VIDULLANKA PLC
Building on Renewable Energy Sources

SYNCHRONISED STRENGTH

VIDULLANKA PLC ANNUAL REPORT 2025 / 2026

There is a moment in every relay where the race is neither won nor lost, but defined. A fleeting exchange where trust, timing, and precision must align. Progress lives in that moment.

In 2025/2026, Vidullanka PLC performs within this rhythm, moving in synchrony with a world accelerating toward sustainable energy. What appears steady on the surface conceals a powerful coordination beneath, where every initiative, every investment, and every innovation is part of a greater sequence. Each step builds upon the last, carrying momentum forward with purpose.

From the expansion of generation capacity to 76MW to the decisive entry into wind energy and battery storage, the Company is executing a disciplined transition toward scale. Landmark project wins mark a seamless handover into a future defined by opportunity, with a pipeline poised to reach far beyond what is visible today.

Even when challenged, the rhythm holds. Recovery from disruption is swift, grounded in resilience and operational strength. Sustainability moves in parallel, embedded into every action through carbon neutrality, reforestation, and cleaner mobility.

Vidullanka PLC does not move in isolation. It advances in perfect alignment, where strength is shared, timing is mastered, and progress becomes a collective force shaping the energy of tomorrow.

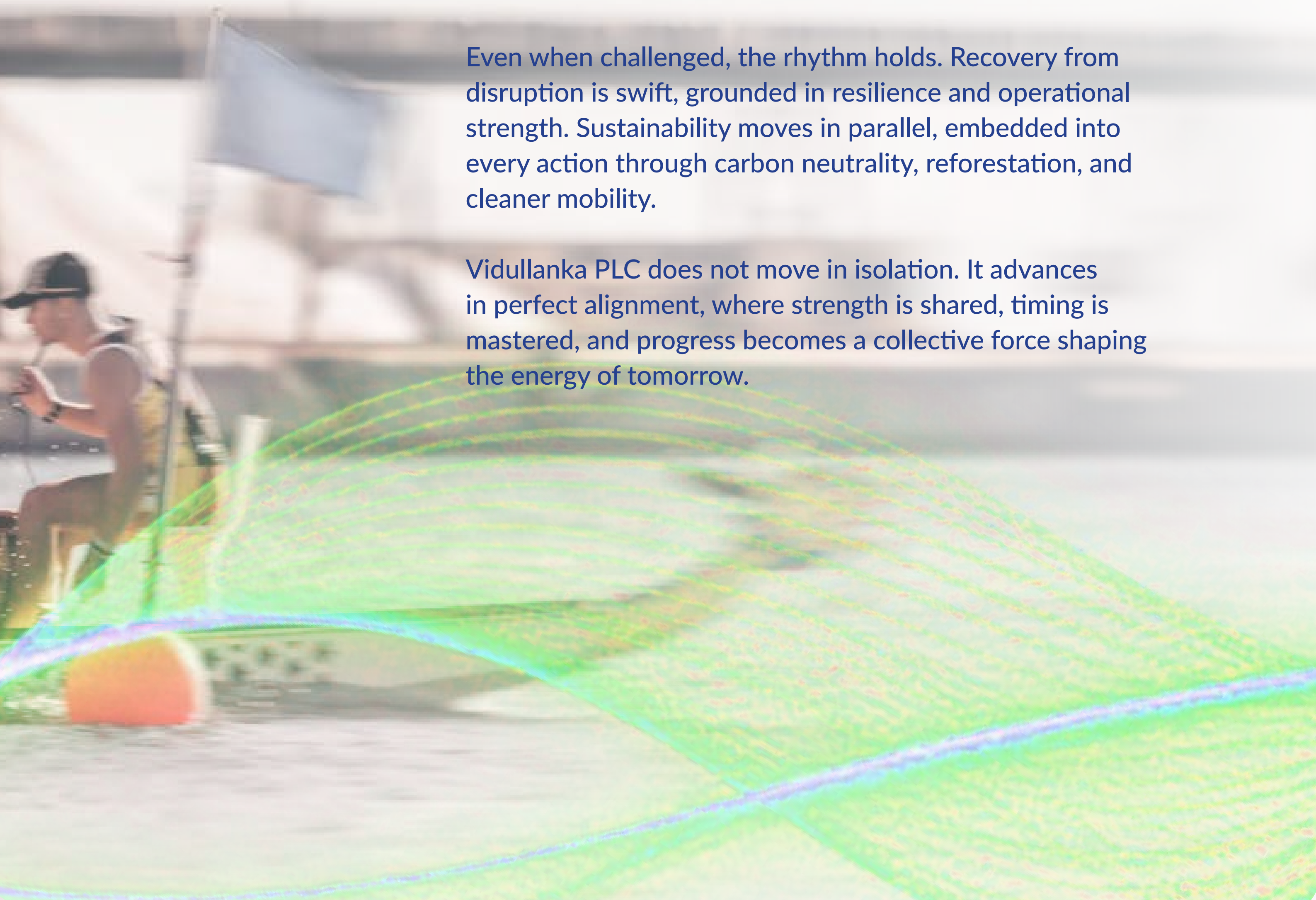
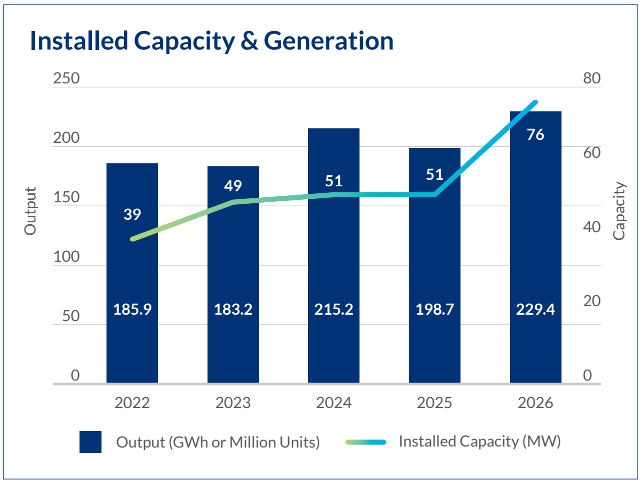
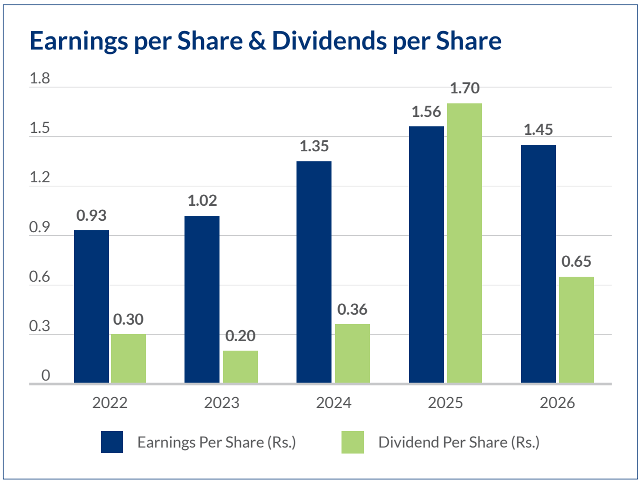


TABLE OF CONTENTS

KEY PERFORMANCE HIGHLIGHTS

	2026	2025	2024	2023	2022
Gross Revenue (Rs. Mn)	**3,827**	5,425	5,693	3,836	2,568
Gross Profit (Rs. Mn)	**2,801**	2,949	3,191	2,720	1,880
Profit After Tax (Rs. Mn)	**1,551**	1,577	1,353	1,023	866
Output (GWh or Million Units)	**229.4**	198.7	215.2	183.2	185.9
Installed Capacity (MW)	**76**	51	51	49	39
Net Profit Margin	**40.5%**	29.1%	23.8%	26.7%	33.7%
Return On Equity	**16.1%**	18.6%	18.0%	14.8%	15.1%
Return On Assets	**14.2%**	21.4%	20.8%	17.3%	14.4%
Earnings Per Share (Rs.)	**1.45**	1.56	1.35	1.02	0.93
Dividend Per Share (Rs.)	**0.65**	1.70	0.36	0.20	0.30
Net Asset Value Per Share (Rs.)	**9.11**	7.99	7.69	7.07	5.99
Financial Leverage	**34.0%**	23.7%	29.5%	36.6%	43.2%





OPERATIONAL HIGHLIGHTS

15.5%
Annual Output Growth

229.4
million units
Electricity Generated

142.1
million units
Electricity Generated in Sri Lanka

87.3
million units
Electricity Generated in Uganda

157.9
million units
Generated from Hydro Power

27.7
million units
Generated from Dendro Power

43.8
million units
Generated from Solar Power

6,670
Hours
Training Sessions Provided

9,656
Rs. Mn
Total Shareholder Equity

14,632
Rs. Mn
Total Capital Employed

17,150
Rs. Mn
Total Assets

213
Rs. Mn
Economic Value Added

116,047
tCO_2 Equivalent
Carbon Emissions Reduced

76.2
MW
Installed Capacity

63.2
MW
Capacity in Sri Lanka

13.0
MW
Capacity in Uganda

A+ (lka)
(Stable) Fitch Ratings
Corporate Credit Rating

1,551
Rs. Mn
Profit After Tax

1.45
Rs.
Earnings Per Share

670
Rs. Mn
Dividend Paid

305
Strong Workforce

34.0%
Financial Leverage

7,507
New Saplings Planted
104,772 Trees Managed & Sustained

ABOUT VIDULLANKA PLC

Vidullanka has established itself as a renowned player in Sri Lanka's renewable energy sector, moving in step with a world accelerating toward a cleaner, greener future while delivering sustained growth. As one of the early pioneers of the industry in Sri Lanka, the company is driven by a clear vision to sustainably energise the planet by reducing dependency on fossil fuels and mitigating the environmental harm they cause.

