

2025

ANNUAL REPORT



**ALPHA FIRE
SERVICES PLC**

DECADES OF EXCELLENCE IN FIRE SYSTEMS

SINCE 1989



ALPHA FIRE SERVICES PLC

CONTENTS

Our Approach to Reporting	01
Financial Highlights	03
About the Company	04
Vision, Mission, Objective	04
Milestones	05
Awards	06
Our Portfolio	07
Our Services	09
Our Regional Presence	10
Chairman's Message	11
Director - Operation's Review	13
Board of Directors	15
Board of Directors' Profiles	16
Management Discussion and Analysis	18
Stakeholder Engagement	23
Human Capital Review	26
Corporate Governance	31
Risk Management	40
Audit Committee Report	43
Related Party Transactions Review Committee Report	45
Report of the Board of Directors on the Affairs of the Company	47
Remunerations Committee Report	50
Independent Auditor's Report	52
Statement of Financial Position	58
Statement of Comprehensive Income	59
Statement of Changes in Equity	60
Statement of Cash Flows	61
Notes to the Financial Statements	62
Shareholders' Information	79
Notice of the Annual General Meeting	80
Form of Proxy	82
Instruction for Proxy	83



OUR APPROACH TO REPORTING

We are pleased to present the Annual Report of Alpha Fire Services PLC for the financial year ended 31 March 2025. This report has been prepared with meticulous attention to detail, in full compliance with applicable regulatory requirements, governance codes, and reporting frameworks.

The Report provides a comprehensive overview of our strategies, performance, value creation, and impact, highlighting both our financial results and our broader responsibilities as a corporate citizen. It reflects our continued efforts to balance sustainable growth with accountability, transparency, and good governance practices, ensuring the confidence of all stakeholders.

In the pages ahead, we outline our Financial Statements, the Board of Directors' Report, and other statutory disclosures. In addition, we present an in-depth Management Discussion and Analysis (MD&A), offering insights into operational performance, market dynamics, risks, and opportunities that shaped the year under review.

At Alpha Fire Services PLC, we remain dedicated to advancing our business with integrity, strengthening our contribution to the communities we serve, and supporting the nation's progress, while safeguarding long-term value for our shareholders.





REPORT PROFILE

Frequency:

Annual

Reporting period:

The financial year began on

01st April 2024 and

ended on 31st March 2025

Period of the most recent previous report:

The financial year began on

01st April 2023 and

ended on 31st March 2024

CONSISTENCY AND COMPARABILITY

Where applicable, we include relevant comparable information from the previous year for clarity and context.

REPORTING GUIDELINES AND SCOPE

At Alpha Fire Services PLC, we uphold rigorous guidelines and frameworks to enhance the credibility and effectiveness of our reporting practices. These standards not only ensure transparency but also drive continuous improvement across our reporting processes.

REGULATORY

- Companies Act No.7 of 2007
- Continued Listing Requirements of the Colombo Stock Exchange
- Sri Lanka Accounting & Auditing Standards Act No.15 of 1995
- Sri Lanka Financial Reporting Standards
- Code of Best Practice on Corporate Governance

ASSURANCE

To maintain reliability and ensure authenticity, Alpha Fire Service PLC adopts a comprehensive approach to collective assurance. This approach requires a rigorous review of our entire reporting system, overseen by Management and the Board of Directors. In addition, we utilize the services of Messrs KPMG Chartered Accountants, respected external auditors with a reputation for independence and expertise, to ensure the accuracy of our financial statements. Their confirmation adds important reassurance to our stakeholders.

RESPONSIBILITY OF THE BOARD

At Alpha Fire Services PLC, the Board of Directors assumes paramount responsibility for maintaining the integrity of our annual report. Ensuring that all relevant issues are fully covered and that we are adequately represented is central to our commitment.

It is important to note that once published, the Board does not allow any changes to be made to the information presented in the report. This commitment underscores our commitment to maintaining the accuracy and reliability of our disclosures to stakeholders.

QUERIES

We welcome your suggestions and feedback on this report. Please direct them to:



No 28, Suleiman Terrace,
Colombo-05.



011 250 8888



info@alphafire.lk

FINANCIAL HIGHLIGHTS

For the year ended
31st March

2025
Rs.

2024
Rs.

Change
%

Financial Performance (Rs'.000)

Revenue	416,270,509	326,569,040	27%
Gross Profits	175,563,761	128,398,509	37%
Interest Income	3,368,640	4,677,036	-28%
Interest Expense	14,025,828	13,623,022	3%
Profit Before Tax	56,812,407	34,949,340	63%
Profit After Tax	39,421,695	24,586,355	60%
Income Tax Expense	17,390,711	10,362,985	68%

Financial position at the year-end (Rs'.000)

Total Equity	178,989,202	145,383,508	23%
Total Assets	385,859,778	305,752,952	26%
Total Liabilities	206,870,576	160,369,444	29%
Total Debt	99,680,380	79,139,942	26%
Debt/Equity	0.56	0.54	3.7%
Debt/Total Assets	0.26	0.26	0%
Current Ratio	1.45	1.39	-4%

Profitability Ratios

Gross Profit Ratio %	42.18%	39.32%	7%
Operational Profit Ratio %	16.21%	13.44%	21%
EBITDA %	17.30%	14.76%	17%
Net Profit Ratio	9.47%	7.53%	26%
Return on Assets (%)	10.22%	8.04%	27%
Return On Shareholder's Fund (%)	22.02%	16.91%	30%

Gearing Ratios

Equity: Interest Bearing Liabilities (Times)	0.56	0.54	3.7%
Debt: Equity Ratio (Times)	1.16	1.10	5%
Quick Assets Ratio (Times)	0.54	0.82	-34%

ABOUT THE COMPANY



Alpha Fire Services PLC initiated its journey in the fire business industry for a 'Safer World' in Bahrain and Sri Lanka in 1989. In 2007, it was registered as a Private Limited Liability Company on its way to becoming an established industry leader and the preferred choice for fire protection in Sri Lanka.

The company counts over 33 years of excellence strengthened by the quality standards it maintains, the qualified and skilled staff, and its adoption of the latest advanced machinery and techniques. AFS complies with CIDA EM1 (ICTAD) status, possesses ISO 9001:2015 certification and is also a member of the National Fire Protection Association (NFPA). The contribution from a total of 60 employees, including a team of qualified and trained engineers and technical staff, has supported the company's performance over the years. Moreover, the modern workshop facility located in Pannipitiya is equipped with the latest technologies and periodically upgraded to cater to industrial-level fire safety requirements.



CIDA EM1 (ICTAD) Status

EM 1 Grade on Fire Detection and Protection System is the highest grading provided by CIDA (ICTAD).



ISO 9001:2015 Certification

This certification covers the provision of supply and installation of fire equipment and systems, upgrading of existing fire systems, maintenance services and fire training.



To be the customer's first choice of fire risk management, offering a comprehensive and unique portfolio of products and services, aiming at saving lives and protecting property from fire at all times.



To constantly upgrade and introduce new innovations, so as to ensure our valued customers can benefit from the latest technologies.

To contribute to a safer world guided by innovative technology.

To create value for our clients, employees, suppliers and shareholders.



Doing the right thing right the first time.

MILESTONES

2003

AFS was legally incorporated

2020

The company received the ISO Certificate

2022

AFS listed in
Colombo Stock Exchange

2023

- The company reached Rs. 250 Mn in revenue
- Rs. 50 Mn Capital infusion by Rights Issue

2024

Investment in own workshop
at Polgasowita

2025

NBEA Award for Fire Safety Sector

AWARDS

National Business Excellence Awards 2025

The National Chamber of Commerce of Sri Lanka Business Sector Awards- Other Services category - Merit Award

The National Business Excellence Awards (NBEA) 2025 is organized by the National Chamber of Commerce Sri Lanka, celebrating and recognizing business excellence in the country.

The grand awards ceremony was held on 24 July at the Shangri-La Colombo, in the presence of a distinguished gathering comprising corporate leaders, business community members, and esteemed guests.

NBEA is a most prestigious and pioneering awards schemes. Over the past two decades, it has maintained the highest standards in evaluating and recognizing outstanding business organizations, earning a reputation as a well-structured and credible platform for promoting excellence in the Sri Lankan corporate landscape.

Alpha Fire Services PLC was recognized at the NBEA in Business Sector Awards- Other Services category - Merit Award



National Business Excellence Awards 2025

Western Province Entrepreneur Awards 2024 The National Chamber of Commerce of Sri Lanka Service Sector - Medium Category-Merit Award



The National Chamber of Commerce of Sri Lanka

Western province Entrepreneur Awards 2024 was held in grandeur on 11th December 2024, at Lotus Hall, BMICH for the seventh consecutive year. The National Chamber of Commerce of Sri Lanka (NCCSL) and the National Enterprise Development Authority (NEDA) have jointly organized this annual award scheme to categorize, reward and motivate Sri Lanka's domestic entrepreneurs. Driven with the objective to recognize the accomplishments to encourage the business community, in the Western Province, to improve their standards of business practices, and achieve a high level of entrepreneurship focusing on the Micro, Small, Medium to Large sectors.

Alpha Fire Services PLC was recognized at the Western Province Entrepreneur Award in Service Sector - Medium Category-Merit Award



Lion Brewery (Ceylon) PLC - EHS Compliance Awards

·Lion Brewery (Ceylon) PLC - EHS Compliance Awards
Alpha Fire Service PLC was recognized by Lion Breweries for the exceptional compliance and quality standards of the Company's service and product solutions and delivery. It is a milestone achievement to be recognized by a client for exceptional quality standards and compliance.

OUR PORTFOLIO



Fire Alarm Systems

- « A range of fire alarm systems provides automatic detection and warning during a fire emergency.
- « UL, FM and LPCB certified.



Fire Blanket

- « Provides easily accessible and controlled supply of water for fire extinguishing.
- « Compact package in convenient quick release PVC containers.



Fire Hose Reel Systems

- « Fire hose reel system consist of pumps, pipes and supply of water.
- « Comes with a unique ball valve shut-off device, plastic or solid brass hose reel nozzle and mounting brackets.



Fire Extinguishers

- « Ideal for fire points at any premises, fire extinguishers are the first line of defense against fires.



Fire Hydrant Systems

- « Compact fire hydrant systems designed to fight fire of high proportions, in every class of risks.



Fire Doors & Frames

- « Cold rolled galvanized steel doors and steel-mixed wooden doors are strong, stable and durable.
- « Fire door assemblies are produced and tested as per international standards.

OUR PORTFOLIO



Fire Flex Systems

- « Excellent system designed for enclosed areas to extinguish fires within 15 seconds.
- « UL certified.



Foam Bladder Tanks

- « Easily operable without external power or pump only flowing water.



Kitchen Hood Fire Suppression

- « A nano mist system used in kitchen hood fire suppression has low water usage and contains smoke scrubbing qualities.
- « LPCB/CE certified hood.



Sprinkler Systems

- « Uses an active fire protection methodology.



Fire Pump Systems

- « Diesel engine and electric motor driven, high quality pumps.
- « Fully compliant with UL/ FM standards.



Fire Suppression Systems

- « Designed to a unique technology, this fire suppression system extinguishes fire with no harm to people and the surrounding.

OUR SERVICES

Alpha Fire Services PLC considers the safety of its clients with utmost importance and attends to safety practices with urgency. The company offers product-handling guidance, post-purchase maintenance, upgrades, and customization for client requirements.

All equipment and systems designed by Alpha Fire Services PLC are compatible with safety standards, and long-term customer satisfaction is ensured with its after-sales customer service.

Commissioning

Through the commissioning of the installed fire protection systems, AFS confirms that the interconnected fire systems function as per design specifications and operational guidelines in compliance with local and international regulations and standards.

Maintenance

AFS provides islandwide maintenance and upgrade services for all types of fire equipment and systems.



Complying with local and international standards and regulations, AFS designs fire protection and detection, suppression systems and centralized liquid petroleum gas systems.

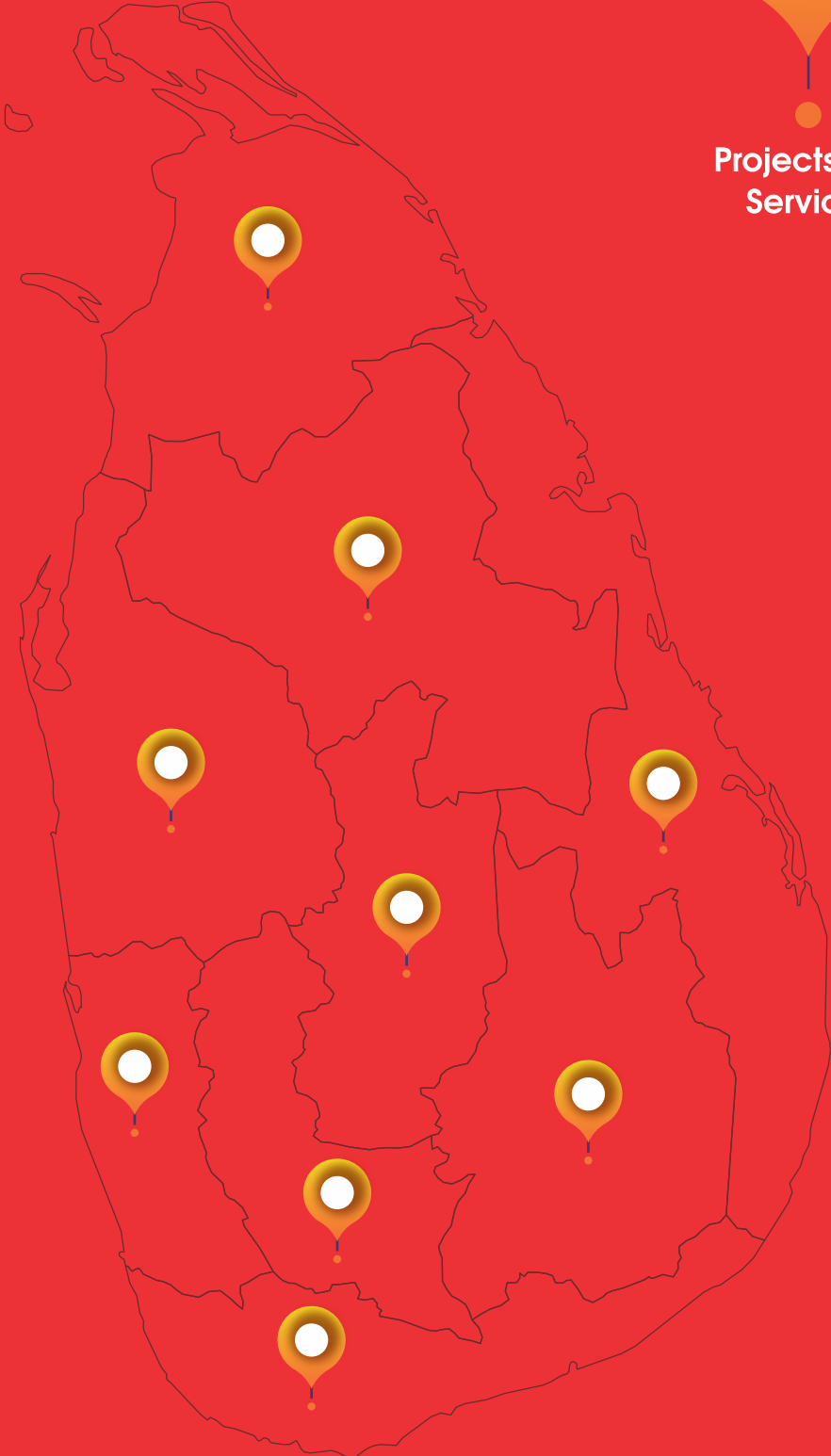
AFS installs fire safety equipment and systems following a thorough inspection by its well-experienced technical team at the premises and the surrounding conditions.

AFS conducts training and demonstrations on fire safety, the use of various types of fire equipment and rescue instructions to be followed during a fire emergency.

OUR REGIONAL PRESENCE



Projects and Services





OUR LEADERSHIP



CHAIRMAN'S MESSAGE



Dear Shareholders,

It is my privilege to welcome you to the 3rd Annual General Meeting of Alpha Fire Services PLC. The year under review was one of remarkable progress, marked by strong financial results, operational excellence, and an expanding project portfolio.

I am pleased to report that profit after tax grew by 60%, a clear reflection of the dedication and professionalism of our team. Our commitment to stringent quality standards, coupled with our ability to deliver services on time, has been instrumental in driving this achievement. These results not only affirm the strength of our performance but also reinforce our readiness to seize new opportunities as we continue to expand across both domestic and international markets.

Exceptional Performance

Amid a year of steady economic recovery, Alpha Fire Services PLC delivered outstanding results that underscored the growing demand for our services.

Revenue rose by 27% to Rs. 416.2 million, compared to Rs. 326.6 million in 2023/24. Supported by our reputation for reliability and service excellence, the Company's order book closed at over Rs. 99 million, ensuring a robust pipeline for the year ahead.

To sustain this momentum, we implemented rigorous internal management strategies focused on prudent resource allocation, disciplined fund management, and careful cost control.

These initiatives enhanced operational efficiency while strengthening profitability. Profit before tax increased by 63% to Rs. 56.8 million, driven by consistent project execution and growth in project volumes. Together, these results highlight the resilience of our business model and position us strongly for continued growth.

Brand Strength

During the year, Alpha Fire Services PLC reinforced its standing as a trusted fire protection and solutions provider in Sri Lanka.

Monthly inquiries rose by 24%, placing increased demand on our resources, while the project pipeline expanded by 69% to Rs. 99 million at year-end.

Our long-standing customers, who continue to entrust us with their fire safety needs, were instrumental in driving growth, contributing to a 12% increase in project-related revenue. Their confidence in our services reaffirms our reputation for quality and reliability.

In alignment with our diversification strategy, we expanded our B2B product portfolio and introduced new consumer-focused solutions.

This move into the household and individual market is a natural extension of our offerings, broadening our reach and strengthening our commitment to advancing fire safety across all segments.

Strategic Growth

Alpha Fire Services PLC continues to be a trusted partner for both private and public sector clients, supported by a dedicated team with over two decades of industry expertise.

To ensure we remain at the forefront of industry standards, we invested in the training and development of our technical team during the year.

Anticipating a gradual recovery in the construction sector, we strategically focused on providing fire protection solutions to multinational and large-scale industrial facilities.

This approach ensured a consistent project pipeline and stable maintenance income. Clients continue to choose Alpha Fire Services for our proven technical expertise and reliability.

Our commitment to ethical business conduct and long-term sustainability remains central to our operations.

Through transparent financial reporting, we ensure that all earnings are declared and fully accounted for, strengthening stakeholder trust and confidence.

Looking Forward

While the construction sector's contribution to our performance during the year was limited, we anticipate renewed momentum in the coming year as Sri Lanka's economy stabilizes.

This is expected to create new opportunities for fire protection services and related industries, supporting our growth outlook.

The completion of our new premises in Polgasowita will mark a significant milestone. By consolidating operations and staff under one roof, we will reduce rental overheads while enhancing efficiency, coordination, and service delivery.

Looking beyond Sri Lanka, we are actively pursuing overseas expansion, with the Maldives identified as a promising first step. Although challenges related to logistics, regulations, and market entry exist, the Company is proactively addressing them to ensure a smooth transition.

This initiative is an integral part of our strategy to diversify our portfolio and strengthen our regional presence.

We also see significant potential in broadening our trading operations.

Moving beyond imports for internal projects, we are evaluating opportunities in external trading, which will allow us to diversify revenue streams and tap into new markets, further reinforcing our leadership in the fire services sector.

Appreciations

I am profoundly grateful to God for his guidance and blessings, which have safeguarded Alpha Fire Services PLC and supported our journey of growth.

I extend my sincere appreciation to the Board of Directors for their invaluable guidance, and to our shareholders for their trust and confidence in the Company.

My gratitude also goes to our banking partners for their timely support, which enabled us to navigate economic challenges with resilience.

I also wish to acknowledge the cooperation of the fire brigade and the collaboration of fire consultants, whose contributions were essential to our progress.

Above all, I extend my heartfelt thanks to our employees. Their dedication, agility, and commitment form the foundation of our success.

Finally, to our valued customers, thank you for your continued confidence in Alpha Fire Services PLC.

Your trust inspires us to deliver excellence, and we look forward to continuing our journey together as your partner of choice in fire safety.



VIJITH PERERA
Chairman

DIRECTOR - OPERATION'S REVIEW



The year under review has been a truly rewarding one for Alpha Fire Services PLC.

What makes me particularly proud is that we achieved strong results despite the slowdown in the construction sector and the rising cost pressures that affected many industries.

Alpha Fire Services PLC grew by 27% during the year, and strengthened our standing as a trusted fire safety solutions partner for some of the most prestigious large-scale projects and conglomerates in Sri Lanka.

