a member of the local management team (OpCo) and retired as a Vice President. Presently serves as the Chairman of Taprobane Investments (Private) Limited and Director of Ambeon Capital PLC, Alpha Fire Services PLC and Ambeon Securities (Private) Limited. Mr. Goonetilleke holds a Master of Business Administration (MBA) from the University of Wales, UK.

Dr. D R Dissabandara

Executive Director

Dr. Damindra Ranjan Dissabandara is an experienced business leader, academic, and mentor with over 25 years of multifaceted experience in corporate leadership, academia, and consultancy. Dr. Damindra Ranjan Dissabandara holds a Doctorate in Business Administration from the University of Kelaniya, an MBA in Finance from the University of Colombo, and a Bachelor of Commerce in Finance and International Trade from the University of Sri Jayewardenepura. Dr. Dissabandara has held several senior leadership positions, including Managing Director of Finex Engineering Ltd., General Manager of Uga Escapes, and General Manager of Nivasie Developers Ltd., Associate Dean of the Faculty of Business at Informatics Institute of Technology (IIT). In these roles, he spearheaded strategic growth initiatives, expanded international market reach, and enhanced operational excellence. Presently he serves as the Chief Executive Officer of Colombo City Holdings PLC and Executive director of Myland Development PLC.

PROFILE OF DIRECTORS

Ms. R D Fernando
Independent Non-Executive Director

Ms. Dulani Fernando, has over 26 years of demonstrated success in driving growth and profitability across diverse industries, including manufacturing, technology, energy, and healthcare sectors. She was appointed to the Board of Myland Developments PLC as Independent/Non-Executive Director on 25 March 2026. Currently Ms. Fernando serves as the Chairperson of the Board Audit Committee and Related Party Transactions Review Committee. As a Fellow member of both the Institute of Chartered Accountants of Sri Lanka and the Association of Chartered Certified Accountants of the UK, Ms. Fernando combines her deep financial expertise with a broad international perspective. Her qualifications are further enriched by an Honours Diploma in Psychology, which has enhanced her understanding of human behavior, leadership dynamics, and organizational culture allowing her to lead high-performing teams. Ms. Fernando career is defined by her work in major multinational corporations such as Microsoft, Shell, and Ansell, where in some roles, she held regional leadership roles that involved overseeing cross-functional teams across multiple countries. Her experience spans financial management, corporate governance, business transformation, and digital innovation, making her adept at navigating the complexities of global markets. Ms. Fernando is presently a Senior Independent Director on the Board of Merchant Bank of Sri Lanka and Finance PLC.

Accessible Investments

We believe the path to ownership should be clear and attainable. Through flexible, innovative financial solutions and personalized guidance, we dismantle traditional barriers to place the tangible reality of a new home firmly within your reach.

MANAGEMENT DISCUSSION & ANALYSIS

Who We Are

Myland Developments PLC is a publicly listed real estate development company in Sri Lanka that specialises in land acquisition, development and sales, offering residential property solutions across the country. The Company focuses on developing strategically located, legally compliant, and value-added land projects that cater to both homebuyers and investors. Through customer-centric practices, sound corporate governance and sustainable development strategies, Myland Developments PLC aims to create long-term value for its stakeholders while contributing to the growth of Sri Lanka's real estate sector. Despite challenging market conditions, the Company continues to expand its project portfolio and strengthen its position as an emerging player in the country's property development industry.

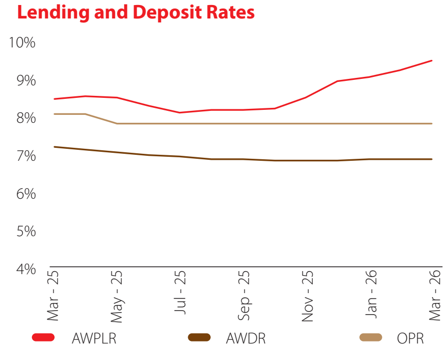
Macroeconomic Environment

Sri Lanka's economy demonstrated resilience during the year, continuing its recovery trajectory despite both domestic and external challenges. A major setback occurred in November 2025 with Cyclone Ditwah, one of the most severe natural disasters in recent history. The event caused widespread flooding and landslides, significantly disrupting agriculture, transportation, and livelihoods, with estimated economic losses of approximately USD 4.1 billion. However, reconstruction efforts provided a boost to the construction sector, while international support including financial and humanitarian aid helped mitigate the immediate impact.

Despite these disruptions, the economy recorded a strong real GDP growth of 5.0% in 2025. Growth was broad-based, with industry expanding by 7.8%, services by 3.3%, and agriculture by 1.4%. Key contributors included construction, manufacturing, and mining-related activities, alongside notable improvements in utilities and service sectors. Early indicators for 2026 suggest a continued recovery momentum following the post-disaster rebuilding phase.

Monetary policy remained accommodative and stable throughout the year, supporting economic recovery and underpinning growth momentum. Policy rates were reduced by 25bps to 7.75% in May 2025 and remained unchanged thereafter. However, AWPLR trended upward, increasing by approximately ~100 bps coupled with a widening of interest rate spreads. During the year, the Central Bank introduced the Overnight Policy Rate (OPR), strengthening the effectiveness and transparency of the monetary policy framework.

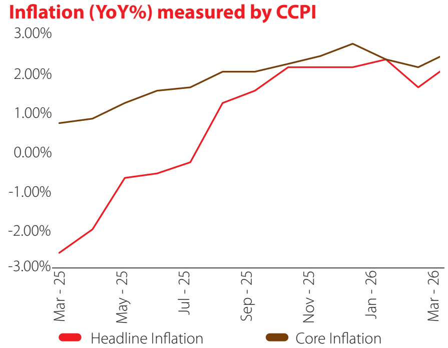
Lending and Deposit Rates



Source: CBSL

At the beginning of the financial year, inflation remained in negative territory, reflecting deflationary conditions. However, it gradually recovered and turned positive by August 2025, reaching 2.5% by March 2026, supported by a rebound in domestic demand and continued expansion in money supply.

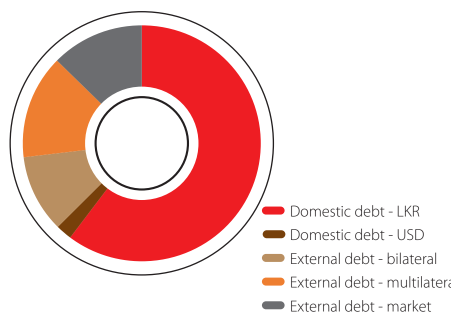
Inflation (YoY%) measured by CCPI



Source: CBSL

Sri Lanka's sovereign credit profile also improved, reflecting progress in macroeconomic stabilisation and debt restructuring. Rating upgrades by international agencies (S&P Global: CCC+/C, Fitch: CCC+) signaled increased confidence, although ratings remain within speculative territory, highlighting ongoing structural vulnerabilities.

Asking Price Indices



Source: CBSL

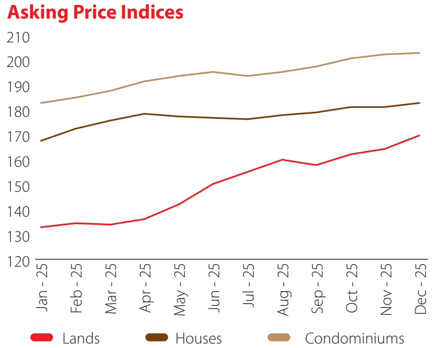
Sri Lanka also achieved significant milestones in its external debt restructuring process. Agreements were reached with bilateral creditors, including members of the Official Creditor Committee, as well as key lenders such as China, India and Japan. Progress was also made with international sovereign bondholders, bringing the restructuring process close to completion and strengthening the country's medium-term debt sustainability outlook.

The IMF-supported reform programme continued to play a central role in Sri Lanka's stabilisation efforts. Performance remained broadly on track, with key structural reforms implemented, including cost-reflective energy pricing and strengthened fiscal management measures. Emergency financing provided in the aftermath of Cyclone Ditwah amounting to USD 206 million further reinforced external support and helped cushion the economic impact of the disaster. As of May 2026, cumulative IMF disbursements amounted to USD 2.4 billion out of the total approved Extended Fund Facility (EFF) of USD 3.0 billion, reflecting continued progress under the programme and sustained international support.

Fiscal consolidation progressed during the year, supported by tax reforms, including VAT adjustments, and continued efforts to restructure state-owned enterprises. Measures such as cost-reflective pricing and institutional restructuring, particularly in the energy sector, marked important steps toward improving public sector efficiency.

The construction and real estate sectors demonstrated a notable recovery during the year. The Construction Purchasing Managers' Index (PMI) remained largely above the 50 threshold, signaling sustained expansion despite ongoing cost pressures and logistical bottlenecks. Activity in the condominium segment strengthened significantly, with the property sales volume index recording a marked increase between 4Q2024 and 4Q2025. Land prices led the recovery, rising by approximately 28%, reflecting strong investor interest and expectations of future development. Overall, the broad-based upward trend across real estate segments points to renewed confidence in the sector, underpinned by improving macroeconomic stability, a rebound in tourist arrivals, earlier monetary easing, and continued post-crisis recovery momentum.

Asking Price Indices



Source: CBSL

Industry Snapshot

Sri Lanka's real estate sector demonstrated encouraging signs of recovery during 2025/26, supported by improving economic conditions, stabilising interest rates, and increasing confidence among both individual and institutional investors. Land continued to be viewed as one of the most secure and attractive investment classes within the country.

As economic conditions improved, investor appetite for strategically located land assets strengthened, particularly among purchasers seeking long-term capital appreciation and wealth preservation opportunities. Demand was further supported by growing interest from expatriate Sri Lankans and diaspora investors seeking secure investment opportunities in their home market.

Customer behaviour continued to evolve during the year. Buyers became increasingly selective, placing greater emphasis on transparency, legal compliance, title security, infrastructure readiness, and the credibility of developers. As a result, trust, governance, and project quality emerged as increasingly important differentiators within the market.

The demand for value-oriented land investments also continued to strengthen. Customers increasingly sought projects that combined affordability with long-term appreciation potential, supported by flexible payment options and organised development concepts. At the same time, infrastructure development initiatives undertaken by the Government continued to unlock new growth corridors and improve accessibility to emerging locations, creating additional opportunities for organised land development.

Management Discussion & Analysis

The financial year 2025/26 was a year of transition, consolidation and renewed momentum for Myland Developments PLC. Following the change in controlling shareholding, the Company's primary operational focus was centred on stabilising the organisation, strengthening internal capabilities and creating a more structured operating framework capable of supporting sustainable long-term growth.

A major portion of management attention during the year was directed towards organisational realignment and strengthening the Company's internal operating platform. This included rebuilding and consolidating key management and operational teams, enhancing accountability structures, streamlining decision-making processes and improving coordination across functions. The successful completion of this transition represented one of the Company's most important achievements during the year. The strengthened organisational structure has improved execution capability, enhanced operational discipline and created a more cohesive and responsive business environment. As a result, the Company was able to navigate the transition period smoothly while maintaining focus on its core land development activities.

The year also marked an important turning point in the Company's financial performance, with Myland successfully returning to profitability. This achievement reflects the effectiveness of the operational improvements implemented throughout the year and demonstrates the benefits of disciplined execution, prudent resource allocation and stronger management oversight.

Within the market, customer behaviour continued to evolve as buyers became increasingly selective and informed in their investment decisions. Greater emphasis was placed on transparency, title security, regulatory compliance, infrastructure readiness and the credibility of developers. Recognising these changing expectations, Myland continued to focus on delivering professionally managed land development projects supported by clear documentation, responsible development practices and customer-centric service standards.

The Company also observed growing interest in land as a long-term investment asset. Demand from both local and expatriate investors remained encouraging, with many customers viewing land ownership as a secure means of preserving wealth and achieving capital appreciation. This trend has reinforced the Company's strategic focus on developing well-planned projects that combine affordability, accessibility and long-term value creation.

Looking ahead, Myland enters the next financial year with a stronger organisational foundation and a clear growth agenda. The Company plans to invest towards the acquisition and development of strategically located land, which is expected to support future revenue growth and portfolio expansion. Supported by improving market conditions, a strengthened operational platform and a disciplined approach to project selection and capital allocation, the Company remains well positioned to pursue sustainable growth while creating long-term value for shareholders and other stakeholders.

STRATEGIC PRIORITIES FOR 2026/27

Having successfully completed an important phase of organisational strengthening and stabilisation, Myland Developments PLC enters the 2026/27 financial year with a clear strategic focus centred on growth, operational excellence, and value creation.

Strategic Priority	Focus Area	Key Actions for 2026/27	Expected Outcome
Expand the Land Development Portfolio	Portfolio Growth	Continue to identify and acquire strategically located land assets with strong development potential, particularly in locations benefitting from infrastructure development, growing population centres and increasing investment demand.	Expanded project pipeline, increased land inventory, and enhanced future revenue generation potential.
Strengthen Project Execution Capability	Operational Excellence	Further strengthen project planning, monitoring, and execution processes while enhancing internal coordination, accountability, and development management practices.	Improved project delivery, enhanced operational efficiency, and stronger value creation from development activities.
Enhance Market Presence and Brand Positioning	Brand Development	Continue to position Myland as a trusted and professionally managed real estate developer through improved project communication, targeted marketing initiatives, and enhanced customer engagement.	Increased brand visibility, stronger customer confidence, and improved market competitiveness.
Accelerate Digital Transformation	Technology & Innovation	Further enhance ERP systems, customer relationship management platforms, digital marketing tools, and operational reporting capabilities to support data-driven decision-making and process efficiency.	Improved operational visibility, stronger governance, enhanced customer engagement, and greater organisational efficiency.
Improve Customer Experience	Customer Value Creation	Strengthen responsiveness, improve communication channels, and provide transparent, secure, and value-oriented investment opportunities that address evolving customer expectations.	Higher customer satisfaction, improved conversion rates, and stronger customer loyalty.
Maintain Financial Discipline	Financial Sustainability	Continue to apply a disciplined approach to capital allocation, project selection, risk management, and resource utilisation while safeguarding liquidity and profitability.	Sustainable financial performance, prudent risk management, and enhanced shareholder value.
Create Sustainable Long-Term Value	Sustainable Growth	Integrate responsible development practices, strong governance, stakeholder engagement, and disciplined execution into all aspects of the business.	Long-term business resilience, sustainable stakeholder value

CORPORATE GOVERNANCE

The Board is accountable to the shareholders to create and deliver sustainable value through oversight of the management of the Group's business, approving strategic plans, monitoring their implementation, and providing the necessary support for their successful execution. The Board performs its responsibilities within a clearly defined governance framework supported with appropriate monitoring, communication, and reporting mechanisms. Through this framework, the Board, without abdicating its responsibilities, delegates its governance responsibilities to key Committees of the Board and the Management.

The Board retains ultimate accountability for the Company's performance, affairs, and adherence to high ethical standards. While the Company experienced a period of non-compliance with the Colombo Stock Exchange (CSE) Listing Rules on Corporate Governance during the fourth quarter, the Board confirms that full compliance has since been restored. The Company is now in complete alignment with both the CSE Listing Rules and the Companies Act No. 7 of 2007.

This report outlines the Corporate Governance framework, application and practice of the Company for the financial year 2025/26.

1. The Board

The Company's business is managed under the supervision of the Board. The role of the Board includes:

- » Providing entrepreneurial leadership;
- » Providing strategic guidance and evaluating, reviewing and approving corporate strategy;
- » Approving and monitoring financial and other reporting practices adopted;
- » Effectively reviewing and constructively challenging management performance in meeting the agreed goals, monitoring the reporting of performance and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives.

The composition of Board of Directors is as follows during the financial year and as at date:

Name of Director	Position
Prof. W D Premachandra (resigned w.e.f. 31st December 2025)	Chairman/Non-Executive Director
Mr. P D N Perera (resigned w.e.f. 31st December 2025)	Managing Director
Mrs. D I T Dissanayake (resigned w.e.f. 31st December 2025)	Executive Director
Dr. S A K Alahakoon (resigned w.e.f. 31st December 2025)	Independent Non-Executive Director
Mr. J C D De Alwis (resigned w.e.f. 31st December 2025)	Independent Non-Executive Director
Dr. K S Narangoda (appointed w.e.f. 7th November 2025)	Non-Executive Director
Mr. S L Sebastian (appointed w.e.f. 7th November 2025)	Chairman/Independent Non-Executive Director
Mr. M D J R Goonetilleke (appointed w.e.f. 7th November 2025)	Independent Non-Executive Director
Dr. D R Dissabandara (appointed w.e.f. 7th November 2025)	Executive Director
Ms. R D Fernando (appointed w.e.f. 25th March 2026)	Independent Non-Executive Director

Table 1 - Composition of the Board

The profiles of the Directors are found on pages 10 to 12 of this Report.