Since its journey began in 1997, Vidullanka has grown to encompass 26 operating projects spanning hydro, solar, and dendro power, across both Sri Lanka and Uganda. The company has an installed capacity of 76 MW, generating over 225 GWh annually to the national grids of both countries. The company has also ventured into new sectors, breaking new ground with upcoming projects in Battery Energy Storage Systems (BESS), wind and E-mobility. Each of these new ventures carry momentum into the next chapter in its diversification journey.

As a certified carbon-neutral entity, with a long-standing commitment to environmental stewardship, the group has reinforced its responsibility towards its people, communities, employees, shareholders, and stakeholders.

Today, Vidullanka stands as a trusted name in the region's renewable energy landscape, its progress a coordinated sequence built on a foundation of integrity, innovation, and long-term value creation.

Focusing on the future, the company remains focused on expanding its renewable energy footprint, deepening its impact on the communities it serves, and advancing in alignment with its vision to sustainably energise the planet for generations to come.

HYDRO - LOCAL

Plant Name	**Bambarabatuoya MHPP**
Installed Capacity	3.2 MW
River	Kalu Ganga
Project Entity	Vidullanka PLC
Status	SPPA renewed up to June 2036

Plant Name	**Batathota MHPP**
Installed Capacity	2.6 MW
River	Kuru Ganga
Project Entity	Vidullanka PLC
Status	SPPA renewed up to 2041

Plant Name	**Wembiyagoda MHPP**
Installed Capacity	1.3 MW
River	Koswathu Ganga
Project Entity	Vidullanka PLC
Status	Commissioned on 19th March 2013

Plant Name	**Lower Kotmale Oya MHPP**
Installed Capacity	4.0 MW
River	Kotmale Oya
Project Entity	Vidullanka PLC
Status	Commissioned on 25th June 2014

Plant Name	**Rideepana MHPP**
Installed Capacity	1.75 MW
River	Badulu Oya
Project Entity	Vidullanka PLC
Status	Commissioned on 15th May 2015

Plant Name	**Udawela MHPP**
Installed Capacity	1.4 MW
River	Badulu Oya
Project Entity	Vidullanka PLC
Status	Commissioned on 29th December 2017

HYDRO - LOCAL

Plant Name	**Madugeta MHPP**
Installed Capacity	2.5 MW
River	Gin Ganga
Project Entity	Vidul Madugeta (Pvt) Ltd
Status	Commissioned on 1st November 2013

Plant Name	**Ethamala Ella MHPP**
Installed Capacity	2 MW
River	Nilwala Ganga
Project Entity	Nilwala Vidulibala Company (Pvt) Ltd
Status	Commissioned on 30th September 2016

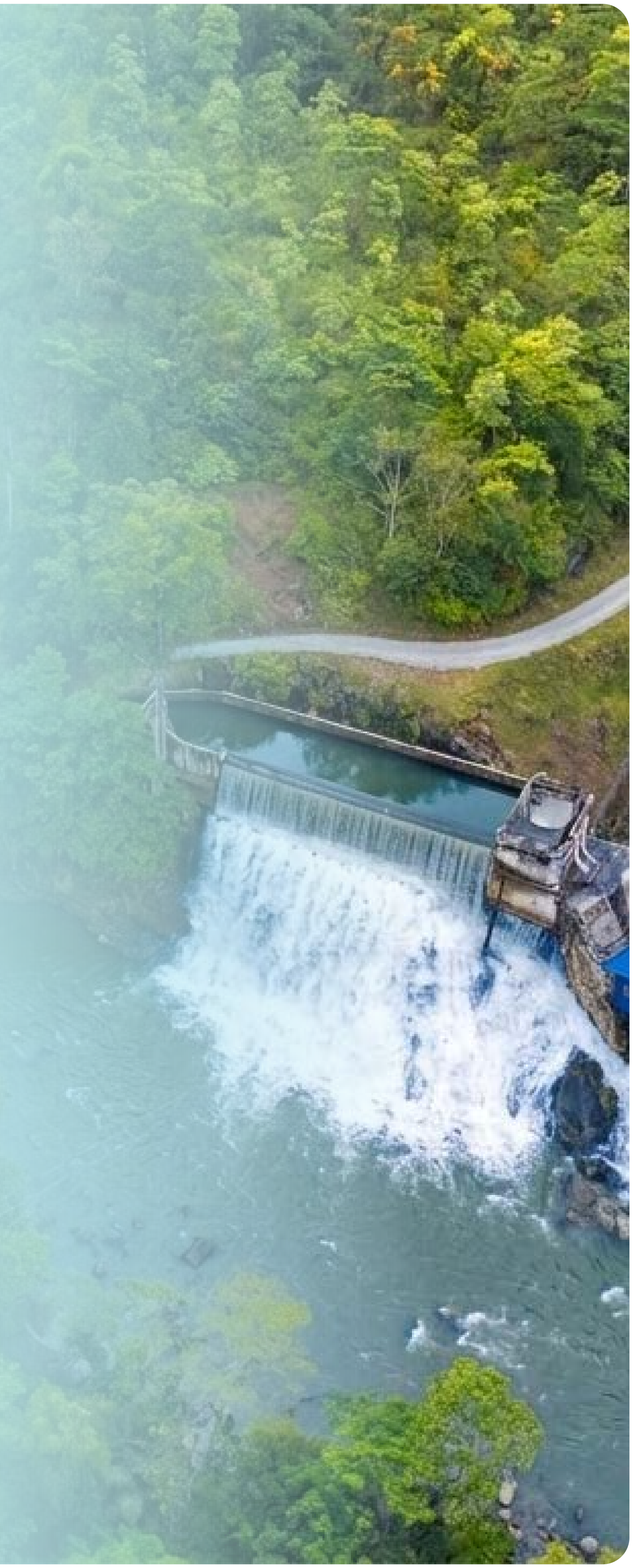
Plant Name	**Ganthuna MHPP**
Installed Capacity	1.2 MW
River	Gurugoda Oya
Project Entity	Gurugoda Hydro (Pvt) Ltd
Status	Commissioned on 26th March 2010

Plant Name	**Gurugoda MHPP**
Installed Capacity	4.5 MW
River	Gurugoda Oya
Project Entity	Bhoruka Power Lanka (Pvt) Ltd
Status	SPPA renewed up to 2044

HYDRO - OVERSEAS

Plant Name	**Muvumbe SHPP**
Installed Capacity	6.5 MW
River	Muvumbe River
Project Entity	Muvumbe Hydro (U) Ltd
Status	Commissioned on 15th March 2017

Plant Name	**Bukinda SHPP**
Installed Capacity	6.5 MW
River	Nkusi River
Project Entity	Timex Bukinda Hydro (U) Ltd
Status	Commissioned on 31st July 2020



DENDRO

Plant Name	Dehiattakandiya Dendro PP
Installed Capacity	3.3 MW
Location	Ampara
Project Entity	Vidul Biomass (Pvt) Ltd
Status	Commissioned on 30th May 2019

Plant Name	Medawachchiya Dendro PP
Installed Capacity	6.6 MW
Location	Anuradhapura
Status	Under Construction

SOLAR - GROUND MOUNTED

Plant Name	Monaragala Solar PP
Installed Capacity	1 MWp
Location	Monaragala
Project Entity	Orik Corporation (Pvt) Ltd
Status	Commissioned on 23rd September 2021