Reflecting on last year's performance, at the 2023/24 financial year, we carried forward an order book of over Rs. 500 million. This gave us the foundation to perform with consistency and resilience.

By the end of the 2024/25 financial year, we retained a healthy order book, proof that our commitment to international quality standards and reliable delivery continues to resonate strongly in the market.

Performance Highlights

Alpha Fire Services PLC delivered strong growth this year, achieved largely through our own efforts and independent of the construction industry's performance.

What makes this especially meaningful is that the majority of our revenue came directly from client project sales, while a significant share was sustained by our long-standing maintenance and service contracts. This reflects the trust our clients continue to place in the quality of our service.

Among the year's highlights, one achievement stands out: the completion of an FM Approved factory fire system for a multi-national client. FM Approved projects are extremely rare in Sri Lanka, and successfully delivering one to global standards was a proud moment for all of us at Alpha Fire.

Every detail-from design to product selection and implementation-met FM Global specifications, reaffirming our ability to deliver at an international level.

I am equally proud of the strength of our order book, which continues to reflect the faith our clients place in us.

At the close of the year, we retained over Rs. 400 million in confirmed orders, giving us confidence and momentum as we move forward.

On the financial front, Alpha Fire Services PLC reported revenue of Rs. 416 million, an increase of 27% compared to Rs. 326 million in 2023/24. Gross profit rose to Rs. 175 million, up from Rs. 128 million, marking a 37% year-on-year growth. Profit from operations grew to Rs. 67.4 million, an impressive 34% increase, while profit before tax reached Rs. 56.8 million.

These achievements were made possible through discipline, transparency, and our unwavering focus on delivering excellence. Even amidst the slow recovery of the construction sector, our margins outperformed expectations, proving that our direct operations are strong, resilient, and sustainable.

Portfolio Performance

During the financial year 2024/25, Alpha Fire Services PLC delivered another strong performance, with product supply revenue of Rs. 30.5 million and service revenue of Rs. 54.8 million. This reflects a healthy growth compared to the previous year, particularly in project installations, where the company recorded Rs. 100 million in new projects.

Our most profitable categories during the year were Project, Supply, and Services, each contributing significantly to our success.

Both supply and services grew consistently, reinforcing how closely these two areas support and complement each other. It is this balance that strengthens our business model and allows us to keep building on our track record of reliable delivery. This year also opened a new chapter for us as we entered the consumer fire safety market.

Introducing fire blankets, portable extinguishers, and gas pipeline solutions for homes and condominiums was a bold step for a company that has traditionally focused on industrial and corporate clients.

The overwhelmingly positive response from customers has been very encouraging, and it is reassuring. Our digital and social media campaigns played a key role in creating awareness, and it was gratifying to see them translate into real interest and early sales.

Growth Strategy

In response to the growing demand for our services and products, we have taken important steps to expand our service capacity. During the year, we set up new inventory and workshop facilities at our Polgasowita premises, a milestone that reflects both our growth and our commitment to meeting client needs.

One of the key focuses of this new facility will be catering to the increasing demand for extinguisher refills and servicing, which continues to be a vital part of our maintenance offering.

Our operational strategy of working directly with clients has proven to be a cornerstone of our success. It has not only strengthened Alpha Fire's credibility and brand equity but also deepened the trust we share with our customers.

Looking ahead, we will remain committed to delivering the very best service and support to our existing clients. Client satisfaction and safety are not just goals, they are the foundations of long-term relationships and the reason why our clients are confident to recommend us.

Our team is the true driver of Alpha Fire's success, and as our business grows, we are equally focused on growing our team.

We are committed to strengthening our human resource capacity, while also ensuring that our employees are supported with competitive remuneration, opportunities for career development, and a healthy work-life balance.

Alpha Fire is proud of our technical expertise. Unlike many competitors who rely heavily on subcontractors, Alpha Fire Services PLC maintains an in-house team of skilled technicians dedicated to servicing and technical support.

This hands-on approach ensures meticulous attention to detail, especially in critical areas like addressable alarm systems, setting us apart as the only company in the industry with the proven capacity and expertise to deliver these solutions without compromise.

I am confident and optimistic that the year ahead bring many opportunities for the company and the industry, as global and domestic economies further stabilize recovering from previous market and economic challenges.

For Alpha Fire Services PLC, we are hopeful our new product portfolio combined with our strategic growth plans will take the company to outperform this year's exceptional performance in the coming year.

Appreciations

I wish to extend my sincere gratitude to our Chairman and the Board of Directors, whose guidance and support have been invaluable in navigating a challenging year.

My heartfelt appreciation also goes out to the dedicated team at Alpha Fire Services - your commitment and hard work have been the driving force behind our achievements.

I am equally grateful for the continued support of our shareholders, suppliers, the Fire Department, and our banking partners, whose collaboration has played a vital role in our success.

Above all, I offer my deepest thanks to our clients for the trust and confidence you continue to place in us. It is your belief in Alpha Fire that inspires us to keep raising the bar, and we remain fully committed to serving you with excellence and dedication in the year ahead.



MALINDRA FERNANDO
Director-Operations

BOARD OF DIRECTORS



From Left to Right: Samud Gunasekera (Non-Independent Executive Director), Kapila Liyanagamage, Attorney-at-Law (Independent Non-Executive Director), Vijith Perera, (Chairman), Deana Marise Ryde (Co-Founder & Director), Nivran Joseph Weerakoon (Independent Non-Executive Director) and Malindra Fernando (Director Operations).



BOARD OF DIRECTORS' PROFILES



VIJITH PERERA
Chairman

Mr. Perera serves as the Chairman of Alpha Fire Services PLC. He holds a BA in Economics from the University of California, Berkley, USA, and is an Attorney-at-Law from Sri Lanka Law College. He is also Founder Director of Amtek Engineering (Pvt) Ltd, Ultrakleen (Pvt) Ltd and Ultrakil Pest Management Co (Pvt) Ltd. With his vast experience in management, Mr. Perera serves on the board of several business establishments.



MALINDRA FERNANDO
Director Operations

Mr. Fernando serves as the Director of Operations at Alpha Fire Services PLC and is the Founder Director of Amtek Engineering (Pvt) Ltd. With decades of experience in the business management, Mr. Fernando serves as a board director in several business ventures in facilities management, engineering and service sectors. He has played an active role in the infrastructure development in Sri Lanka as a consultant for numerous international contractors and investors in project management and implementation.

DEANA MARISE RYDE

Co-Founder & Director



Ms. Ryde is the Co-Founder and Executive Director of Alpha Fire Services W.L.L. Bahrain, 1996–2014, and retired Executive Director of Alpha Safety & Security Holdings BSC. Co-owner/ Chairman of Sandycroft Residences and MD of Golden Dome (Pvt) Ltd. She has over two decades of experience in office management, human resources management, marketing, and planning. She conceptualized the Alpha Fire logo and branding of the company and its subsidiaries. Ms. Ryde identified and developed business systems and procedures, set up offices, equipment and infrastructure as required, recruited and trained staff and managed the day-to-day operations of the business at the executive level.

SAMUD GUNASEKERA

MBA(IND) MSLIM(SL) FCPM(SL), Non-Independent Executive Director



Mr. Gunasekera serves as a Non-Independent Executive Director of Alpha Fire Services PLC and is a top-level marketer with over 20 years of corporate experience. A specialist in engineering products & solutions, he has vast experience in project sales, fire engineering, aluminum system formwork & fabrication business. He is a life member of the Sri Lanka Institute of Marketing. He is presently serving as a Director of Alumart Engineering (Pvt) Ltd and Amtek Engineering (Pvt) Ltd.

NIVRAN JOSEPH WEERAKOON

Independent Non-Executive Director



Mr. Nivran Weerakoon brings a wealth of experience and a proven track record in both local and international business arenas to the Board. He is recognized as a Fellow Member of the Chartered Institute of Management Accountants (CIMA) and holds a Master of Business Administration (MBA) from the University of West London. His career highlights include leadership positions across diverse industries, underscoring his adaptable and strategic approach to business management and development. Currently, Mr. Weerakoon holds key roles including Managing Director of Media Monkey (Pvt) Ltd., Executive Director of the Colombo Academy of Hospitality Management (Pvt) Ltd., and Group Director of Acorn Ventures (Pvt) Ltd., which serves as the holding company for the Acorn Group. His international engagements include Director/CEO positions at Global Conversions FZ-LLC and Managing Director at Metaphase Global FZC LLC, both based in the UAE. In addition to his corporate responsibilities, Mr. Weerakoon contributes significantly to governance through his board positions at leading Sri Lankan organizations, including Non-Executive Director roles at Royal Ceramics Lanka PLC and Delmege Limited, the holding company of Delmege Group. Beyond his professional achievements, Mr. Weerakoon is committed to community welfare, actively supporting Child Action Lanka, an NGO dedicated to empowering underprivileged children. His advocacy for sustainable development is further demonstrated by his role as a Council Member of the Sustainable Development Council of Sri Lanka. Mr. Weerakoon's multifaceted expertise, spanning business leadership, governance, community engagement, and sustainable development, makes him a valuable addition to the board.

KAPILA LIYANAGAMAGE

Attorney-at-Law, Independent Non-Executive Director



Mr. Kapila Liyanagamage is an Independent Non-Executive Director and an Attorney-at-Law with more than 25 years of experience in the field of Civil & Commercial Law. He holds a Masters Degree in Laws in Law of International Trade from the University of Wales. He is presently serving as a Director of Galle Face Properties Ltd, Ceylon Land & Equity PLC and Galle Face Capital Partners PLC.

A group of business professionals in a meeting, overlaid with a red semi-transparent filter. The image shows several people, including a man in the foreground with glasses looking at a laptop, and others in the background. The text 'MANAGEMENT DISCUSSION AND ANALYSIS' is centered in white capital letters.

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS



Sri Lanka Economic Recovery

It is noteworthy that the year under review showed a steady rebound from the economic impacts of the previous year. Sri Lanka's economy achieved a strong recovery marking a 5 % real economic growth, after two years of economic contraction.

The recovery was steady throughout the year with all four quarters posting positive GDP (Gross Domestic Product) growth rates for the first time since 2017, according to the Central Bank.

GDP per capita also increased during the year to USD 4,516 in 2024 compared with USD 3,801 in 2023. GNI (Gross National Income) per capita followed similar trend and increased to USD 4,404 in 2024 from USD 3,685 in 2023, due to Sri Lanka Rupee appreciation against the US Dollar in 2024 in addition to the increase in nominal GDP in rupee terms and the decline in mid-year population.

Reflecting on the annual average change in Consumer Price Indices, cost of living exhibited a marginal increase in 2024 compared to 2023.

The estimated average monthly consumption expenditure for a household based on CCPI (Colombo Consumer Price Index) increased by 1.2% from Rs.176,253 in 2023 to Rs.178,438 in 2024 and the NCPI (National Consumer Price Index) increased by 1.6% from Rs. 103,383 in 2023 to Rs.105,063 in 2024.

Sri Lanka's operating environment during the year under review was broadly favorable, with stabilizing macroeconomic conditions restoring confidence across services and industries.

Positive market sentiment enabled businesses to optimize operations and capitalize on emerging opportunities. The industrial sector, which had faced persistent challenges in previous years, recorded notable growth in 2024/25, reflecting a strong recovery from prior contractions.

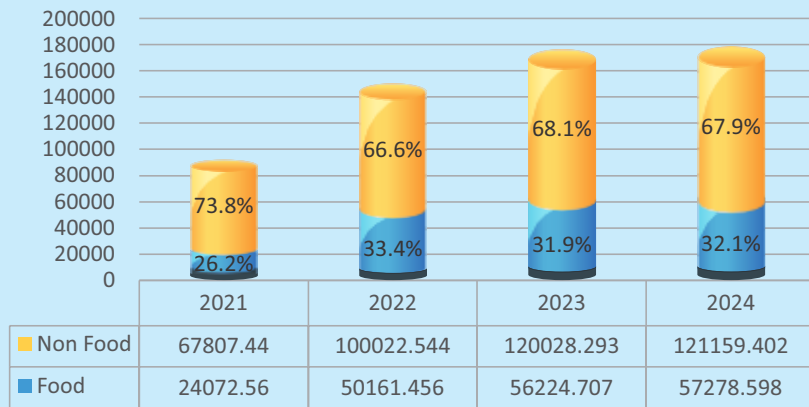
The outlook for the industrial and construction sectors remain positive, supported by several favorable developments, including the lifting of import restrictions, declining credit costs, and greater stability in raw material prices.

Leading indicators point to a revival in construction activity, with the resumption of government infrastructure projects and recommencement of previously suspended projects providing momentum for sectoral growth. This upward trend is expected to continue in the coming years.

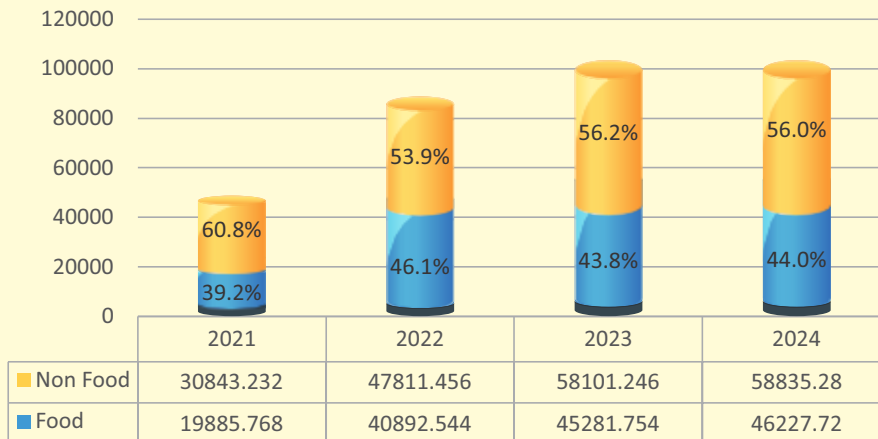
The fire safety services industry, which is closely linked to construction activity, is positioned to benefit significantly from this anticipated growth. In recent years, the suspension of construction projects due to financial constraints had dampened demand in the fire safety sector.

With construction now showing signs of sustained recovery, the industry is expected to experience parallel growth, creating new opportunities for expansion and value creation.

Cost of Living as Reflected by Average Monthly Consumption Expenditure Based on CCPI (2021=100)



Cost of Living as Reflected by Average Monthly Consumption Expenditure Based on NCPI (2021=100)



(Source: CBSL Annual Report 2024 figure 1.3: cost of living)

On the labor front, nominal wages of employees increased in 2024 after the national budget announcement to increase private sector employees' minimum wages from Rs.21,000 to Rs.27,000 in April 2025 and further to be increased to Rs.30,000 from 2026. Further, the economically active population (labor force) decreased to 8.316 Mn in 2024 from 8.408 Mn in 2023.

Foreign Employment Bureau reported an increase of 5.8% in foreign employment in 2024, with departures of male and female for foreign employment accounting for 59.3% and 40.7% respectively. As a result, the mid-year population also declined by 0.5% in Sri Lanka.

All factors combined impacted the availability of labor especially technical staff and cost of wages.

According to the Central Bank, industry activities reported a strong growth of 11% in 2024 a sharp recovery from the 9.2% contraction in 2023, driven by the growth in manufacture of food, beverages and tobacco products, along with the recovery of manufacture of textiles, leather and related products. Meanwhile construction projects improved in 2024 with a 19.4% growth due to the gradual roll out of new construction projects, stimulated by the conducive economic environment, compared to the contraction recorded in the previous year.

Alpha Fire Performance

Revenue

During the financial year 2024/25, Alpha Fire Services PLC delivered strong financial performance, surpassing expectations and building on last year's impressive top-line growth. The Company recorded revenue of Rs. 416.2 million for the year ended 31 March 2025, representing a 27% increase from Rs. 326.5 million in the previous year.

This growth was primarily driven by increased sales and support revenues from multinational clients and large-scale direct client projects.

A significant portion of revenue stemmed from the successful completion of last year's order book projects, while new contracts expanded the Company's project portfolio and further strengthened top-line performance.

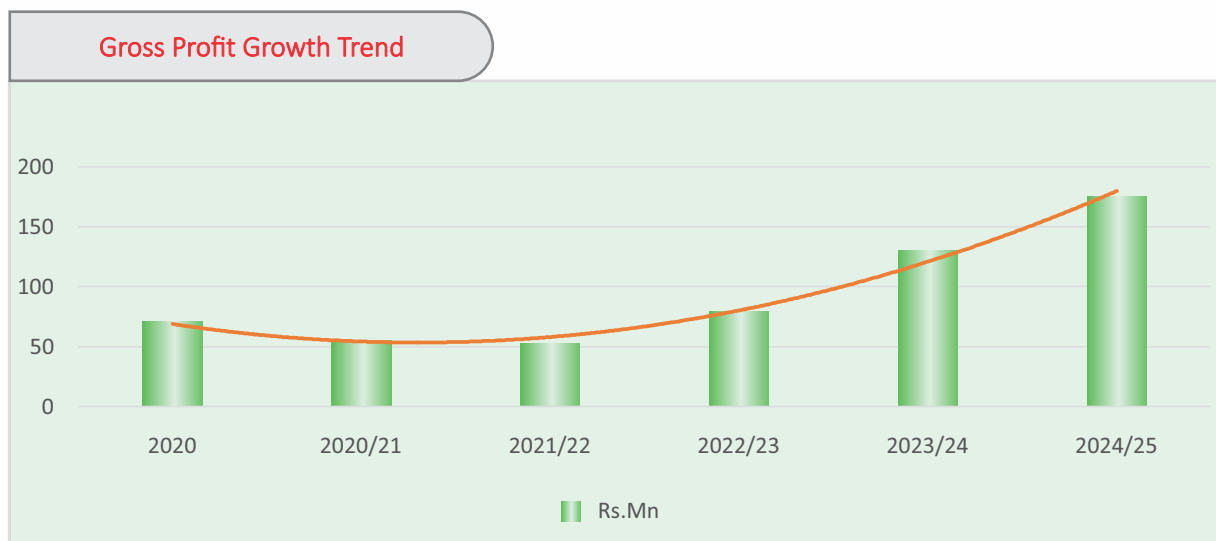
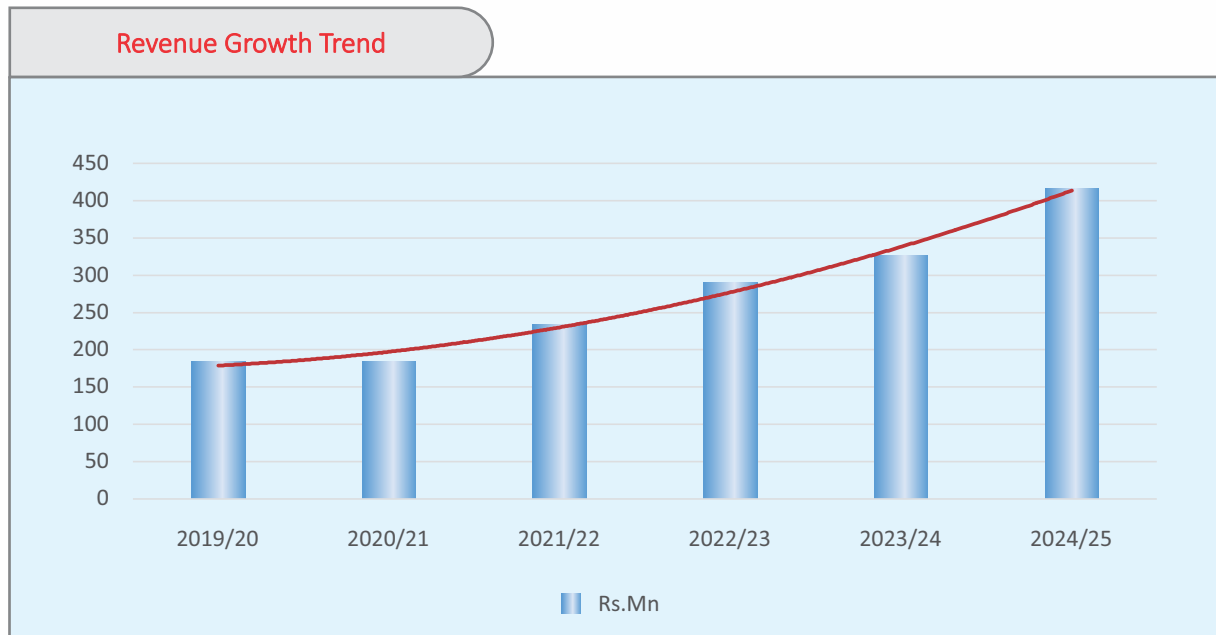
Revenue from services and maintenance contributed Rs. 54.18 million, accounting for 13% of total revenue, while turnkey project revenue increased to Rs. 331 million, reflecting strong demand for project supply and installation services. These results highlight Alpha Fire Services PLC's continued ability to deliver sustainable growth across key business segments.