» *Composition and Balance of the Board*

The Board comprises of Five Directors of whom Four are Non-Executive Directors. The Non-Executive Directors bring with them years of experience in managing sustainable business growth and collectively represent an impregnable leadership that supports effective decision making. The Board believes that a truly diverse and inclusive Board will not only be able to leverage the differences in perspectives, industry experience, knowledge and skill, it will also help the Group retain its competitive industry edge.

The Board includes one qualified Chartered Accountant and one Management Accountant who provides the Board with the required financial acumen and knowledge on financial matters.

The Board considers that the composition and expertise of the Board is sufficient to meet the present needs of the Company but will continue to review the composition to enhance the mix of skills and expertise on an ongoing basis to align with the evolving business needs and complexity of environment in which the Company operates.

» *Board Independence*

Based on the declarations made annually by each of the non-executive directors in accordance with the requirements set out in the Listing Rules of the CSE, Mr. S L Sebastian, Mr. M D J R Goonetilleke and Ms. R D Fernando are considered independent. These directors are independent of management and free from any business or other relationship, which could materially interfere with the exercise of their judgment.

The Board considers Dr. K S Narangoda as non-independent, as he is the Ambeon Group CEO.

» *Division of Responsibilities*

The roles of the Chairman and the CEO are separate with a clear distinction of responsibilities between them, which ensures the balance of accountability and authority between the running of the Board, and the executive responsibility for the running of the business.

The role of the Chairman is to provide leadership to the Board, for the efficient organization and conduct of the Board's function, and to ensure the integrity and effectiveness of the relationship between the non-executive and executive director(s).

The role of the CEO is to implement policies and strategies approved by the Board and develop and recommend to the Board the business plans and budgets that supports long-term strategy and vision that would lead to the maximization of shareholder value.

At the time of compiling this report, the Company did not have a CEO. The Management of the company provided the Board of Directors necessary information required for decision making and where necessary, the Board of Directors obtain independent opinions from legal and accounting professionals in order to bring in wider perspectives on matters of importance.

» *Board Meetings and Attendance*

The Board meetings are scheduled in advance to enable the directors and management to plan accordingly and fit meetings into their respective calendars.

To ensure that Board meetings are conducted effectively and efficiently, members of the management and external advisors are invited as and when required to attend Board meetings to present proposals and provide further clarity to the Board. All proceedings of the Meetings, including Directors' concerns regarding matters which are not resolved unanimously, are recorded in the Board Minutes.

The Board meets quarterly with a view to discharging its duties. In addition, special Board meetings are also held whenever necessary to deal with specific matters. Where necessary Board approval was obtained for urgent decisions via a resolution in writing which contained several documents in a like form, each signed and assented to by the Directors who were entitled to receive notice of a board meeting. A total of three (03) meetings were held during the financial year. Attendance at Board meetings are given below:

Name of Director	Board Meetings
Prof. W D Premachandra (resigned w.e.f. 31st December 2025)	3/3
Mr. P D N Perera (resigned w.e.f. 31st December 2025)	3/3
Mrs. D I T Dissanayake (resigned w.e.f. 31st December 2025)	3/3
Dr. S A K Alahakoon (resigned w.e.f. 31st December 2025)	3/3
Mr. J C D De Alwis (resigned w.e.f. 31st December 2025)	3/3
Dr. K S Narangoda (appointed w.e.f. 7th November 2025)	1/1
Mr. S L Sebastian (appointed w.e.f. 7th November 2025)	1/1
Mr. M D J R Goonetilleke (appointed w.e.f. 7th November 2025)	1/1
Dr. D R Dissabandara (appointed w.e.f. 7th November 2025)	1/1
Ms. R D Fernando (appointed w.e.f. 25th March 2026)	N/A

Table 2 - Attendance of Directors at Board meetings

» *Access to Information*

To enable the Board to make informed decisions, the Board is supplied with complete and adequate information in advance of each meeting, which includes an agenda, minutes, board papers with background or explanatory information, financial and operational performance reports. The Board also receives regular review reports and presentations on business development, risk profiles and regulatory updates. Any additional information may be requested by any director as and when required.

The Board has separate and independent access to the Management. All Directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures and applicable rules and regulations are complied with.

» *Independent judgement*
Directors' exercise independent judgment on aspects relating to strategy, resource allocation, performance, key appointments as well as standards of business conduct. The Board composition and representation ensures that there is a sufficient balance of power within the Board, with limited tendency for one or few members to dominate decision making. The Board collectively and the Directors individually act in accordance with the laws of the country of operation which are applicable to the business enterprise. The Board of Directors ensures that procedures and processes are in place to ensure that the Company complies with all applicable laws and regulations and present a compliance checklist to the Audit Committee.

In enhancing the effectiveness of the Board's decision making and preserve overall independence, the Company seeks independent professional advice when deemed necessary at the expense of the Company.

» *Professional Development and Performance Evaluation*
The directors are provided with the opportunity to update and enhance their skills and knowledge through training conducted by both external and in-house facilitators, and periodically updated with the changes to relevant laws, regulations and accounting standards which may impact the Company's business and the directors.

The Remuneration Committee is responsible for evaluating the Board's performance and decides how the Board's performance may be evaluated and proposes the objective criteria.

» *Delegation of Authority and Board Committees*
Other than the matters reserved for the Board, the Board has adopted Policies and Limits of Authority, by which the Board has delegated authority to its Board Committees and management. The Policies state the principles and sets out the tone by which business is to be conducted whereas the primary purpose of the Limits of Authority is to set out clear guidance to management as to the matters over which the Board reserves authority and those which it delegates to management. The Limits of Authority has established a sound framework of authority and accountability, which facilitates timely, effective and quality decision making at the appropriate level.

The Board is supported by the following Board Committees which have been delegated with certain specific responsibilities:

a. Audit Committee
b. Remuneration Committee
c. Related Party Transactions Review Committee
d. Nominations & Governance Committee

All Board Committees have written Terms of Reference approved by the Board. Regular reports are provided to the Board updating the proceedings and deliberations made at the respective Committee meetings. In instances where committees have no authority to make decisions on matters reserved for the Board, recommendations are highlighted for approval by the Board. The Chairpersons of each of the Board Committees report the outcome of the Committee meetings to the Board and the relevant decisions are incorporated into the minutes of the Board meetings. The Company Secretary acts as secretary to all Board Committees.

Given below are the references to each Board Subcommittee report which gives a comprehensive account of each committee.

Committee Name	Page
Audit Committee	33-34
Remuneration Committee	37
Related Party Transactions Review Committee	36
Nominations and Governance Committee	38

» *Re-appointment and Re-election*
In accordance with the Company's Articles of Association, Directors who were appointed during the year must submit themselves to the shareholders for re-election at the first AGM following their appointment and 1/3 of the non-executive directors are subject to retirement and re-appointment by rotation at every AGM. The directors who retire by rotation are those who have been longest in office since their appointment/reappointment.

2. Remuneration

The Company's remuneration policy endeavours to attract, retain and motivate directors of the quality and experience commensurate with the stature and operational complexity of the Company. The remuneration policy for directors is proposed, evaluated and reviewed by the Remuneration Committee, in keeping with criteria of reasonability.

3. Accountability and Audit

» *Financial Reporting*
The Board believes that independent verification is necessary to safeguard the integrity of the accounting and financial reporting.

The Board aims to provide and present a balanced and understandable assessment of the Company's position and prospects. Therefore, the Board has established a formal and transparent process to independently verify and safeguard the integrity of the Company's accounting and financial reporting and internal control systems which are periodically reviewed and monitored to ensure effectiveness.

The Head of Finance declares in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and that operational results are stated in accordance with relevant accounting standards.

4. Recognise and Manage Risk

» *Internal Control*

The Board acknowledges its overall responsibility in ensuring that a sound system of internal control is maintained to safeguard shareholders' investment and Company's assets.

The Audit Committee conducts a review of the effectiveness of the system of internal controls and reports its findings to the Board. The review covers all material controls, including financial, operational and compliance controls and risk management systems. The Head of Finance provides the Audit Committee with a certificate of compliance confirming compliance with all applicable statutory and regulatory requirements on a quarterly basis.

» *Risk Management, Compliance & Control*

The Company has established and implemented an Enterprise Risk Management system for identifying, assessing, monitoring and managing material risk throughout the organization, which includes:

a) Oversight of the risk management system.

b) Examination of the Company's risk profile which contains a description of the material risks facing the Company including financial and non-financial matters.

c) Assessment of compliance and control.

Assessment of effectiveness - mechanism to review, at least annually, the effectiveness of the Company's implementation of the risk management system.

5. Responsible Decision Making

The Code of Business Ethics and Employee Code of Conduct actively promotes ethical and responsible decision-making and endeavours to influence and guide the directors, employees and other stakeholders of the practices necessary to maintain confidence and to demonstrate the commitment to ethical practices.

6. Respect for the Rights of Shareholders

The Company is committed to having regular, proactive and effective communication with the investors and shareholders. The Company respects the rights of the shareholders and seeks to empower them by communicating effectively and providing ready access to balanced information about the Company.

» *Communication with Shareholders*

The Company communicates with the shareholders through the following means of communication:-

a) Annual General Meeting (AGM)

The AGM is the main event for the shareholders to meet with the Board which allows reasonable opportunity for informed shareholders to communicate their views on various matters affecting the Company and the forthcoming AGM will be used to effectively communicate with shareholders. The AGM is also attended by the Management and External Auditors.

b) Announcements to the Colombo Stock Exchange (CSE)

Announcements of quarterly interim financial results and announcements on corporate actions are disclosed to the CSE in a prompt and timely manner in compliance with the Listing Rules of the CSE.

» *Investor Relations*

The Group Investor Relations (IR) Team proactively disseminates relevant information about the Company to the investor community, specifically the institutional fund managers and analysts. The IR team maintains close contact with the investor community through regular one-on-one meetings, teleconferences, emails etc. to ensure that the strategies, operational activities and financial performance are well understood and that such information is made available to them in a timely manner.

» *Major Transactions*

There were no transactions during the financial year deemed as a "major transaction" as defined by the Companies Act No. 7 of 2007.

RISK MANAGEMENT

Corporate Risk Management

During the year under review, Myland Developments PLC ("the Company") continued to operate within a real estate market shaped by fluctuating buyer demand, evolving regulatory requirements, and a wider Sri Lankan operating environment that, while continuing its recovery from the 2022 economic crisis, was tested by significant new shocks during FY2025/26. Amidst this environment, the Company remained committed to a proactive and structured approach to risk management, an approach fundamental to safeguarding its assets, preserving financial stability, and securing long-term value for all stakeholders.

The main line of business of the Company is the purchase of properties and their conversion into comfortable, affordable living spaces for the needy sector. This is achieved by identifying properties in appropriate locations, blocking out suitable sizes, and offering easy payment terms. The real estate business proceeds through several distinct stages - land acquisition, land development and blocking-out, costing, compliance with regulatory requirements, obtaining local authority approvals, project implementation, and the disposal of completed properties. The Company's risk management framework has been designed with these stage-specific exposures in mind, ensuring reasonable assurance that assets are safeguarded while the impacts of risk are continuously assessed, averted, or mitigated.

The Company recognises that calculated risk-taking is intrinsic to growth in the real estate sector. However, risk decisions remain governed by responsibility, ethical conduct, and a strong governance mindset. Risk awareness and ownership are embedded in the Company's culture, with accountability extending from project and operational teams to executive leadership. Overall responsibility for risk management rests with the Board of Directors, which has incorporated a strong and prudent risk management strategy, together with sound internal control systems, into the Company's corporate management strategy. The level of risk the Company is willing to accept is determined by the Board and is reflected in the business strategy and corporate goals set to enhance shareholder value.

Strategic and Operational Risk Oversight

The risks associated with the real estate business are considered across strategic, operational, financial, and regulatory dimensions. Strategic risks relate to the uncertain nature of the property market, including unforeseen shifts in demand and supply and the Company's ability to identify viable development opportunities. These risks are closely monitored by the Board of Directors, which factors all prevailing market conditions into the development of strategy and conducts frequent critical reviews of the strategies employed at Board meetings.

Operational risks, on the other hand, arise from internal factors such as inadequate internal controls, failures of internal processes, human error, and system lapses. These are managed at the functional level through frequent control reviews of high-risk areas, monitoring of compliance with regulatory and other requirements, and regular progress reviews of ongoing projects to track work progress and budgetary control, with precautionary action taken where necessary. The Company also gives close consideration to project-related risk during the planning and execution phases of each development.

All identified risks are captured and documented in a centrally maintained risk matrix, which is reviewed periodically by senior management and the Audit Committee. The risk matrix provides a consolidated view of the Company's risk exposure and tracks the status of mitigation actions, and is kept responsive to changes in the Company's internal and external operating landscape.

Governance and Escalation Structure

The governance of risk management within the Company follows a bottom-up model, under which risks are identified and reported from the operational and project level upwards, enabling early detection and prompt response. Oversight is exercised by the Board of Directors, with clearly defined roles, responsibilities, and reporting lines. Where risks are considered material or carry a broader impact on the Group, they are escalated to the Board for coordinated review and response.

The Board of Directors retains overall accountability for the risk management process. It is responsible for determining the Company's risk appetite, approving risk management policies, and monitoring the effectiveness of mitigation strategies. The Board also ensures that risk considerations are integrated into corporate strategy and business planning, in support of sustainable value creation.

The Audit Committee, acting under a mandate from the Board, plays a pivotal role in risk oversight. It reviews the Company's risk profile, assesses the adequacy of internal controls, and evaluates risk response plans for operational, strategic, financial, and project-related risks, providing independent guidance to the Board based on its findings and assessments.

Risk Landscape and Mitigation

The Company's risk landscape during the year reflected both external pressures and internal operational realities. Strategic planning, ongoing monitoring, and timely mitigation efforts were key to navigating the year successfully. The table below outlines the principal risk categories and corresponding mitigation strategies.

RISK MANAGEMENT

Description of Risk	Mitigation Strategies
Climate and Natural Disaster Risk	» Conduct comprehensive climate and natural disaster risk assessments before acquiring land.
Compliance Risk	» Periodic evaluation of compliance requirements to track changes made by regulators (i.e. CSE/ FIU etc.) in order to take prompt action to be complied with the same.
	» Periodically reassess the Company's money-laundering/terrorist-financing risk profile and update internal controls in line with FIU circulars and guidance.
Liquidity and Financing Risk	» Maintain centralised, conservative cash management, supported by rolling cash-flow forecasts.
	» Diversify funding sources and maintain strong banking relationships to secure timely access to credit.
	» Phase financing drawdowns and repayments in line with development milestones and sales proceeds.
	» Continuously monitoring collections from clients enrolled in the Easy Payment Scheme.
Credit Risk	» Apply prudent customer credit assessment and structure payments around development milestones.
	» Clearly define payment schedules in all sale and purchase agreements, with title transfer conditional on satisfactory completion of the settlement plan.
	» Monitor receivables regularly and engage early with customers showing signs of payment difficulty.
Strategic and Market Risk	» Undertake robust market research and feasibility analysis before committing to land acquisition and development.
	» Maintain a flexible, phased project pipeline that can be adjusted to shifting demand conditions.
	» Review strategy regularly at Board level against updated economic and sector data.
Socio-Political and Governance Risk	» Track developments in governance reform, public procurement and anti-corruption legislation relevant to the sector.
	» Maintain transparent, arm's-length dealings with all government and regulatory counterparties.
	» Factor political and policy risk into Board-level scenario planning.
Operational Risk	» Conduct frequent control reviews of high-risk operational areas.
	» Monitor project progress against budget and schedule, with early escalation of variances.
Reputational Risk	» Maintain a high level of transparency in all activities undertaken, including site risk due diligence.
	» Adopt a stringent process for selecting properties for development, incorporating climate and title due diligence.
	» Work closely with local authorities and communities, particularly in areas in which development projects are carried out.

OUR VALUE CREATION MODEL

At Myland Developments PLC, value creation begins with the identification of strategically located land assets and extends through a structured process of planning, development, marketing, and customer engagement. Our business model is designed to transform land into attractive investment and ownership opportunities while creating sustainable returns for shareholders and positive outcomes for customers, employees, communities, and other stakeholders.

The Company operates within a dynamic environment shaped by evolving customer expectations, economic conditions, infrastructure development, and demographic trends. In response, we continuously strengthen our capabilities, systems, and resources to ensure that we remain well positioned to capture opportunities and create long-term value.

Our value creation process is supported by five key capitals: Financial Capital, Manufactured Capital, Intellectual Capital, Human Capital, and Natural & Social Capital. These capitals interact and reinforce one another throughout the business cycle, enabling us to deliver sustainable growth while maintaining operational resilience and stakeholder trust.

The effective management of these capitals allows the Company to acquire and develop land assets, strengthen customer relationships, improve operational efficiency, build organisational capability, and contribute positively to the communities within which we operate.

VALUE CREATION FRAMEWORK

CAPITAL INPUTS

Financial Capital
Capital resources, funding, liquidity, profitability, and investment capacity.