Plant Name	Vavunathivu Solar PP
Installed Capacity	10 MWp
Location	Vavunathivu, Batticaloa
Project Entity	Solar Universe (Pvt) Ltd
Status	Commissioned on 11 October 2022

Plant Name	Horana Solar PP
Installed Capacity	2.4 MWp
Location	Horana, Kalutara
Project Entity	Vidulsolar (Pvt) Ltd
Status	Commissioned on 06th June 2023

Plant Name	Vavunathivu Solar PP - Phase II
Installed Capacity	10 MWp
Location	Vavunathivu, Batticaloa
Project Entity	Sooriyashakthi (Pvt) Ltd
Status	Commissioned on 26th July 2025

SOLAR - GROUND MOUNTED

Plant Name	**Horana Solar PP - Phase II**
Installed Capacity	2 MWp
Location	Horana, Kalutara
Project Entity	Vidulsolar (Pvt) Ltd
Status	Commissioned on 16th August 2025

Plant Name	**Matara Solar PP**
Installed Capacity	3 MWp
Location	Kamburupitiya, Matara
Project Entity	Vidul Matara Solar Power (Pvt) Ltd
Status	Commissioned on 19th September 2025

Plant Name	**Madampe Solar PP**
Installed Capacity	6 MWp
Location	Bangadeniya, Puttalam
Project Entity	Vidulsolar (Pvt) Ltd
Status	Commissioned on 21st February 2026

Plant Name	**Ranna Solar PP**
Installed Capacity	10 MWp
Location	Ranna, Hambantota
Project Entity	DPV Solar Energy (Pvt) Ltd
Status	Under Construction

SOLAR - ROOFTOP

Plant Name	**TCL Rooftop Solar PP**
Installed Capacity	240 kWp
Location	Delkanda, Nugegoda
Project Entity	Vidul Engineering Ltd
Status	Commissioned on 11th December 2020

Plant Name	**Emerald Rooftop Solar PP I, II & III**
Installed Capacity	938 kWp
Location	IPZ- Panadura & Pannipitiya
Project Entity	Vidul Engineering Ltd
Status	Comissioned during Sep - Nov 2021

EPC & O&M

Plant Name	**Moco Moco SHPP**
Client	Guyana Energy Agency/ Lethem Power Company
Installed Capacity	700 kW
Project Entity	Vidullanka PLC - Guyana Branch/ Vidul Energia Pte. Ltd
Location	Lethem, Guyana

Plant Name	**Kumu SHPP**
Client	Guyana Energy Agency/ Lethem Power Company
Installed Capacity	1.5 MW
Project Entity	Vidullanka PLC - Guyana Branch/ Vidul Energia Pte. Ltd
Location	Lethem, Guyana

BESS

Plant Name	**Vavunathivu BESS Project**
Installed Capacity	10MW/40MWh
Location	Vavunathivu, Batticaloa
Project Entity	Solar Universe (Pvt) Ltd
Status	Under Construction

Plant Name	**BESS Projects (12 Locations)**
Installed Capacity	10MW/40MWh x 12
Locations	Ampara, Anuradapura, Beliatta, Chunnakam, Hambanthota, Killinochchi, Mahiyanganaya, Maho, Polonnaruwa, Valachchenai, Vauniya, Panadura
Project Entity	Storex (Pvt) Ltd
Status	Under Construction


THE LEADING
EDGE

"While celebrating three decades of achievement, our objective is to build the next chapter of our growth, and we remain confident in Vidullanka's long-term prospects"

Dear Shareholders,

It gives me great pleasure to welcome you to the 30th Annual General Meeting of Vidullanka PLC and present the Annual Report and Audited Financial Statements for the fiscal year ended 31 March 2026. I am pleased to report that the year in review was one of meaningful progress, disciplined execution and strategic investments, demonstrating how synchrony enabled Vidullanka to advance with strength and confidence through a rapidly evolving energy landscape. Every achievement this year has built upon the last, creating the momentum that continues to shape our long-term growth.

GLOBAL OUTLOOK

Against an increasingly volatile geopolitical stage, it is evident that energy has become a critical issue for countries and their national security. As the International Energy Agency posits, the Age of Electricity is upon us, with the increase in the popularity of AI and electric vehicles leading to a predicted 45% increase in global electricity demand by 2035. Renewables alone are expected to increase from the current 33% to a predicted 43% of global electricity generation by 2030, building on the addition of a record 800 GW to the global electricity supply. This underscores that renewables are set to gradually take over the power mix, making way for cleaner energy infrastructure.

Despite this forecast, nations still struggle to meet the needs of millions that lack access to electricity, highlighting the need for energy that is affordable, secure and sustainable. With natural phenomena like El Niño playing out in 2026, it becomes more crucial than ever that renewable energy becomes the solution, not an the alternative. As the world works towards addressing the growing impacts of climate change to close the gap between reality and the ambitions of the Paris Agreement, collaboration is more vital than ever. Accelerated investments, renewed policy frameworks and continued innovation will be key to expanding the adoption of renewable energy. By collaborating with governments, investors and consumers, we can drive significant impact in the fight against climate change.

DOMESTIC OUTLOOK

Sri Lanka's energy sector continues to evolve, with the growing need for energy security and sustainability playing a significant role in supporting the country's broader economic recovery. With the economy recording 5% growth in 2025, the nation is better positioned to accelerate investment in critical energy infrastructure to meet growing electricity demand.

In the last year alone, Sri Lanka recorded an annual growth of 5.8% in electricity demand, and renewable energy accounts for approximately 55% of Sri Lanka's installed electricity generation capacity, while contributing around 40-45% of annual electricity generation. Hydropower remains the largest renewable source, complemented by the rapid expansion of solar, wind and biomass, as the country works towards its target of generating 70% of its electricity from renewable sources by 2030. As renewables continues to gain traction, maintaining its affordability will be essential to ensuring the financial sustainability of the investments needed for a cleaner and more resilient infrastructure.

Several structural reforms introduced during the last Financial Year are expected to play a pivotal role in laying the foundation for achieving this objective. Coupled with the enactment of the Sri Lanka Electricity (Amendment) Act, No. 14 of 2025, and the approval of a new National Electricity Policy and tariff framework, these initiatives are anticipated to enhance transparency, governance, and operational efficiency across the country's energy sector.

A significant milestone in this transformation was the unbundling of the Ceylon Electricity Board into six separate entities under the Electricity Act, each entrusted with distinct responsibilities. Among these, the National System Operator (Pvt) Ltd (NSO) has emerged as a key stakeholder in the renewable energy sector, serving as the sole off-taker of renewable energy generation.

As developers in the energy industry, we anticipate a new era of improved collaboration towards achieving a shared vision of a sustainably powered nation.

While challenges remain in attaining the goals set for 2030, Sri Lanka's energy transition continues to gain pace. The growth of renewable energy has highlighted the need for grid modernisation, energy storage and smarter electricity markets to ensure that clean energy can be integrated efficiently and reliably. As the nation advances towards a more sustainable future, we as renewable energy providers are uniquely positioned to drive investment, strengthen energy security and support long-term economic growth. Against this backdrop, our commitment to delivering innovative, reliable and sustainable energy solutions remains stronger than ever.

PERFORMANCE AND ACHIEVEMENTS

The last Financial Year was defined not only by a series of important milestones, but by the way each achievement strengthened the next. Through aligned execution and careful coordination across our business, Vidullanka expanded its portfolio while laying the groundwork for future growth.

In 2025/26, the company commissioned four ground-mounted solar projects, and acquired its 12th mini hydro project, the 4.45 MW Gurugoda Oya plant, adding 25 MW to Vidullanka's operational portfolio. Furthermore, we are set to commission yet another 10 MW solar facility located in the south of the island. We have also begun construction on our second biomass power plant, a 6.6 MW project in Medawchchiya. These milestones set the tone for Vidullanka's future ambitions of expanding its project pipeline and its generation capacity.

Several new opportunities and key investments will broaden and considerably diversify Vidullanka's operational portfolio. With the acquisition of a 30% equity stake in SAFE Power International (Pvt) Ltd and the securing of the 50MW Mullikulam Wind Tender with our consortium partner, the David Peiris Group, Vidullanka will be taking its first steps in wind power development. Similarly, we have partnered with WindForce PLC to develop 13 standalone Battery Energy Storage Systems across Sri Lanka. This is part of a government initiative to improve grid stability and fully harness the potential of solar energy, an initiative that Vidullanka is proud to be part of.

These strategic investments represent more than the diversification of our renewable energy portfolio. They demonstrate a carefully sequenced approach to growth, where each investment strengthens the company's ability to deliver long-term value while preparing for the next phase of growth.