Profitability

Alpha Fire Services PLC achieved a gross profit of Rs. 175.6 million for the financial year 2024/25, marking a 37% increase from Rs. 128.4 million in the previous year. This growth was underpinned by the Company's low-cost operating model and disciplined cost management framework.

Strategic pricing initiatives, aligned with anticipated market and macroeconomic trends, alongside enhanced cash flow management, contributed significantly to the improvement in gross profits. While the Company successfully expanded profitability, rising energy costs and operational expenditures continue to pose challenges to maintaining margin growth.

	2024/25 (Rs.)	2023/24 (Rs.)	%
Profit Before Tax	56,812,407	34,949,340	63%
Profit After Tax	39,421,695	24,586,355	60%



Assets

During the financial year 2024/25, the Company's total assets grew by 26%, rising from Rs. 305 million last year to Rs. 385 million. The increase in asset portfolio was at Rs. 80 million which accounted for 21% of the total value.

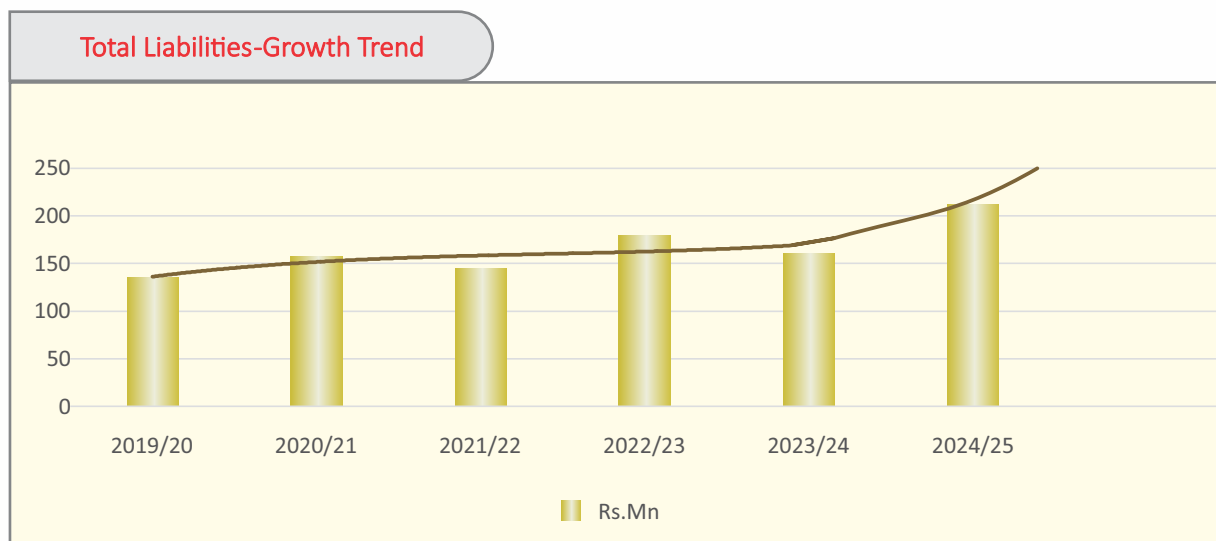
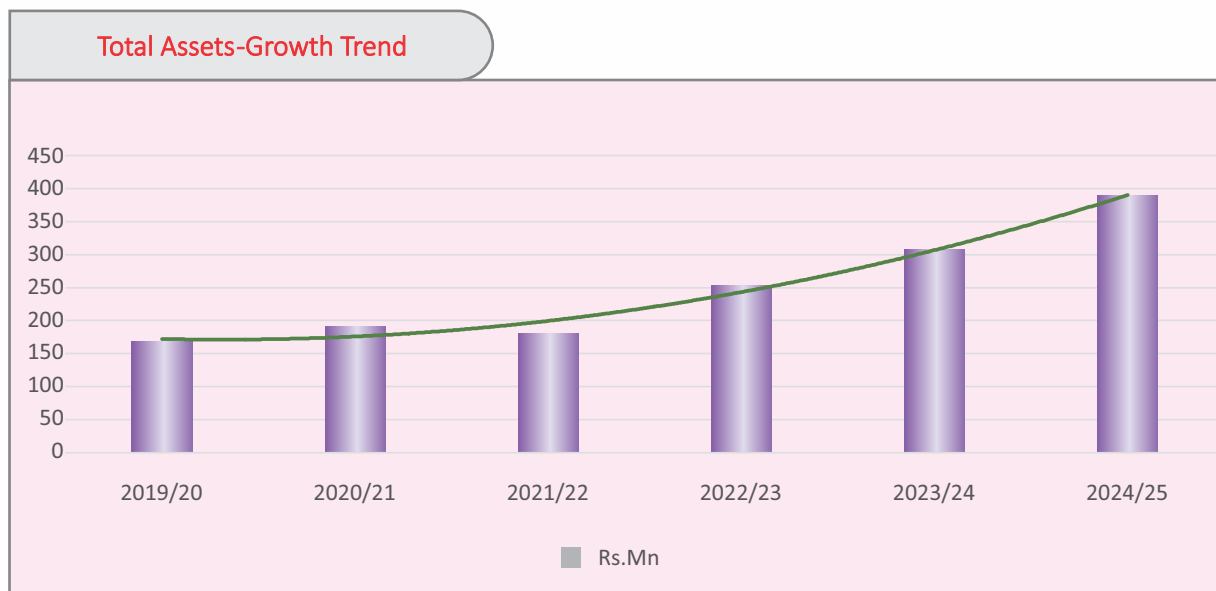
Significant components of the Company's liabilities included both long-term and short-term borrowings. Low-interest, long-term bank loans amounted to Rs. 10.16 million as of 31 March 2025, primarily to support working capital requirements.

Trade and other payables totaled Rs. 73.13 million, reflecting normal business operations. As a listed entity, Alpha Fire Services PLC maintained prudent financial management, keeping the debt-to-equity ratio at 0.56 during the year, ensuring a balanced and sustainable capital structure.

Liabilities

Total liabilities of Alpha Fire Services PLC increased by 29%, rising from Rs. 160 million to Rs. 207 million during the financial year 2024/25. The increase in liabilities was primarily attributable to higher short-term bank borrowings and trade payables arising from the growth in project volumes during the year.

	2024/25 (Rs.)	2023/24 (Rs.)	%
Total Debt	99,680,380	79,139,942	26%
Debt/Equity	0.56	0.54	3.7%
Debt/Total Assets	0.26	0.26	0%
Current Ratio	1.45	1.39	-4%



Portfolio Growth

Alpha Fire Services PLC remained focused on diversifying revenue streams to enhance financial stability and long-term growth.

Moving beyond traditional model of importing materials primarily for internal use and project requirements, the Company has strategically positioned itself to explore external trading opportunities.

This initiative is aimed at capturing new market demand, broadening the client base, and mitigating risks associated with dependence on a single revenue stream.

During the year, the Company introduced a new business segment in fire safety solutions by entering the B2C market with a strong product range designed for households and mass-market consumers. Three new products were launched:

• **Fire blankets** – designed for use in homes, offices, and high-rise buildings, providing protection against smoke and fire during emergency evacuation and rescue operations.

• **Consumer range fire extinguishers** – lightweight, portable extinguishers suitable for domestic and individual use, including kitchens, workplaces, automobiles, and other small-scale fire incidents. These are designed for ease of use and effectiveness across multiple fire types.

• **Domestic gas pipe solutions** – safe gas piping solutions for condominiums and households, ensuring installations comply with safety protocols and best practices.

To support this new product range, the Company rolled out aggressive digital and traditional marketing campaigns during the year.

Given the positive market response, the Company anticipates sustained demand growth and significant income contributions from this segment in the coming years.

Looking ahead, Alpha Fire Services PLC will continue to pursue strategic product extensions and expanded target markets aligned with our core offerings, reinforcing our portfolio expansion strategy and positioning the Company to capture emerging opportunities in the fire safety market.

Future Outlook

Alpha Fire Services PLC is focused on leveraging our domestic success to expand internationally, with strategic project implementation opportunities being pursued in the Maldives.

The Company is actively exploring partnerships in the island nation as an entry point to broader regional growth.

In parallel, preparations are underway to establish the Company's trading arm, positioning Alpha Fire Services PLC as a key supplier of fire safety equipment to both local and regional markets.

This initiative is expected to strengthen revenue diversification while enhancing the Company's role within the industry value chain.

The relocation to the newly acquired, fully owned facility in Polgasowita is anticipated to improve operational efficiency by centralizing resources, streamlining processes, and reducing overheads.

The facility provides Alpha Fire Services PLC with greater control over operations, translating into cost savings and enhanced performance.

Looking ahead, the outlook for the fire safety industry is highly promising.

Globally, robust growth is forecast for the fire safety equipment market, driven by rising demand for sustainable and eco-friendly solutions, increased fire risks associated with climate change, and ongoing infrastructure development.

Sri Lanka's growing construction sector—particularly the rise of high-rise developments and the resumption of previously stalled projects—is expected to generate substantial opportunities for the fire safety industry.

The Government's alignment of national fire safety regulations with international standards will further support industry expansion.

With tightening regulations, increased compliance requirements, and heightened awareness of fire safety, Alpha Fire Services PLC is well-positioned to capture this momentum.

The Company anticipates stronger demand for its products and services in the years ahead, paving the way for sustained growth and long-term value creation for all stakeholders.

STAKEHOLDER ENGAGEMENT



Alpha Fire Services PLC recognize that its success is built on strong, collaborative, and mutually beneficial relationships with stakeholders. Stakeholders play a vital role in ensuring the seamless functioning of our operations - from sourcing through to sales and after-sales support.

Our resilience, agility, and enduring partnerships enable us to deliver sustained value, even in the face of challenging economic conditions.

To this end, we prioritize continuous and transparent communication with our stakeholders, fostering trust, alignment, and long-term collaboration.

	Stakeholders	Shareholders
Method of Engagement & Frequency	<ul style="list-style-type: none"> ·Financial Statements ·Annual General Meeting ·CSE announcements 	<ul style="list-style-type: none"> ·Quarterly ·Annually ·As needed
Interests/ Expectations	<ul style="list-style-type: none"> ·Earnings & Dividends ·Growth prospects ·Transparency ·Governance ·Share price and liquidity 	
Managing Expectations	<ul style="list-style-type: none"> ·Safeguarding our market position ·Corporate governance and risk management ·Issuance of dividends ·Growth and improved performance Employees 	

Stakeholder		Employees
Method of Engagement & Frequency	<ul style="list-style-type: none"> ·Direct interaction with Senior Management ·Formal performance appraisals <p>Communication of company decisions, performance</p>	Regularly and as needed
Interests/ Expectations	<ul style="list-style-type: none"> ·Remuneration ·Employee benefits ·Workplace health and safety ·Conducive workplace ·Training & Development ·Job security ·Career progression 	
Managing Expectations	<ul style="list-style-type: none"> ·Fair remuneration policy ·Incentive programs, salary adjustments and bonus structures ·Prioritizes the welfare of employees and offered benefit schemes ·Renewal of mandatory health insurance program. Provision of essential personal protective equipment (PPE) ·Personal protection training and first aid training and industry related training. ·Annual performance appraisals, rewards and recognitions ·Personal and professional development support and opportunities 	
Stakeholder		Customers
Method of Engagement & Frequency	<ul style="list-style-type: none"> ·Personal interaction ·Customer support ·Trade Exhibitions ·Customer feedback ·Printed and digital material 	<ul style="list-style-type: none"> ·Regularly and as needed ·Support 24/7
Interests/ Expectations	<ul style="list-style-type: none"> ·Reliability of Service ·Product quality ·Ease of payment Appropriate product range ·After-sales service Availability and accessibility Timely support 	
Managing Expectations	<ul style="list-style-type: none"> ·Product quality assurance processes ·Island-wide support ·"never-say-no attitude" approach ·Comprehensive fire safety equipment services including expert advice, automatic equipment selection and easy installation ·Continuous testing, upgrades, and extended warranties ·Payment plans to assist customers Regular communication 	

Stakeholder		Suppliers
Method of Engagement & Frequency	<ul style="list-style-type: none"> ·Supplier assessment and feedback ·Managing relationships ·Visits ·Long term contracts ·Prompt payments 	As needed
Interests/ Expectations	<ul style="list-style-type: none"> ·Increased business ·Transparent procurement processes ·Timely payments ·Constructive feedback 	
Managing Expectations	<ul style="list-style-type: none"> ·Acceptable procurement processes ·Timely payments ·Supported diversity of the supply chain ·Fostered positive relationships with each of its suppliers, ensuring strong support and cooperation in its operations. 	
Stakeholder		Regulators
Method of Engagement & Frequency	<ul style="list-style-type: none"> ·Facilitating visits ·Compliance with regulatory and legal obligations 	<ul style="list-style-type: none"> ·Regularly ·As needed
Interests/ Expectations	<ul style="list-style-type: none"> ·Compliance with regulations 	
Managing Expectations	<ul style="list-style-type: none"> ·Compliance with regulatory standards ·Continuous testing and upgrades ·Ensuring safety of buildings, institutions, people ·Provides security and reliability ·Assist the formulation of fire safety policies 	
Stakeholder		Government
Method of Engagement & Frequency	<ul style="list-style-type: none"> ·Filing returns 	<ul style="list-style-type: none"> ·Filing returns
Interests/ Expectations	<ul style="list-style-type: none"> ·Timely filing of returns and payments ·Foreign currency Earnings ·Tax and duty payments 	
Managing Expectations	<ul style="list-style-type: none"> ·Economic contribution ·Employment opportunities 	
Stakeholder		Community
Method of Engagement & Frequency	<ul style="list-style-type: none"> ·Recruit from local communities where skills are available ·Support Community Initiatives ·Fire safety campaigns 	As needed
Interests/ Expectations	<ul style="list-style-type: none"> ·Employment opportunities ·Socio-economic support ·Fire safety ·Support for community needs 	
Managing Expectations	<ul style="list-style-type: none"> ·Recruit from local communities where possible ·Provide opportunities for local entrepreneurs where possible ·Managing fire safety and health hazards in compliance with state policy ·Regular maintenance of fire protection equipment and systems ·Protecting the community from potential harm. 	

HUMAN CAPITAL REVIEW



Human Capital is the most vital and valuable resource within our organization and includes all levels of staff and management. This foundation is crucial to the effectiveness of all other resources, including financial, physical, and informational. A strong, well-developed human capital is imperative to the organization's optimal functioning. Alpha Fire Services PLC's organizational structure is designed to ensure effective management and operational efficiency.

Human capital is a key driver of Alpha Fire Services PLC's long-term sustainability and strategic objectives. In line with regulatory requirements and best governance practices, the Board and Management remain committed to ensuring that the organization maintains a skilled, motivated, and ethically responsible workforce.

The Company's policies, frameworks, and procedures relating to human resource management are designed to safeguard employee rights, promote diversity and inclusion, and ensure alignment with applicable labor laws and standards.

During the year under review, emphasis was placed on structured talent acquisition, capacity development, succession planning, and performance management.

Employee welfare, health and safety, and professional development remained priority areas, with systems in place to monitor compliance and support continuous improvement. In addition, the Company's Code of Conduct and related policies were reinforced to ensure adherence to ethical standards and to mitigate human capital-related risks.

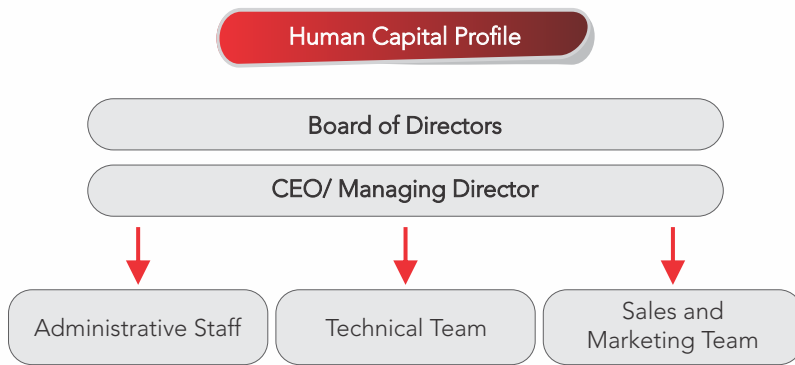
Through these measures, the Company continues to strengthen its workforce capacity, enhance organizational resilience, and ensure that human capital remains a cornerstone of sustainable value creation.

Human Capital Governance

The HR framework of Alpha Fire Services PLC is built on industry best practices and reflects our culture and values.

The Human Resources Department at Alpha Fire Services PLC ensures that best practices are followed throughout the human capital management process. In order to ensure independent human capital governance, a management structure is in place to handle all matters regarding employee concerns. This department is also responsible for ensuring regulatory standards and other policy frameworks.





HR POLICIES

Policy	Application
Employment Policy	<ul style="list-style-type: none"> · No Child Labor · No Forced Labor · No Harassment · No Discrimination
Human Resource and Social Policy	<ul style="list-style-type: none"> · Dignity and Respect · Training and Empowerment · Equal Opportunity · Freedom of Association · Grievance Handling
Wage Policy	<ul style="list-style-type: none"> · Career Growth Opportunities · Fair remuneration · Suitable benefits and incentives · Rewards and Recognitions
Health and Safety Policy	<ul style="list-style-type: none"> · Health and Welfare · Work-life Balance · Fire and First Aid · Safety and Safety Protocols

Human Resource Management

Alpha Fire Services PLC adopts a strategic approach to human resource management, firmly anchored within a quality-driven framework. At the core of this approach lies our commitment to employee wellbeing, support for business growth, and upholding of ethical standards across the organisation.

Comprehensive HR Policy - Our HR function operates within a structured policy framework that provides clear and consistent guidance throughout the employee lifecycle. From recruitment and onboarding to training, performance management, and career development, these processes ensure fairness, transparency, and equal opportunity for all employees.

Ethical Code - We maintain a strong code of ethics and conduct, founded on honesty, integrity, and respect. This ethical foundation guides our interactions with employees, stakeholders, and the wider community, fostering a workplace culture built on trust, professionalism, and accountability.

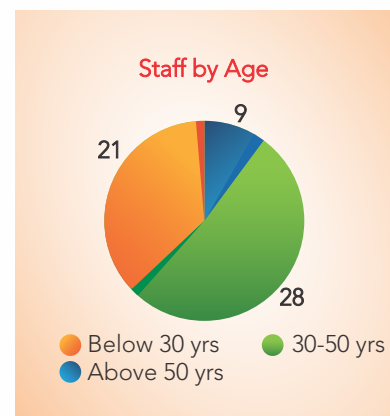
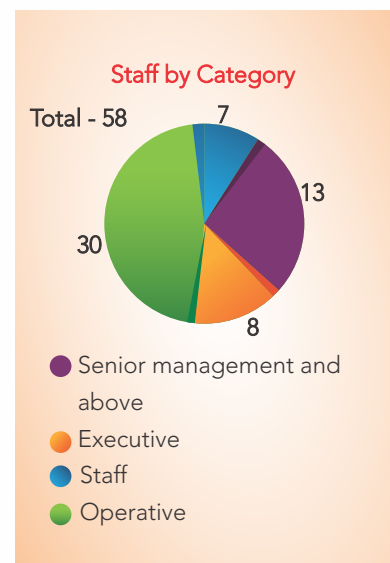
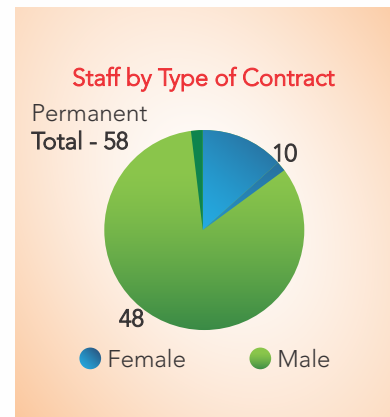
Through this strategic approach, Alpha Fire Services PLC reaffirms its dedication to creating a supportive, ethical, and high-performing workplace that empowers employees to excel and deliver industry-leading fire safety solutions and services.

Diversity and Inclusivity

Alpha Fire Services PLC firmly believes that a diverse team is capable of broadening perspectives and improving performance.

Hence, we are committed to offering a favourable working environment with equal opportunities for a diverse workforce.

Our HR policy ensures a workplace with no discrimination based on age, gender, race, nationality, religion, social origin, political affiliation or opinion.



Talent Acquisition and Recruitment

At Alpha Fire Services PLC, talent acquisition and recruitment are critical to organizing our team and strengthening our organizational capabilities. A strategy for the systematic way of sourcing and managing the right talent is in place at Alpha Fire Services PLC for the process of acquiring, developing and retaining employees. We adopt robust procedures in relation to recruitment, assessment, screening, appraisal/performance evaluation and career progression.