Manufactured Capital
Land assets, project portfolio, development infrastructure, and operational resources.

Intellectual Capital
Brand reputation, market knowledge, customer relationships, systems, and technology.

Human Capital
Employee skills, leadership capability, organisational culture, and operational expertise

Natural & Social Capital
Community relationships, environmental stewardship, stakeholder trust, and social responsibility

BUSINESS ACTIVITIES
Land Acquisition / Project Planning and Development / Marketing and Customer Engagement / Sales and Customer Service / Portfolio Management and Value Enhancement

OUTCOMES
Sustainable Profitability / Growth in Shareholder Value / Enhanced Brand Reputation / Improved Customer Trust / Organisational Strengthening

OUTPUTS
Land Development Projects / Customer Transactions / Enhanced Land Value / Strengthened Market Presence Community Engagement Initiatives

CAPITALS OVERVIEW

The successful execution of Myland Developments PLC's strategy is supported by a combination of financial, physical, intellectual, human and social resources that collectively contribute to long-term value creation. These capitals are managed in an integrated manner to ensure that the Company remains resilient, competitive, and capable of delivering sustainable growth.

FINANCIAL CAPITAL

Financial Capital represents the Company's ability to generate sustainable returns while maintaining liquidity, operational flexibility and long-term value creation. The financial year under review marked an important turning point for Myland Developments PLC as the Company successfully transitioned into a profit-making position following the organisational restructuring and operational strengthening initiatives implemented after the change in controlling shareholding.

Revenue

Revenue generation during the year was primarily driven by the Company’s land development and sales activities, supported by structured project execution and disciplined sales management. Total revenue for the year amounted to Rs. 45 Mn compared to Rs. 43 Mn recorded in the previous financial year.

Profitability

The Company recorded a profit after tax of Rs. 8.83 Mn during the year compared to a loss of Rs. 16.76 Mn in the previous year. The return to profitability was primarily attributable to improved operational discipline; better project selection; strengthened cost controls; improved sales execution and enhanced organisational efficiency. This achievement represents a significant milestone in the Company's transformation journey and demonstrates the effectiveness of the strategic initiatives implemented during the year.

Cost Management

A major focus area during the year was improving operational efficiency and strengthening internal cost management processes. Following the organisational restructuring, management implemented a more disciplined operating framework designed to improve accountability, streamline decision-making processes, and optimise resource allocation. Several initiatives contributed towards operational improvements.

Liquidity and Capital Management

The Company maintained a disciplined approach to liquidity management throughout the year.

Cash and cash equivalent balances stood at Rs. 7.5 Mn as of 31 March 2026 compared to Rs. 6.4 Mn in the previous year. Borrowings amounted to Rs. 46 Mn as at year-end, resulting in a gearing ratio of 31%. The management remains committed to maintaining a prudent balance between growth investments and financial stability while ensuring adequate liquidity to support operational requirements and future expansion plans.

Future Investment Pipeline

As part of its long-term growth strategy, the Company has identified a significant pipeline of future development opportunities. During 2026/27, Myland plans to invest towards the acquisition and development of strategically located land with strong development potential.

MANUFACTURED CAPITAL

Manufactured Capital represents the physical assets, land inventory, development infrastructure, project portfolio and operational resources that enable Myland Developments PLC to create value for customers, shareholders and other stakeholders. As a land development company, our manufactured capital forms the foundation upon which our business model is built, supporting the acquisition, planning, development, marketing and sale of land assets across strategically selected locations. Our approach to managing Manufactured Capital is centred on identifying high-potential land assets, enhancing their value through planned development and delivering investment opportunities that meet the evolving needs of customers while generating sustainable returns for shareholders.

Land Portfolio and Development Assets

The Company's land portfolio remains the most significant component of its Manufactured Capital base. During the year under review, management continued to strengthen the portfolio through disciplined land acquisition strategies, careful project selection, and structured development planning. As of 31st March 2026, the Company managed a land portfolio with a carrying value of Rs. 247 Mn.

The Company's development footprint spans locations selected based on accessibility, infrastructure connectivity, demographic trends and long-term investment potential.

Development and Infrastructure Enhancement

A key aspect of Myland's value creation model is the transformation of raw land into organised and marketable developments through appropriate planning, infrastructure enhancement and regulatory compliance. During the year, the Company continued to invest in infrastructure improvements across selected projects, including road access, drainage systems, utility connectivity, site demarcation and other development activities designed to improve the attractiveness and functionality of project locations. The Company remains committed to ensuring that all developments are undertaken in compliance with applicable regulatory requirements and planning standards. This approach enhances customer confidence while supporting the long-term appreciation potential of project assets.

Investment Pipeline

Looking ahead, the Company has identified a strong pipeline of future development opportunities that will further strengthen its Manufactured Capital base. As part of its growth strategy, Myland Developments PLC plans to invest towards the acquisition and development of strategically located land during the coming financial year. These investments are expected to enhance the Company's land inventory, strengthen future revenue generation capability, and expand its project portfolio across selected growth corridors.

Operational Infrastructure

In addition to its development assets, the Company continued to strengthen the operational infrastructure required to support efficient project execution and business management. Investments were made in systems, tools and operational processes that support project planning, inventory management, sales administration, financial management and customer engagement. These resources enhance operational efficiency while enabling management to maintain greater oversight of development activities and project performance.

Strategic Focus

The Company's Manufactured Capital strategy remains focused on three key priorities:

- Expanding the land portfolio through carefully selected acquisitions in high-growth locations.
- Enhancing asset value through planned development and infrastructure improvements.
- Maintaining a disciplined development approach that balances growth opportunities with prudent capital allocation.

By continuing to invest in high-quality land assets and organised developments, Myland Developments PLC aims to strengthen its market position while creating sustainable value for customers, investors, and other stakeholders.

Our Manufactured Capital contributes to value creation by:

- Providing customers with secure and legally compliant land ownership opportunities.
- Generating sustainable revenue and profitability through structured project development.
- Supporting regional economic activity through infrastructure enhancement and land utilisation.
- Strengthening long-term shareholder value through asset appreciation and portfolio growth.
- Creating a scalable platform for future business expansion.

As the Company continues to grow, Manufactured Capital will remain a critical driver of value creation and a key enabler of Myland's long-term strategic objectives.

INTELLECTUAL CAPITAL

Intellectual Capital represents the collective knowledge, expertise, systems, processes, relationships, brand equity and technological capabilities that support Myland Developments PLC's ability to create sustainable value and maintain its competitive position within Sri Lanka's real estate sector. As a land development company operating in an increasingly competitive and customer-driven market, the effective management of intellectual capital remains critical to enhancing operational performance, strengthening customer confidence, and supporting long-term growth.

Brand Strength and Market Positioning

The Myland brand remains one of the Company's most valuable intangible assets and serves as an important differentiator within the land development industry. Over the years, the Company has built its reputation on trust, transparency, professionalism, and customer confidence, which continue to be fundamental to its long-term success.

During the year under review, a key strategic focus was the strengthening of Myland's market positioning following the transition in ownership and organisational structure. Efforts were directed towards reinforcing the Company's identity as a structured and credible real estate developer that offers secure land ownership opportunities and professionally managed investment solutions, rather than merely facilitating land transactions.

This positioning reflects the changing dynamics of the real estate market, where customers increasingly seek assurance regarding legal compliance, development standards, transparency of transactions, and the credibility of the developer. In response, the Company continued to strengthen its communication strategy, project presentation standards, customer engagement processes, and overall market visibility to reinforce trust among existing and prospective customers.

The Company also adopted a more focused market segmentation strategy, tailoring its marketing and engagement initiatives towards specific customer groups including first-time landowners, mid-income investors, professionals, entrepreneurs, and expatriate Sri Lankans seeking secure investment opportunities within the country.

Market Intelligence

Understanding evolving customer expectations remains essential to maintaining competitiveness within the land development sector. During the year, the Company continued to monitor changing market trends and customer preferences to ensure that project offerings remain aligned with market demand.

One of the most significant developments observed was the increasing importance customers place on trust, transparency, and regulatory compliance. Buyers are becoming increasingly discerning and conduct more extensive due diligence prior to making investment decisions. As a result, factors such as title security, regulatory approvals, infrastructure readiness, accessibility, and long-term appreciation potential are playing a more prominent role in purchasing decisions.

The Company also observed growing demand for value-oriented investment opportunities supported by flexible payment options and organised development concepts. Land is increasingly viewed not only as a residential asset but also as a vehicle for long-term wealth preservation and capital appreciation. This trend has been particularly evident among investment-focused buyers and expatriate Sri Lankans seeking secure investment opportunities in their home market. These insights continue to shape the Company's project planning, marketing strategy, customer engagement approach, and future development pipeline.

Systems, Processes and Organisational Knowledge

A strong framework of systems, operational processes, and institutional knowledge supports the Company's ability to execute projects efficiently while maintaining consistency, governance, and accountability.

Following the organisational transition during the year, considerable attention was devoted to strengthening internal processes and enhancing operational discipline across the business. Clearer reporting structures, improved workflow management, enhanced documentation standards, and stronger decision-making protocols were introduced to support a more structured and efficient operating model.

The consolidation of organisational knowledge and strengthening of operational procedures have improved coordination across functional areas while enhancing management's ability to monitor performance and make informed business decisions. As the Company continues to expand, preserving institutional knowledge and embedding best practices across all levels of the organisation will remain important priorities.

Digital Transformation and Technology

Digital transformation continued to play an increasingly important role in strengthening operational efficiency, governance and customer engagement throughout the year. From a customer perspective, digital tools have enhanced lead generation capabilities, customer relationship management processes, and sales tracking mechanisms. The integration of customer databases with sales and operational systems has enabled the Company to respond more efficiently to customer inquiries, monitor customer engagement more effectively, and improve the overall customer experience throughout the sales process.

The Company also continues to strengthen its digital marketing capabilities, recognising the growing influence of online platforms on customer decision-making within the real estate sector. Investments in digital communication channels, customer engagement platforms, and online lead generation initiatives are expected to further enhance market reach and customer acquisition capabilities in the future.

Value Creation Through Intellectual Capital

The Company's Intellectual Capital contributes directly to value creation by strengthening customer confidence, enhancing operational efficiency, improving decision-making quality and supporting sustainable growth. Through a combination of brand strength, market knowledge, robust systems, organisational expertise, and digital capabilities, Myland is better positioned to identify opportunities, respond to evolving market conditions, and deliver value to customers and shareholders alike.

Looking ahead, the Company will continue investing in its people, processes, systems and technological capabilities to further strengthen its Intellectual Capital base and support the successful execution of its long-term strategic objectives.

HUMAN CAPITAL

Human Capital represents the collective skills, experience, knowledge, commitment and capabilities of our people, who remain central to the successful execution of Myland Developments PLC's strategy and long-term value creation objectives. As a relatively lean organisation operating within a highly competitive and dynamic real estate sector, the Company recognises that its ability to achieve sustainable growth is closely linked to the quality, adaptability, and engagement of its workforce.

The year under review was particularly significant from a human capital perspective, as the Company underwent a period of organisational transition following the change in controlling shareholding. Against this backdrop, considerable emphasis was placed on strengthening the organisational structure, enhancing internal capabilities, and building a team capable of supporting the Company's next phase of growth.

Organisational Strengthening and Culture

One of the Company's foremost priorities during the year was the successful stabilisation and alignment of its organisational framework. This process involved strengthening key management functions, clarifying responsibilities across the organisation, and creating a more structured operating environment capable of supporting improved execution and accountability.

Particular attention was given to enhancing coordination between operational and management teams, reinforcing governance expectations, and establishing clearer reporting and decision-making structures. These initiatives have contributed to improved organisational effectiveness, stronger execution discipline, and greater alignment between operational activities and strategic objectives.

The Company also continued to foster a culture built on professionalism, accountability, teamwork and continuous improvement. As the organisation continues to evolve, management remains committed to maintaining an environment where employees are encouraged to contribute ideas, develop their capabilities, and participate actively in the Company's growth journey.

Workforce Profile

As of 31st March 2026, the Company employs a diverse team of professionals across management, administration, finance, sales, marketing, customer service, and operational functions.

The Company's workforce reflects its commitment to equal opportunity, diversity, and merit-based employment practices. Recruitment, development, and advancement decisions are based on competence, performance, experience, and potential, without discrimination based on gender, age, ethnicity, religion, or other personal characteristics.

The Company remains committed to creating an inclusive working environment that promotes mutual respect, fairness, and equal opportunities for all employees.

Employee Development and Performance Management

The Company believes that investing in employee development is essential to maintaining competitiveness and supporting sustainable business growth. During the year, efforts continued to strengthen employee capabilities through a combination of on-the-job learning, knowledge sharing, performance management, and professional development initiatives.

Particular focus was placed on enhancing leadership capabilities, strengthening operational competencies, improving governance awareness, and building the skills required to support a more structured and disciplined operating environment. As the Company continues to integrate technology into its operations, increasing attention is also being directed towards developing digital competencies and improving employees' ability to adapt to evolving business processes and systems.

Performance management remains an integral component of the Company's human capital strategy. Employees are regularly evaluated against defined performance expectations, with emphasis placed on accountability, contribution, teamwork, and professional growth. This process not only supports employee development but also ensures alignment between individual performance and organisational objectives.

Employee Wellbeing and Engagement

Myland Developments PLC recognises that employee wellbeing is fundamental to maintaining a productive, motivated, and resilient workforce. The Company therefore seeks to provide a safe, supportive, and respectful working environment where employees can perform to the best of their abilities while maintaining a healthy work-life balance.

Management continues to promote open communication and employee engagement through regular interaction, collaborative decision-making, and transparent communication of organisational developments. Employees are encouraged to raise concerns, provide feedback, and contribute ideas that support continuous improvement across the business.

The Company remains committed to maintaining compliance with all applicable labour laws and employment regulations while ensuring that employees receive the benefits, protections, and opportunities to which they are entitled.

Community Engagement and Social Contribution

The Company believes that creating value extends beyond financial performance and includes making a meaningful contribution to the communities within which it operates. Community engagement therefore remains an important component of Myland's broader social responsibility framework.

The strength of Myland's Human Capital lies not only in the capabilities of its employees but also in their commitment to the Company’s vision, values, and long-term objectives. The successful organisational transition undertaken during the year demonstrated the adaptability, professionalism, and resilience of the Company's workforce, which played a critical role in restoring profitability and strengthening operational performance.

NATURAL AND SOCIAL CAPITAL

Natural and Social Capital reflects Myland Developments PLC's responsibility to manage environmental resources prudently while creating positive social value for the communities and stakeholders connected to its operations. As a land development company, the Company recognises that its activities are closely linked to the natural environment and local communities, making responsible development practices essential to long-term sustainability and stakeholder trust.

The approach to Natural and Social Capital is guided by the principle that business growth should be pursued in a manner that balances economic value creation with environmental stewardship and social responsibility. Accordingly, environmental and community considerations are integrated into project planning, land acquisition assessments, development activities, and stakeholder engagement processes.

Environmental Stewardship

The nature of the Company's operations requires careful consideration of environmental impacts throughout the project lifecycle. Prior to undertaking development activities, attention is given to site suitability, environmental sensitivities, regulatory requirements, and the long-term sustainability of proposed developments.

The Company seeks to minimise adverse environmental impacts through responsible land planning and development practices while ensuring compliance with applicable environmental regulations and development approvals. Consideration is given to factors such as land utilisation, drainage management, accessibility, infrastructure planning, and preservation of the surrounding environment wherever practicable.

As customer awareness regarding environmental sustainability continues to increase, the Company also recognises the growing importance of incorporating environmentally responsible development principles into future projects. This includes evaluating opportunities to improve resource efficiency, enhance environmental performance and promote sustainable land use practices across its development portfolio.

Going forward, management intends to further strengthen the integration of environmental considerations into project planning and decision-making processes in alignment with evolving stakeholder expectations and sustainability priorities.

Responsible Development and Stakeholder Considerations

The Company recognises that responsible development extends beyond physical infrastructure and includes consideration of the broader impact of projects on neighbouring communities, local stakeholders, and future landowners.

In developing projects, emphasis is placed on creating organised developments that contribute positively to local areas through improved accessibility, planned infrastructure, enhanced land utilisation, and orderly development standards. The Company believes that well-planned developments not only create value for customers but also contribute to the long-term development potential of surrounding communities.

Stakeholder engagement remains an important element of this process. The Company seeks to maintain constructive relationships with customers, local authorities, service providers, contractors, and neighbouring communities to ensure that project implementation is carried out responsibly and transparently.

As the Company's project portfolio expands, continued focus will be placed on understanding stakeholder expectations and integrating these considerations into development planning and execution.

Social Value Creation

The Company's contribution to society extends through several channels, including facilitating secure land ownership opportunities, supporting local economic activity through development projects, creating employment opportunities, engaging with local suppliers and contractors, and investing in community-focused initiatives. By developing organised land projects that promote long-term value appreciation and responsible land utilisation, Myland contributes to economic development while supporting individuals and families in achieving their property ownership and investment aspirations. The Company also recognises that maintaining strong stakeholder relationships, acting with integrity and operating responsibly are fundamental to creating sustainable social value and preserving trust among customers, communities, regulators and investors.