Supported by its strong operational performance, Vidullanka delivered steady financial results in the reported fiscal year. The overseas hydro segment, a consistent performer in Vidullanka's financial portfolio, recorded a revenue of Rs. 2.55 billion, with a profit after tax of Rs.1.21 billion. Similarly, the solar segment recorded Rs.328 million revenue, with a profit of Rs. 786 million, a 765% increase from the previous Financial Year. The local hydro segment maintained its standing, recording revenue of Rs. 531 million and profit after tax of Rs. 421 million.

In its consolidated financial growth, Vidullanka reports its revenue at Rs. 3.83 billion and profits at Rs. 1.55 billion. With this noteworthy performance, Vidullanka has been able to pay a dividend of Rs. 670 million.

Apart from our operational and financial successes, the Company has been accredited and recognised by several notable bodies in the last year. Our Sukuk issuance was the first of its kind listed in the Colombo Stock Exchange, raising Rs.500 million and was oversubscribed on the first day of issuance. It also received the Gold Award for Islamic Product of the Year and the Silver for Islamic Finance Deal of the Year at the 10th IFFSA Awards. Furthermore, the company was honoured with two Presidential Environment Awards, recognising our commitment to sustainability and environmental conservation.

At the Taiki Akimoto 5S Awards, Vidullanka excelled and took home five awards. The company's power plants, namely Lower Kotmale, Batathota, Wembiyagoda and Madugeta, swept the podium, winning Gold, Silver, Bronze, and Merit awards. We also received a Merit for CSR and Sustainability, recognising the impact of our WeManage' river cleaning project. This milestone demonstrates our commitment to our legacy of excellence in productivity across the board.

FUTURE EXPECTATIONS

As we approach Vidullanka's 30th anniversary, we do so with a clear sense of direction and momentum. While celebrating three decades of achievement, our objective is to build the next chapter of our growth, and we remain confident in Vidullanka's long-term prospects. Guided by a strong project pipeline with key investments secured, each project undertaken complements the next, creating lasting value for our stakeholders.

A key area of focus will be in BESS, which we believe will play an increasingly important role in the future of energy infrastructure and in expanding our foothold in renewable energy solutions. We are also well positioned to build on our expertise in dendro power, with plans to pursue both local and international opportunities following the completion of the Medawachchiya Biomass Power Plant. At the same time, our EPC arm, with its potential to cater to small and medium projects, will continue to leverage its strong engineering capabilities to pursue assignments across international markets.

Beyond Sri Lanka, our central focus is in Uganda, but we are exploring several countries where a number of promising opportunities have been identified and secured.

We remain committed to maintaining the highest standards of integrity and ethical conduct across the Group. Our Code of Conduct and Ethics provides a clear framework for responsible conduct, supported by the appropriate mechanisms for communication, oversight and adherence. I am pleased to affirm that, to the best of my knowledge, there have been no instances of non-compliances with or violations of the Code during the year under review.

I also extend my appreciation to our CEO, Mr. Riyaz Sangani, whose leadership, discernment, and future-focused approach inspire our team to keep pushing the envelope and reach new heights.

To our shareholders, whose trust and confidence in our work has been instrumental to our success, thank you for your continued engagement.

Most importantly, to our employees. The passion, dedication and proven skills that you bring to Vidullanka have been the cornerstone of our organisation, and I am proud to lead such an outstanding team as we enter a new chapter in our journey.

The milestones we have achieved over the past three decades are part of a continuous journey, shaped by the collective efforts of our people, our partners, and stakeholders. Together, these shared strengths have created the momentum that will carry Vidullanka into its next chapter of growth. As we move forward with purpose, I am confident that we will continue to achieve even greater success in the years to come.

Thank You.
Sincerely,

(Sgd.)
Osman Kassim
Chairman

25 August 2026

"What began as a singular vision of harnessing Sri Lanka's indigenous renewable energy sources to deliver emission-free power for the nation's development has evolved into something greater"

Dear Shareholders,

Welcome to the 30th Annual General Meeting of Vidullanka PLC. It is my pleasure to present my review of the last Financial Year. Our financial and operational performance has reinforced our position as a leading renewable energy solutions provider, at home and abroad. It has indeed been a year of transformative growth, setting the stage for Vidullanka to gather momentum and break ground in the renewable energy industry.

ACHIEVEMENTS

This year's achievements reflect a common objective – to strengthen Vidullanka's position as a diversified renewable energy company equipped to lead the industry's next stage of development. We made significant progress during the last year, commissioning four ground-mounted solar projects with a combined installed capacity of 21 MW. Furthermore, with our acquisition of Bhoruka Power Lanka (Pvt) Ltd, we added our twelfth mini hydro power plant - the 4.5 MW Gurugoda MHPP - to our portfolio. This addition expanded our operational portfolio to 26 facilities, adding 50% to our installed capacity and increasing it to a total of 76 MW.

After years of careful and strategic investments, we set on a path towards a brand-new era for the company, investing rapidly in landmark projects for both the company and the country. This includes the tender for Lot 2 of the 50MW Mullikulam wind power plant, an infrastructure development initiative of the Ceylon Electricity Board, which was won by a Vidullanka-led consortium. Furthermore, the company acquired a 30% equity stake in SAFE Power International (Pvt) Ltd, the project company for the 10 MW Alankuda power plant. These two investments are Vidullanka's maiden entries into wind power, marking a new phase for the company.

We are also pleased to have partnered with WindForce PLC to develop thirteen 10 MW standalone Battery Energy Storage Systems (BESS) on a Build, Own and Operate model across Sri Lanka. Together with WindForce PLC, with whom we share an equity stake in Storex (Pvt) Ltd, we look forward to contributing to grid management and stability through innovative technologies to reinforce the future of Sri Lanka's energy security.

In 2025, Vidullanka set a benchmark for efficient management by achieving a complete category sweep at the JASTECA Taiki Akimoto 5S Awards. This accomplishment exemplifies the spirit of Japanese 5S philosophy and demonstrates our commitment to implementing productivity in our operational processes. I congratulate the Operations team and the winning teams at Lower Kotmale, Batathota, Wembiyagoda, Madugeta and Rideepana, the latter having been recognised for the WeManage river cleaning project.

Further to our recognitions this year, Vidullanka achieved a pivotal sustainability milestone by becoming Sri Lanka's first power company to attain carbon neutrality. This achievement comes with having obtained the Greenhouse Gas Verification Statement under the ISO 14064-1:2018 standard, awarded by Control Union Sri Lanka. At present, our total emissions amount to 2,062 tonnes of CO_2 equivalent, which were offset by carbon credits. In addition, our operations avoided 116,047 tonnes of CO_2 emissions through renewable energy generation. This milestone reflects our commitment to integrating sustainability into every aspect of our business while aligning our operations with recognized climate standards.

Moreover, Vidullanka was honoured at the Presidential Environment Awards in 2025, winning Bronze and Merit for excellent contribution towards environmental conservation in the renewable energy sector. The power plants that received these honours were the teams from Madugeta and Rideepana, and I extend my heartfelt congratulations to the respective teams for their passion and dedication.

The company was also recognised for its landmark Sukuk issuance, which was the first ever to be listed in Sri Lanka. The issue received the Gold Award for Islamic Product of the Year and Silver for Islamic Finance Deal of the Year at the 10th IFFSA Awards, reflecting the success and potential of Shariah-compliant financial instruments in Sri Lanka.

FINANCIAL PERFORMANCE

This Financial Year has been one of rapid investments, building momentum for the company to expand its capacity and further diversify its portfolio of services. This was facilitated by the strategic planning of the management to prepare the company for its next chapter of growth - both in Sri Lanka and across our overseas operations. Successful investments in new technologies have laid the foundation for this growth, demonstrating our commitment to advancing our position as a leading renewable energy pioneer.

At the end of the Financial Year in question, the Group reported a revenue of Rs. 3.83 billion, with a net profit of Rs.1.55 billion. This marks the fourth consecutive year in which the Group has exceeded one billion rupees in profit.

Of the company's primary business segments, the overseas hydro arm leads in its exceptional financial performance. For the year in review, it yielded a revenue of Rs. 2.55 billion, a significant 16% increase from the previous Financial Year. It also delivered a profit of Rs. 1.21 billion, a 34% jump from the profit recorded in 2024/25. Likewise, the solar segment recorded substantial growth, with a revenue of Rs. 328 million and profits of Rs. 785 million, reflecting a 765% increase from the last fiscal period. Meanwhile, the domestic hydro and dendro segments maintained their financial performance. The domestic hydro reported a revenue of Rs. 531 million, while dendro & plantation segment recorded a profit of Rs. 111 million.