Recruitment, Retention and Turnover in 2024/25 FY

Recruitment	9
Retention	48%
Turnover	16%

By Age

	New Recruits	Turnover
Below 30	8	10%
30-50	1	10%
Above 50	0	0

By Gender

	New Recruits	Turnover
Male	4	8%
Female	4	8%

Strategic sourcing

Our approach to talent is proactive and deliberate. We actively seek candidates whose skills and values best align with our mission, ensuring that they will fit harmoniously into our dynamic team.

Holistic evaluation

In addition to technical skills, our recruiters value personality, cultural compatibility, and a commitment to continuous learning. This comprehensive approach ensures that each hire contributes not only to our technical expertise but also to our culture of collaboration and growth.

Collaborative selection

Our recruiting process is a collaborative effort involving department heads, HR professionals, and potential team members. This inclusive approach assures that each new addition has the necessary expertise and is well-aligned with our core values and strategic objectives.

Empowering growth

Through a commitment to strategic acquisition, holistic research, partner selection and development, we ensure that our team remains agile, innovative, and ready to deliver excellence in fire protection solutions and applications.

Despite every hurdle brought about by the economic instability of the country, there was no workforce reduction during the year.

We hired a total of 9 new employees in FY 2024/25.

Our retention rate is at 8% demonstrating the robustness of our value proposition to employees.

Training and Professional Development

Our Performance Management System plays a key role in identifying gaps in employee knowledge and skills, enabling us to address training needs effectively. Staff actively engage in structured training programmes designed to enhance and broaden their competencies.

During the past financial year, we dedicated 160 hours and invested Rs. 5 million towards training and development initiatives.

Alpha Fire Services PLC prioritizes professional development and training as a key component of providing a competent workforce to meet the demands of the industry.

Employee Development & Training

Comprehensive training initiatives

Ongoing learning

Focused enhancements

Our company implements comprehensive training initiatives designed to equip employees with the tools and skills they need to succeed in their roles. These projects ensure that our team members are very well-equipped to deliver exceptional service and solutions.

Recognizing the rapid growth of our industry, we emphasize continuous learning. This commitment provides our employees with access to the latest technologies, industry standards and emerging trends, enabling them to remain at the forefront of their fields.

Considerable effort was made to develop the skills of the team during the last financial year. Engineers and professional staff received specialized training in the ISO 9001:2015 quality management system, reinforcing our commitment to maintaining the highest standards of quality and excellence.

In addition, our teams have obtained the CIDA certification EM 01, which further enhanced their knowledge and expertise.

By investing in comprehensive training and ongoing education opportunities, Alpha Fire Services PLC ensures that our employees are not only competent but ready to innovate and excel with fire safety solutions.

Additional programs organized during the year for training and development includes the following:

Training Programme	Total Hours
Occupational Health & Safety Hygiene	40
TPM for supervisors	12
Certified Internal Auditor Training - ISO 45001 OHS	60
Supervisory Development Program	48
Total Hours of Training	160

Average Training Hours per Gender

	Male	Female
No. of Training Hours	100	60

Employee Engagement and Recognition

Alpha Fire Service PLC is committed to providing a highly engaged and motivated workforce through a robust employee engagement program and recognition system.

Open communication channels: We prioritize open communication as a cornerstone of our workplace culture. Employees are encouraged to share ideas, concerns and suggestions, creating a collaborative environment where every voice is heard and valued.

continuous feedback: We conduct regular surveys and implement feedback strategies to ensure that our communication strategies align with the needs and aspirations of our employees. This ongoing dialogue allows us to fine-tune our programs, creating meaningful opportunities for professional growth and personal satisfaction.

Employee Benefits

At Alpha Fire Services PLC, we prioritize the well-being and satisfaction of our employees by offering a comprehensive range of employee benefits to suit their diverse needs.

Health and medical coverage: We offer comprehensive health and medical coverage that provides our employees with high-quality health care. This devotion brings them material well-being and peace. Understanding the unique needs of our on-site engineers, we offer customized insurance policies that provide comprehensive coverage.

This includes basic health insurance designed to protect their well-being and provide reassurance in the face of potential challenges.

Flexible work arrangements: Recognizing the importance of work-life balance, we offer flexible work schedules that allow our employees to fulfil their professional responsibilities while fulfilling their commitments.

Employee Welfare and CSR

We are dedicated to forging strong bonds with our employees by connecting with them through various activities. The Company organized an annual get together at a hotel in Colombo where staff were rewarded and recognized whilst team building, comradery and work life balance were focused. The annual get together was held with the participation of the members in executive and staff grades.



A special dansal program was organized during wesak celebrations by the staff. The dansal was held at Pannipitiya and ice cream was handed over to pedestrians and visitors at the dansal.



This year, the management and staff also initiated a CSR activity focusing on providing school stationery to staff children. Approximately 46 children received stationery packs containing books, pens and pencils and other stationery.



Safe Work Environment

At Alpha Fire Services PLC, employee well-being is paramount, supported by a range of comprehensive health and safety measures. Our commitment to creating a safe and supportive environment is demonstrated by the proactive measures we take to protect both physical and mental health.

<p>Robust safety measures</p>	<p>We implement strong safety procedures to ensure that every employee can confidently fulfil their responsibilities within a safety system, fostering a culture of excellent safety.</p> <p>The safety of our employees, especially those who work on-site, is extremely important. We provide Personal Protective Equipment (PPE) and safety gear for technicians, enhancing their safety and security while performing their jobs.</p>
<p>Training and preparedness</p>	<p>Regular training equips our team with the skills necessary to respond effectively to potential threats, and equips them to handle challenging situations in a way that appropriately and reliably is great.</p>
<p>Prioritizing mental wellness</p>	<p>Recognizing the demands of their operations, we are expanding our safety measures to include mental well-being. Through dedicated resources and support programs, we address stressors and promote psychological resilience in our employees.</p>
<p>Continuous safety improvements</p>	<p>Regular reviews and updates in our safety practices ensure they are aligned with ongoing industry trends. This ongoing commitment underscores our commitment to providing the highest level of safety for our employees.</p>

Industry Events

INTERSEC 2025

Intersec is the world's biggest business event mapping the future of security, safety and fire protection. This was held at the DubaiWorld Trade Centre, United Arab Emirates between 14-16, January 2025

Intersec 2025 witnessed a large international response from both visitors and exhibitors attending which hosted 47,506 trade buyers from 141 countries including key government leaders, agencies and organizational heads across industries.

Alpha Fire Services PLC also attended the event interacting and sharing business success and networking at the event.



ARCHITECT 2025

Architects' Work & Trade Exhibition held 21 – 23, February 2025 at BMICH. Alpha Fire Services PLC participated at the this prestigious annual exhibition with a stall displaying the fire safety solutions and success stories.



CORPORATE GOVERNANCE



It also ensures accuracy, accountability, and integrity in financial reporting to all stakeholders.

The Board of Directors has taken a proactive role in upholding governance principles, ensuring compliance with established policies and frameworks, and adhering to all applicable legal and regulatory requirements.

Through well-defined internal controls and oversight mechanisms, the Board remains responsible for safeguarding the Company's interests and strengthening stakeholder trust.



Alpha Fire Services PLC recognizes that strong corporate governance is the cornerstone of its operational integrity, ethical conduct, and long-term sustainability. This section of the Annual Report outlines the Company's unwavering commitment to maintaining a transparent and accountable governance framework that supports responsible management and stakeholder confidence.

The Company operates under a comprehensive governance structure and risk management process established by the Board of Directors. This framework promotes high ethical standards, embeds environmental and social responsibility into business practices, and equips the Company to effectively navigate challenges and uncertainty while pursuing strategic objectives.

Governance Framework

Regulatory	<ul style="list-style-type: none"> •Companies Act No.7 of 2007, •Sri Lanka Accounting and Auditing Standards Act No.15 of 1995 •Continued Listing ReRequirements of the Colombo Stock Exchange •The Shop and Office Employees Act No. 15 of 1954 •Factories Ordinance No. 45 of 1942 •Inland Revenue and other relevant acts
Internal Documents	<ul style="list-style-type: none"> •Articles of Association •Policy framework
Voluntary Standards, Codes & Frameworks	<ul style="list-style-type: none"> •Quality standard certifications obtained by companies
Key Governance Practices	<ul style="list-style-type: none"> •Balance of power established with non-executive directors of whom 02 are independent •Annual rotation of a minimum of 1/3 of the Board •Annual evaluation of the effectiveness of the Board

Governance Structure

At Alpha Fire Services PLC, the governance structure is designed to uphold the principles of transparency, accountability and effective oversight. The Board of Directors has established a robust framework by appointing three dedicated committees that contribute significantly to the company's corporate governance practices.



Board Composition

The Board of Directors of Alpha Fire Services PLC comprises a diverse and highly experienced team that provides strategic leadership and effective oversight of the Company's operations. Collectively, the Board brings a wealth of industry expertise, professional knowledge, and leadership experience that ensures the Company remains resilient and forward-looking.

The Board consists of directors, carefully appointed for their specialized skills, sectoral insights, and proven leadership capabilities.

Its composition represents a well-balanced mix of executives from the fire services industry alongside professionals with backgrounds in finance, operations, legal, and other relevant disciplines.

Of the six directors, two serve as Independent Non-Executive Directors, reinforcing the Company's commitment to maintaining objectivity, impartiality, and accountability within the governance framework.

This balance ensures that the Board's decision-making process is robust, transparent, and aligned with the best interests of all stakeholders.

Board Members	
Executive Non Independent Director	03
Non-Executive Independent Directors	01
Non-Independent Non-Executive Directors	02
Gender Composition	
Female	01
Male	05
Age Composition	
Below 40	01
40 – 60	04
Above 60	01
Expertise	
Legal	01
Marketing	01
Finance	01
Technical and Management	03

Board Membership

·Executive Non-independent Directors

Mr. Sanjay Vijith Anthony Perera
Mr. Malindra Chrostopher Fernando
Mr. Agampodi Samud Ishara Gunasekara

·Non-executive Non-independent Directors

Mrs. Deanna Marise Ryde

·Non-executive Independent Directors

Mr. Kapila Liyanagamage
Mr. Nivran Joseph Weerakoon

Roles and Responsibilities of the Board of Directors

Chairman and Managing Director-The Chairman and Managing Director is responsible to the Board for the company's performance and strategic initiatives.

The Chairman has authority and power in the decision-making and implementation processes.

Operations Director-The Managing Director is tasked with implementing strategic plans and driving performance within a defined framework. As a member of the Board, the Managing Director is appointed by the Board and submits quarterly reports confirming compliance with regulatory requirements.

Appointing of Directors - The Company informs the Colombo Stock Exchange of any new director appointments to the Board. This notification includes a brief resume of the director, detailing their expertise in relevant functional areas, other directorships, memberships on board committees, and the nature of the appointment.

Re-election of Directors - Directors, with the exception of those aged above 70 years, are selected by the Board and are subject to re-election by shareholders at the subsequent Annual General Meeting.

Independence of Non-Executive Directors - The independence of non-executive directors ensures impartial decision-making and compliance with regulatory standards, fostering transparency and accountability within the company.

NAME		No of Shares 2025	
1	MR. S.V.A. PERERA	10,466,500	
	DFCC BANK PLC/MR.S.V.A.PERERA	539,000	11,005,500
2	MR. M.C. FERNANDO	7,896,375	
	DFCC BANK PLC/MR.M.C.FERNANDO	13,750	7,910,125
3	MR. A.S.I. GUNASEKERA	3,469,445	
4	PEOPLE'S LEASING & FINANCE/ULTRAKLEEN (PVT) LTD	2,597,070	
	ULTRAKLEEN PRIVATE LIMITED	199,231	2,796,301
5	MR. D.A. RYD	1,690,500	
6	EMR. F.A. RYDE	1,690,500	
7	MRS. M.P.R. SILVA	1,145,000	
8	MR. J.R. VICTORIA	788,734	
9	COMMERCIAL BANK OF CEYLON/N.S.T. PREMATHIRATNE	697,830	
10	MR. S.N.D. ABEYAGUNAWARDENE	629,000	
11	PEOPLE S LEASING AND FINANCE PLC/L.P.HAPANGAMA	500,000	
12	MISS H.I. LOKUGE	431,606	
13	ASSETLINE FINANCE LIMITED/C.DISSANAYAKE	307,619	
14	MRS. W.G.C. DILRUKSHI	265,000	
15	MR. R.V.D. PIYATHILAKE	250,650	
16	DR. C. ALWISHEWA	250,000	
17	MR. R.J.A. GUNAWARDENA	250,000	
18	PEOPLE'S LEASING & FINANCE PLC/L.H.L.M.P.HARADASA	208,750	
19	MR. S.K.P.N. KARUNARATHNA	195,000	
20	PEOPLE'S LEASING & FINANCE/DR.H.S.D.SOYSA & MRS.G.SOYSA	192,984	
	Others	3,275,456	
	Total	37,950,000	

Engagement with Shareholders - The Board recognizes its obligation to present a balanced and fair assessment of the Company's financial standing, performance, and prospects, and is committed to full disclosure, with an emphasis on accuracy, relevance, and timeliness.

The company ensures regular communication with shareholders through various channels to keep stakeholders informed of the company's decisions and performance.

Shareholders also have access to the company's Company Secretary who provide information and share suggestions that can be of value to the Board.

Company Secretary - Company secretarial services are rendered by Ms. Shama Ismail. The Company Secretary is responsible for organizing of meetings, distribution of board documents, minute-taking, and to ensure that submission of required filings are prepared and shared on time.

They are also tasked with providing guidance to directors concerning board protocols and legal obligations related to their roles.

The Company Secretary coordinates the Annual General Meetings, Extraordinary General Meetings, shareholder communications, and disclosures to the Colombo Stock Exchange.

The appointment and dismissal the company Secretary is a decisions made collectively by the Board.

Board Committees - At Alpha Fire Services PLC, unwavering commitment to robust corporate governance is exemplified by the establishment of three pivotal board committees. Each committee operates with a defined focus, working collaboratively to address key facets of the operations and decisions. Their collective expertise ensures that the company's governance practices are aligned with the highest industry standards, fostering an environment of integrity and responsible leadership. The Board has established three primary committees to support its functions and responsibilities:

Annually	<ul style="list-style-type: none"> • Annual General Meeting • Annual Report
Quarterly	<ul style="list-style-type: none"> • Interim Financial Statements • Announcements to CSE
Monthly	<ul style="list-style-type: none"> • Company website updates • Social Media platforms • Press Releases



Committee Name	Composition	Mandate and Responsibilities
Audit Committee	<ul style="list-style-type: none"> - Mr. Nivran Joseph Weerakoon - Mr. Kapila Liyanagamage <p>Two Independent Non-Executive Directors [By invitation only]</p>	<p>Ensuring the integrity of the company's financial reports by having oversight of internal control, the financial reporting process and compliance with regulatory matters as given in the Audit Committee Charter.</p> <p>Setting out high standards of corporate disclosure, corporate responsibility, integrity and accountability to the shareholders.</p> <p>Adherence to legal and regulatory requirements, including the Companies Act and other relevant financial reporting regulations.</p> <p>Assessing the independence and effectiveness of the external auditor.</p> <p>Refer to page 43 for Audit Committee Report</p>
Remuneration Committee	<p>Two Independent Non-Executive Directors</p> <ul style="list-style-type: none"> - Mr. Kapila Liyanagamage - Mr. Nivran Joseph Weerakoon 	<p>Recommending remuneration of the Executive Directors including the Managing Director and members of the Executive Committee.</p> <p>Setting the broad parameters of remuneration for senior executives.</p> <p>The Committee is dedicated to ensuring that the total remuneration package is competitive, aiming to attract the best talent for the benefit of the company.</p> <p>Refer to page 50 for Remuneration Committee Report</p>
Related Party Transaction Review Committee	<p>Two Independent Non-Executive Directors and One Non-Independent Executive Director</p> <ul style="list-style-type: none"> - Mr. Kapila Liyanagamage - Mr. Nivran Joseph Weerakoon 	<p>Ensuring that the interests of the shareholders are taken into account when entering into related party transaction.</p> <p>Providing measures to prevent Directors, Managing Director or substantial shareholders from taking advantage of their position.</p> <p>The Committee independently reviews all related party transactions to ensure the company's compliance with the rules outlined in the SEC's Code of Best Practice.</p> <p>Refer to page 45 for Related Party Transactions Review Committee Report</p>

Accountability and Audit Committee - The Audit Committee reviews the financial statements and recommends the financial statements for approval by the Board.

These reports are shared with the CSE and through the corporate website for public knowledge on a quarterly basis.

External Auditor - The External Auditor is appointed by the shareholders at the AGM. It is the responsibility of the Audit Committee to supervise the External Auditor's independence and objectivity. They also monitor the effectiveness of the audit process in line with relevant professional and regulatory requirements.

The Audit Committee would review assigning other functions and services that are of non-audit nature to External Auditors.

Audit Committee determine the potential impairment of independence and objectivity of the External Auditor in carrying out his duties and responsibilities.

Annual General Meeting (AGM) - Shareholders participate the AGM to obtain an understanding of the performance of the company as presented by the Chairman.

Board members and Chairpersons of Board Sub-committees are available at the AGM to respond to any shareholder queries and to address any concerns raised by the members.

Notice of the AGM, the Annual Report and Accounts and any other resolution together with the corresponding information that may be set before the shareholders at the AGM, are circulated to shareholders minimum 21 days prior to the AGM.

Separate resolutions for each item of business, facilitating voting on each of such issue, separately.

Voting procedures at the AGM are circulated to the shareholders in advance. The Company records and count all proxy votes lodged for each resolution.

In the event there are a significant proportion of the votes cast against a resolution, the Board will take steps to understand the reasons behind the vote results and determine if any actions are required.

The outcome of the vote on each resolution is informed to the CSE, soon after conclusion of the AGM.

Managing conflicts of interest - On appointment of the Directors, they are required to declare their business interests and update thereafter and the Company Secretary maintains a register of Directors' Interests.

Directors are disclosed on page 47 to 49.

Directors with conflict of interest do not participate in the meeting when related party matters are discussed, absenting themselves from the board room for the duration of the discussion. Related party transactions are reviewed quarterly by the Related Party Transactions Review Committee who approve the transactions and ensure appropriate disclosures in line with regulatory requirements. Related party transactions are disclosed in Note 20 to the financial statements on page 74.

Effective Meetings - Board meetings are held quarterly in accordance with an annual calendar prepared by the Company Secretaries, with provision for additional meetings as maybe required. Relevant Board papers are circulated to the Directors 07 days prior to the meeting allowing sufficient time review and clarification. Performance oversight, risk management and review of financial statements are regular items on the agenda of the Board.

Meetings and Attendance - The number of meetings of the Board, Audit Committee, Remuneration Committee and Related Party Transactions Review Committee and individual attendance by members are as follows:

Name of Director	Board	Audit Committee	Remuneration Committee	Related Party Transaction Review Committee
Mr. Sanjay Vijith	✓	✓	✓	—
Anthony Perera	✓	✓	✓	—
Mr. Malindra Chrostopher Fernando	✓	—	—	—
Mr. Agampodi Samud Ishara Gunasekara	—	—	—	—
Mrs. Deanna Marise Ryde	✓	✓	✓	✓
Mr. Kapila Liyanagamage	✓	✓	✓	✓
Mr. Nivran Joseph Weerakoon	✓	✓	✓	✓

Code of Ethics and Conduct - The Alpha Fire Services PLC Code of Ethics elucidates principles that delineate acceptable business and personal behaviour, ensuring alignment with the highest standards of integrity and equitable practices.

With a focus on maintaining reputation and ethical clarity, this code serves as a compass for all members of the company, including leadership.