Managing Natural and Social Capital for the Future

As sustainability considerations continue to gain prominence within the real estate sector, Myland Developments PLC remains committed to strengthening its approach to environmental stewardship and social responsibility. Future priorities will include enhancing sustainability awareness across the organisation, integrating environmental and social considerations more deeply into development planning, and identifying opportunities to create measurable positive impacts through both business operations and community engagement initiatives.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The Board of Directors of Myland Developments PLC takes pleasure in presenting their Report on the Affairs of the Company together with the Financial Statements for the year ended 31 March 2026, conforming to the requirements of the Companies Act No. 07 of 2007 and Sri Lanka Accounting Standards. The report also includes certain disclosures required to be made under Listing Rules of the Colombo Stock Exchange and are guided by the recommended best practices on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and the Colombo Stock Exchange.

Corporate Profile

Myland Developments PLC is a public quoted company with limited liability incorporated on 6th March 2017 and listed in the Colombo Stock Exchange on 28th December 2021.

Principal Activities of the Company and review of performance during the year

The principal activities of the company are purchase of properties for development and sale of land plots and providing services relating to the real estate industry.

Financial Statements

The Financial Statements of the Company for the year ended 31 March 2026 are given on page nos. 46 to 72 of this Annual Report.

Summarized Financial Statements

	31 March 2026 LKR	31 March 2025 LKR
Revenue	45,694,558	43,051,635
Profit/ (Loss) for the period	8,827,397	(16,764,521)

Auditors' Report

The Report of the Independent Auditors on the Financial Statements of the Company is given on pages 43 to 45

Accounting Policies and Changes

The Accounting Policies adopted in the preparation of the Financial Statements are given on pages 50 to 55 as required by Section 168 (1) (d) of the Companies Act.

Directors' Responsibility for Financial Reporting

The Directors are responsible for the preparation of the Financial Statements of the Company which reflect a true and fair view of the financial position and the performance of the Company.

Board of Directors

The names of the Directors who held office during the financial year and as at date are given below;

Name of Director	Position
Prof. W D Premachandra (resigned w.e.f. 31st December 2025)	Chairman/Non-Executive Director
Mr. P D N Perera (resigned w.e.f. 31st December 2025)	Managing Director
Mrs. D I T Dissanayake (resigned w.e.f. 31st December 2025)	Executive Director
Dr. S A K Alahakoon (resigned w.e.f. 31st December 2025)	Independent Non-Executive Director
Mr. J C D De Alwis (resigned w.e.f. 31st December 2025)	Independent Non-Executive Director
Dr. K S Narangoda (appointed w.e.f. 7th November 2025)	Non-Executive Director
Mr. S L Sebastian (appointed w.e.f. 7th November 2025)	Chairman/Independent Non-Executive Director
Mr. M D J R Goonetilleke (appointed w.e.f. 7th November 2025)	Independent Non-Executive Director
Dr. D R Dissabandara (appointed w.e.f. 7th November 2025)	Executive Director
Ms. R D Fernando (appointed w.e.f. 25th March 2026)	Independent Non-Executive Director

The present Directors of the Company and their profiles are shown on pages 10 to 12 of the Annual Report.

Re-election/re-appointment and retirement of Directors

In accordance with the provisions of Article 111 of the Articles of Association, Mr. S L Sebastian, Dr. K S Narangoda, Mr. M D J R Goonetilleke, Dr. D R Dissabandara and Ms. R D Fernando Directors appointed since the last Annual General meeting retires from office at the conclusion of the forthcoming Annual General Meeting. Mr. S L Sebastian, Dr. K S Narangoda, Mr. M D J R Goonetilleke, Dr. D R Dissabandara and Ms. R D Fernando offers themselves for re-election with the unanimous support of the Board.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

Board Sub Committees

The Board, while assuming overall responsibility and accountability for the management of the Company, has appointed four Board Sub-Committees; Audit Committee, Related Party Transactions Review Committee, Remuneration Committee and the Nominations and Governance Committee, to ensure oversight and control over certain affairs of the Company.

The Board approved Terms of References of these Sub Committees conform to the recommendations made by various regulatory bodies such as the Institute of Chartered Accountants of Sri Lanka, The Securities and Exchange Commission of Sri Lanka and the Colombo Stock Exchange.

Interests Register

Directors' Interest in Transactions
The Directors have made general disclosures as provided for in Section 192 (2) of the Companies Act No. 07 of 2007. Arising from this, details of contracts in which they have an interest are disclosed in note 22 to the Financial Statements on page 66.

Directors' Remuneration
The Directors' Remuneration is disclosed in note 22 to the Financial Statements on page 66.

Directors' Interest in Shares
The Directors of the Company who have an interest in the shares of the Company have disclosed their shareholdings in compliance with Section 200 of the Companies Act No. 07 of 2007.

Corporate Governance

The Board is committed to maintaining high standards of governance, the process by which the Company is directed and managed. Risks are identified and controlled, and effective accountability assured. The Board of Directors is of the view that it has put in place the resources and processes to ensure that the Company is substantially compliant with the code of best practices on corporate governance issued by Institute of Chartered Accountants of Sri Lanka and the Colombo Stock Exchange. The Corporate Governance Report is given on pages 17 to 20 of the Annual Report.

Risk Management and Internal Controls

The Board of Directors, through the involvement of the internal audit, have taken steps to ensure and have obtained reasonable assurance, that an effective and comprehensive system of internal controls are in place that cover the financial, operational and compliance controls required to carry on the business in an orderly manner, safeguarding the Company's assets and secure, as far as possible, the accuracy and reliability of the financial records.

The Board is satisfied with the effectiveness of the system of internal controls that was in place during the year under review.

Donations

The Company has't made any donations during the year under review.

Taxation

The Company's liability to taxation has been computed according to the provisions of the Inland Revenue Act. No. 10 of 2006 and subsequent amendments thereto and details are given in note 17 to the Financial Statements on pages 63 to 64.

Property, Plant and Equipment

Capital expenditure during the year under review on Property, Plant and Equipment was LKR 912,209 /-.

Employment

The Company's strength of manpower as at 31 March 2026 is Nine (9).

There were no material issues pertaining to employees and industrial relations during the year under review.

Employee Share Ownership plans

The Company did not have any employee share ownership/option plans during the year.

Stated Capital

The stated capital of the Company as at 31 March 2026 was LKR 150,000,000/- represented by 36,250,000 fully paid Ordinary Shares.

Share Information

There were 1,165 registered shareholders as at 31 March 2026.

Distribution schedule of shareholders

The distribution of shareholdings is shown on pages 74 to 75 of the Annual Report.

Information on Ratios and Market Price Information

Disclosures under section 7.6 (xi) of the Listing Rules of the Colombo Stock Exchange is indicated on pages 74 to 75.

Substantial Shareholdings and Other Share Information

The names of the twenty largest Shareholders, the number of shares held, and the percentages are given on pages 74 to 75 of the Annual Report.

Disclosures required under section 7.6 (iv) of the Listing Rules of the Colombo Stock Exchange is indicated on pages 74 to 75 of the Annual Report.

Equitable Treatment of Shareholders

The Company has made all endeavors to ensure that all shareholders are treated equitably.

Related Party Transactions

The Directors declare that the Company is in compliance with Section 9 of the Listing Rules of the Colombo Stock Exchange pertaining to Related Party Transactions during the Financial Year ended 31 March 2026.

Additional disclosures pertaining to Directors

(i) Material Interests in Contracts involving the Company.

The Directors have declared all material interests in contracts involving the Company in terms of the Companies Act and the Articles of the Association of the Company and have acted as prescribed therein, and where relevant have refrained from voting on matters in which they were materially interested.

(ii) Review of Internal Controls

The Directors have, through the Audit Committee, conducted a review of the Internal controls covering financial, operational and compliance control and risk management and thereby obtained reasonable assurance of their effectiveness and successful adherence therewith.

(iii) Applicable/ Laws Rules and Regulations

The Directors have made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of the changes, particularly to Listing Rules and applicable capital market provisions.

Statutory Payments

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments due in relation to employees and the Government have been made promptly up to date.

Events occurring after the Balance Sheet date

No circumstances have arisen since the balance sheet date which would require adjustments to or disclosure in the accounts as disclosed in note 23 to the Financial Statements.

Going Concern

The Board is satisfied that the company will have adequate resources to continue its operations into the foreseeable future. Therefore, the Company has continued to adopt the going concern basis in preparing the Financial Statements.

Independent Auditors' Report, Remuneration and Appointment

The Financial Statements of the Company for the twelve months ended 31 March 2026 have been audited by M/s. Ernst & Young, Chartered Accountants and the Independent Auditors' Report thereon is given on page 43 of the Annual Report as required by the Section 168 (1) (c) of the Companies Act No. 07 of 2007.

A sum of LKR 970,000/- was paid to them as audit fee during the period under review. Based on the declaration from M/s. Ernst & Young, Chartered Accountants and as far as the Directors are aware, the Auditors do not have any relationship or interest in the Company other than that disclosed herein.

In accordance with the Companies Act No. 07 of 2007 a resolution proposing the re-appointment of M/s Ernst & Young, Chartered Accountants as Auditors to the Company will be tabled at the forthcoming Annual General Meeting of the Company.

Annual General Meeting

The Annual General Meeting of the company will be held on 23 September 2026. The notice of the Annual General Meeting appears on pages 77 to 78.

Acknowledgement of the contents of the Annual Report

As required by the Companies Act No. 07 of 2007, the Board of Directors hereby acknowledges the contents of this Annual Report.

This Annual Report is signed for and on behalf of the Board of Directors

S L Sebastian *Chairman*	Dr. D R Dissabandara *Director*

R. K. L. S. Corporate Services (Private) Limited
Company Secretaries

28 August 2026

REPORT OF THE AUDIT COMMITTEE

I take this opportunity to present to you the Report of the Audit Committee (the "Committee") for the year ended 31st March 2026 outlining the Committee's roles and responsibilities. The Committee continued to review and report to the Board on the Company's financial reporting, internal control and risk management processes, and the performance, independence and effectiveness of the External Auditors.

COMPOSITION

The Committee consisted of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The members of the Board Audit Committee during the year and as at date are as follows:

Dr. S A K Alahakoon - Chairman/Independent Non-Executive Director (resigned w.e.f. 31st December 2025).

Prof. W D Premachandra - Member/Non-Executive Director (resigned w.e.f. 31st December 2025).

Mr. J C D De Alwis - Member/Independent Non-Executive Director (resigned w.e.f. 31st December 2025).

Ms. R D Fernando - Chairperson/Independent Non-Executive Director (appointed w.e.f. 25th March 2026).

Mr. S L Sebastian - Member/Independent Non-Executive Director (appointed w.e.f. 25th March 2026).

Dr. K S Narangoda - Member/Non-Executive Director (appointed w.e.f. 25th March 2026).

The Chairperson of the Committee is a Member of the Institute of Chartered Accountants of Sri Lanka and the Chartered Certified Accountants of the UK. The Board is satisfied that the Committee has an adequate blend of accounting, auditing and commercial experience to carry out their duties. Brief profiles of the members are given in pages 10 to 12 of this Report.

MEETINGS

The Audit Committee met three times during the financial year.

Name of the Director	Attendance at Meetings
Dr. S A K Alahakoon	3/3
Prof. W D Premachandra	3/3
Mr. J C D De Alwis	3/3

The other members of the Executive Committee and External Auditors attended the meetings by invitation.

TERMS OF REFERENCE

The Charter of the Committee, which is approved and adopted by the Board of Directors, clearly defines the terms of reference governing the Committee. The 'Rules on Corporate Governance' under Listing Rules of the Colombo Stock Exchange and 'Code of Best Practice on Corporate Governance', issued jointly by The Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka, further regulate the composition, role and functions of the Committee. It also assists the Board of Directors in its general oversight of financial reporting, internal controls and functions relating to internal and external audit.

THE ROLE OF THE AUDIT COMMITTEE

The Committee's role is to review on behalf of the Board, the Company's internal financial controls. It is also responsible for oversight and advice to the Board on financial reporting related matters and internal controls over financial reporting and has overseen the work undertaken by the Group's Internal Audit and External Auditors.

KEY RESPONSIBILITIES OF THE BOARD AUDIT COMMITTEE

Financial Reporting:

The primary role of the Committee in relation to financial reporting is to monitor the integrity of the Company's financial statements and formal announcements, if any, relating to the Company financial performance. The Committee reviewed and discussed the Company's quarterly and annual financial statements prior to publication. The Committee also reviewed matters communicated to the Committee by the External Auditors in their reports to the Audit Committee on the audit for the year. The scope of the review included ascertaining compliance with relevant disclosures with the Sri Lanka Accounting Standards, including new Accounting Standards which came into effect during the year, the appropriateness of accounting policies, material judgement matters, alternative accounting treatments, material audit adjustments, going concern assumption, financial reporting controls and compliance with applicable laws and regulations that could impact the integrity of the Company's financial statements, its annual report and its quarterly financial statements prepared for publication.

Internal Control:
The Directors are responsible for maintaining and reviewing the effectiveness of risk management and internal control systems, and for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. The Committee has noted the findings from the compliance reviews, their root causes and management responses, and status of implementing remediation. This process assesses the adequacy and effectiveness of internal controls and the processes for controlling business risks to ensure compliance with laws and regulations.

External Audit:
The External Auditor's Letter of Engagement, including the scope of the audit, was reviewed and discussed with the External Auditors and Management prior to commencement of the audit. The Auditors were also provided with opportunities to discuss and express their opinions on any matter, and for the Committee to have the assurance that the Management has fully provided all information and explanations requested by the Auditors. The Committee reviewed opportunities for improvement, which were observed during the audit and the Letter of Representation issued to the External Auditor to ensure that the representations made were consistent with the understanding of the Committee, as to the Company's operations and plans. The Committee is satisfied that the independence of the External Auditors has not been impaired by any event or service that gives rise to a conflict of interest. The Committee has recommended to the Board of Directors that Messrs. Ernst & Young, Chartered Accountants, be reappointed for the financial year ending 31 March 2027, subject to the approval of shareholders at the next Annual General Meeting.

CONCLUSION

The Committee is satisfied that the Company's internal controls, risk management processes and accounting policies provide reasonable assurance, that the affairs of the Company are managed in accordance with Company policies, and that Company assets are properly accounted for and adequately safeguarded. The Committee believes that the Company's accounting policies are appropriate and have been applied consistently.

Sgd.
R Dulani Fernando
Chairperson of the Board Audit Committee

28 August 2026

REPORT OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

I take this opportunity to present to you the Report of the Related Party Transactions Review Committee (the "Committee") for the year ended 31st March 2026 outlining the Committee's roles and responsibilities. The Committee continued to ensure that the interests of the shareholders are taken into account when entering into related party transactions (RPTs) and to prevent Directors, Key Management Personnel or substantial shareholders taking advantage of their positions.

Composition

The Committee consists of three members with a combination of Independent Non-Executive Directors and Non-Independent, Non-Executive Directors. The members of the Committee during the year and as at date are as follows;

Dr. S A K Alahakoon - Chairman/ Independent Non-Executive Director (resigned w.e.f. 31st December 2025).

Prof. W D Premachandra - Member/Non-Executive Director (resigned w.e.f. 31st December 2025).

Mr. P D N Perera - Member/Managing Director (resigned w.e.f. 31st December 2025).

Mr. J C D De Alwis - Member/ Independent Non-Executive Director (resigned w.e.f. 31st December 2025).

Ms. R D Fernando - Chairperson/ Independent Non-Executive Director (appointed w.e.f. 25th March 2026).

Mr. S L Sebastian - Member/Independent Non-Executive Director (appointed w.e.f. 25th March 2026).

Dr. K S Narangoda - Member/Non-Executive Director (appointed w.e.f. 25th March 2026).

The above composition is in compliance with the provisions of the Listing Rules of the Colombo Stock Exchange. Brief profiles of the members are given on pages 10 to 12 of the Annual Report.

Charter of the Related Party Transactions Review Committee

The Charter of the Related Party Transactions Review Committee clearly sets out the purpose, membership, authority and the duties and responsibilities of the Committee. In order to discharge the duties and responsibilities effectively and efficiently, the Committee has been authorized to;

a) Receive regular reports from the management and be provided with any information it requires relating to its responsibilities.

b) Establish policies and procedures that provide general pre-approvals to certain types of related party transactions.

c) Review and evaluate the terms, conditions, and the advisability of any related party transaction.

d) Determine whether the relevant related party transaction is fair, and in the best interest of the Company and its shareholders as a whole.

e) Recommend to the Board what action, if any, is required to be taken by the Board with respect to any related party transaction.

f) Obtain advice and assistance from legal, technical, financial and other advisors from within or outside the Company as deemed necessary by the Committee in order to carry out its duties.