Vidullanka's steady financial performance across its operational segments reflects the company's financial health, as Vidullanka remains rated as a A+(lka) National Long-Term Rating by Fitch Rating. This reflects the positive impact of our performance on shareholder value and market sentiment, which has enabled Vidullanka to distribute dividends of Rs. 670 million.

CHALLENGES

The 2025/26 Financial Year was not without the standard challenges faced by corporates after COVID-19, and the economic crisis in the context of Sri Lanka. However, unique challenges arose during the year in review, putting the company's skills and financial endurance to the test. Yet in the face of these obstacles, Vidullanka was able to face them with faith and confidence.

The mounting unrest in the Middle East has affected economies worldwide, disrupting supply chains and contributing to currency depreciation against the US Dollar. The resulting decline in the rupee has had significant effects across Sri Lanka's economy, and for Vidullanka, it has caused substantial uncertainties in project implementations. However, what it has made crucially evident is that fuel supply chains, which are heavily subject to volatility in the face of geopolitical crises, can be consequential to nations that rely on them. It is more important than ever for nations to reinforce their energy security by moving away from fossil fuels and implementing more renewable energy initiatives that promise an energy-efficient future.

In the domestic sphere, the unbundling of the Ceylon Electricity Board (CEB) to the National Systems Operator (Pvt) Ltd (NSO) marked a significant milestone in the reform of Sri Lanka's energy sector. As with any major structural transition, the process has been accompanied by challenges during its initial stages. As a company with decades of experience in developing renewable energy projects, Vidullanka has consistently demonstrated its ability to navigate such complexities. At the same time, the successful execution of energy infrastructure projects requires close coordination with several decisive bodies, including the NSO. As the NSO settles into its role, I believe that a constructive and collaborative partnership with all industry stakeholders will be fundamental to the success of the country's energy industry. I look forward to seeing longstanding challenges being addressed and to work towards achieving the country's 70% renewable energy target by 2030.

In late November 2025, Sri Lanka was devastated by the catastrophic events of Cyclone Ditwah. Floods and landslides affected Sri Lankans across the island, forcing them to flee to higher ground, leaving behind their homes and belongings to the destruction of the cyclone. Vidullanka was not spared either, as three of our mini hydro plants and our solar plant in Madampe, which had been at the final stages of construction at the time, were inundated by the floodwaters. This served as a test of the resilience of our skilled and committed team of engineers, who mobilised and undertook the difficult task of putting the plants back in order. Through their perseverance, the plants were restored to operation within a span of six weeks, with our mini hydro plants setting a benchmark as the fastest in the country to recover from the effects of this crisis. This would not have been possible without the goodwill and the sacrifice of our employees and the management's swift decision-making, through which we revived the plants and extended a helping hand to the communities of our plant localities. I am sincerely grateful to them for stepping forward at a crucial time of need.

CARING FOR OUR COMMUNITIES

At Vidullanka, we believe that creating long-term value extends beyond business performance. Through ViduSaviya, our corporate social responsibility arm, we continue to invest in the communities and environments that support our operations, delivering meaningful social and environmental impact alongside sustainable economic growth.

Environmental conservation was the founding principle of our CSR efforts, under ViduSaviya Ratata Sevanak, involving environmental restoration and biodiversity protection. While this was initiated as a project to plant trees along the catchment areas of our hydro plants, our efforts have expanded beyond, bringing awareness to schools and villages in the surrounding areas. I am happy to report that since reaching our goal of 100,000 trees planted, sustained and tracked in late 2024, we have set a new target to reach 250,000 trees by the end of 2030, which I am confident we will achieve.

At Vidullanka, we believe in the power of education as a tool for the advancement of society. As a practice, we provide vital educational resources, including laptops, textbooks, school shoes and other supplies, as well as merit-based scholarships for outstanding students from underprivileged circumstances through ViduSaviya Daruwanta Diriyak. We also contributed to the infrastructure development of Kosnilgoda Primary School, Morawaka in the last Financial Year. Furthermore, our engineers at the Dehiattakandiya dendro power plant regularly host seminars for scholarship and Ordinary Level students in the schools at Dehiattakandiya, volunteering their time to guide and tutor the students ahead of their exams.

I am also proud to mention that following the devastation of Cyclone Ditwah, which disrupted the lives of countless communities across the island, our employees came together to help uplift their fellow citizens. We distributed dry rations and other essentials to collection points across the country. We also initiated a donation fund, which the management matched and doubled, allowing us to donate Rs. 2.5 million to the Rebuild Sri Lanka fund.

IN CONCLUSION

With Vidullanka's 30th anniversary approaching in September 2027, I am reminded of how far we have come over the past three decades. What began as a singular vision of harnessing Sri Lanka's indigenous renewable energy sources to deliver emission-free power for the nation's development has evolved into something greater. The Board of Directors, the management team and I take pride in the milestones we have achieved, while remaining equally encouraged by the strong foundation we have built for the future. Through strategic investments, strengthened capabilities and a clear long-term vision, we are well positioned to seize new opportunities and drive the next phase of our growth.

Vidullanka's continued success is the result of the trust, dedication and collective efforts of many stakeholders, each of whom has played an integral role in our journey. I extend my sincere gratitude to our shareholders and business partners for their continued trust and confidence, which have enabled us to pursue our long-term ambitions. I would like to thank our Management team, for their leadership, dedication and strategic insight, which continue to guide the successful execution of our vision. To our employees, I extend my heartfelt appreciation. Your professionalism, resilience and unwavering commitment remain the cornerstone of Vidullanka's success and the driving force behind everything we have achieved. Finally, I thank the Chairman and the Board of Directors for their steadfast leadership and continued confidence in our strategic direction.

Thank You.
Sincerely,

(Sgd.)
Riyaz M. Sangani
CEO

25 August 2026

BOARD OF DIRECTORS

Left to Right

Osman Kassim (Chairman), Riyaz M. Sangani (Chief Executive Officer), Ranjan Mather (Non-Executive Director)

Left to Right

Shahid M. Sangani (Non-Executive Director), Sattar Kassim (Non-Executive Director)

Left to Right

Sujendra Mather (Non-Executive Director), Sidath Fernando (Non-Executive Director), Deepthie Wickramasuriya (Independent Non-Executive Director)

Left to Right

M. Rizvi Zaheed (Independent Non-Executive Director), Prof. Anura Wijayapala (Independent Non-Executive Director)

BOARD OF DIRECTORS

Osman Kassim

Chairman

Mr. Osman Kassim is a distinguished entrepreneur and visionary leader with over four decades of senior leadership experience in strategy and management. His influence spans multiple industries across Sri Lanka and beyond, reflecting a career defined by bold thinking and transformative impact.

Mr. Kassim currently serves as Chairman of Vidullanka PLC and Emeritus Chairman of Aberdeen Holdings (Pvt) Ltd. He also chairs the boards of Amana Takaful Life PLC, Rokfam (Pvt) Ltd, The Goodness Foundation, and Crescentrating (Pte) Ltd, Singapore, while serving as Deputy Chairman of Amana Takaful Maldives PLC and Non-Executive Director of Maldives Islamic Bank.

His previous chairmanships include the Expolanka Group, Amana Bank PLC, Amana Takaful PLC, and the Asia Pacific Institute of Information Technology (APIIT), Sri Lanka.

Among his most notable contributions is his pivotal role in the founding of Amana Bank PLC, Sri Lanka's first fully-fledged Islamic bank offering non-interest-bearing participatory banking solutions. He was equally instrumental in the establishment of Amana Takaful PLC, Sri Lanka's first Islamic insurance company, cementing his status as a pioneer in the development of the country's Islamic finance framework.

Mr. Kassim's far-reaching contributions as a global entrepreneur have earned him widespread recognition, including a place among Sri Lanka's Captains of Business on LMD's A-List of 100 Sri Lankan Business Leaders in 2020, and an Honorary Doctorate conferred by Staffordshire University, UK.

Riyaz M. Sangani

Chief Executive Officer

Mr. Riyaz Sangani, Founder and Chief Executive Officer of Vidullanka PLC, has been an instrumental force in shaping the company's vision and mission for nearly three decades. His sharp business acumen, strategic foresight, and dynamic leadership have been central to the growth and advancement of Vidullanka PLC as one of Sri Lanka's pioneering entities in the renewable energy sector.