The Company Code of Ethics and Conduct covers a range of topics and guidelines to promote ethical behaviour and responsible conduct within the organization. It addresses issues relating to:

- Conflict of interest
- Gifts and entertainment
- Relationships with suppliers
- Self-dealing
- Non-personal conflicts
- Disciplinary action and suspension

Compliance -The compliance status of Alpha Fire Services PLC with the CSE Listing Rules (Section 7-10) and the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka in 2017 is as follows:



COMPLIANCE WITH THE CODE OF BEST PRACTICE ON CORPORATE GOVERNANCE ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF SRI LANKA IN 2023

Code Ref	Requirement	Complied	Reference with the Report
A	Directors		
A.1	Requirement Directors An effective Board should direct, lead and control the Group	Yes	The Board of Directors
A.1.1	Regular Board meetings, provide information to the Board on a structured and regular basis	Yes	Board Meeting
A.1.2	Role and Responsibilities of the Board	Yes	Key Board Responsibilities
A.1.3	Act in accordance with laws of the Country and obtain Independent professional advise as where necessary	Yes	Compliance Board Directors Access to Information and Resources
A.1.4	Access to advice and services of the Group Secretary	Yes	Board Secretary
A.1.5	Independent judgment	Yes	Board Meetings
A.1.6	Dedicate adequate time and effort to matters of the Board and the Group	Yes	Board Meetings
A.1.7	Calls for resolutions by at least 1/3rd of Directors	Yes	Board Meetings
A.1.8	Board Directors Access to Information and Resources	Yes	Board induction and Training
A.2	Chairman and CEO	Yes	Division of Responsibilities
A.3	Chairman's role in preserving good corporate governance	Yes	Division of Responsibilities
A.4	Availability of financial acumen	Yes	Board Composition
A.5	Board Balance	Yes	Board Composition
A.5.1	The Board should include sufficient number of NEDs	Yes	Board Composition
A.5.2.& A.5.3	Independence of Directors	Yes	Independence
A.5.4	Annual declaration of independence by Directors	Yes	Independence
A.5.5	Annual determination of independence of NEDs	Yes	Independence
A.5.6	Alternate Directors	Yes	The Board does not have any Alternate Directors
A.5.7	Senior Independent Director (SID)	Yes	Statement by the Senior Independent Director
A.5.8	The SID should make himself available for confidential discussions with other directors Report from SID	Yes	Statement by the Senior Independent Director

Code Ref	Requirement	Complied	Reference with the Report
A	Directors		
A.5.9	Annual meeting with NEDs	Yes	Chairman meets with NEDs on an informal basis
A.5.10	Recording of dissent in minutes	Yes	Board Meetings
A.6	Supply of Information	Yes	Board Directors Access to Information and Resource
A.7.1	Establishing a Nominations and Governance Committee, Chairman and Terms of Reference	Yes	Nominations and Governance Committee Report on page 213.
A.7.2	Annual assessment of Board composition	Yes	Board Changes
A.7.3	Succession plan for MD, CEO and KMPs	Yes	Nominations and Governance Committee Report on page
A.7.4	Disclosures on appointment of new directors	Yes	Board Changes
A8	Directors to submit themselves for re-election	Yes	Board Changes
A.9	Appraisal of Board and sub-Committee Performances	Yes	Board and Sub Committee Evaluation
A.10	Annual Report to disclose specified information regarding Directors	Yes	Board Profiles Meetings and Attendance Conflict of Interests Board Sub Committees Number of directorships held in Sri Lankan companies and their names
A.11	Appraisal of the Managing Director	Yes	Evaluating the Performance of the Managing Director / CEO
B	Directors Remuneration		
B.1	Establish process for developing policy on executive and director remuneration.	Yes	Directors Remuneration
B.2	Level and Make Up of Remuneration	Yes	Directors Remuneration
B.3	Disclosures related to remuneration in Annual Report Remuneration Policy statement Aggregate Board remuneration paid	Yes	Note x to Financial Statements Remuneration Committee report
C	Relation with Shareholders		
C.1	Constructive use of the AGM & Other General Meetings	Yes	Annual General Meeting (AGM)
C.2	Communication with shareholders	Yes	Shareholder Relations

Code Ref	Requirement	Complied	Reference with the Report
C	Relation with Shareholders		
C.3	Disclosure of major and material transactions	Yes	There were no major or material transactions during the year, which materially affected the net asset base of Group.
D	Accountability and Audit		
D.1	Present a balanced and understandable assessment of the Group's financial position, performance, and prospects	Yes	Financial Reporting and Assurance
D.1.1	The board should present an annual report including financial, prepared in accordance with the relevant laws and regulations	Yes	Annual Report of the Board of Directors on the Affairs of the Company
D.1.2	Balanced and understandable communication	Yes	Financial Calender
D.1.4	CEO/CFO declaration	Yes	Managing Director's, Chief Executive Officer's and Director- Finance's Responsibility Statement
D.1.4	Directors Report declarations	Yes	Annual report of the Board of Directors on the Affairs of the Group
D.1.5	Financial reporting -statement on board responsibilities, Statement on internal control	Yes	Statement of Directors' Responsibility Directors' Statement on Internal Controls
D.1.6	Management Discussion & Analysis	Yes	Respective Capital Reports
D.1.7	In the event the net assets of the Company fall below 50% of the value of the Company's shareholders' funds, the directors shall forthwith summon an extraordinary general meeting of the company to notify shareholders of the position and of remedial action being taken	Yes	There has been no serious loss of capital to convene an EGM in terms of the Companies Act No. 7 of 2017.
D.1.8	Related Party Transactions	Yes	Notes 33 to Financial Statements
D.2	Process of risk management and a sound system of internal control to safeguard shareholders' investments and the Group's assets	Yes	Risk Management and Internal control Report of the Audit Committee Directors' Statement of Internal Control Risk & Opportunity Management
D.3	Audit Committee	Yes	Audit Committee Report
D.4	Risk Committee	Yes	Audit Committee Report

Code Ref	Requirement	Complied	Reference with the Report
D	Accountability and Audit		
D.5	Related Party Transactions Review Committee	Yes	Related Party Transactions Review Committee report
D.6	Code of Business Conduct and Ethics	Yes	Conduct and Ethics
D.7	Corporate Governance Disclosures	Yes	Corporate Governance Report
	Shareholders		
E & F	Institutional and other investors	Yes	Communications with Shareholders Constructive use of AGM
G	Internet of Things & Cyber security		Information Technology (IT) and Digital Governance
H.1	The board should consider sustainability/ESG risk and opportunities	Yes	
H.2	The board and key management personnel should continuously engage with the views of its stakeholders to better understand and manage the company's sustainability/ESG risk and opportunities.	Yes	Risk and Governance
H.3 H.4	The company should establish a governance framework and structure which includes conformance, performance and sustainability/ESG factors	Yes	Risk and Opportunity Management
H5	The company's annual report should contain sufficient information to enable investors and other stakeholders to assess how ESG risks and opportunities are recognized, managed, measured and reported.	Yes	
I.1	Listed entities shall establish and maintain policies relating to its governance	Yes	Corporate Governance Report

Statement of Compliance

From the aforementioned details, it can be concluded that the Company is fully compliant with the requirements of the Code of Best Practice on Corporate Governance issued jointly by the Institute of Chartered Accountants of Sri Lanka and the Corporate Governance Rules of the Colombo Stock Exchange.

Furthermore, the Board confirms that all statutory payments due to the Government, other regulatory institutions, and employees have been made on time. Therefore, the Board concludes and declares that the Company is fully compliant with

the Corporate Governance Codes of the Institute of Chartered Accountants of Sri Lanka and the Corporate Governance Rules of the Colombo Stock Exchange, and has in place a robust Corporate Governance Framework to govern the business.



MR. VIJITH PERERA
Managing Director/ Chairman



MR. MALINDRA FERNANDO
Director

RISK MANAGEMENT



strengthened by continuous stakeholder engagement. This proactive approach enables the timely identification, analysis, and mitigation of potential risks, thereby safeguarding business continuity. By integrating flexibility and resilience into our model, we reinforce our commitment to operational excellence, safety, and long-term sustainability.

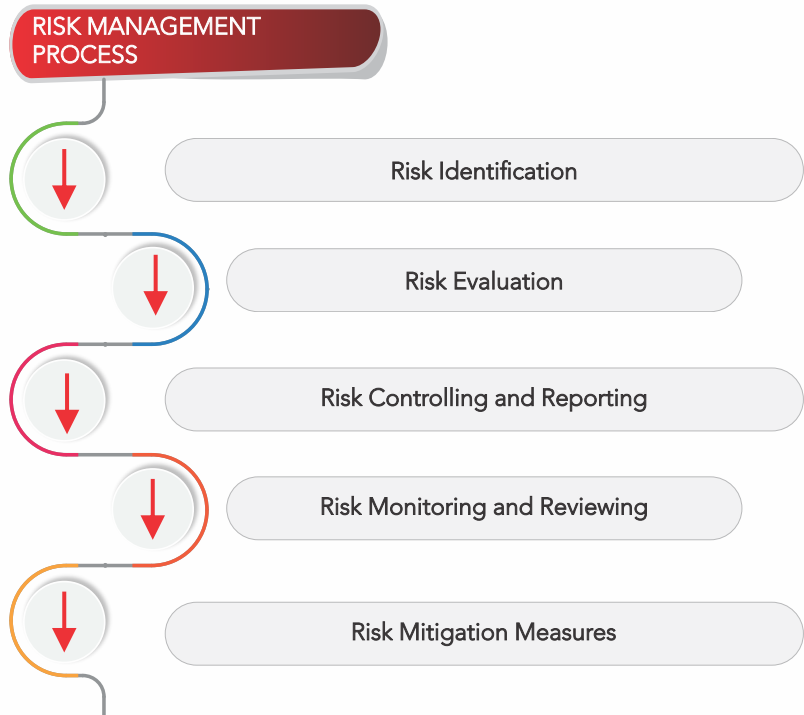


Internal Risks	External Risks
People Risks	Macro Economy Risks
Business Continuity Risk	Industry Risks
Supply Chain Risks	Market Risks
Financial Risks	
Compliance Risk	

Alpha Fire Services PLC face several internal and external risks due arising from the macroeconomic landscape, labour market shifts, industry condition, regulatory pressures necessitating the enhancement of the company's risk management processes. During the year, the Company meticulously navigated risk through a structured risk management framework through a proactive approach that identifies and mitigates risks. In turn, this approach has contributed towards the identification of potential opportunities for the company whilst adding value to stakeholder.

PRINCIPAL RISKS

The Company's risk management framework is built on a structured evaluation of key risk indicators,



RISK GOVERNANCE

Alpha Fire PLC understands the importance of risk governance which is pivotal in achieving company objectives by effectively managing risks and facilitating informed decision-making.

Collaborating closely with the sub committees, corporate management and employees, risk exposures are maintained within acceptable thresholds.

Anticipating potential risks is crucial in steering the company's risk management strategies.

The Executive Committee routinely assesses risks as part of its agenda, furnishing essential documentation to the Audit Committee and the Board.

The company adheres to a structured approach for risk management and reporting.

Risk Governance Layer

Risk Management Initiative

Executives & Supervisors	<ul style="list-style-type: none"> •Conducts daily identification, assessment, management, and reporting of all controllable risks. •Ensures risk exposures are maintained within predefined limits.
Corporate Management Team	<ul style="list-style-type: none"> •Communicates risk policies effectively using a robust monitoring system. •Ensures that risks are effectively managed across the entire business, providing assurance to stakeholders.
Board of Directors	<ul style="list-style-type: none"> •Provides independent assurance and supervision of the risk management system and internal controls to ensure effectiveness.

Risk Management

The risk landscape was impacted by the unprecedented challenges arising from both domestic and global operating environments during the last financial year. Indicated below are the risk exposures for the year under review, their potential impacts on the Company, and their severity.

Risk	Impact of Risk	Strategic Approach	Risk Rating		
			Low	Med	High
People risk	Recruiting and retaining of skilled technicians continues with qualified and experienced workers increasingly seeking opportunities overseas	Provide attractive remuneration packages, and comprehensive benefits.			✓
Market risk	Intense competition in the specialized fire and safety equipment industry is driven by smaller companies offering lower contract prices.	Ensure customer satisfaction with high and consistent levels of delivery of reliable service in keeping with company's reputation.	✓		
Supply chain risk	Global geo politics and logistics challenges that delay and impact costs of imported goods and raw materials that directly impact the business operations.	Diversified supplier base and made provisions to maintain sufficient inventories at warehouses.		✓	
Financial risk	The fluctuating cost of doing business due to electricity cost increase, wage hikes, tax hikes impacting profitability and cost of goods and services.	Maintained strong cash flow planning, used multiple funding sources, and kept reserve funds to ensure liquidity and stability during uncertain times.			✓

Risk	Impact of Risk	Strategic Approach	Risk Rating		
			Low	Med	High
	Increased cost of raw materials and commodities, directly affecting the demand for construction and safety products as consumers focus on meeting essential needs.	Maintain a mix clientele with an increased emphasis on multinational clientele and large factory operations to maintain continuous demand.		✓	
Business continuity risk	The threat of business disruption due to the industry's reliance on limited experts, clientele and suppliers.	Increasing reliance on fire safety regulation compliance.		✓	
Compliance and Regulatory risks	Risks arising from non-compliance of industry benchmarks and government regulations	Continuously monitors industry standards and government regulatory requirements in order to ensure that they are complied	✓		



A hand holding a pen is positioned over a calculator and several financial documents. The documents feature a line graph and a table with columns labeled 'Jul' and 'Au'. To the left, there are several stacks of coins of varying heights. The entire scene is overlaid with a semi-transparent red filter.

FINANCIAL STATEMENTS

AUDIT COMMITTEE REPORT



INTRODUCTION

The Audit Committee of Alpha Fire Services PLC is a key element of the Company's governance framework. Operating as a Sub-Committee of the Board of Directors, it provides independent oversight in areas of financial reporting, risk management, audit functions, and regulatory compliance. Through its work, the Committee ensures that the Company upholds transparency, accountability, and integrity in its operations.

Committee Structure and Expertise

The Audit Committee is composed entirely of two Independent Non-Executive Directors and two Executive Directors, reflecting a balanced and objective perspective.

The Chairman is a Chartered Accountant, while the other members bring extensive expertise in finance, law, and business management.

The Company Secretary serves as Secretary to the Committee.

- Mr. Nivran Joseph Weerakoon – Chairman
- Mr. Kapila Liyanagamage

By invitation, the Managing Director/Executive Director, Head of Finance, and representatives from the internal and external audit functions also participate in meetings, ensuring comprehensive and informed deliberations.

Activities during the Year

The Committee met four times during the financial year. Attendance of members was as follows:

Member	Meetings Attended
Mr. Nivran Joseph Weerakoon – Chairman	→ 4/4
Mr. Kapila Liyanagamage	→ 4/4
Mr. Sanjay Vijith Anthony Perera	→ 4/4
Mr. Malindra Chrostopher Fernando	→ 4/4

In fulfilling its mandate, the Committee focused on the following key areas:

Oversight of Financial Reporting

- Reviewed quarterly and annual financial statements for accuracy, consistency, and compliance with Sri Lanka Accounting Standards.

- Ensured management declarations and compliance statements were appropriately documented.

- Recommended financial statements for Board approval prior to public release.

Risk and Control Environment

- Evaluated the Company's risk management framework and the adequacy of internal control systems.

- Considered major financial and operational risks and monitored the measures implemented by management to mitigate them.

- Recommended improvements to strengthen the Company's control environment.

External Audit Oversight

·Engaged with Messrs. KPMG, Chartered Accountants, on the scope, methodology, and results of the statutory audit.

·Reviewed management responses to audit findings and ensured timely corrective action.

·Assessed the independence of the external auditors, including the review of non-audit services, and confirmed there was no impairment to independence.

Internal Audit and Compliance

·Monitored the performance and independence of the internal audit function.

·Reviewed internal audit findings and the status of follow-up actions by management.

·Supported special investigations and ensured regulatory and statutory compliance.

Outcomes and Assurance

Through its work, the Audit Committee has provided assurance to the Board that:

·The financial reporting process is reliable and transparent.

·Risk management and internal control frameworks are effective.

·Both external and internal auditors operate with independence and due diligence.

·The Company complies with all relevant legal, regulatory, and governance requirements.

Conclusion

The Audit Committee is confident that the systems, processes, and controls of Alpha Fire Services PLC remain sound and effective. The Committee will continue to support the Board in safeguarding shareholder interests and upholding the Company's reputation for integrity and accountability.

Signed,
MR. NIVRAN JOSEPH WEERAKOON
 Chairman, Audit Committee



			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT



- **Review and Approval** – Review and provide prior approval for all proposed related party transactions, other than those exempt under the Listing Rules.

- **Monitoring Transactions** – Oversee all ongoing related party transactions and confirm that they are conducted on accepted regular commercial terms.

- **Information and Clarifications** – Request and obtain information from management regarding the rationale, terms, and conditions of related party transactions.

- **Professional Advice** – Seek external professional or expert advice where necessary for the evaluation of related party transactions.

- **Reporting** – Meet and report its findings and recommendations to the Board of Directors.

- **Audit Committee Coordination** – Share information with the Audit Committee to enable it to discharge its statutory and regulatory responsibilities on related party transactions.

- **Board Recommendations** – Recommend to the Board of Directors, where applicable, approval of transactions prior to execution.

- **Other Duties** – Undertake any other related activities as directed by the Board

INTRODUCTION

The Related Party Transactions Review Committee (RPTRC) was established by the Board of Directors in accordance with Section 9 of the Listing Rules of the Colombo Stock Exchange. The Committee is tasked with ensuring transparency, fairness, and regulatory compliance in all related party dealings of Alpha Fire Services PLC.

Mandate and Purpose

The RPTRC operates with the primary objective of safeguarding the interests of all shareholders. Its mandate is to:

Independently review and approve related party transactions.

Ensure such transactions are conducted on normal commercial terms and at a safe distance.

Prevent undue advantage being taken by Directors, Key Management Personnel, or substantial shareholders.

Roles and Responsibilities

The RPTRC carries out the following roles and responsibilities:

- **Regulatory Compliance** – Ensure that the Company complies fully with the requirements of Section 9 of the CSE Listing Rules.

Committee Composition

The Committee comprises of two Independent Non-Executive Directors.

During the financial year under review, the Committee met two times.

Attendance of members is given below:

Member	Position	Attendance
Mr. Kapila Liyanagamage	Chairman	4/4
Mr. Nivran Joseph Weerakoon	Member	4/4

- Related party transactions were conducted in compliance with applicable regulations.

- No transaction was detrimental to the interests of minority shareholders.

Activities and Review during 2024/25

During the financial year ended 31st March 2025, the Committee:

Reviewed all related party transactions and communicated its observations to the Board.

Confirmed that no non-recurrent related party transactions exceeded the threshold as stipulated in the Listing Rules.

Confirmed that no recurrent related party transactions exceeded xx% of Company revenue during the year.

Verified that all transactions were conducted on commercial terms, comparable to those available to external parties.

Full details of related party transactions are disclosed in the Notes to the Financial Statements.

Committee's Opinion

Based on its review, the Committee is satisfied that:

- Adequate disclosures were made to the Board.

Declaration

The RPTRC confirms that it has discharged its duties in accordance with its mandate and the Listing Rules of the Colombo Stock Exchange. The Board of Directors has also provided its declaration of compliance with related party transaction requirements in the Report of the Board of Directors on page xx of this Annual Report.

Signed
MR. KAPILA LIYANAGAMAGE
 Chairman,
 Related Party Transactions
 Review Committee



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



The Board of Directors of Alpha Fire Services PLC have pleasure in presenting the Annual Report together with the Audited Financial Statements of the Company for the year ended 31 March 2025.

This Annual Report contains information on the affairs of the Company as required by the Companies Act No. 07 of 2007, Listing Rules of the Colombo Stock exchange and recommended best practices.

The Financial Statements were reviewed and approved by the Board of Directors on 27th August 2025.

General

Alpha Fire Services PLC was incorporated in Sri Lanka on May 07, 2003 and re-registered on October 16, 2007 as a Private Limited Liability Company under the provisions of Companies Act No. 7 of 2007.

The legal form of the company was changed from Limited Company to Public Listed Company under provision of the Section 8 of the Companies Act No. 07 of 2007 on July 04, 2022.

Principal Activities

The principal activities of the company include the supply, installation, commission and maintenance of fire alarm systems, fire hydrant systems, fire hose reel systems, sprinkler systems, fire flex systems, fire suppression systems, fire doors, kitchen hood fire suppression systems, fire extinguishers and gas lines.

Summary of the Financial Results

Year ended 31 March 2024	2024/25	2023/24
Revenue	416,270,509	326,569,040
Net profit for the year	39,421,695	24,586,355

The Company also designs and consults on installation of fire systems as per local fire authority and NFPA standards and conducts fire trainings.

This Report together with the Financial Statements, reflect the state of affairs of the Company.

Review of Operations

An analysis of the operations of the Company during the financial year under review is given in the Chairman's Review on pages 11 to 12 and the Management Discussion on pages 18 to 22.

Financial Statements

The financial statements appearing in this report have been prepared by the Sri Lanka Accounting Standards for SMEs, issued by the Institute of Chartered Accountants of Sri Lanka.

The Company operates in compliance with the requirements of the Companies Act No.07 of 2007 and the listing rules of the Colombo Stock Exchange.

In addition to all the relevant legal and regulatory frameworks and charters, Alpha Fire Services Limited also endorses and/or subscribes to the code of Best Practices on Corporate Governance issued jointly by the Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka.