Meetings

The Committee meets quarterly with a view to discharging its duties. A total of three (03) meetings were held during the financial year. Attendance by the Committee Members at each of these meetings are given below.

Name of the Director	Attendance at Meetings
Dr. S A K Alahakoon	3/3
Prof. W D Premachandra	3/3
Mr. P D N Perera	3/3
Mr. J C D De Alwis	3/3

The other members of the Executive Committee attended all Related Party Transactions Review Committee Meetings by invitation.

Policies & Procedures

Declarations are obtained from each Director/Key Management Personnel of the Company for the purpose of identifying parties related to them. Based on the information furnished in these declarations the related party transactions are identified from information maintained with the Company.

All forecasted recurrent RPTs are submitted by Management on a quarterly basis to the Committee for consideration and review. Non-recurrent RPTs are also reviewed and approved by the Committee prior to the transaction being entered into or if the transaction is expressed to be conditional on such review, prior to the completion of the transaction and the recommendation communicated to the Board for consideration.

The Committee is satisfied that all RPTs have been reviewed by the Committee during the financial year and have communicated their observations to the Board. The details of related party transactions entered into during the financial year are given on Note 22 to the Financial Statements, on page 66 of this Annual Report.

Declaration

A declaration by the Board of Directors on compliance with the rules pertaining to related party transactions appears on the report of the Board of Directors on page 36 of this Annual Report.

Sgd.
R Dulani Fernando
Chairperson
Related Party Transactions Review Committee

28 August 2026

REPORT OF THE REMUNERATION COMMITTEE

I take this opportunity to present to you the Report of the Remuneration Committee (the "Committee") for the year ended 31st March 2026 outlining the Committee's roles and responsibilities. The Committee continued to formulate, review, approve and make recommendations to the Board regarding the remuneration of the Executive and Non-Executive Directors and key positions within the Senior Management.

COMPOSITION

The Committee consisted of two (2) Independent Non-Executive Directors and one (1) Non-Executive Director. The members of the Committee during the year and as at date are as follows:

Mr. J C D De Alwis - Chairman/Independent Non-Executive Director (resigned w.e.f. 31st December 2025).

Dr. S A K Alahakoon - Member/Independent Non-Executive Director (resigned w.e.f. 31st December 2025).

Prof. W D Premachandra - Member/Non-Executive Director (resigned w.e.f. 31st December 2025).

Mr. M D J R Goonetilleke - Chairman/Independent Non-Executive Director (appointed 24th March 2026).

Mr. S L Sebastian - Member/Independent Non-Executive Director (appointed 24th March 2026).

Dr. K S Narangoda - Member/Non-Executive Director (appointed 24th March 2026).

POLICY

The remuneration policy of the Company is designed to attract, motivate and retain staff with the appropriate professional, managerial and operational expertise to achieve the objectives of the company.

SCOPE

The scope and responsibility of the remuneration committee include;

» To consider internal as well as external remuneration factors and to ensure that the remuneration policy of the company recognizes and addresses the short and long-term needs of the organization in relation to performance, talent retention and reward.

» To recommend to the Board a competitive remuneration and reward structure which is linked to performance.

» To decide on the remuneration packages of Key Management Personnel.

» To evaluate the performance of the Key Management Personnel, management development plans and succession planning.

» To approve annual salary increments, bonuses, changes on perquisites and incentives.

REMUNERATION

All Non-Executive Directors receive a fee reflecting the time, commitment and responsibility of their role and is based on industry and market surveys. They do not receive any performance or incentive payments.

MEETINGS

The Committee meets at least once a year with a view to discharging its duties. However, due to the economic situation which prevailed during the year, in the country, the need did not arise for the Committee to meet.

PROFESSIONAL ADVICE

The committee has the authority to seek external independent professional advice on matters within the purview of the committee and to invite professional advisors with relevant experience to assist in various duties.

Sgd.
Ravi Goonetilleke
Chairman
Remuneration Committee

28 August 2026

REPORT OF THE NOMINATIONS AND GOVERNANCE COMMITTEE

I take this opportunity to present to you the Report of the Nominations and Governance Committee (the "Committee") outlining the Committee's roles and responsibilities. The Board established the Nominations and Governance Committee as per the Listing Rules of the Colombo Stock Exchange (CSE) to perform an assessment on Board composition as and when the need for the appointment of new Independent Non-Executive Board members arise.

COMPOSITION

The Committee consisted of two (2) Independent Non-Executive Directors and one (1) Non-Executive Director. The members of the Committee are;

Mr. J C D De Alwis - Chairman/Independent Non-Executive Director (resigned w.e.f. 31st December 2025).

Dr. S A K Alahakoon - Member/Independent Non-Executive Director (resigned w.e.f. 31st December 2025).

Prof. W D Premachandra - Member/Non-Executive Director (resigned w.e.f. 31st December 2025).

Mr. M D J R Goonetilleke - Chairman/Independent Non-Executive Director (appointed 24th March 2026).

Mr. S L Sebastian - Member/Independent Non-Executive Director (appointed 24th March 2026).

Dr. K S Narangoda - Member/Non-Executive Director (appointed 24th March 2026).

Brief profiles of the Committee members are given in pages 10 to 12 of this Report.

TERMS OF REFERENCE

The Terms of Reference of the Committee include the following:

- Propose a suitable Charter for the appointment and the re-appointment of Independent Non-Executive Directors to the Board.
- Provide advice and recommendation to the Board or the Chairman on appointing Independent Non-Executive Directors.
- Select and appoint Independent Non-Executive Directors as required.
- Regularly review the structure, size, and composition (including the skills, knowledge, and experience) of the Board, and make recommendations to the Board with regard to any suitable changes.

MEETINGS

The Nominations and Governance Committee meet as and when required to perform an assessment on Board composition as and when the need for the appointment of new Board and Board Subcommittee members. Where necessary approval was obtained via a resolution in writing which contained several documents in a like form, each signed and assented to by the members who were entitled to receive notice of nominations and governance committee meeting. A total of one (1) meeting was held during the financial year which consisted of a Circular Resolutions in writing.

Attendance at the meetings is as follows:

Name of the Director	Attendance at Meetings
Mr. J C D De Alwis	1/1
Dr. S A K Alahakoon	1/1
Prof. W D Premachandra	1/1

In accordance with the provisions of Article 111 of the Articles of Association of the Company, Mr. S L Sebastian, Dr. K S Narangoda, Mr. M D J R Goonetilleke, Dr. D R Dissabandara and Ms. R D Fernando Directors appointed since the last Annual General meeting retires from office at the conclusion of the forthcoming Annual General Meeting.

Accordingly, the Committee has recommended the election of Mr. S L Sebastian, Dr. K S Narangoda, Mr. M D J R Goonetilleke, Dr. D R Dissabandara and Ms. R D Fernando in terms of the Articles of Association of the Company.

The Committee further affirms that it has complied with the Corporate Governance requirements stipulated in the Listing Rules of the Colombo Stock Exchange.

Sgd.
Ravi Goonetilleke
Chairman
Nominations & Governance Committee

28 August 2026

STATEMENT OF DIRECTORS' RESPONSIBILITY

The following statement which should be read in conjunction with the Auditor's statement of responsibilities has been made with a view to distinguish between the respective responsibilities of the Directors and the Auditors in relation to the financial statements.

Section 150, 152 (1) and 153 (1) of the Companies Act No. 07 of 2007 requires that the Directors prepare the financial statements and circulate it among the shareholders. These financial statements comprise a Statement of Comprehensive Income, which presents a true and fair view of the profit or loss of the Company for its financial year as well as a Statement of Financial Position, which presents a true and fair view of the state of affairs of the Company as at the end of its financial year.

As the Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future, the financial statements continue to be prepared on a going concern basis.

In preparing the Financial Statements as disclosed on pages 46 to 72 the Directors consider that the Company have used appropriate accounting policies that have been applied consistently and supported by reasonable and prudent judgment and estimates, while all accounting standards considered to be applicable and relevant have been followed.

The Directors are responsible for ensuring that the Company maintain accounting records which disclose with reasonable accuracy, the financial position of the Company while complying with the provisions of the Companies Act No. 07 of 2007.

The Directors have a general responsibility to take reasonable steps in safeguarding the assets of the Company provide proper consideration towards the establishment of appropriate internal control systems with a view to detecting and preventing frauds and other irregularities.

Compliance Report

The Directors confirm to the best of their knowledge that all taxes, duties and levies payable by the Company all contributions, levies and taxes payable on behalf of and in respect of the employees of the Company all other known statutory dues which were due and payable by the Company as at the reporting date have been paid or where relevant provided for in arriving at the financial results for the year under review.

By order of the Board of
Myland Developments PLC

Sgd.
R. K. L. S. Corporate Services (Pvt) Ltd
Company Secretaries

28 August 2026

Rooted Communities

A house is constructed with bricks, but a home is defined by the lives lived within it. We are deeply committed to fostering vibrant, secure neighborhoods where families can thrive and generational wealth is joyfully secured.

Financial Statements

FINANCIAL CALENDAR

1st Quarter Interim Report	15th August 2025
2nd Quarter Interim Report	10th November 2025
3rd Quarter Interim Report	6th February 2026
4th Quarter Interim Report	19th May 2026
Annual Report 2025/2026	28th August 2026
Annual General Meeting	23rd September 2026

Ernst & Young
Chartered Accountants
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ey.com

Shape the future with confidence

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF MYLAND DEVELOPMENTS PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Myland Developments PLC (the "Company"), 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 give a true and fair view of the financial position of the Company as at 31 March 2026, and of its financial performance and its 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 (SLAuS). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Company for the year ended 31 March 2025 were audited by another auditor who expressed an unmodified opinion on those financial statements on 25 August 2025. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's 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.

INDEPENDENT AUDITOR’S REPORT

Key audit matter	How our audit addressed the key audit matter
Carrying value of inventory	
The Company's inventory comprises land developed and held for sale amounting to Rs. 246.99 million as of 31 March 2026, representing approximately 92% of total assets. As disclosed in Note 07, inventory is measured at the lower of cost and net realisable value (NRV) in accordance with the accounting policy set out in Note 2.12. This was a key audit matter due to the: » The materiality of the reported inventories; and » The degree of management judgement, estimates and assumptions involved in determining the net realisable value (NRV) of land inventory. Key areas of management judgement, estimates and assumptions used in assessing NRV involved ascertaining expected selling prices and the identification of inventories items requiring write-down to NRV, as disclosed in Note 07 & 2.12 to the financial statements.	Our audit procedures included the following key procedures: » Obtained an understanding of and tested key relevant controls over inventory » Assessed the reasonableness of management’s basis for classifying the land as inventory » Assessed the reasonableness of management’s judgements, estimates and assumptions used in determining the net realisable value (NRV) of land inventory. Our procedures included • Reading legal title deeds, survey plans and other supporting documentation for any encumbrances, zoning restrictions or other matters affecting the marketability or value of the land • Comparing management’s NRV estimates to recent sales transactions and other available market information. • Evaluating the appropriateness and completeness of inventories identified for write-down to NRV. We also assessed the adequacy of the disclosures made in Note 07 to the financial statements.

Other information included in the Company’s 2026 Annual Report

Other information consists of the information included in the Annual Report, other than the Financial Statements and our auditor’s report thereon. The 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 statement

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

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

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Report on Other Legal and Regulatory Requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 4184.

28 August 2026
Colombo

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year Ended 31 March 2026

	Note	2026 LKR	2025 LKR
Revenue	3	45,694,558	43,051,635
Cost of Sales		(33,817,395)	(31,315,868)
Gross Profit		11,877,163	11,735,767
Other Operating Income	4	34,325,759	6,939,595
Administration Expenses		(31,379,502)	(33,257,088)
Selling & Distribution Expenses		(1,880,672)	(2,914,010)
Finance Income	12	107,166	29,834
Finance Cost	13	(4,695,163)	(6,303,257)
Profit/(Loss) Before Income Tax		8,354,750	(23,769,159)
Income Tax (Expense) / Reversal	17	472,647	7,004,638
Profit/(Loss) for the Year		**8,827,397**	**(16,764,521)**
Other Comprehensive Income			
Revaluation of Land		-	15,000,000
Defined benefit plan actuarial gain	15	604,551	818,799
Tax on Other Comprehensive Income	17	(181,365)	(4,745,641)
Other Comprehensive Income for the year (Net of Tax)		423,186	11,073,158
Total Comprehensive Income for the Year		**9,250,583**	**(5,691,363)**
Earnings per Share LKR	19	0.24	(0.46)

The accounting policies and notes on pages 52 through 72 form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Note	2026 LKR	2025 LKR Restated*	2024 LKR Restated*
ASSETS				
Non-Current Assets				
Property,Plant & Equipment	5	912,209	62,197,863	42,992,408
Right of Use Asset				8,700,274
Intangible Assets	6	94,167	-	
Deferred tax Asset	16	7,869,487	7,578,206	4,949,681
		8,875,863	69,776,069	56,642,363
Current Assets				
Inventory Properties	7	246,988,706	195,643,237	176,868,241
Trade & Other Receivables	8	1,096,126	12,421,930	16,936,646
Other Current Asset	9	2,264,984	2,731,792	3,618,421
Financial Assets at Fair Value through Profit or Loss				5,234,480
Cash and Short Term Deposits	20	7,545,900	6,431,835	3,578,835
		257,895,715	217,228,795	206,236,623
Total Assets		266,771,578	287,004,864	262,878,986
EQUITY AND LIABILITIES				
Stated Capital	10	150,000,000	150,000,000	150,000,000
Revaluation Reserve		17,962,700	17,962,700	7,462,700
Retained Earnings		(16,269,444)	(25,520,027)	(9,328,664)
Total Equity		151,693,256	142,442,673	148,134,036
Non-Current Liabilities				
Interest Bearing Loans & Borrowings	25	42,500,000	62,392,277	48,543,055
Retirement Benefit Obligations	15	3,037,617	3,165,717	3,179,221
		45,537,617	65,557,994	51,722,276
Current Liabilities				
Interest Bearing Loans & Borrowings	25	4,321,708	31,817,117	21,006,587
Amount Due to Related Party		-	1,200,000	5,000,000
Trade and Other Payables	11	7,760,625	16,194,219	11,114,590
Other Current Liabilities	14	57,458,372	29,789,361	25,071,038
Bank Overdraft		-	3,500	830,459
		69,540,705	79,004,197	63,022,674
Total Equity and Liabilities		266,771,578	287,004,864	262,878,986

*Refer 27

I certify that these financial statements are in compliance with the requirements of the Companies Act No: 07 of 2007.

A. Kanishka Chathuranga
Finance Manager

The board of directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the board by:

Savanth Sebastian
Chairman

Dr. Ranjan Dissabandara
Director

The accounting policies and notes on pages 52 through 72 form an integral part of the financial statements.

28 August 2026
Colombo

STATEMENT OF CHANGES IN EQUITY

Year Ended 31 March 2026

	Note	Stated Capital Ordinary LKR	Revaluation Reserve LKR	Retained Earnings LKR	Total LKR
Balance as at 01.04.2024		150,000,000	10,661,000	(9,328,664)	151,332,336
Adjustment on Correction of Error	27	-	(3,198,300)	-	(3,198,300)
Balance as at 01.04.2024 (Restated)		150,000,000	7,462,700	(9,328,664)	148,134,036
Profit for the year		-	-	(16,764,521)	(16,764,522)
Dividend Paid	26	-	-	-	-
Other comprehensive Income		-	10,500,000	573,159	11,073,159
Balance as at 31.03.2025 (Restated)		150,000,000	17,962,700	(25,520,027)	142,442,673
Profit for the year		-	-	8,827,397	8,827,397
Dividend Paid	26	-	-	-	-
Other comprehensive Income		-	-	423,186	423,186
Balance as at 31.03.2026		150,000,000	17,962,700	(16,269,444)	151,693,256

The accounting policies and notes on pages 52 through 72 form an integral part of the financial statements.