As a prominent advocate for sustainable energy in Sri Lanka, Mr. Sangani has made significant contributions to the development of the small hydropower industry, most notably during his tenure as President of the Small Hydro Power Developers Association. He continues to champion renewable energy development through his role as Co-Chair of the Energy Subcommittee at the Ceylon Chamber of Commerce, and as an Ex-Officio Member of the Board of Management of the Sri Lanka Sustainable Energy Authority.

Beyond his leadership at Vidullanka PLC, Mr. Sangani serves in key capacities across several companies, including Chairman of Tradefirst (Pvt) Ltd. and Director of Lanka Equities (Pvt) Ltd, Ceylon Jewelry Manufacturers (Pvt) Ltd, Autus Chemicals (Pvt) Ltd, Drissq Ventures (Pvt) Ltd, Freco Plantation (Pvt) Ltd, Dymec Group of Companies, Diamond Cutters Ltd, Alankara Jewelry (Pvt) Ltd, and Barak Farms Ltd. He also serves as a Board Director of Ilma International School and a Member of the Board of Management of the Halal Accreditation Council, underscoring his commitment to social responsibilities.

Mr. Sangani holds an MBA from the Postgraduate Institute of Management (PIM) at the University of Sri Jayewardenepura, and a Bachelor's degree from the University of Colombo. He is also a Fellow of the Chartered Institute of Management Accountants (CIMA), UK.

Ranjan Mather

Non-Executive Director

Mr. Ranjan Mather was one of the founding charter investors of Vidullanka PLC and currently serves as a Non-Executive Director of the company. With over 30 years of senior management experience, he holds board positions in several other corporate entities, including Bhoruka Power Lanka (Pvt) Ltd and Chinese Dragon Cafe (Pvt) Ltd.

Beyond Vidullanka PLC, Mr. Mather also serves on the boards of a number of companies within the Vidullanka Group.

Shahid M. Sangani

Non-Executive Director

Mr. Shahid Sangani is a distinguished professional with over three decades of business experience spanning multiple sectors. In addition to his standing as an Attorney-at-Law of the Supreme Court of Sri Lanka, Mr. Sangani serves as Managing Director of Lanka Equities (Pvt) Ltd, Dynawash Ltd,, Autus Chemicals (Pvt) Ltd, and Co-Energi (Pvt) Ltd.

He further serves as a Director on the boards of Diamond Cutters Ltd, and Alankara Jewelry (Pvt) Ltd. Throughout his career, Mr. Sangani has held board-level positions across a diverse range of organisations, with interests encompassing engineering consultancy, renewable energy, investment banking, apparel manufacturing, general trading, and jewellery manufacturing and retailing.

Sattar Kassim

Non-Executive Director

Mr. Sattar Kassim is a seasoned entrepreneur and diversified business leader with over three decades of experience in building, guiding, and expanding organisations across Sri Lanka and international markets. Vidullanka PLC has been privileged to have Mr. Sattar Kassim serve on its Board as a Non-Executive Director since 2012.

He serves as the Chairman of Aberdeen Holdings (Pvt) Ltd, a diversified conglomerate with interests spanning agriculture and poultry, commodity trading, airlines, tea exports, courier services, logistics, solar energy, corrugated carton manufacturing, plantations, oceanic fish farming, and general sales agency operations for Saudi Arabian Airlines Cargo. The Group has also established an extensive international footprint, with strategic partnerships and ventures across more than 30 countries.

Mr. Kassim chairs the boards of several prominent companies, including Bio Extracts (Pvt) Ltd, one of the largest black seed extraction companies in South East Asia and a pioneer in Sri Lanka; Roar Media (Pvt) Ltd, a leading digital media company with a strong presence across Asia; Ruhunu Farms (Pvt) Ltd, a state-of-the-art poultry farming operation; Globe Air (Pvt) Ltd, the General Sales Agent for Saudi Arabian Airlines Cargo; HiEnergy Services (Pvt) Ltd, a leading solar energy service provider in Sri Lanka; Lanka Commodity Holdings (Pvt) Ltd, which specializes in end-to-end supply chain solutions for agricultural commodities and the "Expo Cement" brand of ordinary Portland cement in Sri Lanka; Expo Global Holdings (Pvt) Ltd, a leading supply chain specialist for the spice industry; and Expack Corrugated Cartons PLC, a market leader in corrugated carton manufacturing in Sri Lanka.

In addition to his chairmanship roles, Mr. Kassim serves as a director across a broad portfolio of companies, reflecting the breadth and depth of his entrepreneurial vision. These include Fits Aviation (Pvt) Ltd, Damn Fine Coffee (Pvt) Ltd, Denshun Industries (Pvt) Ltd, Expoceylon Pharmaceuticals (Pvt) Ltd, Expoteas Ceylon (Pvt) Ltd, Ceylon Fusions (Pvt) Ltd, Expo Commodities (Pvt) Ltd, Tropikal Life International (Pvt) Ltd, Stay Naturals (Pvt) Ltd, Pearl Lanka (Pvt) Ltd, E Z Warehousing (Pvt) Ltd, Aberdeen Produce (Pvt) Ltd, Colombo Realty (Pvt) Ltd, Classic Enterprises (Pvt) Ltd, Lanka Health Care Foundation, Silver Wing (Pvt) Ltd, Fits Heavy Lift (Pvt) Ltd, The Goodness Foundation, Socializer 360 (Pvt) Ltd, ASK Capital (Pvt) Ltd, KMA Holdings (Pvt) Ltd, BMA Holdings (Pvt) Ltd, Beta Ventures (Pvt) Ltd, Neptune Services (Pvt) Ltd, Expoasia Holding (Pvt) Ltd, Solar City (Pvt) Ltd, Antler Foundry (Pvt) Ltd, Fairfax Holdings (Pvt) Ltd, Snehadhaana Foundation, Fits Express (Pvt) Ltd, Expo Commodities FZCO, Milepost Property Holdings (Pvt) Ltd, Kolonnawa Property Holdings (Pvt) Ltd, Solar Gradient (Pvt) Ltd, Vertical Solar (Pvt) Ltd, Green Accessories Trading (Pvt) Ltd, Green Rooftop Solutions (Pvt) Ltd, Sky Solar Energy Solutions (Pvt) Ltd, Rooftop Solar Solutions (Pvt) Ltd, and Fits Retail (Pvt) Ltd.

Mr. Kassim is also a founder and Director of Expolanka Holdings Ltd, a far-reaching conglomerate with interests in transportation, manufacturing, travel and leisure, international trade, and strategic investments.

Sujendra Mather

Non-Executive Director

Mr. Sujendra Mather brings over two decades of experience in Investment Banking and Corporate Finance, having worked across the US, Sri Lanka, and Singapore with firms such as Houlihan Lokey Howard & Zukin, John Keells Holdings PLC, and Deloitte & Touche Corporate Finance.

He currently serves as a Non-Executive Director at Vidullanka PLC, as Executive Director at Buglerock Holdings, and as a Director at JedAI Tech Pte Ltd. Earlier in his career, he co-founded York Street Partners, a boutique advisory firm, which he later merged with Asia Securities Holdings, the leading equities trading firm in Sri Lanka. Most recently, in 2024, he served as Managing Director of Corporate Finance at PwC Singapore.

Over the years, Mr. Mather has been closely involved in some significant transactions across North America and the Asia Pacific region, spanning Mergers and Acquisitions, Fund Raisings, Restructurings, and Strategic Advisory mandates worth billions of dollars. His experience cuts across a broad range of sectors, including Consumer, Retail, Financial Services, Manufacturing, Real Estate, Hospitality, Infrastructure, Technology, and Mining.

He holds a B.A. in Economics-Mathematics from Claremont McKenna College in California, USA, and has completed the Wharton Executive Education Program on Economics of Blockchain and Digital Assets.

Sidath Fernando

Non-Executive Director

Mr. Sidath Fernando is a seasoned entrepreneur with diversified business interests spanning manufacturing, real estate, property management, and information and communications technology. Over the course of his thirty-year career, he has accumulated extensive experience in real estate and property development, playing a pivotal role in the successful development and management of large-scale commercial and retail properties across Colombo, Sri Lanka. His professional portfolio further encompasses manufacturing, marketing, and the leadership of his own small and medium enterprises.

At present, Mr. Fernando is the chairman and shareholder of V.D.P. Fernando Co. Ltd, a family-owned business established in 1938, which operates as an exporter for coir fibre and other value-added products.

Mr. Fernando has held several distinguished board-level positions throughout his career. He has served as a Board Member of Vidullanka PLC since 2012 and has previously served as a Director on the boards of Sri Lanka Telecom PLC, Sky Network (Pvt) Ltd, SLT Manpower Solutions (Pvt) Ltd, and People's Leasing and Finance PLC. Beyond the boardroom, he has contributed to the broader business community as a Committee Member of the Chamber of Young Entrepreneurs in Sri Lanka and as a member of the Rotary Club of Colombo.