The Financial Statement duly signed by the Head of Finance and two Directors of the Company on behalf of the Board and Auditors, forms an integral part of the Annual Report of the Board of Directors. The complete Financial Statements are given on pages 58 to 61.

Directors' Responsibility for Financial Reporting

The Statement of Directors' Responsibility reflects a true and fair view of the performance and financial position of the group. It is given on page 47 and forms an integral part of the Annual Report of the Board of Directors.

Auditors' Report

Messrs. KPMG, the Auditors of the Company carried out the audit on the Financial Statements for the year under review.

The Report of the Auditors on the Financial Statements of the Company is given on pages 52 to 78.

Accounting Policies

The financial statements of the Company have been prepared in accordance with the Sri Lanka Accounting Standards for Small and Medium Enterprises, SLFRSs for SMES. The significant accounting policies adopted in the preparation of financial statements are given on pages 62 and 67.

Directors

The names of the Directors who held office as at 31 March 2025 are given below and their brief profiles appear on pages 15 to 17.

Executive Directors

- Mr. Vijith Perera
- Mr. Malindra Fernando
- Mr. Samud Gunasekera

Non Executive Directors

- Ms. Deanna Marise Ryde

Independent Non- Executive Directors

- Mr. Kapila Liyanagame
- Mr. Nirvan Joseph Weerakoon

Directors' Interests

In compliance with Section 192 (2) of the Companies Act No. 07 of 2007, the company maintains an Interest Register and are deemed to form part and parcel of this Annual Report, the disclosed interests are in Note 25 to the Financial Statements on page 79 available for inspection upon request.

Directors' Remuneration

The Directors' remuneration is disclosed in Note 20.1 to the Financial Statements on page 74.

Directors' Responsibility in Financial Reporting

The Directors are responsible for the preparation of Financial Statements of the Company to reflect a true and fair view of the state of its affairs. The Directors are of the view that these financial statements have been prepared in conformity with requirements of the Sri Lanka Accounting Standards, the Companies Act No.7 of 2007 and the Listing Rules of the Colombo Stock Exchange.

Share Information

The relevant interests of Directors in the shares of the Company as at 31st March 2024 and 31st March 2025 are as follows:

Member of the Board	Shares held as at 31 March 2025	Shares held as at 31 March 2024
Vijith Perera	11,005,500	11,005,500
Estate of Late Mr. Frank Ryde	1,690,500	Nil
Malindra Fernando	7,910,125	7,910,125
Amttek Engineering Pvt Ltd	Nil	Nil
Deanna Marise Ryde	1,690,500	Nil
Samud Gunasekera	3,469,445	3,819,445
Nirvan J Weerakoon	Nil	Nil
Kapila Liyanagamage	Nil	Nil

There were 436 shareholders registered as at 31st March 2025 after the company was publicly listed at the Colombo Stock Exchange in 2022 (299 shareholders as at 31st March 2024).

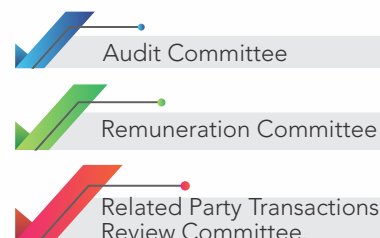
Information on the distribution of shareholding, market values per share, earnings, dividends, net assets per share, largest shareholders of the Company, percentage of shares held by the public as per the Listing Rules of the Colombo Stock Exchange are given on page 80 under Share Information.

Dividends

An annual dividend of Rs. 0.03 cents per share for the year ending 31st March 2024 was declared on 27 September 2024. The Directors declare final dividends for Rs. 0.03 September 2024 and the total dividends for the year there for amounts to Rs. 0.42 per share.

Delegation to Board Members

The Board has delegated certain functions and duties to Sub Committees that comprise of Board members. The functions and duties of each sub committee is detailed in the respective reports. They include:



The Board is also encouraged to seek independent professional advice, when necessary, at the company's expense and also have access to the company Secretary to obtain advice and services as and when necessary.

Independent Auditors

Messrs. KPMG, Chartered Accountants served as the Auditors during the year under review and also provided non audit/ consultancy services. They do not have any interest in the Company other than that of Auditors.

A total amount of Rs 1.3 Mn is payable by the Company to Messrs KPMG for the services rendered during the year under review.

Property, Plant and Equipment

Details and movements of property and equipment are given under Note 02 to the Financial Statements on pages 68 to 69.

Capital Expenditure

The total capital expenditure during the year amounted to Rs. 10.2 Mn on property, plant and equipment compared to Rs.16.2 Mn incurred in the previous year.

Risk Management

An ongoing process is in place to identify and manage the risks that are associated with the business and operations of the Company.

As part of the governance process, the Board continuously reviews and evaluates the internal controls and risks of the company and takes necessary measures required to mitigate risk.

Specific steps taken by the Company in managing the risks are detailed in the section on Risk Management on pages 40 to 42.

Corporate Governance

The Board continued to place importance on sound corporate governance practices and is committed to the highest standards of corporate governance within the organisation.

The Directors are of the view that the Company is in compliance with the Corporate Governance Rules contained in the Listing Rules of the Colombo Stock Exchange. The report on Corporate Governance is given on pages 31 to 39 of the Annual Report.

Audit Committee

The Audit Committee comprises of two Non-Executive/Independent Directors

The Report of the Audit Committee is given separately in the Annual Report detailing the functions and duties of the Committee and the specific objectives met in the financial year under review.

Employment Policy

The Company has a non-discriminatory employment policy and provides career opportunities irrespective of gender, race and religion.

As at 31 March 2025, 58 persons were in employment (62 persons in employment in 2024). There were no material issues pertaining to employees and industrial relations during the financial year.

Statutory Payments

The Directors confirm that to the best of their knowledge, all statutory payments including EPF, ETF, and PAYE tax have been made within the stipulated periods during the financial year.

Going Concern

After making adequate enquiries from the management, the Directors are satisfied that the company has adequate resources to continue its operations in the foreseeable future.

Annual General Meeting

Notice of the Annual General Meeting appears on page 80.

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



MR. VIJITH PERERA
Managing Director/ Chairman



MS. SHAMA ISMAIL
Corporate Secretary

REMUNERATIONS COMMITTEE REPORT



·Advises the Board on matters relating to succession planning and retention of key management personnel.

·Has the authority to obtain external independent professional advice to support its decision-making process.

The Committee's recommendations are subject to approval by the full Board of Directors.

Composition

As at 31 March 2025, the Remuneration Committee comprised the following members:

- Mr. Kapila Liyanagamage – Chairman
- Mr. Malindra Chrostopher Fernando
- Mr. Nivran Joseph Weerakoon
- Mr. Sanjay Vijith Anthony Perera (By invitation)

The Chairman and Managing Director/Chief Executive Officer attend meetings by invitation to provide relevant information and participate in deliberations, except where matters relating to their own remuneration are under review.

Secretarial Support – F.S.I. Mohamed acts as Secretaries to the Committee. Minutes of Committee meetings are tabled at subsequent Board meetings and form part of the official Board records.

Meetings

During the financial year 2024/25, the Committee met twice. The Committee is required to meet at least once a year, and additionally as required, to discharge its duties effectively.

Attendance at meetings of the Committee is as below:

Introduction

The Remuneration Committee was formally established in compliance with Section 9 of the Listing Rules of the Colombo Stock Exchange. The Committee functions as a sub-committee of the Board of Directors and is appointed by, and accountable to, the Board. Its primary responsibility is to recommend fair, transparent, and performance-linked remuneration structures for Executive Directors and Senior Management, thereby ensuring alignment with shareholder interests, corporate strategy, and good governance practices.

Authority and Terms of Reference

The authority, responsibilities, and procedures of the Remuneration Committee are set out in its Charter, which is reviewed periodically and approved by the Board. Within this framework, the Committee:

·Reviews and recommends the remuneration packages of Executive Directors, including salary, benefits, and other compensation.

·Establishes broad guidelines for the remuneration of Senior Executives across the Company.

·Ensures that remuneration practices remain competitive and are linked to individual and corporate performance.

·Considers prevailing market practices, industry benchmarks, and governance standards when making recommendations.

Member	Role	Attendance
Mr. Kapila Liyanagamage	Chairman	2/2
Mr. Malindra Chrostopher Fernando	Member	2/2
Mr. Nivran Joseph Weerakoon	Member	2/2
Mr. Nivran joseph weerakoon	By invitation	2/2

Remuneration Policy

The Committee follows a structured remuneration policy aimed at balancing competitiveness with accountability and performance. Key elements of the policy include:

• **Attract and Retain Talent:** Ensuring that remuneration packages are sufficient to attract and retain qualified professionals with the necessary skills and expertise.

• **Performance Orientation:** A significant portion of total remuneration is linked to performance targets, which are designed to encourage achievement of both short-term operational results and long-term strategic goals.

• **Market Alignment:** Annual reviews are carried out to ensure alignment with industry standards and market benchmarks.

• **Fairness and Transparency:** Remuneration decisions are made with due regard to fairness, transparency, and compliance with governance standards.

Annual Review

The Committee conducts an annual review of all Executive remuneration packages, taking into account:

Individual performance,

Business unit performance, and

The overall performance of the Company.

Where necessary, the Committee seeks professional independent advice to ensure remuneration practices remain competitive and compliant with best practices.

Directors' Fees

Non-Executive Directors are entitled to fees for their services on the Board and its Committees.

- Directors do not receive short-term incentives.
- Directors do not participate in any long-term incentive or share option schemes.

The Remuneration Committee recommends the level of Directors' fees, which are then submitted to the Board for approval.

Details of Directors' emoluments are disclosed in Note 20.1 to the Financial Statements.

Conclusion

The Remuneration Committee reaffirms its commitment to upholding principles of good governance, fairness, and accountability in all aspects of remuneration. The Committee will continue to ensure that remuneration policies remain market competitive, performance-based, and aligned with the long-term interests of shareholders.

On behalf of the Remuneration Committee,

Signed
MR. KAPILA LIYANAGAMAGE
Chairman,
Remuneration Committee





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

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

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF Alpha Fire Services PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alpha Fire Services PLC (“the Company”), which comprise the statement of financial position as at 31st March 2025, and the statements of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information set out on pages 65 to 81 of the annual report.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 31st March 2025, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standard for small and medium sized entities (SLFRS for SMEs).

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company financial statements of the current period. These matters were addressed in the context of our audit of the Company financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG, a Sri Lankan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

C. P. Jayatilake FCA
Ms. S. Joseph FCA
R.M.D.B. Rajapakse FCA
M.N.M. Shameel FCA
Ms. P.M.K. Sumanasekara FCA

T. J. S. Rajakarier FCA
W. K. D. C. Abeyrathne FCA
Ms. B.K.D.T.N. Rodrigo FCA
Ms. C.T.K.N. Perera ACA
R.W.M.O.W.D.B. Rathnadiwakara FCA

W. W. J. C. Perera FCA
G. A. U. Karunaratne FCA
R. H. Rajan FCA
A.M.R.P. Alahakoon ACA

Principals: S.R.I. Perera FCMA (UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA, Ms. F.R. Ziyad FCMA (UK), FCIT, K. Somasundaram ACMA (UK), R. G. H. Raddella ACA



Revenue Recognition	
Refer to the significant accounting policies in the Note 1.3 (i) "Revenue" and explanatory Note 14 "Revenue" to the financial statements	
Risk Description	Our Response
<p>The company recorded revenue of Rs. 416,270,509/- for the year ended 31 March 2025 which included project-based revenue amounting to Rs. 331,531,270/-. Revenue recognition and measurement on project based revenue is complex because it is based on management estimates of;</p> <ul style="list-style-type: none"> • The stage of completion of the project • Total Project revenue and cost; • The probability of customer approval of the variation and claims; and • Project completion date <p>This together with the focus on volumes and revenue as key performance measures resulted in revenue being selected as a key audit matter.</p>	<p>Our audit procedures included;</p> <ul style="list-style-type: none"> • Understanding the nature of the revenue contracts entered by the company and evaluate design and operating effectiveness of relevant controls over the revenue recognition. • Assessing management's estimate of total contract revenue and contract costs and recalculated the stage of completion based on actual costs incurred to date for a sample of transaction. • Assessing the start and end dates of projects to supporting evidence for a sample of revenue recognized on a time basis. • Performing retrospective analysis of incomplete projects at the year end. We compared the estimated projects completion dates with the actual projects completion dates with the actual completion dates post year end to assess the allocation of revenue between periods. • Assessing the adequacy of the disclosures to the financial statements.



Carrying Value of Inventory	
Refer to the significant accounting policies in the Note 1.3 (b) "Inventory" and explanatory Note 03 "Inventory" to the financial statements	
Risk Description	Our Response
<p>The inventory balance comprise of raw consumables and work in progress amounting to Rs. 172,478,167/- as at 31 March 2025 which forms a significant part of the company's current assets.</p> <p>Carrying value of inventories is identified as a key audit matter because establishing a provision for slow-moving, obsolete and damaged inventory and valuation of inventories involve significant judgements and assumptions exercised by the management.</p>	<p>Our audit procedures included;</p> <ul style="list-style-type: none"> ● Obtaining an understanding of an assessing the design, implementation and operating effectiveness of management's key internal controls over the supply chain and testing selected key controls over recognition and measurement of inventory and inventory provisioning. ● On a sample basis, testing the net realizable value by comparing the actual cost with relevant market data. ● Attending stock counts as at the year-end. In addition, assessed the effectiveness of the physical count controls in operation at each count location to identify damaged stocks, and expired stocks that are written off in a timely manner and evaluating the results of the other counts performed by the management throughout the period to assess the existence of inventory. Gaining an understanding of the movements in the inventory for the year and assess the adequacy of the provision for non-moving and slow-moving inventory. ● Assessing whether the company's accounting policies had been consistently applied and the adequacy of the company's disclosures in respect of the judgement and estimating made in respect of inventory provisioning.



Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

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



Report on Other Legal and Regulatory Requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 3707.

A handwritten signature in blue ink, consisting of a vertical line on the left, a horizontal line extending to the right, and a large, sweeping curve that loops back to the left.

CHARTERED ACCOUNTANTS

Colombo, Sri Lanka
29th August 2025

ALPHA FIRE SERVICES PLC
STATEMENT OF FINANCIAL POSITION

As at 31 March,		2025	2024
Assets	Note	Rs.	Rs.
Non-current assets			
Property, plant & equipment	2	78,084,584	72,407,471
Term deposits		32,363,396	30,435,966
Total non-current assets		110,447,980	102,843,437
Current assets			
Inventories	3	172,478,167	83,548,022
Trade and other receivables	4	78,541,068	95,405,151
Cash margin account		4,073,411	10,130,325
Cash and cash equivalents	5	20,319,152	13,826,017
Total current assets		275,411,798	202,909,515
Total assets		385,859,778	305,752,952
Equity and liabilities			
Equity			
Stated capital	6	76,429,460	76,429,460
Revaluation reserve		23,880,760	23,880,760
Retained earnings		78,678,982	45,073,288
Total equity		178,989,202	145,383,508
Non-current liabilities			
Retirement benefits obligation	7	5,964,740	4,640,418
Bank borrowings	8	6,333,326	1,833,317
Deferred tax liabilities	9	5,334,492	7,795,277
Total non-current liabilities		17,632,558	14,269,012
Current Liabilities			
Bank borrowings	8	3,833,321	10,591,125
Amount due to related parties	10	3,153,414	1,381,413
Short term bank borrowings	11	68,401,094	33,196,850
Trade and other payables	12	73,134,835	55,482,406
Income tax payable	13	19,602,715	11,929,987
Bank overdrafts	5	21,112,639	33,518,650
Total current liabilities		189,238,018	146,100,432
Total liabilities		206,870,576	160,369,444
Total equity and liabilities		385,859,778	305,752,952

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statements of the Company.

I certify that the above Financial Statements comply with the requirements of the Companies Act No. 7 of 2007.


.....
Finance Manager

The Board of Directors is responsible for the preparation and presentation of these financial statements in accordance with SLFRS for SMEs.

Approved and signed on behalf of the Board of Directors:


.....
Director

29 August 2025
Colombo


.....
Director

ALPHA FIRE SERVICES PLC
STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March,		2025	2024
	<i>Note</i>	<u>Rs.</u>	<u>Rs.</u>
Revenue	14	416,270,509	326,569,040
Cost of sales	15	(240,706,748)	(198,170,531)
Gross profit		175,563,761	128,398,509
Administrative expenses		(67,179,839)	(58,543,783)
Selling and distribution expenses		(40,914,327)	(25,959,400)
Profit from operations	16	67,469,595	43,895,326
Interest income		3,368,640	4,677,036
Finance expenses	17	(14,025,828)	(13,623,022)
Net finance expenses		(10,657,188)	(8,945,986)
Profit before taxation		56,812,407	34,949,340
Income tax expenses	19	(17,390,712)	(10,362,985)
Profit after taxation		39,421,695	24,586,355
Other comprehensive income			
Items that will not be re-classified to profit/ loss			
Surplus on retirement benefit obligation		(123,502)	105,297
Other comprehensive income for the year		(123,502)	105,297
Total comprehensive income		39,298,193	24,691,652
Earning per share (Rs.)	18	1.04	0.65

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statements of the Company.

ALPHA FIRE SERVICES PLC

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March,	Stated capital	Revaluation reserve	Retained earnings	Total
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Balance as at 01 April 2023	25,569,560	26,335,143	22,481,253	74,385,956
Share issued during the year - Note 6	50,859,900	-	-	50,859,900
Total comprehensive income for the year				
Profit for the year	-	-	2,458,355	2,458,355
Other comprehensive income for the period	-	-	105,297	105,297
Depreciation transfer on revalued assets	-	(2,454,383)	2,454,383	-
Dividend Distribution	-	-	(4,554,000)	(4,554,000)
Balance as at 31 March 2024	76,429,460	23,880,760	45,073,288	145,383,508
Total comprehensive income for the year				
Profit for the year	-	-	39,421,695	39,421,695
Other comprehensive income for the period	-	-	(123,502)	(123,502)
Dividend Distribution	-	-	(5,692,500)	(5,692,500)
Balance as at 31 March 2025	76,429,460	23,880,760	78,678,981	178,989,201

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statements of the Company.

ALPHA FIRE SERVICES PLC
STATEMENT OF CASH FLOWS

For the year ended 31 March,		2025	2024
	Note	<u>Rs.</u>	<u>Rs.</u>
Cash flows from operating activities			
Profit before taxation		56,812,407	34,949,340
Adjustments for:			
Depreciation of property plant and equipment	2	4,609,795	4,307,632
Provision for retirement benefit obligation	7	1,362,821	1,548,215
Provision for slow moving inventory		-	1,342,884
Interest income		(3,368,640)	(4,677,036)
Loan interest		7,241,321	6,723,207
Lease interest		-	20,936
Operating profit before changes in working capital		66,657,704	44,215,178
Changes in working capital			
(Increase)/decrease in inventories		(88,930,145)	(10,912,192)
(Increase)/decrease in trade and other receivables		16,864,083	(16,511,832)
Increase/ (decrease) in amount due to related parties		1,772,001	(11,216,722)
Increase/ (decrease) in trade and other payables		17,652,430	63,610
Cash generated / (used in) from operations		14,016,072	5,638,042
Income tax paid		(12,178,768)	(2,846,790)
Gratuity paid	7	(162,000)	(356,250)
Net cash flow generated / (used in) from operating activities		1,675,304	2,435,002
Cash flows from investing activities			
Acquisition of property, plant and equipment	2	(10,286,907)	(16,265,503)
Interest income		1,441,210	686,830
Investment in cash margin		6,056,914	(5,989,875)
Withdrawal of fixed deposits		-	2,629,370
Net cash flow used in investing activities		(2,788,783)	(18,939,178)
Cash flows from financing activities			
Share issued - rights issue		-	50,859,900
Dividend paid		(5,692,500)	(4,554,000)
Long term loan received		10,000,000	-
Long term loan paid		(12,257,795)	(18,236,482)
Short term loan (paid) / received		35,204,242	3,356,234
Loan interest paid		(7,241,321)	(6,723,207)
Lease rental paid		-	(418,474)
Loan (settled)/obtained from related parties		-	(10,000,000)
Net cash flow generated / (used in) from financing activities		20,012,626	14,283,969
Net changes in cash and cash equivalents during the year		18,899,146	(2,220,207)
Cash and cash equivalents at beginning of the year		(19,692,633)	(17,472,426)
Cash and cash equivalents at end of the year	5	(793,487)	(19,692,633)

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statements of the Company.

For the year ended 31 March 2025,

1. ACCOUNTING POLICIES

1.1 REPORTING ENTITY

Alpha Fire Services PLC, ("the Company") is a public listed company incorporated in Sri Lanka, under the companies Act No.07 of 2007 and domiciled in Sri Lanka. The registered office of the company is located at No, 487/5, Old Kottawa Road, Pannipitiya. The Company has listed on the Empower Board of Colombo Stock Exchange on 07 June 2022.