STATEMENT OF CASH FLOWS

Year Ended 31 March 2026

	Note	2026 LKR	2025 LKR
Cash flows from operating activities			
Profit / (Loss) before tax from continuing operations		8,354,750	(23,769,159)
Non - Cash adjustment to reconcile profit before tax to net cash flows:			
Depreciation & Amortization	5	1,638,715	4,507,743
Gain on Disposal of Assets	5	(8,594,613)	-
Share value loss on financial assets		-	443,387
Finance Cost	13	4,695,163	5,609,074
Provisions on Retirement Benefit Obligations		597,251	955,295
Operating Profit/(Loss) Before Working Capital Adjustments		6,691,267	(12,253,660)
(Increase)/Decrease in Inventories		3,654,533	(18,774,997)
(Increase)/Decrease in Trade & Other Receivables		11,792,614	5,401,346
Increase/(Decrease) in Trade & Other Payable		19,235,416	9,797,953
Cash Generated (Used In) from Operating Activities		41,373,829	(15,829,358)
Gratuity Paid		(120,800)	(150,000)
Interest Paid	13	(4,695,163)	(5,609,074)
Income tax		-	(369,527)
Net Cash Flow (Used In) Operating Activities		36,557,865	(21,957,959)
Cash Flows From Investing Activities			
Disposal Of Shares		-	4,791,093
Acquisition of Property Plant and Equipment	5	(217,500)	(12,928)
Disposal Of Assets		13,364,886	-
Net Cash Flows from (Used in) Investing Activities		13,147,386	4,778,165
Cash Flow from Financing Activities			
Related Party Transaction -Loan repayment		(1,200,000)	(3,800,000)
Loans & other Borrowings obtained during the year		-	29,872,820
Repayment of interest bearing borrowings & leases		(47,387,686)	(5,213,067)
Net Cash Flows from (Used in) Financing Activities		(48,587,686)	20,859,754
Net Increase in Cash and Cash Equivalents		1,117,564	3,679,959
Cash & Short term Deposits at the beginning of the year		6,428,335	2,748,376
Cash & Short term Deposit at the end of the year		7,545,900	6,428,335
Analysis of Cash & Cash Equivalents			
Cash and Cash Equivalents	16	7,545,900	6,431,835
Bank Overdraft		-	(3,500)
		7,545,900	6,428,335

The accounting policies and notes on pages 52 through 72 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 General

Myland Developments PLC ("the Company") is a Public Limited Liability Company, incorporated on 06th March 2017 in Sri Lanka under the Companies Act No. 07 of 2007 ("the Act") as a private limited liability Company and was converted to a public limited liability Company with effect from 10th May 2021 in accordance with the provisions of the Act. Ordinary shares of the Company have been listed on the Colombo Stock Exchange with effect from 28th December 2021. The Company changed its name from "Myland Developments Limited" to "Myland Developments PLC" with effect from 23rd February 2022. The registered office and principal place of business is situated at No.143/A/2, Kandy Road, Kadawatha.

1.2 Principal Activities and Nature of Operation

Myland Developments PLC involves in the development and sale of real estate properties for residential and commercial purposes.

1.3 Date of Authorization for issue

The Financial Statements of Myland Developments PLC for the year ended 31st March 2026 were authorized for issue in accordance with a resolution of the Board of Directors on 26 august 2026.

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1.4 Parent Entity and Ultimate Parent Entity

In the opinion of directors, the Company's parent entity is Ambeon Capital PLC and the Company's ultimate parent is Ambeon Consolidated (Pvt) Ltd. Ambeon Consolidated (Pvt) Ltd are companies incorporated and domiciled in Sri Lanka.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS)

Laid down by the Institute of Chartered Accountants of Sri Lanka and in compliance with the Companies Act No.07 of 2007.

2.2 Basis of Measurement

The financial statements of the company have been prepared on the historical cost basis with no adjustments being made for inflationary factors affecting the Financial Statements, except for the Employee Retirement Benefit Obligations measured based on actuarial valuation LKAS 19.

2.3 Functional and presentation currency

The functional currency is the currency of the primary economic environment in which the entity operates. The financial statements are presented in Sri Lanka Rupees (LKR), which is the company's presentation currency.

2.4 Use of estimates and Judgment

The preparation of the Financial Statements of the Company in conformity with Sri Lanka Accounting Standards (SLFRS/LKAS) requires the management to make judgments, estimates and assumptions, which may affect the application of Accounting Policies and the reported amounts of income, expenditure, assets, liabilities and the disclosure of contingent liabilities, at the end of the reporting period. In the process of applying the Company's Accounting Policies, key assumptions were made relating to the future and the sources of estimation at the reporting date together with the related judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Actual results may differ from these estimates.

Accounting judgments, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In determining the below, significant management judgments, estimates and assumptions, the impact of the macroeconomic uncertainties, including interest rate volatilities, and inflation have been considered as of the reporting date and specific considerations have been disclosed under the Notes, as relevant.

The line items which have most significant effect on accounting judgments, estimate and assumptions are as follows

a) Going concern
b) Valuation of Property, Plant & Equipment
c) Impairment of Non-Financial Assets
d) Taxes
e) Employee Benefit Liability
f) Useful Life of Property, Plant & Equipment
g) Useful Life of Intangible Assets

2.5 Comparative Information

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

2.6 Going Concern

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

It is the view of the management that there are no material uncertainties that may cast significant doubt on the Company's ability to continue to operate as a going concern

2.7 Directors' Responsibility for the Financial Statements

The Board of Directors is responsible for these financial statements in accordance with Sri Lanka Accounting Standards and as per the provisions of the Companies Act No. 07 of 2007. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

2.8 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies have been applied consistently for all periods presented in the financial statements by the Company.

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2.8.1 Impairment of non-financial assets

The carrying amounts of the company non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an assets or its related Cash Generating Unit (CGU) exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

2.8.2 Financial Instruments

(a) Recognition and Initial Measurement

The Company initially recognizes trade receivable when they are originated. Loans and receivables and deposits on the date that they originated. All other Financial Assets and Financial Liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

(b) Classification and Subsequent Measurement

FINANCIAL ASSETS

On initial recognition, the Financial Assets are classified as measured at amortized cost, fair value through other Comprehensive Income (FVTOCI) or fair value through Profit or Loss (FVTPL).

The Company measures a Financial Asset at amortized cost if it meets both conditions required by the standard. As well as debt instrument is measured at FVOCI if it meets both the conditions required by the standard.

On the initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets are not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivatives financial assets. In addition, on initial recognition, the Company may irrevocably designate the financial assets that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

FINANCIAL LIABILITY

Financial liabilities are recognized when and only the Company becomes a party to the contractual provisions of financial instrument. Financial liabilities are recognized initially at fair value net of transaction costs that are directly attributable to the issue of the financial liability, which are not at fair value through profit or loss.

Financial liability is classified as FVTPL if it is classified as held for trading, is a derivate or it is designated as such on initial recognition.

(c) De-recognition

FINANCIAL ASSETS

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control of the financial assets. The Company enters into transactions whereby it transfers assets recognized in its Statement of Financial Position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not recognized.

FINANCIAL LIABILITIES

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

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

(d) Off-setting 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 recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

2.9 Impairment

FINANCIAL ASSETS

The Company recognizes a loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost or at fair value through other comprehensive income. The Company, at each reporting date, measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since the initial recognition.

For trade and other receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

NON-FINANCIAL ASSETS

The carrying amounts of the Company's non- financial assets other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash- generating unit (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset or CGU. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets or CGU. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in Profit or Loss.

2.10 Property, Plant and Equipment

Property, Plant & Equipment except for Land are stated at cost, excluding the costs of day-to- day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the Property, Plant & Equipment when that cost is incurred, if the recognition criteria are met.

The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at least at the financial end of the year. An asset's carrying amount is written down immediately to its recoverable amount if it carrying amount is greater than its estimated recoverable amount.

2.10.1 Depreciation

Depreciation is recognized in the statement of comprehensive income on a straight line basis over the estimated useful life of each part of an item of property, plant & equipment in reflection the expected pattern of consumption of the future economic benefits in the asset.

The estimated useful lives for the current and comparative period as follows;

Type of Asset	Useful Life Time
Motor Vehicle	5 Years
Telephone Fax & Computers	5 Years
Tools & Accessories	5 Years
Computers & Printers	5 Years
Furniture	5 Years
Office Equipment	5 Years

2.11 Intangible Assets

Software acquired is stated at cost less accumulated amortization and accumulated impairment losses. Subsequent expenditure on Software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expense as incurred. Amortization is recognized in profit or loss on a straight - line basis over the estimated useful life of the software, from the date that is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows

Type of Assets	Useful Life Time
Software	5 Years
Web Site	5 Years

2.12 Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower cost and net realizable value (NRV).

Cost incurred in bringing each property to its present location and condition includes:

Freehold and leasehold rights for land

Amounts paid to contractors for development Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs necessary to make the sale.

When an inventory property is sold, the carrying amount of the property is recognized as an expense in the period in which the related revenue is recognized. The carrying amount of inventory property recognized in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the relative size of the property sold.

2.13 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) because of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.14 Retirement Benefit Obligations

a) Defined Contribution Plans

A defined contribution plan is a post/ employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to Provident and Trust Funds covering all employees are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. The entity contributes to the following Schemes:

b) EMPLOYEES' PROVIDENT FUND

Maturity approximating to the terms of the related liability. The present value of the defined benefit obligations depends on several 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 in Note 23 Any changes in these assumptions will impact the carrying amount of defined benefit obligations. Actuarial gains or losses are recognized in full in the other comprehensive income.

Provision has been made for retirement gratuities from the beginning of service for all employees, in conformity with LKAS 19 on "Employee Benefits". However, under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of five years of continued service.

c) EMPLOYEES' TRUST FUND

The Company contributes 3% of the salary of each employee to the Employees' Trust Fund maintained by the Employees Trust Fund Board.

a) Defined Benefit Plan - Gratuity

The defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The defined benefit is calculated by the Company using Projected Unit Credit (PUC) methods recommended by LKAS 19 - "Employee benefits". 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

2.15 Revenue

The Company is in the real estate business. Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

SLFRS 15 requires entities to exercise judgment, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Company applied the following judgments that significantly affect the determination of the amount and timing of revenue from contracts with customers:

DETERMINING THE TIMING OF SATISFACTION OF PERFORMANCE OBLIGATION

In recognizing revenue from sale of land, Management applies judgment ascertaining when the control of the good is transferred to the customer. The Company recognizes the revenue when possession of the Land is passed to the customer.

SALE OF LAND

Revenue from the sale of land is recognized as per the SLFRS 15 when the Company satisfies performance obligation by transferring promised good or service to a customer on whom the customer obtains control of the asset.

SIGNIFICANT FINANCIAL COMPONENT

A contract with a customer would not have a significant financing component if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference. As there is no major change between the amount of promised consideration and the cash selling price of the Promised Land, the Company does not recognize the financial component.

Finance Income and Expenses

Finance income comprises interest income on easy payment loans granted, interest on fixed Deposits and savings. Interest income is recognized as it accrues in the statement of comprehensive income using effective interest method. Finance expenses comprise interest expense on borrowings.

2.16 Other Operating Income

Other income comprises income from land resale and deferred payment charges. Other income is recognized as it accrues in the Statement of Comprehensive Income when the Company's right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS

The Company is engaged in property trading and also charges customers Deferred Payment Charges under easy payment schemes. Such Deferred Payment Charges are recognized as Other Operating Income when the related contractual right to receive the charge is established and the amount can be reliably measured.

2.17 Expenditure Recognition

All the expenditure incurred in running of the business and in maintaining the Property, Plant & Equipment in a state of efficiency has been charged to revenue in arriving at the profit for the year. To presentation of statement of comprehensive income, the Directors are of the opinion that the function of expenses method present fairly the elements of the enterprise's performance, Hence such presentation method is adopted

2.18 Borrowing Costs

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.19 Income Tax Expenses

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income. Income tax provisions for the year ended 31st March 2026 have been made as per the provision of the Inland Revenue Act No. 24 of 2017 and the amendments thereto

2.19.1 Current Taxes

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects the uncertainty related to income taxes, if any. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.Current tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate

2.19.2 Deferred Taxation

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 income tax liabilities are recognized for all taxable temporary differences.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax assets 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 assets and unused tax losses can be utilized.

The carrying amount of deferred income 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 income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to 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.

2.20 Stated Capital

Stated capital consists solely of ordinary share capital. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of Ordinary shares are recognized as a deduction from equity, net of any tax effects.

2.21 Earnings per Share (EPS)

The Company presents Basic Earnings per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

2.22 Contingent Liabilities and Commitments

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be readily measured as defined in the Sri Lanka Accounting Standard-LKAS 37 on 'Provisions, Contingent Liabilities and Contingent Assets'. Contingent Liabilities are not recognized in the statement of financial position but are disclosed unless its occurrence is remote.

2.23 Related Party Transactions

The Company carried out transactions in the ordinary course of its business with parties who are defined as related parties as per Sri Lanka Accounting Standard - LKAS 24 on "Related Party Disclosures".

2.24 Contract Assets and Contract Liabilities

Contract assets represent the Company's right to consideration in exchange for goods or services that the Company has transferred to a customer, but not yet billed. Contract liabilities represent the Company's obligation to transfer goods or services to a Customer for which the Company has received consideration. These are recognized in accordance with SLFRS 15.

2.25 Statement of Cash Flows

The Statement of Cash Flows has been prepared using the "Indirect Method" of preparing Cash Flows in accordance with the Sri Lanka Accounting Standard - (LKAS 7) "Statement of Cash Flows". Cash and cash equivalents comprise short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

2.26 Events after the Reporting Date

All material events after the reporting date have been considered and where appropriate adjustments or disclosures have been made in the Financial Statements.

2.27 Comparative Information

The accounting policies have been consistently applied by the Company and, are consistent with those used in the previous year. Previous year's figures and phrases have been re- arranged wherever necessary to conform to current year presentation.

2.28 New and Amended Accounting Standards and Interpretations 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 financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

SLFRS 17 Insurance Contracts
SLFRS 17 is a comprehensive new accounting standard for insurance contracts, covering recognition, measurement, presentation, and disclosure. It replaces SLFRS 4 and applies to all types of insurance contracts-including life, non-life, direct insurance, reinsurance-as well as certain guarantees and financial instruments with discretionary participation features:

The standard is built around the General Measurement Model, supported by two supplementary approaches:

- Variable Fee Approach (VFA): for contracts with direct participation features
- Premium Allocation Approach (PAA): a simplified model mainly for short-duration contracts

SLFRS 17 is effective for annual reporting periods beginning on or after 1 January 2026, with comparative figures required. Early adoption is allowed if the entity also applies SLFRS 9 Financial Instruments and SLFRS 15 Revenue from Contracts with Customers by the date SLFRS 17 is first applied.

SLFRS 17 does not have a material impact on the financial statements.

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

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.

Annual improvements to Sri Lanka Accounting Standards
Narrow scope amendments as part of its periodic maintenance of Sri Lanka Accounting Standards will be adopted, if applicable, when they become effective

NOTES TO THE FINANCIAL STATEMENTS

3. REVENUE

3.1 Summary

	2026 LKR	2025 LKR
Income from sale of land	45,694,558	43,051,635
	45,694,558	43,051,635

The comparative information has been reclassified, where necessary, for better presentation and comparability. Accordingly, certain revenue amounts have been reclassified to Other Operating Income. (note 27)

4. OTHER OPERATING INCOME

	2026 LKR	2025 LKR
Deferred Payment Charges	18,855,525	5,800,000
Land Resale Income	1,387,000	261,304
Default Interest Income	648,153	878,291
Resale-EP Interest Income	813,981	-
Gain on disposal of Motor Vehicle	8,594,613	-
Non-Operating Income	4,026,488	-
	34,325,759	6,939,595

5. PROPERTY, PLANT & EQUIPMENT

5.1 Gross Carrying Amounts

At Cost	Balance As At 01.04.2025 LKR	Additions/ Transfers/ Valuation LKR	Disposals/ Transfers LKR	Balance As At 31.03.2026 LKR
Land	55,000,000	-	(55,000,000)	-
Motor Vehicle	5,300,274	-	(5,300,274)	-
Improvement of Leased Office	2,717,198	-	-	2,717,198
CCTV Camera	174,810	-	-	174,810
Computers & Printers	1,220,195	110,000	-	1,330,195
Furniture & Fittings	1,191,527	-	-	1,191,527
Office Equipments	800,750	-	-	800,750
Other Equipments	33,929	-	-	33,929
Telephone & Fax	69,770	-	-	69,770
Tools & Equipments	5,600	-	-	5,600
Air Conditioners	526,815	-	-	526,815
Total Assets	67,040,867	110,000	(60,300,274)	6,850,593

During the financial year, LKR 55 million worth of land was transferred to inventory.

5.2 Accumulated Depreciation and Impairment

At Cost	Balance As At 01.04.2025 LKR	Depreciation for the year LKR	Disposals/ Transfers LKR	Balance As At 31.03.2026 LKR
Land	-	-	-	-
Motor Vehicle	-	530,000	(530,000)	-
Improvement of Leased Office	1,387,254	774,401	-	2,161,656
CCTV Camera	174,810	-	-	174,810
Computers & Printers	891,595	181,569	-	1,073,163
Furniture & Fittings	1,130,048	55,954	-	1,186,003
Office Equipments	701,211	43,499	-	744,710
Other Equipments	29,881	2,270	-	32,151
Telephone & Fax	62,682	5,088	-	67,770
Tools & Equipments	5,600	-	-	5,600
Air Conditioners	459,924	32,598	-	492,522
Total Depreciation	**4,843,005**	**1,625,379**	**(530,000)**	**5,938,384**

5.3 Net Book Values

At Cost	2026 LKR	2025 LKR
Land	-	55,000,000
Motor Vehicle	-	5,300,274
Improvement of Leased Office	555,542	
Computers & Printers	257,032	328,600
Furniture & Fittings	5,524	1,391,422
Office Equipments	56,040	99,539
Other Equipments	1,778	4,048
Telephone & Fax	2,000	7,088
Air Conditioners	34,293	66,892
	912,209	62,197,863
Total Carrying Amount of Property, Plant & Equipment	912,209	62,197,863

5.4 During the financial year the Company acquired Property, Plant & Equipment to the aggregate value of LKR 110,000/- (2025 - LKR.12,928/-).