Deepthie Wickramasuriya
Independent Non-Executive Director

Mrs. Deepthie Wickramasuriya, a seasoned corporate leader with over 35 years of global experience, has built a distinguished career in numerous industries spanning Sri Lanka, the United Kingdom, Singapore, India, Indonesia, and the Fiji Islands. Known for her expertise in organisational strategy, operations, finance, risk, and governance, she has also been a key advocate in bridging the generational divides in corporate leadership.

At Vidullanka, Mrs. Deepthie Wickramasuriya is an Independent Non-Executive Director of the company and its subsidiary Vidul Plantation (Pvt) Ltd, and chairs the group's audit committee and the nomination and governance committee. Her board presence extends to Amana Takaful PLC, Mercantile Investments and Finance PLC, Pelwatte Dairy Industries Limited and the Chitrasena Vajira Dance Foundation. Complementing her directorial responsibilities, she also provides independent consultancy in areas of Business Process Management, Treasury Management, and Business Counselling.

She has previously been a board member/ advisor to the boards of Expolanka Freight (Pvt) Ltd, AHL Business Solutions (Pvt) Ltd, (the Information Technology and Business Process Management arm of Goodhope Asia Holdings Ltd, a part of Carson Cumberbatch PLC), Aviva Global Services, a member of the Aviva group (formerly known as Norwich Union, UK), GFH Management Company (Galle Face Hotel), Lanka Equities (Pvt) Ltd., Flour Mills of Fiji PLC, AMW Management Company (management company of Associated Motorways Limited) and Family Health Services Authority - Oxfordshire, UK.

Mrs. Wickramasuriya is a Fellow of the Chartered Institute of Management Accountants (CIMA), UK, and holds an MBA from the University of Sri Jayewardenepura, Sri Lanka. She has also served as Vice President of the Sri Lanka Army Medical Corps Seva Vanitha Unit.

M. Rizvi Zaheed
Independent Non-Executive Director

Mr. Rizvi Zaheed came aboard Vidullanka PLC in 2018 as an Independent Non-Executive Director, bringing with him a distinguished legacy of expertise cultivated across Sri Lanka's agricultural and corporate sectors.

Mr. Zaheed's illustrious career includes previously serving as Managing Director of Hayleys Agriculture Holdings Ltd. and Director at Hayleys PLC, where he represented the company on the board of the Sri Lanka Institute of Nanotechnology (SLINTEC). He currently serves as Managing Director of the Halal Accreditation Council (HAC) Sri Lanka.

Beyond his corporate responsibilities, Mr. Zaheed plays an active and influential role in shaping national policy and industry development. He serves as Chairman of both the National Industry Biotechnology Association and the Sri Lankan Agripreneurs' Forum, and as Vice Chairman of CSR (Guarantee) Limited, an NGO dedicated to mobilizing the wider corporate community around national priorities and fostering sustainable value creation beyond ad hoc CSR initiatives.

Mr. Zaheed contributes to agricultural policy at the highest levels of government, serving as a member of the National Agriculture Policy Committee under the Ministry of Agriculture and the Expert Committee on the Agriculture Modernisation Task Force of the Presidential Secretariat. He serves on the University Grants Commission (UGC) Standing Committees on Agriculture & Livestock and on Technology, and on the Council of the Faculty of Technology at the University of Colombo. He also serves as Lead Mentor in the GoviLab Agritech Accelerator – a project of the Bill & Melinda Gates Foundation.

He holds a Bachelor's degree from the University of Kelaniya and an MBA from the University of Colombo, and has pursued executive education at the Industrial Society, UK, and the Swedish Institute of Management, Sweden. Mr. Zaheed is also a JCI International Senator.

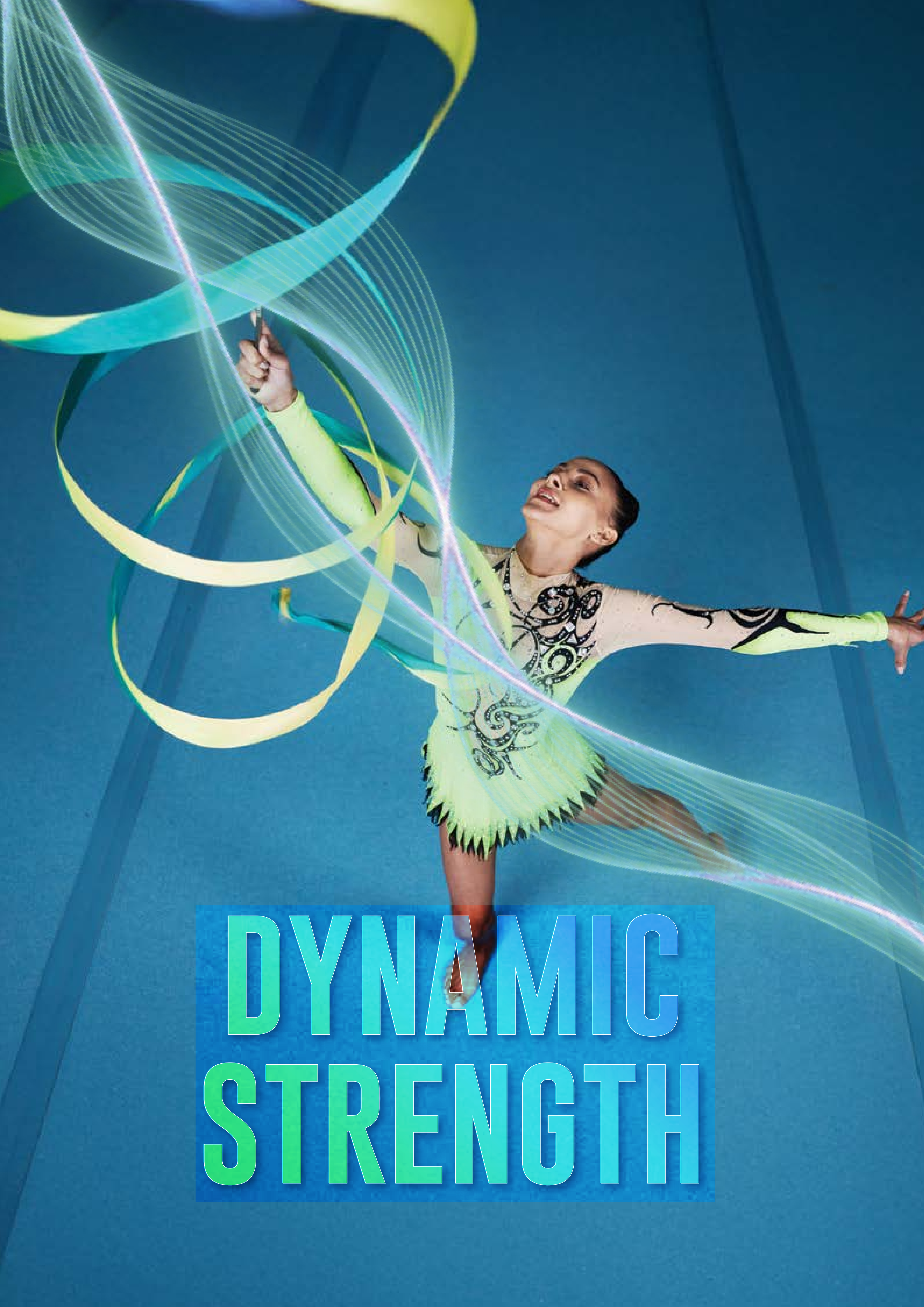
Prof. Anura Wijayapala
Independent Non-Executive Director

Prof. Anura Wijayapala is an accomplished professional with over 25 years of expertise spanning the academic and electrical industries in Sri Lanka. He currently serves as an Independent Non-Executive Director at Vidullanka PLC.

Prof. Wijayapala has held several distinguished leadership positions throughout his career. He served as Vice Chairman and subsequently Chairman of the Ceylon Electricity Board in 2015. From 2018 to 2020, he served as Chief Executive Officer of WindForce Ltd. He has also held chairmanships at NERD Center, the Trincomalee Coal Power Company Ltd, and Sri Lanka Energies Ltd. In addition, he served as a director on the boards of LTL Holdings Ltd., Lanka Electricity Company Ltd., and Lanka Coal Company Ltd. from 2015 to 2017.

On the academic front, Prof. Wijayapala earned both his Bachelor's and Master of Science degrees in Engineering from the University of Moratuwa. He joined the university as a Senior Lecturer in 2006 and currently serves as a Senior Professor at the Department of Electrical Engineering.