(a) Principal activities and nature of operations

The principal activities of the Alpha Fire Services PLC is to provide fire protection services.

1.2 BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Company comprise statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes comprising other explanatory information. These statements have been prepared in accordance with Sri Lanka Accounting Standard for Small and Medium-sized Entities ("SLFRS for SMEs") issued by the Institute of Chartered Accountants of Sri Lanka. The Company is allowed by the Colombo Stock Exchange to follow SME Standards for three consecutive financial periods to prepare financial statements from the date of listing as per the section 1.1 A of the extraordinary gazette of the Colombo Stock Exchange.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except property, plant equipment. No adjustments have been made for inflationary factors in the financial statements.

(c) Going concern

The Directors have made an assessment of the company's ability to continue as a going concern in the foreseeable future and they do not intend either to liquidate or cease trading. Therefore, the going concern basis is used in the preparation of financial statements. Based on available information, the management has assessed the prevailing uncertain and volatile macro-economic environment and its impact on the Company and the appropriateness of the use of the going concern basis. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

(d) Functional and presentation currency

These financial statements are presented in Sri Lankan Rupees, which is the Company's functional and presentation currency.

(e) Use of estimates and judgements

The preparation of financial statements in conformity with SLFRS for SMEs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only the financial year, or in the period of the revision and future periods if the revision affects both current and future financial years.

For the year ended 31 March 2025,

1.2 BASIS OF PREPARATION (CONTINUED)

i. Inventory valuation

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

ii. Useful lives and residual values appropriate for property, plant and equipment

The Company tests annually whether, the useful life and residual value estimates were appropriate and in accordance with its accounting policy. Useful lives and residual values of property, plant and equipment have been determined by the company.

iii. Determination of valuation of property, plant and equipment (Revaluation)

1.3 SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are measured at fair value less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment are measured at fair value less accumulated depreciation and impairment charged subsequent to the date of the revaluation. Where Property, plant and equipment are subsequently revalued, the entire class of such assets is revalued at fair value on the date of revaluation. Valuations are performed every 3-5 years (or frequently enough) to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Any revaluation surplus is recognized in other comprehensive income and accumulated in equity in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the income statement, in which case the increase is recognized in the income statement. A revaluation deficit is recognized in the income statement, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve. Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss. Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings. Depreciation on revaluation gain is transferred from revaluation reserve to retained.

For the year ended 31 March 2025,

1.3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) Depreciation

Depreciation is recognised in the statement of comprehensive income on a straight-line method over of each part of an item of property, plant and equipment.

	Years
Building	20
Machinery	5-7
Tools and Equipment	2-4
Office Equipment	2-7
Computers	2-6
Furniture and Fittings	2-10
Motor Vehicles	5-8
Containers	20-21

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Depreciation is provided from the date the assets are available for use up to the date of disposal.

(iii) Impairment

At each reporting date, property, plant and equipment, are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

(b) Inventories

Finished goods are valued at the lower of cost or net realizable value. Cost is determined on a weighted average cost basis.

Work-in-progress are measured at cost incurred up-to the reporting date. Cost comprises of consumables, amounts paid to sub-contractors, labor costs, overheads and other related costs.

(c) Trade and other receivables

Sales are made on the basis of normal credit terms, and the receivables do not bear interest, where credit is extended beyond normal credit terms. Trade and other receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

(d) Cash and cash equivalents

Cash and cash equivalents are defined as cash in hand, deposits held at call with bank.

The cash flow statement has been prepared using the indirect method. For the purpose of cash flow statement, cash and cash equivalents consists of deposits at banks net of outstanding bank overdrafts.

(e) Trade Payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

For the year ended 31 March 2025,

1.3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Bank borrowings and overdraft

Bank borrowings and overdraft are measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Obligations payable at the demand of the creditors or within one year of the reporting date are treated as current liabilities in the statement of financial position. Liabilities payable after one year from the reporting date are treated as non-current liabilities in the statement of financial position.

(g) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognised as assets of the Company at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

(h) Employee benefit

i. Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company measures the present value of the promised retirement benefits for gratuity, which is a defined benefit plan using the 'Projected Unit Credit method' (PUC). The Company continues to use an internally developed method to measure retirement benefit liability. The item is stated under liabilities in the statement of financial position.

The liability is not externally funded, nor actuarially valued. The gratuity liability is valued using a formula method with assumptions namely, rate of interest, salary increment rate, staff turnover rate and retirement age to fair value the obligation. This item is grouped under non-current liabilities in the statement of financial position.

ii. Defined contribution plan

Contributions to defined contribution plans are recognized as an expense in statement of profit or loss as incurred. The Company contributes 12% and 3% of gross emoluments of employees as Provident Fund and Trust Fund contribution respectively.

(i) Revenue recognition

Revenue is recognized to the extent that the economic benefits will flow to the Company and revenue can be reliably measured.

i. Project Income

Project income is recognized as revenue by reference to the stage of completion of project at the given date where the outcome of the completion jobs can be reliably determined and agreed with the customers. Reliable estimation of the outcome requires reliable estimates of the stage of completion and collect ability of progress invoice.

For the year ended 31 March 2025,

1.3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ii. Sale of Goods

Revenue from the sale of goods is recognized in the statement of comprehensive income when the significant risk and rewards of ownership of the goods have passed to the buyer, it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue can be measured reliably.

iii. Rendering of Services

Revenue of a transaction involving the rendering of services are recognized when the outcome of such transaction can be estimated reliably, and it is probable that economic benefits associated with the transaction will flow to the Company.

iv. Dividend

Dividend income is recognised when the Company's right to receive payment has been established. It is included in other income.

(j) Expenditure

All expenditure related to the period have been charged on accrual basis to the statement of comprehensive income in arriving at the Company's profit for the year. Expenditures are presented by function.

(k) Management fee

Management Fee is charged by the management company M/S Amtek Engineering (Pvt) Ltd for a fixed monthly fee of Rs.900,000 managing the business operation of the company.

(l) Taxation

i. Income taxation

The provision for income tax is based on the elements of income and expenditure reported in the financial statements as adjusted for disallowable items and computed in accordance with the provisions of the Inland Revenue (Amendment) Act No. 45 of 2022.

ii. Deferred taxation

Deferred taxation is provided using the liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

The deferred tax is measured at the tax rates that are expected to be applied to the temporary difference when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent it is no longer probable that the related tax benefit will be realized.

(m) Comparative information

Where necessary, comparative figures have been rearranged to conform with the current year's presentation.

For the year ended 31 March 2025,

1.4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Events occurring after the reporting date

All material events after the reporting date and before signing of accounts have been considered and where appropriate adjustments or disclosures have been made in respective notes to the financial statements.

(o) Commitment and contingencies

All discernible risks are accounted for in determining the amount of all known liabilities. 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 reliably measured. Contingent liabilities are not recognised in the statement of financial position but are disclosed unless they are remote (Note 23).

(p) Related party disclosures

The Company carries out transactions in the ordinary course of its business with parties who are defined as related parties in the Accounting Standard.

Key Management Personnel, are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Board of Directors (including executive and non-executive Directors) have been classified as Key Management Personnel of the Company (Note 20).

(q) Additional disclosures in compliance with empower board listing requirements:

As a company is listed on the empower board under the securities and exchange commission Act No 36 of 1987, the company has prepared its financial statements in accordance with SLFRS for SMEs, supplemented by the following additional disclosure, as required under the Empower board regulatory framework.

(i) SLFRS 15 - Revenue from contracts with customers

The company generates a significant portion of its revenue from project-based contracts. Revenue is recognised overtime, based on stage of completion of individual projects, measured using the input method (I.e proportion of cost incurred to estimated total project cost).

Management has evaluated the requirements of SLFRS 15 and assessed that the revenue recognition approach under SLFRS for SMEs is substantively aligned with the core principles of SLFRS 15. Accordingly, the application of SLFRS 15 would have no material impact on the statement of comprehensive income and no adjustments are required.

(ii) SLFRS 9 - Financial instruments

The company does not hold complex financial instruments such as derivatives, hedging instruments or structured financial assets.

However, the company does maintain trade receivables arising from project contracts. An assessment of recoverability is performed at each reporting date and provisions for impairment are recognised based on the company's internal provisioning policy. Specifically, a full provision is made for receivable balances outstanding for more than 365 days, unless specific circumstances suggest recoverability.

The company confirms that this approach is consistent with the simplified expected credit loss (ECL) model under SLFRS 9, and that no significant differences arise from applying SLFRS 9 principles to receivables portfolio.

(iii) SLFRS 13 - Fair value measurement

The company does not engage in fair value measurement of financial instruments or other assets and liabilities within the scope of SLFRS 13. Therefore, additional disclose requirement of SLFRS 13 are not applicable.

ALPHA FIRE SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

	2025	2024
	<u>Rs.</u>	<u>Rs.</u>
2.1 Capital Work-in-Progress		
Balance as at beginning of the year	-	-
Addition	5,497,816	-
Transferred during the year	-	-
Closing balance as at end of the year	5,497,816	-

2.2 Method of valuation of property, plant and equipment

The Property, plant and equipment of the Company were revalued as at 31 March 2023. The results of such revaluations was incorporated in these financial statements effective from 31 March 2023. Fair value of the property, plant and equipment was ascertained by an independent valuation carried out by Sampath P. Dayaratne, FRICS.

All revaluations are based on market values and based on the aforesaid valuations

Location	Revaluation Date	Land Extent (Perches)	Fair Value as at 31 March 2023			
			Rs.		Number of Buildings	Level of Fair value Hierarchy
			Land	Building		
Polgasowita	31 March 2023	38.9	38,900,000	1,649,000	3	Level 3
Valuation technique and unobservable inputs						
Valuation techniques			Unobservable inputs			
Land						
Market comparison for most recent sales evidences			Rs.1Mn	Price per perch for Land		
			Rs.2,600	Price per square fact, Depreciation rate		
Buildings						
Cost estimation prepared based on current market prices of construction materials. Current usage, maintenance also was analysed						
Other class of assets						
This gives the current market price of an identical or closely identical assets providing a similar output. Current market value decided from market study and comparison of most recent sales took place.						

2.3. The cost of fully depreciated asset of the company amounts to Rs. 901,500/- (Rs. 45,400/- 2023/2024) respectively as at the reporting date.

ALPHA FIRE SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March,	2025	2024
	<u>Rs.</u>	<u>Rs.</u>
3 Inventories		
Consumables	79,931,323	59,677,571
Work in progress	99,128,687	30,452,294
Less: Provision for inventory (Note 3.1)	(6,581,843)	(6,581,843)
	172,478,167	83,548,022
3.1 Balance as at 01 April	6,581,843	5,238,959
Charge for the year	-	1,342,884
Closing balance	6,581,843	6,581,843
4 Trade and other receivables		
Trade receivables (Note 4.1)	37,352,736	59,926,003
Refundable deposits	750,000	750,000
Staff receivables	484,028	386,478
Value Added Tax	10,235,500	4,501,347
Advance	29,718,804	29,841,323
	78,541,068	95,405,151
4.1 Trade receivables		
Trade receivables	40,303,195	61,292,627
Less: Provision for bad and doubtful debt (Note 4.1.1)	(2,950,459)	(1,366,624)
	37,352,736	59,926,003
4.1.1 Balance as at 01 April	1,366,624	1,366,624
Charge for the year	1,583,835	-
Closing balance	2,950,459	1,366,624
5 Cash and cash equivalents		
Favourable balances		
Cash at bank	19,469,384	13,043,153
Cash in hand	849,768	782,864
	20,319,152	13,826,017
Unfavourable balances		
Bank overdrafts	21,112,639	33,518,650
Cash and cash equivalents for the purpose of cash flow statement	(793,487)	(19,692,633)
Overdraft facility is the cash backed facility against term deposit and temporary overdraft facility. Interest on overdraft facility is charged rate of term deposit plus 2.5%.		
6 Stated capital		
Issued and fully paid		
Ordinary shares	76,429,460	76,429,460
	76,429,460	76,429,460
	No of Shares	Share Value
	2025	2024
	Nos'	Nos'
Balance as at 01 April	37,950,000	2,760,000
Issued during the year by rights issue	-	4,830,000
	37,950,000	7,590,000
Increased by sub-division of shares	-	30,360,000
Closing balance	37,950,000	37,950,000
	Rs.	Rs.
	76,429,460	25,569,560
	-	50,859,900
	-	-
	-	-
	76,429,460	76,429,460

ALPHA FIRE SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March,	2025	2024		
	<u>Rs.</u>	<u>Rs.</u>		
7 Retirement benefits obligation				
Balance as at 01 April	4,640,418	3,553,750		
Expenses recognized in comprehensive income	1,362,820	1,548,215		
Deficit/ (Surplus) recognized in other comprehensive income	123,502	(105,297)		
Payments made during the year	(162,000)	(356,250)		
Closing balance	5,964,740	4,640,418		
The company computed its defined benefit plan using the 'Projected Unit Credit method' (PUC) from the financial year.				
7.1 The Principal Assumptions used in determining Defined Benefit Obligation are shown below:	2025	2024		
Discount rate	10.00%	11.00%		
Salary increment	8.21%	10.65%		
Staff turnover	16.43%	20.13%		
Retirement age	60	60		
A long term treasury bond rate is used for determining the discount rate for the year ended 31 March 2025				
7.2 Sensitivity analysis				
The company conducted a sensitivity analysis for all employees assuming the following salary increment rate and discount rate.				
	Discount Rate	Salary Increment		
1% Increase	(5,664,948)	6,285,973		
1% Decrease	6,283,591	(5,657,387)		
8 Bank borrowings	2025	2024		
	Rs.	Rs.		
Hatton National Bank	10,166,647	3,833,321		
People's Bank	-	8,591,121		
	10,166,647	12,424,442		
Payable within one year	3,833,321	10,591,125		
Payable after one year	6,333,326	1,833,317		
Balance as at 01 April	12,424,442	30,660,924		
Loan obtained during the year	10,000,000	-		
Repayment made during the year	(12,257,795)	(18,236,482)		
Closing balance	10,166,647	12,424,442		
Loan obtained from Hatton National Bank PLC is repayable in five years at fixed interest rate of 9%				
9 Deferred tax liabilities				
Opening balance as at beginning of the year	7,795,277	9,262,606		
Recognized in Profit or Loss	(2,460,785)	(1,467,329)		
Closing balance as at the year end	5,334,492	7,795,277		
The deferred tax liability is recognized on temporary differences are as follows:				
	2025	2024		
	Rs.	Rs.	Rs.	Rs.
	Temporary differences	Tax effect @ 30%	Temporary differences	Tax effect @ 30%
On property, plant and equipment	(1,404,391)	(421,317)	1,800,721	540,216
Revaluation Reserve	34,683,075	10,404,922	35,429,537	10,628,861
On retirement benefit obligation	(5,964,740)	(1,789,422)	(4,640,418)	(1,392,125)
On Provision for Inventory	(6,581,843)	(1,974,553)	(5,238,959)	(1,571,688)
On Provision for bad and doubtful debt	(2,950,459)	(885,138)	(1,366,624)	(409,987)
	51,584,508	5,334,492	25,984,257	7,795,277

ALPHA FIRE SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March,	2025	2024
	<u>Rs.</u>	<u>Rs.</u>
10 Amount due to related parties		
Amtek Engineering (Pvt) Ltd - Management fee	1,872,000	-
Mrs. Deanna Ryde	260,000	360,000
Mr. Frank Anthony Ryde	1,021,414	1,021,414
	3,153,414	1,381,414
<p>Amounts due to related parties is repayable on demand and no interest is charged. Management Fee is charged by Amtek Engineering (Pvt) Ltd, a management company for managing the business operation of the company.</p>		
11 Short term bank borrowings		
Hatton National Bank PLC	49,373,094	33,196,850
Seylan Bank PLC	19,028,000	-
	68,401,094	33,196,850
<p>Short-term borrowings are repayable in three months at AWPLR+2.5%.</p>		
12 Trade and other payables		
Trade payables	18,127,521	18,828,597
Other payable	55,007,314	36,653,809
	73,134,835	55,482,406
13 Income tax payable		
Balance as at beginning of the year	11,929,987	2,946,463
Provision for the year	19,851,496	11,830,314
Payments made during the year	(12,178,768)	(2,846,790)
Closing balance as at end of the year	19,602,715	11,929,987

ALPHA FIRE SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March,	2025	2024
	<u>Rs.</u>	<u>Rs.</u>
14 Revenue		
Project income	331,531,270	253,201,443
Sale of Goods	30,553,380	42,524,058
Services	54,185,859	30,843,539
	416,270,509	326,569,040
15 Cost of sales		
Opening stocks	59,677,571	59,883,605
Opening work in progress	30,452,294	19,334,068
Purchases	190,137,871	132,675,629
	280,267,736	211,893,302
Closing stocks	(79,931,323)	(59,677,571)
Cost of goods consumed	200,336,413	152,215,731
Direct expenses	139,499,022	76,407,094
	339,835,435	228,622,825
Less: Work in progress	(99,128,687)	(30,452,294)
	240,706,748	198,170,531
16 Profit from operations		
Profit/ (Loss) from operations is stated after charging all expenses including the following:		
Audit fees	1,344,120	1,014,362
Depreciation	4,609,794	4,307,632
Salaries and wages	58,263,259	53,879,305
Defined contribution plan costs - EPF and ETF	3,693,799	3,014,811
Management Fee	10,800,000	7,200,000
Bad Dept Provision	1,583,835	-
17 Finance expenses		
Interest on bank overdrafts	1,664,115	3,070,794
Loan interest	7,241,321	6,723,207
Lease interest	-	20,936
Bank charges	5,120,392	3,808,085
	14,025,828	13,623,022
18 Earning per share		
Basic earnings per share is calculated by dividing the profit attributable to the equity holders by the weighted average number of ordinary shares in issue during the reporting period.		
Net profit attributable to equity holders (Rs.)	39,421,696	24,586,355
Adjusted weighted average number of shares in issue	37,950,000	37,777,028
Earnings Per Share (Rs.)	1.04	0.65
18.1 Weighted average number of ordinary shares		
Issued ordinary shares as at the beginning of the year	37,950,000	2,760,000
Effect of rights issue of shares (bonus elements)	-	3,792,166
Effect of rights issue of shares (new shares)	-	864,862
Effect of subdivision of shares	-	30,360,000
Adjusted weighted average number of ordinary shares in issue	37,950,000	37,777,028
Adjusted weighted average number of ordinary shares of 2022/23 have been restated to reflect the share subdivision in 2023/24.		
19 Income tax expenses		
Income tax for the year (Note 19.1)	20,100,263	11,965,406
Over provision of income tax	(248,766)	(135,092)
Deferred tax for the year (Note 9)	(2,460,785)	(1,467,329)
	17,390,712	10,362,985

According to the Inland Revenue (Amendment) Act No. 45 of 2022, the Company is liable to pay income tax at the rate of 30% for the financials 2024/25.

ALPHA FIRE SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March,	2025	2024
	<u>Rs.</u>	<u>Rs.</u>
19.1 A reconciliation between current tax expense/ income and the product of accounting profit:		
Accounting profit before tax	56,812,407	34,949,340
Less: other source of income	(3,368,640)	(4,677,036)
Aggregate disallowed expenses	11,587,928	6,594,812
Aggregate allowed expenses	(1,399,459)	(1,659,466)
Statutory income from the business	63,632,237	35,207,651
Income from other sources		
Interest income	3,368,640	4,677,036
Total statutory income	67,000,877	39,884,686
Income tax expense at 30%	20,100,263	11,965,406
Total	20,100,263	11,965,406

20 Transactions with related parties

Nature of the relationship	Transaction	Transaction during the year		Closing payable balance	
		2025	2024	2025	2024
		<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Amtek Engineering (Pvt) Ltd - Common Directors	Office expense reimbursement	2,580,000	2,580,000	-	-
	Management fee	10,800,000	7,200,000	1,872,000	-
	Loan Settled		10,000,000		
Dataone Solutions (Pvt) Ltd - Common Directors	Loan Settled		569,160	-	-
	Support Service	3,050,000	1,375,000		
Alpha Engineering Solutions (Pvt) Ltd - Subsidiary	Loan Received	6,950,000	-	-	-
	Loan Settled	6,950,000	-		
Estate of Frank Anthony Ryde		-	-	1,021,414	1,021,414
Mrs. Deanna Ryde	Rent	620,000	480,000	260,000	360,000

20.1 Transactions with key management personnel

The Board of the Directors of the Company are the members of the key management personnel of the company. Compensation paid to key management personnel of the company is as follows.