NOTES TO THE FINANCIAL STATEMENTS

5.5 The useful lives of the assets are estimated as follows;

	2026	2025
Motor Vehicle	5 Years	5 Years
Improvement of Leased Office	3-5 Years	3-5 Years
CCTV Camera	5 Years	5 Years
Computers & Printers	5 Years	5 Years
Furniture & Fittings	5 Years	5 Years
Office Equipment	5 Years	5 Years
Other Equipments	5 Years	5 Years
Telephone & Fax	5 Years	5 Years
Tools & Equipments	5 Years	5 Years

6. INTANGIBLE ASSETS

6.1 The intangible assets represent cost of acquisition of computer software & Website.

Cost	2026 LKR	2025 LKR
Balance as at beginning of the year	217,500	217,500
Additions to intangible assets assets during the year	107,500	-
Balance as at end of the year	325,000	217,500
Accumulated Amortization		
As at the beginning of the year	217,500	217,500
(+) Amortization for the year	13,333	-
Balance as at end of the year	230,833	217,500
Net Book Values		
At Cost		
Total Carrying Amount of Intangible assets	94,167	-

7. INVENTORIES

	2026 LKR	2025 LKR
Land Stock	246,988,704	195,643,237

During the financial year, LKR 55 million worth of land was transferred to inventory.

7.1.

	2026 LKR	2025 LKR
Opening Stock	195,643,237	176,868,241
Add: Incurred during the year	30,162,862	50,090,864
Trnsfer from Proprty,Plant and Equipment	55,000,000	-
Less: Cost of Sales	(33,817,395)	(31,315,868)
	246,988,704	**195,643,237**

8. TRADE AND OTHER RECEIVABLES

	2026 LKR	2025 LKR
Trade receivables	1,096,126	12,421,930
	1,096,126	**12,421,930**

9. OTHER CURRENT ASSETS

	2026 LKR	2025 LKR
Refundable rent deposit	960,000	960,000
Refundable Deposit-Payroll	27,500	-
WHT	1,331	1,331
Income tax advance	120,461	120,462
Other advance	-	1,650,000
Deferred Payment Receivable	507,574	-
Insurance Pre-payment	648,118	-
	2,264,984	**2,731,792**

10. STATED CAPITAL

	2026 Number	2026 LKR	2025 Number	2025 LKR
10.1 Fully Paid Ordinary Shares (Note 10.2)	36,250,000	150,000,000	36,250,000	150,000,000
	36,250,000	**150,000,000**	**36,250,000**	**150,000,000**

10.2 Fully Paid Ordinary Shares

Balance at beginning of the year	36,250,000.00	150,000,000	36,250,000	150,000,000
Balance at end of the year	**36,250,000**	**150,000,000**	**36,250,000**	**150,000,000**

NOTES TO THE FINANCIAL STATEMENTS

11. TRADE AND OTHER PAYABLES

	2026 LKR	2025 LKR
Sundry creditors	789,840	9,633,037
IPO refund payable	58,668	58,668
Customer stamp & legal fee control	136,424	-
Paye tax payable	4,688,683	4,688,587
Dividend Payable	13,434	13,434
Accrued expenses	2,073,575	1,800,493
	7,760,625	**16,194,219**

12. FINANCE INCOME

	2026 LKR	2025 LKR
Interest Income	1,477	29,834
Resale-Default interest income	105,689	-
	107,166	**29,834**

13. FINANCE COST

	2026 LKR	2025 LKR
Bank Service Charges	290,483	250,126
Interest on Lease	1,235,180	2,216,242
Loan Related Expense	-	1,673
Interest on other borrowings	3,169,500	3,391,159
Overdraft Interest	-	669
Share Investment income	-	443,387
	4,695,163	**6,303,257**

14. OTHER CURRENT LIABILITIES

	2026 LKR	2025 LKR
Customer advance	57,458,372	29,789,361
	57,458,372	**29,789,361**

14.1 Reconciliation Customer advance

	2026 LKR	2025 LKR
Opening	29,789,361	25,071,038
Received during the period	83,653,588	48,014,235
revenue recognized	(45,694,558)	(43,295,912)
Refund to Customer	(9,050,953)	-
Others	(1,239,067)	-
Balance	**57,458,372**	**29,789,361**

15. RETIREMENT BENEFIT OBLIGATION

	Company	
	2026 LKR	2025 LKR
As at 1 April	3,165,717	3,179,221
Current Service Cost	356,474	639,624
Interest Cost on Benefit Obligations	240,777	315,671
Actuarial Loss /(Gain) on Obligation	(604,551)	(818,799)
Payments Made During the Year	(120,800)	(150,000)
As at 31 March	**3,037,617**	**3,165,717**

15.1 The cost of gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, staff withdrawals, and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, the defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. An actuarial valuation of the retirement gratuity payable was carried out as at 31st March, 2026 by Units Actuaries & Consultants (Pvt) Ltd

The valuation method used by the Company to the retirement benefit obligation is the “projected unit credit method” the method recommended by the LKAS 19 - “Employee Benefits

	2026	2025
Rate of Discount (%)	10	12.42
Salary Incremental Rates (%)	8	16
Employee Turnover Factor (%)	22	20
Retirement Age (years)	55	55

NOTES TO THE FINANCIAL STATEMENTS

	2026 LKR	2025 LKR
Maturity Profile of the Retirement Benefit Plan		
Less than one year	146,491	-
Between 1-2 years	204,817	242,488
Between 3-5 years	142,726	-
Between 6-10 years	2,528,855	2,923,229
Beyond 10 years	14,728	-
	3,037,617	3,165,717

A quantitative sensitivity analysis for significant assumption as at 31 March 2026 and 2025 is shown below; Salary

	Salary Increment Rate		Discount rate	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
2026 Impact on Defined Benefit Obligation - LKR	3,136,340	(2,944,666)	(2,922,795)	3,161,855
2025 Impact on Defined Benefit Obligation - LKR	3,268,603	(3,068,846)	(3,046,052)	3,295,194

16. DEFERRED TAX (ASSET) / LIABILITY

16.1 Diferred Tax Note

	Statement of Financial Position	
	2026 LKR	2025 LKR
The movement of deferred tax		
Balance at the beginning of the year	7,578,206	4,949,681
Recognized in statement of comprehensive income - Note 16.3	472,647	7,374,165
Recognized in other comprehensive income - Note 16.3	(181,365)	(4,745,640)
Balance at the end of the period	7,869,487	7,578,206

16.2 Net Deferred Tax Assets

Deferred Tax Liabilities - Note 16.3	(7,698,300)	(9,253,227)
Deferred Tax Assets - Note 16.3	15,567,787	16,831,433
	7,869,487	7,578,206

16.3 Deferred Tax (Asset)/Liability

Deferred Tax (Asset)/Liability	Statement of Financial Position			Income Statement		Other Comprehensive Income	
	2026 LKR	2025 LKR Restated	2024 LKR Restated	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Deferred Tax Liability							
Accumulated depreciation -PPE	-	1,554,927	8,259	(1,554,927)	1,546,668	-	-
Revaluation Reserve - Land	7,698,300	7,698,300	3,198,300	-	-	-	4,500,000
	7,698,300	9,253,227	3,206,559	(1,554,927)	1,546,668	-	4,500,000
Deferred Tax Assets							
Accumulated depreciation for tax purposes	(119,267)	-	-	(119,267)	-	-	-
Defined Benefit Plans	(911,285)	(949,715)	(669,509)	(142,936)	(525,846)	181,365	245,640
Carried forward Tax Losses	(14,537,235)	(15,881,718)	(7,486,731)	1,344,483	(8,394,987)		
	(15,567,787)	(16,831,433)	(8,156,240)	1,082,280	(8,920,833)	181,365	245,640
Deferred Income Tax (Reversal)/Expense							
Net Deferred Tax Liability/(Asset)	(7,869,487)	(7,578,206)	(4,949,681)	(472,647)	(7,374,165)	181,365	4,745,640

The effective Tax rate used is 30% in 2026.

17. INCOME TAX EXPENSE

	2026 LKR	2025 LKR
Current Income Tax		
Current Tax Expense on Ordinary Activities for the Year - Note 17	-	-
(Over) / Under Provision of Current Taxes in respect of Prior Years	-	-
Deferred Income Tax		
Deferred Taxation Charge / (Reversal) - Note 16.3	472,647	7,374,165
Income Tax Expense Reported in the Income Statement	472,647	7,374,165
Deferred Income Tax		
Deferred Taxation Charge / (Reversal) - Note 16.3	181,365	(4,745,641)
Income Tax Expense Reported in the other comprehensive income	181,365	(4,745,641)

17.1 Reconciliation between Current Tax Expense and the product of Accounting Profit.

	2026 LKR	2025 LKR
Accounting Profit / (Loss) before Tax from Operations	8,354,750	(23,769,159)
Aggregate Disallowed items	8,890,577	11,198,343
Aggregate Allowable credits	(12,713,929)	(6,624,447)
Business Income	4,531,398	(19,195,263)
Income From Investmnet	2,954	29,834
Loss Claimed	-	(29,834)
Taxable Income	**4,528,444**	**(19,195,263)**

17.2 Tax Losses Carried Forward

	2026 LKR	2025 LKR
Tax Losses Brought Forward	52,985,894	33,773,630
Disallowable Tax Losses		
Tax Losses Arising During the Year		19,212,264
Utilization of Tax Losses	(4,528,444)	
Adjustments on Finalisation of Liabilities		
Tax Losses Carried Forward	**48,457,450**	**52,985,894**

The above tax losses are available for utilisation against future taxable business income, subject to the provisions of Section 19 of the Inland Revenue Act, No. 24 of 2017 (as amended), including the six-year carry-forward limitation and any other applicable conditions

18. PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS

	2026 LKR	2025 LKR
Stated after Charging/(Crediting)		
- Included under Administration Expenses		
- Depreciation	1,638,714	4,507,746
- Professional charges	1,363,528	29,762
- Auditors Remuneration	970,000	367,500
- Included under Selling and Distribution Expenses		
-Bad & Doubtful Debtors Interest Receivable Written Off	1,239,067	-
-Impairment provision for Bad & Doubtful Debtors	-	-

19. EARNING PER SHARE

19.1 Basic Per Share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. The weighted average number of ordinary shares outstanding during the year and the previous year are adjusted for events that have changed the number of ordinary shares.

19.2 The following reflects the Profit/(Loss) and share data used in the basic Profit/(Loss) Per Share computations.

	2026 LKR	2025 LKR
Amount Used as the Numerator:		
Net Profit/Loss Attributable to ordinary Shareholders	8,827,397	(16,764,521)

	2026 Number	2025 Number
Number of Ordinary Shares Used as Denominator:		
Ordinary shares at the beginning of the year	36,250,000	36,250,000
Weighted average number of ordinary shares adjusted for the effect of dilution	36,250,000	36,250,000

20. CASH AND CASH EQUIVALENTS

20.1 Favourable Cash and Cash Equivalents Balance

	2026 LKR	2025 LKR
Cash in hand	-	70,000
Cash at bank - Note 20.3	7,445,900	6,328,254
Petty cash	100,000	33,581
	7,545,900	6,431,835

20.2 Unfavourable Cash and Cash Equivalents Balance

Bank Overdraft	-	(3,500)
Cash & Short term Deposits at the end of the year for the Purpose of Statement of Cash Flows	7,545,900	6,428,335

20.3 Cash At Bank

NTB Bank - Current Account	101,269	1,569
NTB Bank - Saving Account	69	-
PABC Bank - Current Account	166,627	5,999,928
Sampath Bank - Saving Account	56,851	55,574
Sampath Bank -Current(Trade) Account	7,121,084	271,183
	7,445,900	6,328,254

NOTES TO THE FINANCIAL STATEMENTS

21. ASSETS PLEDGED

Nature of Assets	Carrying Amount Pledged		
	Nature of Liability	2026 LKR	Included Under
20P Land at Kadawatha	Short term Loan	4,321,708	Inventory
"428P Balummahara Land"	Long term Loan	42,500,000	Inventory

22. RELATED PARTY DISCLOSURES

Details of significant related party disclosures are as follows:

22.1 Transaction with related entities

	2026 LKR	2025 LKR
Balance as at 01 April	1,200,000	-
Directors' Fees	-	1,200,000
Settlement	(1,200,000)	-
Balance as at 31 March	-	1,200,000

22.2 Transactions with Key Management Personnel of the Company

The key management personnel of the Company are the members of its Board of Directors.

Key Management Personnel Compensation	2026 LKR	2025 LKR
Short-term employee benefits	2,600,000	410,000

Terms and conditions :

Transactions with related parties are carried out in the ordinary course of the business. Outstanding current account balances at year end are unsecured, interest free and settlement occurs in cash. Interest bearing borrowings are at pre-determined interest rates and terms. Rental Income is at pre-determined rates and terms.

23. EVENTS OCCURRING AFTER THE REPORTING DATE

No circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the financial statements.

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's management oversees the management of these risks. The company's senior management is supported by the Board of Directors (BOD) that advises on financial risks and the appropriate financial risk governance framework for the company. BOD provides assurance to the company's management that the company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with group policies and group risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

The Company is exposed to market risk, credit risk and liquidity risk.

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 Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Liquidity risk

The Company manages liquidity risk exposure through effective working capital management. The Company also has planning guidelines in place to ensure that the short term and medium term liquidity is managed at acceptable levels.

The table below summarizes the maturity profile of the Group's financial liabilities at 31 March 2026 and 31 March 2025 based on contractual undiscounted payments.

	Less than 3 Months LKR	3 to 12 Months LKR	1 to 5 Years LKR	> 5 Years LKR	Total LKR
2026					
Trade and Other Payables	3,071,941	4,688,683	-		7,760,625
	3,071,941	4,688,683	-	-	7,760,625
2025					
Trade and Other Payables	4,889,638	11,304,581	-	-	16,194,219
	4,889,638	11,304,581	-	-	16,194,219

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: finance rate risk, currency risk, commodity price risk and other price risk, such as equity price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future Cash Flows of a financial instrument will fluctuate because of changes in market Interest rate The Company's Interest rate risk arises mainly from the borrowings and investment of excess funds in financial investments. Borrowings at variable rates expose the Company to Cash Flow Interest rate risk. Borrowings and investments at fixed rates expose the Company to fair value Interest rate risk

The Company has cash and Bank balances including deposits placed and reputed financial institutions. All available opportunities are considered before making investment decisions.

The Company manages its working capital appropriately to ensure that borrowing needs and investment opportunities are foreseen. Market interstates are monitored closely to ensure borrowings and investments are at the best rate forth Company

At the end of the reporting year, the interstate profile of the Company's interest-bearing financial instruments as reported to the management of the Company was as follows,

	2026 LKR	2025 LKR
Financial Liabilities		
Loans and Borrowings	(46,821,708)	(94,209,395)
	(46,821,708)	(94,209,395)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the profit before tax (through the impact on floating rate borrowings)

	Increase/ (Decrease) in basic points	Effect on Profit before Tax LKR
2026	+100	(468,217)
	-100	468,217
2025	+100	(942,094)
	-100	942,094

25. Loan & Borrowings

	2026 LKR	2025 LKR
Loan & Borrowings	46,821,708	94,209,395
	46,821,708	**94,209,395**
Amount payable within one year	4,321,708	31,817,118
Amount payable after one year	42,500,000	62,392,277
	46,821,708	**94,209,395**

25.1 Loan Movement During The Year

	2026 LKR	2025 LKR
As at 1 April	94,209,395	14,049,642
Loans obtained during the Year		84,810,531
Repayment during the year	(47,387,687)	(4,650,778)
As at 31 March	**46,821,708**	**94,209,395**

25.2 Loans & Borrowings -PABC

	2026 LKR	2025 LKR
Balance at the beginning of the year	9,398,864	14,049,642
Loans obtained during the year	-	-
	9,398,864	14,049,642
Repayments during the year	(5,077,156)	(4,650,778)
Balance at the end of the year	**4,321,708**	**9,398,864**
Repayable within one year	4,842,768	5,506,587
Repayable between one & five years	(521,060)	3,892,277
	4,321,708	**9,398,864**

	2026 LKR	2025 LKR

25.3 Loans & Borrowings -NTB

	2026 LKR	2025 LKR
Balance at the beginning of the year	42,500,000	-
Loans obtained during the year	-	42,500,000
Repayments during the year	-	-
Balance at the end of the Month	**42,500,000**	**42,500,000**
Repayable at Maturity (18 Months)	42,500,000	42,500,000
	42,500,000	**42,500,000**

25.4 Loans & Borrowings -PABC

	2026 LKR	2025 LKR
Balance at the beginning of the year	16,000,000	-
Loans obtained during the year	-	16,000,000
Repayments during the year	(16,000,000)	-
Balance at the end of the Month	**-**	**16,000,000**
Repayable at Maturity (18 Months)	-	16,000,000
	-	**16,000,000**

25.5

Term of the loan	Maturity period	Interest rate	Facility amount (Rs.)
Term loan			
Pain Asia Bank - Capital repayment within 84 monthly installments	84 Month	Fixed rate	24,000,000
NTB- Only Interest Rental (Monthly Basis) AWPLR+3%p.a	Maximum 18 Months	Variable Rate	45,000,000
Pain Asia Bank-14%	Maximum 18 Months	Variable Rate	16,000,000

Assets pledged as security against borrowings and the facility details are disclosed in Note 22.

25.6 Other Loans

	2026 LKR	2025 LKR
Balance at the beginning of the year	13,872,820	-
Loans obtained during the year	-	13,872,820
	13,872,820	13,872,820
Repayments during the year	(13,872,820)	-
Balance at the end of the year	**-**	**13,872,820**

NOTES TO THE FINANCIAL STATEMENTS

25.7 Leases

	2026 LKR	2025 LKR
Balance at the beginning of the year	12,437,711	-
Lease Entered 15-11-2023	-	12,437,711
Add: Interest In Suspense	-	-
	12,437,711	12,437,711
Repayments at Maturity	(12,437,711)	-
Balance at the end of the year	-	**12,437,711**
Repayable within one year	-	12,437,711
	-	12,437,711

26. DIVIDEND PER SHARE

	2026 PER SHARE/ LKR	2025 PER SHARE/ LKR
Equity Dividend on Ordinary Share Declared and Paid During the Year	-	-
Interim Dividend	-	-
	-	-

27. RESTATEMENT OF FINANCIAL STATEMENTS

27.1 Correction of Prior Period Errors and Restatement of Financial Statements - Company

During the current year, the Company identified a prior period error relating to the non-recognition of deferred tax arising from the revaluation surplus recognized on freehold land. As a result, deferred tax liabilities and the related tax impact on the revaluation reserve were understated in the affected reporting periods.

27.1.1 Impact of Correcting Prior Period Error Relating to Deferred Tax

(a) In accordance with LKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the Company has retrospectively corrected the error by recognizing the deferred tax liability associated with the land revaluation surplus. Accordingly, adjustments have been made to deferred tax liabilities, the revaluation reserve, retained earnings and related comparative balances as at 1 April 2024 and 31 March 2025.

(b) The correction of the error has resulted in the restatement of the Statement of Financial Position, Statement of Changes in Equity and related note disclosures for the comparative periods presented. The cumulative effect of the error prior to 1 April 2024 has been recognized through the opening balances of equity.

27.2 Impact on the Statement of Financial Position for the Year ended 31 March 2024 and 31 March 2025

	31-Mar-25			01-Apr-24		
	As reported Rs.	Adjustment Rs.	As restated Rs.	As reported Rs.	Adjustment Rs.	As restated Rs.
Assets						
Non-Current Assets other than Deferred Tax Assets	62,197,863	-	62,197,863	51,692,682	-	51,692,682
Deferred tax Asset	10,776,506	(3,198,300)	7,578,206	8,147,981	(3,198,300)	4,949,681
Current Assets	217,228,795	-	217,228,795	206,236,623	-	206,236,623
	290,203,164	(3,198,300)	287,004,864	266,077,286	(3,198,300)	262,878,986
Equity and Liabilities						
Equity	124,479,973	-	124,479,973	140,671,336	-	140,671,336
Revaluation Reserve	21,161,000	(3,198,300)	17,962,700	10,661,000	(3,198,300)	7,462,700
Non-Current Liabilities	65,557,994	-	65,557,994	51,722,276	-	51,722,276
Current Liabilities	79,004,197	-	79,004,197	63,022,674	-	63,022,674
	290,203,164	(3,198,300)	287,004,864	266,077,286	(3,198,300)	262,878,986

27.3 Impact on the Statement of Profit or Loss, Basic and Diluted Earnings per Share, and Statement of Cash Flows for the year ended 31 March 2024 and 31 March 2025

The correction of the prior period error relating to the non-recognition of deferred tax arising from the revaluation of freehold land had no impact on the Statement of Profit or Loss, Basic and Diluted Earnings per Share, or the Statement of Cash Flows for the year ended 1 April 2024 and 31 March 2025, as the related adjustment was recognized directly in equity through the revaluation reserve.

27.3.1 Impact on the Deferred Tax Liability for Ended 31st March 2024

	As reported (2024)		Adjustment (2024)		As restated (2024)	
	Temporary Difference Rs.	Tax effect Rs.	Temporary Difference Rs.	Tax effect Rs.	Temporary Difference Rs.	Tax effect Rs.
Property, Plant and Equipments	27,530	8,259	-	-	27,530	8,259
Revaluation of Land	10,661,000	-	10,661,000	3,198,300	10,661,000	3,198,300
Defined Benefit Plans	(2,231,697)	(669,509)	-	-	(2,231,697)	(669,509)
Carried forward Tax Losses	(24,955,770)	(7,486,731)	-	-	(24,955,770)	(7,486,731)
	(16,498,937)	(8,147,981)	10,661,000	3,198,300	(16,498,937)	(4,949,681)

27.3.2 Impact on the Deferred Tax Liability for Ended 31st March 2025

	As reported (2025)		Adjustment (2025)		As restated (2025)	
	Temporary Difference Rs.	Tax effect Rs.	Temporary Difference Rs.	Tax effect Rs.	Temporary Difference Rs.	Tax effect Rs.
Property, Plant and Equipments	5,183,090	8,259	-	-	5,183,090	1,554,927
Revaluation of Land	25,661,000	4,500,000	25,661,000	3,198,300	25,661,000	7,698,300
Defined Benefit Plans	(3,165,717)	(669,509)	-	-	(3,165,717)	(949,715)
Carried forward Tax Losses	(52,939,060)	(7,486,731)	-	-	(52,939,060)	(15,881,718)
	(25,260,687)	(3,647,981)	25,661,000	3,198,300	(25,260,687)	(7,578,206)

27.4 Reclassification of Comparative Information

The comparative information has been reclassified, where necessary, to ensure consistency in presentation and comparability with the current year. Accordingly, Deferred Payment Charges previously included under Revenue for the financial year 2024/25 have been reclassified to Other Operating Income. This reclassification has no impact on the previously reported profit or loss or total equity of the Company

28 CONTINGENT LIABILITIES AND COMMITMENTS

The Company had no significant contingent liabilities, capital commitments, or other commitments outstanding as at the end of the reporting period

Supplementary Information

INVESTOR INFORMATION

Ordinary Shareholders as at 31 March 2026

Range of Shareholding	No. of Shareholders	No. of Shares	%
1 upto 1,000 shares	731	173,004	0.5%
1,001 to 10,000 shares	317	1,115,406	3.1%
10,001 to 100,000 shares	105	3,242,663	9.0%
100,001 to 1,000,000 shares	8	2,090,304	5.8%
Above 1,000,000 shares	4	29,628,623	81.7%
TOTAL	1165	36,250,000	100.0%

Public Shareholding

Information pertaining to public shareholding is as follows;

	2025/2026	2024/2025
Number of public shares	6,621,377	6,550,550
Public holding percentage	18.27%	18.07
Number of public shareholders	1,165	858
Float adjusted market capitalization (LKR)	148,980,983	52,404,400

The Company is compliant with the Minimum Public Holding requirement under option 5 of rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange.

Market Values (traded dates)	2025/2026	2024/2025
Market value per share as at last traded date (LKR)	22.5	8
Highest value per share recorded during the period (LKR)	31.2	11.1
Lowest value per share recorded during the period (LKR)	19.3	7.5

Twenty largest shareholders as at

Name of shareholder

No	Name	31-Mar-26	
		No. of Shares	%
1	AMBEON CAPITAL PLC	18,500,000	51.0%
2	SEYLAN BANK PLC/ARCASIA INVESTMENTS & TRADING (PVT) LTD	5,058,000	14.0%
3	DFCC BANK PLC/ATX PARTNERS PVT LTD	4,983,123	13.7%
4	Mr.D.T.S.H.MUDALIGE	1,087,500	3.0%
5	MR.D.P.NAVARATNAM	792,350	2.2%
6	MR.U.D.M.FERNANDO	521,339	1.4%
7	MR.J.B.C.DE SILVA	180,039	0.5%
8	MR.S.GURUSINGHE	133,712	0.4%
9	ASSETLINE FINANCE PLC/M.S.HAMZADEEN	131,747	0.4%
10	SEYLAN BANK PLC/GLADSTONE CAPITAL(PRIVATE) LIMITED	126,781	0.3%
11	MR.G.C.S.RAMANAYAKE	103,135	0.3%
12	MR.K.G.T.D.GUNATHILAKE	101,201	0.3%
13	MR.M.R.M.SIMSAN	94,903	0.3%
14	MR.E.A.WEERASINGHE	90,000	0.2%
15	MR.R.V.C.LANKA	80,000	0.2%
16	MR.K.P.HERATH	79,764	0.2%
17	MRS.M.ARUDPRAGASM	66,698	0.2%
18	SENKADAGALA FINANCE PLC/M.S.K.GALAGEDARA	65,000	0.2%
19	MR.M.M.ASLAM JIFFRY	64,322	0.2%
20	MR.M.A.T.G.MANCHANAYAKA	62,548	0.2%

FIVE YEAR FINANCIAL SUMMARY

LKR ('000)	Company				
	2026	2025 Restated	2024 Restated	2023	2022
Revenue	45,695	43,051	70,415	66,429	249,587
Profit/ (Loss) Before Tax	8,355	(23,769)	(27,493)	(11,212)	48,247
Taxation (Expense)/Reversal	473	7,004	6,940	(1)	(3,504)
Profit/(Loss) After Tax	8,827	(16,765)	(20,553)	(11,213)	44,743
Equity					
Stated Capital	150,000	150,000	150,000	150,000	150,000
Other Reserves/ Retained Earning	1,693	(7,557)	(1,865)	21,051	40,848
Total equity	151,693	142,442	148,134	171,051	190,848
Assets Employed					
Non Current Assets	8,875	69,776	56,642	53,715	57,343
Current Assets	257,895	217,228	206,236	171,250	216,084
Non Current Liabilities	45,537	65,557	51,722	16,398	23,606
Current Liabilities	69,540	79,004	63,022	37,516	58,973
Capital Employed	197,230	208,000	199,856	187,449	214,454

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Company will be held by way of electronic means on Wednesday, 23 September 2026 at 9.30 a.m. centered at No. 100/1, 2nd Floor, Elvitigala Mawatha, Colombo 8, Sri Lanka, for the following business:

a) To lay before the meeting, the Annual Report of the Directors and the Financial Statement of the Company for the year ended 31 March 2026 together with the Report of the Auditors thereon.
b) To elect Dr. K S Narangoda, Director who retires in terms of Article No. 111 of the Articles of Association (Resolution 1).
c) To elect Mr. S L Sebastian, Director who retires in terms of Article No. 111 of the Articles of Association (Resolution 2).
d) To elect Mr. M D J R Goonetilleke, Director who retires in terms of Article No. 111 of the Articles of Association (Resolution 3).
e) To elect Dr. D R Dissabandara, Director who retires in terms of Article No. 111 of the Articles of Association (Resolution 4).
f) To elect Ms. R D Fernando, Director who retires in terms of Article No. 111 of the Articles of Association (Resolution 5).
g) To re-appoint M/s. Ernst & Young, Chartered Accountants, the retiring auditors and to authorize the Directors to determine their remuneration (Resolution 6).
h) To authorise the Directors to determine donations for the year 2026/2027 (Resolution 7).

By Order of the Board

Sgd.
R. K. L. S. Corporate Services (Pvt) Ltd
Secretaries
Colombo

28 August 2026

Notes:
1. A shareholder entitled to attend and vote at the above virtual meeting is entitled to appoint a proxy to attend and vote on behalf of him/her by electronic means.
2. A proxy need not be a shareholder of the Company.
3. Shareholders who are unable to participate in the above virtual meeting are also encouraged to submit a duly completed Form of Proxy appointing the Chairman or any other Member of the Board to participate and vote on their behalf.
4. The Form of Proxy is enclosed for this purpose.
5. Shareholders are advised to follow the Guidelines for Registration and the Registration Form for the Annual General Meeting which are made available on the Company's official website and the CSE website.

NOTES

FORM OF PROXY

I/We ....

holder of NIC No. .... of ....

being a Shareholder/Shareholders of Myland Developments PLC, do hereby appoint ....

.... holder of NIC No. .... of

.... or failing him/her

Mr. S L Sebastian	or failing him
Dr. K. S. Narangoda	or failing him
Mr. M D J R Goonetilleke	or failing him
Dr. D R Dissabandara	or failing him
Ms. R D Fernando	

as *my/our proxy to represent me/us and to speak and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 23 September 2026 and any adjournment thereof and at every poll which may be taken in consequence thereof.

Agenda Items

1. To lay before the meeting, financial statements for the year ended 31st March 2026.

		For	Against	Abstain
Resolution 1.	To elect Dr. K S Narangoda, Director who retires by rotation in terms of Article No. 111 of the Articles of Association of the Company.			
Resolution 2.	To elect Mr. S L Sebastian, Director who retires by rotation in terms of Article No. 111 of the Articles of Association of the Company.			
Resolution 3.	To elect Mr. M D J R Goonetilleke, Director who retires by rotation in terms of Article No. 111 of the Articles of Association of the Company.			
Resolution 4.	To elect Dr. D R Dissabandara, Director who retires by rotation in terms of Article No. 111 of the Articles of Association of the Company.			
Resolution 5.	To elect Ms. R D Fernando, Director who retires by rotation in terms of Article No. 111 of the Articles of Association of the Company.			
Resolution 6.	To re-appoint the retiring Auditors Messrs. Ernst & Young, Chartered Accountants as the Auditors of the Company.			
Resolution 7.	To authorise the Directors to determine donations for charitable and other purposes for the year 2026/2027.			

Mark your preference with "X"

Signed on this .... day of .... 2026.

Signature

a) * Please delete the inappropriate words.

b) Instructions as to completion are noted on the reverse thereof.

FORM OF PROXY

Instructions as to the completion of Proxy

1. The full name, national identity card number and the registered address of the shareholder appointing the Proxy and the relevant details of the Proxy should be legibly entered in the Form of Proxy which should be duly signed and dated.
2. The Proxy shall -
   a. In the case of an individual be signed by the shareholder or by his/her attorney, and if signed by an Attorney, a notarially certified copy of the Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.
   b. In the case of a company or corporate/statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the company or corporate/statutory body in accordance with its Articles of Association or the Constitution or the Statute (as applicable).
3. Please indicate with "X" how the Proxy should vote on each resolution. If no indication is given, the Proxy in his/her discretion will vote as he/she thinks fit.
4. To be valid, the completed Form of Proxy must be deposited with the Registered Office of the Company at No. 143/A/2, Kandy Road, Kadawatha, Sri Lanka or must be emailed to mdlagm2026@ambeongroup.com by 9.00 a.m. on Monday, 21 September 2026.

CORPORATE INFORMATION

Name of Company	-	Myland Developments PLC
Registered Office	-	No. 143/A/2, Kandy Road Kadawatha, Sri Lanka Tele: +94 112 901 911 Web: www.myland.lk Email: info@myland.lk
Legal Form	-	Incorporated as a Private Limited Liability Company on 6th March 2017 under Companies Act No. 7 of 2007, in Colombo. The Company changed its status to a Limited Liability Company on 10th May 2021 in terms of the Companies Act No. 7 of 2007. The Company was listed in the Colombo Stock Exchange on 28th December 2021. The Company changed its status to a Public Quoted Company on 23rd February 2022 in terms of the Companies Act No. 7 of 2007.
Company Registration No.	-	PQ00239455
Directors	-	Mr. S L Sebastian (Chairman/Independent Non-Executive Director) Dr. K S Narangoda (Non-Executive Director) Mr. M D J R Goonetilleke (Independent Non-Executive Director) Dr. D R Dissabandara (Executive Director) Ms. R D Fernando (Independent Non-Executive Director)
Company Secretary	-	R. K. L. S. Corporate Services (Pvt) Limited No. 216/1, Rajagiriya Road, Rajagiriya Sri Jayewardenepura, Kotte Tele/Fax: +94 112 868469
Auditors	-	Ernst & Young Chartered Accountants 109, Rotunda Towers Galle Road, Colombo 3 Tele: 011-246 3500 Fax: 011 768 7869
Bankers	-	Nations Trust Bank PLC Pan Asia Banking Corporation PLC Sampath Bank PLC

myland

Building Your Future