Transaction	Transaction during the year	
	2025	2024
	<u>Rs.</u>	<u>Rs.</u>
Director fee	840,000	520,000

20.2 Guarantees given

Nature of the relationship	Security
Amtek Engineering (Private) Limited	Corporate Guarantees of Rs.95 Mn
Directors	
Mr. Vijith Perera	Joint and several personal guarantees amounting to Rs. 77.5 Mn
Mr. Malindra Fernando	
Mr. Samud Gunasekara	

As at 31 March,

21 Securities pledged

Nature of liability	Loan/ facility amount	Assets pledged	Carrying amount of assets pledged	
			2025 Rs.	2024 Rs.
Import loan and LC facility	50,000,000	Stock in trade	79,931,323	59,677,571
		Land	-	-
		Trade receivable	37,535,737	59,926,003
		Corporate guarantees	-	-
Permanent overdraft	16,200,000	Fixed deposit and Land	86,895,396	69,335,966
Letter of guarantee	70,000,000	Corporate guarantees, Land	54,532,000	54,532,000
Property loan	10,000,000	Land	54,532,000	38,900,000
Working capital loan	35,000,000	Personal, Corporate guarantees and Saving Account	6,302,826	5,300,000

22 Litigation and claims

There are no litigations or claims against the Company as at the reporting date which require adjustments or disclosures in the financial statements.

23 Commitment and contingencies

The Company does not have any other significant contingent liabilities outstanding as at the reporting date which require adjustments to or disclosure in the financial statements.

24 Events occurring after the reporting date

There were no material events other than stated below occurring after the reporting date which require adjustments to or disclosures in the financial statements.

25 Directors' responsibility

The Board of Directors is responsible for the preparation and presentation of financial statements in accordance with the provisions of the Companies Act, No 07 of 2007 and the Sri Lanka accounting standard for SMEs.

26 Financial instruments - Risk Management

The Company has exposure to the following risks from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

28.1 Risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

28.1.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fail to meet contractual obligations. Credit risk arises principally from the Company's receivables from customers.

28.1.2 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the reporting period was as follows:

ALPHA FIRE SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March,

28.2 Financial instruments - Fair values and risk management

28.2.1 Exposure to credit risk (continued)

	2025	2024
	<u>Rs.</u>	<u>Rs.</u>
Trade and other receivables	78,541,068	92,270,428
Cash at bank	19,469,384	13,043,153
Term deposits	32,363,396	30,435,966
Cash margin	4,073,411	10,130,325
	134,447,260	145,879,872

28.2.2 Trade and other receivables

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

The Company is closely monitoring the economic environment in the country and is taking actions to limit its exposure to customers in the country experiencing particular economic volatility.

The maximum exposure to credit risk for trade and other receivables at the end of the reporting period by type of counterparty is as follows:

	2025	2024
	<u>Rs.</u>	<u>Rs.</u>
Trade receivables	37,352,736	59,926,003
Deposits	750,000	750,000
Staff receivables	484,028	386,478

28.2.3 Cash and Cash Equivalents

The Company held cash and cash equivalents of Rs. 20,319,152 as at 31 March 2025 (Rs. 13,826,017 as at 31 March 2024) and these balances are with licensed Commercial Banks of Sri Lanka, which represents its maximum credit exposure on these assets.

Respective credit ratings of banks which Company's deposit and balances held are as follows:

Hatton National Bank PLC at 'A'(lka)
 Commercial Bank of Ceylon PLC at A(lka)
 People's Bank- A(lka)
 Seylan Bank PLC - A-(lka)

28.2.4 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity issues can have an adverse impact on ongoing operations as well as investment decisions of the Company. In order to minimize the risk, the Company regularly reviews its liquidity position and reports to the Board. Future cash requirements are ascertained through continuous rolling forecasts. Further, the expected cash inflows from trade receivables, outflows from trade payables and imports are closely monitored by the Company.

		2025		2024	
		<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
		Facility Amounts	Utilization	Facility Amounts	Utilization
Hatton National Bank PLC	Short term bank loans	50,000,000	49,373,092	50,000,000	33,196,850
	Loan term bank loans	20,000,000	10,166,647	10,000,000	3,833,321
	Bank overdraft	19,200,000	21,112,639	19,200,000	33,518,650
People's Bank	Loan term bank loans	-	-	35,000,000	8,591,121
Seylan Bank PLC	Short term bank loans	50,000,000	19,028,000	-	-
DFCC Bank OLC	Short term bank loans	15,000,000	-	-	-

ALPHA FIRE SERVICES PLC

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March,

The maturity profile of the Company's financial liabilities based on contractual cashflows is stated below.

	Rs. Carrying Value	Rs. Contractual Cash Flows	Rs. Less than 3 Months	Rs. 3-12 Months	Rs. More than 12 Months
As at 31 March 2025					
Bank borrowings	10,166,647	10,166,647	1,000,002	3,000,006	6,166,639
Related parties dues	3,153,414	3,153,414	2,132,000	-	1,021,414
Short term borrowing	68,401,094	68,401,094	68,401,094	-	-
Other payables	92,737,550	92,737,551	92,737,551	-	-
Bank overdrafts	21,112,639	21,112,639	21,112,639	-	-
	195,571,343	195,571,343	185,383,284	3,000,006	7,188,053
As at 31 March 2024					
Bank borrowings	12,424,442	13,112,272	4,469,137	6,727,048	1,916,087
Related parties dues	1,381,414	1,381,414	360,000	-	1,021,414
Short term borrowing	33,196,850	34,881,279	16,088,027	18,793,252	-
Other payables	67,412,393	67,412,393	67,412,393	-	-
Bank overdrafts	33,518,650	33,884,842	33,884,842	-	-
	147,933,749	150,672,200	122,214,398	25,520,300	2,937,501

28.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

28.4 Currency risk

The Company is exposed to currency risk on sales, purchases that are denominated in a currency other than the respective functional currencies of entities, primarily USD and EURO. The currencies in which these transactions primarily are denominated are EURO and USD.

The following significant exchange rates were applied during the year:

As at 31 March,	Average Rate	
	2025	2024
USD	296.35	301.18
EURO	319.86	326.03

The Company is exposed to changes in currency rates on purchase is stated below.

As at 31 March,	Profit/ Loss	
	10% Increase	10% Decrease
USD	(1,136,882)	1,136,882
EURO	(167,342)	167,342
	(1,304,224)	1,304,224

As at 31 March,

28.5 Interest rate risk

Interest rate risk is the risk to the Company's earnings and economic value of equity ("EVE") arising from adverse movements in interest rates.

As at 31 March,

Variable rate instruments

Financial liabilities

Short term bank borrowings

Bank overdrafts

	2025	2024
	<u>Rs.</u>	<u>Rs.</u>
	68,401,094	33,196,850
	21,112,639	33,518,650
	89,513,731	66,715,500

Sensitivity Analysis for Variable Rate Instruments

The Company is exposed to changes in market interest rates through bank borrowings at variable interest rates

	Profit/ Loss			
	2025		2024	
	100 bp Increase	100bp Decrease	100 bp Increase	100bp Decrease
Interest Expenses	895,137	(895,137)	667,155	(667,155)

ALPHA FIRE SERVICES PLC

SHAREHOLDERS INFORMATION

The issued ordinary shares of the Company is 37,950,000

Largest 20 Shareholders as at 31 March 2025

	NAME	No of Shares 2025		%
1	MR. S.V.A. PERERA	10,466,500		
	DFCC BANK PLC/MR.S.V.A.PERERA	539,000	11,005,500	29.00%
2	MR. M.C. FERNANDO	7,896,375		
	DFCC BANK PLC/MR.M.C.FERNANDO	13,750	7,910,125	20.84%
3	MR. A.S.I. GUNASEKERA	3,469,445		9.14%
4	PEOPLE'S LEASING & FINANCE/ULTRAKLEEN (PVT) LTD	2,597,070		
	ULTRAKLEEN PRIVATE LIMITED	199,231	2,796,301	7.37%
5	MR. D.A. RYD	1,690,500		4.45%
6	EMR. F.A. RYDE	1,690,500		4.45%
7	MRS. M.P.R. SILVA	1,145,000		3.02%
8	MR. J.R. VICTORIA	788,734		2.08%
9	COMMERCIAL BANK OF CEYLON/N.S.T. PREMATHIRATNE	697,830		1.84%
10	MR. S.N.D. ABEYAGUNAWARDENE	629,000		1.66%
11	PEOPLE S LEASING AND FINANCE PLC/L.P.HAPANGAMA	500,000		1.32%
12	MISS H.I. LOKUGE	431,606		1.14%
13	ASSETLINE FINANCE LIMITED/C.DISSANAYAKE	307,619		0.81%
14	MRS. W.G.C. DILRUKSHI	265,000		0.70%
15	MR. R.V.D. PIYATHILAKE	250,650		0.66%
16	DR. C. ALWISHEWA	250,000		0.66%
17	MR. R.J.A. GUNAWARDENA	250,000		0.66%
18	PEOPLE'S LEASING & FINANCE PLC/L.H.L.M.P.HARADASA	208,750		0.55%
19	MR. S.K.P.N. KARUNARATHNA	195,000		0.51%
20	PEOPLE'S LEASING & FINANCE/DR.H.S.D.SOYSA & MRS.G.SOYSA	192,984		0.51%
	Others	3,275,456		8.63%
	Total	37,950,000		100.00%

Public Holding

	2025	2024
Public Holding - No of Shares	9,387,629	9,434,860
Public Holding as a % of Total Issued Shares	24.74%	24.86%
Total No. of Shareholders as at 31 March 2025	436	293

Directors' Shareholding

	No of Shares	
	2025	2024
Mr. Sanjay Vijith Anthony Perera	11,005,500	11,005,500
Mr.Malindra Christopher Fernando	7,910,125	7,910,125
Mrs. Deanna Marise Ryde	Nil	Nil
Mr. Agampodi Samud Ishara Gunasekera	3,469,445	3,819,445
Mr. Kapila Liyanagamage	Nil	Nil
Mr. Nivran Joseph Weerakoon	Nil	Nil

Share Price

	31 March 2025	31 March 2024
Highest Price	9.50	7.60
Lowest Price	7.30	5.50
Last Traded Price	8.80	7.60

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Fourth (4th) Annual General Meeting (Post Listing) of **ALPHA FIRE SERVICES PLC** will be held at the "Eighty Club", No:25 Independence Avenue, Colombo 07 on Tuesday 30th September 2025 at 3.00 p.m. for the following purposes:

1. To receive and consider the Report of the Directors for the year ended 31st March 2025
.....
2. To receive and consider the Financial Statements of the Company for the year ended 31st March 2025 together with the Auditors' Report thereon
.....
3. To re-elect **DEANNA MARISE RYDE** who retires by rotation at the Annual General Meeting in terms of Article 85 of the Articles of Association as a Director of the Company. The aforesaid Deanna Marise Ryde has indicated that she is not willing to offer herself for reappointment and accordingly ceases to be a Director of the Company as of the date of this Annual General Meeting
.....
4. To re-elect **KAPILA LIYANAGAMAGE** who retires by rotation at the Annual General Meeting in terms of Article 85 of the Articles of Association as a Director of the Company. The aforesaid Kapila Liyanagamage has indicated that he is not willing to offer himself for reappointment and accordingly ceases to be a Director of the Company as of the date of this Annual General Meeting
.....
5. **NIVRAN JOSEPH WEERAKOON** hereby resigns as a Director of the Company as of the date of this Annual General Meeting
.....
6. To re-elect **JEROME ANTHONY RAYNER WIJESINGHE** as Director of the Company – the said Jerome Anthony Rayner Wijesinghe resigns at the Annual General Meeting in terms of Article 91 of the Articles of Association whereby he had been appointed a Director between 2 Annual General Meetings. He has consented to be re-elected as a Director of the Company.
.....
7. To re-elect **DUMINDA MAHALI WEERASEKARE** as a Director of the Company – the said Duminda Mahali Weerasekarer resigns at the Annual General Meeting in terms of Article 91 of the Articles of Association whereby he had been appointed a Director between 2 Annual General Meetings. He has consented to be re-elected as a Director of the Company.
.....
8. To re-elect **THIRA RAVINDU GAJAVIKUM KALAMULLA** as a Director of the Company – the said Thira Ravindu Gajavikum Kalamulla resigns at the Annual General Meeting in terms of Article 91 of the Articles of Association whereby he had been appointed a Director between 2 Annual General Meetings. He has consented to be re-elected as a Director of the Company.
.....
9. To re-elect **RAVI GOONETILLEKE** as a Director of the Company – the said **Ravi Goonetilleke** resigns at the Annual General Meeting in terms of Article 91 of the Articles of Association whereby he had been appointed a Director between 2 Annual General Meetings. He has consented to be re-elected as a Director of the Company.
.....

10.To authorize the Directors to determine the remuneration of the Auditors, Messers K.P.M.G. Ford Rhodes who are deemed to have been reappointed as Auditors in terms of Section 158 of the Companies Act No.07 of 2007.



By order of the Board
F. SHAMA ISMAIL
Company Secretary

29 August 2025
Colombo

NOTES

1)Attendance of the Chairman and the Board of Directors

The Chairman/Managing Director, Board of Directors certain Key Management Personnel, Shareholders the Company Secretary, and the External Auditors will be present together at the designated venue on 30th September 2025 at 3.00. p.m.

I. Shareholder Participation

- a. The Shareholders are encouraged to appoint a Director of the Company as their proxy to represent them at the meeting.
- b. The Shareholders may also appoint any other persons other than a Director of the Company as their proxy and the proxy so appointed shall participate at the meeting either physically or through audio or audio visual means.
- c. The shareholders who wish to participate at the meeting online will be able to join the meeting through audio or audio visual means. To facilitate this process, the shareholders are required to furnish the details of the shareholder and proxy holder, if any, by perfecting Annexure II to the circular to shareholders and forward same to Company Secretary via shama@virtualmng.lk to reach the Secretary not less than five (05) days before the date of the meeting so that the meeting login information could be forwarded to the e-mail address as provided herein. The circular to the shareholders will be posted to all the shareholders along with the Notice of Meeting and the Form of Proxy.
- d. To facilitate the appointment of proxies, the Form of Proxy is attached hereto and the duly filed Form of Proxy should be sent to reach the Company Secretary via shama@virtualmng.lk Or by post to the Commercial Office of the Company Alpha Fire Services PLC No: 28, Sulaiman Terrace, Colombo 05, not less than forty – eight (48) hours before the time fixed for the meeting.

II. Shareholder's queries

The shareholders are hereby advised that if they wish to raise any queries, such queries should be sent to reach the Company Secretary, via email to shama@virtualmng.lk or post to the Registered Office of the Company, Alpha Fire Services PLC, No: 28, Sulaiman Avenue, Colombo 05 Sri Lanka not less than Five (05) days before the date of the meeting. This is in order to enable the Company Secretary to compile the queries and forward same to the attention of the Board of Directors so that same could be addressed at the meeting.

2. The Annual Report of the Company for the year 2025/2026 will be available for perusal of the Company website <https://alphafire.lk/> and the Colombo Stock Exchange website on www.cse.lk
3. In the event a shareholder requires a hard copy/CD of the Annual Report, the request should be sent in writing to reach the Company Secretary, via email to shama@virtualmng.lk or post to the Registered Office of the Company, Alpha Fire Services PLC, No: 28, Sulaiman Avenue, Colombo 05 Sri Lanka not less than fourteen (14) days before the date of the meeting setting out the name, mailing address and contact number of the shareholder along with the number of shares held by such shareholder and the CDS number allocated to the shareholder. The Company will strictly adhere to this timeline in order that the hard copy/CD reaches the shareholder requesting the same.

FORM OF PROXY

Folio No	
----------	--

FORM OF PROXY

(Please write your Folio Number)

I/We.....of.....being a member /members of **Alpha Fire Services PLC** hereby appoint..... of whom failing.

- | | |
|---|----------------|
| SANJAY VIJITH ANTHONY PERERA | or failing him |
| MALINDRA CHRISTOPHER FERNANDO | or failing him |
| DEANNA MARISE RYDE | or failing her |
| AGAMPODI SAMUD ISHARA GUNASEKARA | or failing him |
| KAPILA LIYANAGAMAGE | or failing him |
| NIVRAN JOSEPH WEERAKOON | or failing him |
| KURUKULASOORIYA MARK ANTHONY VIRAJ FERNANDO | or failing him |
| JEROME ANTHONY RAYNER WIJEYESINGHE | or failing him |
| DUMINDA MAHALI WEERASEKARE | or failing him |
| THIRA RAVINDU GAJAVIKUM KALAMULLA | or failing him |
| RAVI GOONETILLEKE | or failing him |

as my/our proxy to represent me/us and speak/ vote on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday 30th September 2025 at 3.00 p.m. and at any adjournment thereof and at every poll which may be taken in consequence of the above said meeting. I/We the undersigned hereby authorize my/our Proxy to vote on my/our behalf in accordance with the preference indicated below:

Please delete the inappropriate words	For	Against
1) To receive and consider the Report of the Directors for the year ended 31st March 2025 together with the Auditors' Report thereon	<input type="checkbox"/>	<input type="checkbox"/>
2) To receive and consider the Financial Statements of the Company for the year ended 31st March 2025 together with the Auditors' Report thereon	<input type="checkbox"/>	<input type="checkbox"/>
3) To appoint JEROME ANTHONY RAYNER WIJEYESINGHE who retires by rotation at the Annual General Meeting in terms of Article 91 of the Articles of Association as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
4) To appoint DUMINDA MAHALI WEERASEKARE who retires by rotation at the Annual General Meeting in terms of Article 91 of the Articles of Association as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
5) To appoint DUMINDA MAHALI WEERASEKARE who retires by rotation at the Annual General Meeting in terms of Article 91 of the Articles of Association as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
6) To authorize the Directors to determine the remuneration of the Auditors, Messrs K P M G Ford Rhodes who are deemed to have been reappointed as Auditors in terms of Section 158 of the Companies Act No.07 of 2007.	<input type="checkbox"/>	<input type="checkbox"/>

Signed on thisday ofTwo Thousand and Twenty Five

 Signature/s

INSTRUCTION FOR PROXY

INSTRUCTIONS FOR COMPLETION OF FORM OF PROXY

1. Kindly perfect the Form of Proxy by filling in the mandatory details required above, signing in the space provided and filling in the date of signature.
2. If the Form of Proxy is signed by an Attorney, the relative power of attorney should also accompany the proxy form for registration, if such power of attorney has not already been registered with the Company.
3. In the case of a Company/Corporation, the Form of Proxy shall be executed in the manner specified in the Articles of Association.
4. In the absence of any specific instructions as to voting, the proxy may use his/her discretion in exercising the vote on behalf of his appointer.
5. Duly filled Forms of Proxy should be sent to reach the Company Secretary via e-mail to shama@virtualmng.lk or by post to the registered address of the Company, Alpha Fire Services PLC No: 28 Sulaiman Terrace Colombo 05 , Sri Lanka not less than forty eight (48) hours before the time fixed for the meeting.

Please provide the following details (mandatory)

NIC/PP/Company Registration No. of the Shareholder/s :

.....

Folio No:

E.mail address of the Shareholder/(s) or proxy holder (other than a Director appointed as proxy) :

.....

Mobile No :

.....

Fixed Line :

.....

CORPORATE INFORMATION

The Company	Alpha Fire Services PLC
Registered Office	No. 28, Sulaiman Terrace, Colombo-05, Sri Lanka. Tel: +94 11 508 888 / 0777 747 317 Fax: +94 112 503 392 Web: http://alphafire.lk
Legal Form of the Company	Incorporated in Sri Lanka on May 07, 2003 and reregistered on October 16, 2007 as a Private Limited Liability Company under the provisions of Companies Act No. 7 of 2007. The legal form of the company was changed from Limited Company to Public Listed Company under provision of the section 8 of the Companies Act No. 07 of 2007 on July 04, 2022.
Company Registration Number (as a Public Company)	PQ 00248999
Place of Incorporation	Colombo, Sri Lanka.
Company Secretaries	Ms. F. S. Ismail 168/5, Elvitigala Mawatha, Colombo 08, Sri Lanka. Tel: +94 11 2695009
Auditors	M/s KPMG (Chartered Accountants) 32A, Sir Mohamed Macan Markar Mawatha, Colombo 03, Sri Lanka. Tel: +94 11 5426426 Fax: +94 11 2445872
Board of Directors	Mr. Sanjay Vijith Anthony Perera Chairman/Managing Director /Executive Non-Independent Director Mr. Malindra Christopher Fernando Executive Non-Independent Director Mrs. Deanna Marise Ryde Co-Founder/Non-Executive Non-Independent Director Mr. Agampodi Samud Ishara Gunasekera Executive Non-Independent Director Mr. Kapila Liyanagamage Independent Non-Executive Director Mr. Nivran Weerakoon Independent Non-Executive Director