Prof. Wijayapala is a Fellow of the Institute of Engineers, Sri Lanka, an International Professional Engineer, and a Corporate Life Member of the Sri Lanka Energy Managers Association.


DYNAMIC
STRENGTH

OPERATING ENVIRONMENT

In the aftermath of the intense economic crisis, marked by high inflation, dwindling official gross reserves, and pressure on the exchange rate, the Sri Lankan economy continues to grow at a more stable yet cautious pace. Therefore, the macroeconomic environment in 2025/26 in Sri Lanka reflects the undertones of an economy that continues to stabilise as it reimagines appropriate economic reforms and strategies to achieve long-term stability that supports sustained progress.

During the period, gradual macroeconomic stabilisation, energy sector reforms, and increased adoption of renewable energy became more evident, providing a stable foundation to sustain the energy sector's strategic and investment decisions.

MACROECONOMIC ENVIRONMENT

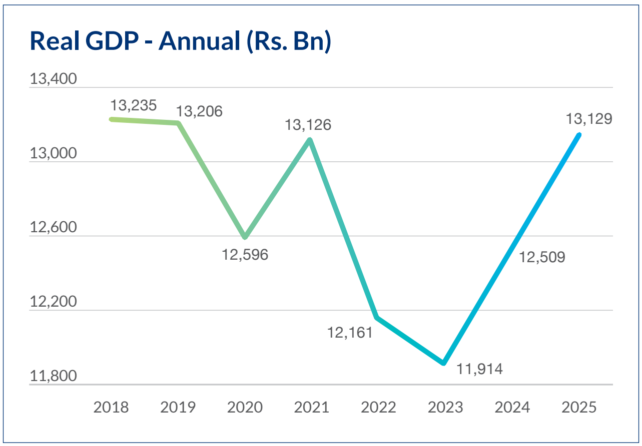
The local environment experienced a period of gradually stabilising economic activity, with increased demand for power and energy. This was a positive backdrop for higher renewable energy dispatches and improved revenue stability, particularly for IPPs.

After the high inflation in 2022-2023, headline inflation dropped into negative territory in September 2024, and a period of deflation continued until August 2025. This drop resulted from tight monetary policy, and the deep deflation was driven by sharp price decelerations in transport and energy. This was supported by moderated global energy prices and improved weather, which favoured local hydroelectric generation. Deflation became pronounced in early 2025 and eased thereafter.

The exchange rate stabilised over the period under review, following a tight monetary policy approach and reduced pressure on currency-related costs, particularly due to improved worker remittances and exports, and a rebound in tourism, while we witnessed the resumption of motor vehicle imports since February 2025.

Official gross reserves remained at a stronger level by the end of 2025, partly due to market-based foreign exchange pricing. Foreign exchange from the domestic forex market and other financing streams strengthened the Gross Official Reserves to USD 6.8 Bn.

Despite heightened global uncertainties and trade-related concerns, our economy expanded by 5% in 2025. This momentum was supported by growth in agricultural, industrial, and service activities of 1.4%, 7.8%, and 3.3%, respectively. The Current Account Surplus improved in 2025 to USD 1.7 Bn, while the fiscal sector also improved, driven by higher government revenue. However, the trade deficit widened in 2025, as import growth outgrew export growth.



Data Source: Department of Census and Statistics, National Accounts Estimates of Sri Lanka; Annual and Fourth quarter -2025

FOCUS ON THE ENERGY SECTOR

The domestic energy sector, including electricity generation, underwent structural changes and volatility during the period under review.

Impacted by several concerns, global crude oil prices showed a downward trend across 2025. Concerns included sporadic volatility due to geopolitical tensions and excess supply from increased output by OPEC and OPEC+ (non-OPEC nations). Uncertainty stemming from US trade policy also contributed to the downward trend in oil prices.

Domestically, retail petroleum products were sold based on cost-reflective pricing, which reflected changes and volatilities in global prices. This approach enabled the Ceylon Petroleum Corporation to be financially profitable in 2025.

In the period under review, the CEB made two downward revisions to electricity tariffs: one in 2025 and the other in March 2026. During the same period, the government implemented structural changes to reform the country's electricity sector. A key structural reform was the Sri Lanka Electricity (Amendment) Act No. 14 of 2025 following the Sri Lanka Electricity Act No. 36 of 2024, which introduced a new governance framework. CEB was restructured in March 2026, with four state-owned entities overseeing generation, transmission, distribution and system operations. Additionally, two institutions manage residual CEB assets.

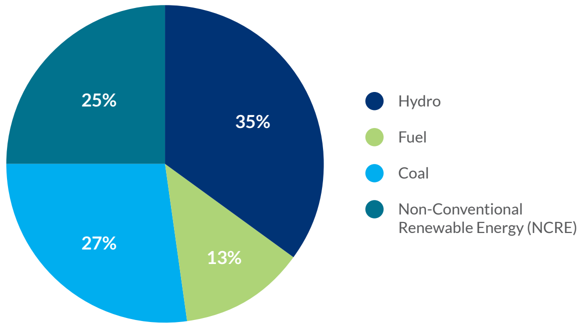
The National Electricity Policy, approved in 2026, supports cost-reflective tariffs and the transition to a competitive electricity market, ensuring fair and sustainable pricing that will benefit power purchase agreements (PPAs) and support renewable energy investments.

Amidst these changes, the power sector faced the brute force of the Ditwah Cyclone. According to several reports, millions of Sri Lankans faced power outages, while the CEB and the industry incurred substantial infrastructure damage.

Hydro Power

Hydroelectricity generation grew by 5.8% in 2025, supported by favourable conditions, particularly reservoir levels and favourable weather. Hydro remained the predominant source of electricity generation generation, with a contribution of 35.5%.

Sources - National Power Generation (2025)

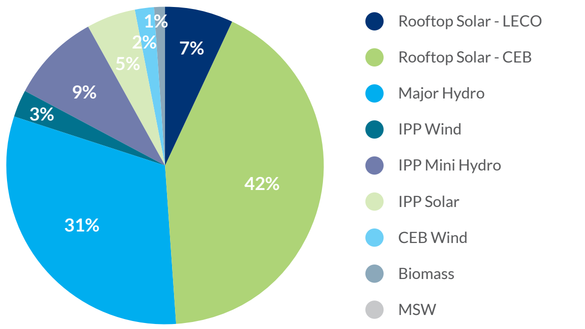


Data Source: Annual Economic Review. 2025. Central Bank of Sri Lanka.

Renewable Power Generation

Renewable energy accounted for please ask client to also check this national electricity generation in 2025, and Sri Lanka's movement in renewable energy gained renewed momentum after 2022 due to the removal of energy subsidies and the adoption of cost-reflective pricing, which made renewable energy generation more economically attractive to many. The prevailing high tariffs have encouraged households and the private sector to invest in renewable energy systems, making them a low-cost alternative for meeting high electricity demand.

Renewable Energy Capacity (MW)



Data Source: Renewable Generation Report. Quarter 04. 2025. Public Utilities Commission of Sri Lanka.

Sri Lanka's renewable energy movement is underscored by energy generation capacities through multiple sources. This is led by rooftop solar generation, followed by hydro-based electricity generation. Energy generation based on Biomass remains significantly low, which shows room for improvement and greater potential for growth in this segment.

Solar

Solar power generation nearly doubled during the period due to rapid growth in rooftop installations. In 2025, rooftop solar made a 9.4% contribution to total electricity generation.

However, maintaining grid stability remains challenging, and strategies are still essential to manage the gap between high night-time demand and daytime generation. Battery storage systems are a strategic intervention to improve grid stability, and policy incentives offer higher feed-in tariffs for battery-integrated systems during peak hours; a gradual transition to the Net Plus System and Time-of-use tariffs is also seen as a way to encourage investment in storage and smarter usage.

Furthermore, new business models, such as aggregators (which combine output from many rooftop systems to ensure efficient grid supply) and community energy cooperatives, could be explored as useful mechanisms in grid management amid the growth of small-scale solar energy producers, as noted in the Annual Economic Review 2025 of the Central Bank of Sri Lanka.

OUTLOOK

Supported by gradually restored stability and strong reserves, Sri Lanka remains cautiously positive, even amidst global uncertainties. Tensions in the Middle East will remain a major concern for energy pricing and global supplies in the period ahead.

Nevertheless, Sri Lanka's improved macroeconomic conditions and ongoing reforms, alongside stronger buffers, will provide greater resilience to external shocks stemming from geopolitical tensions and trade policy uncertainty.

GLOBAL ENERGY LANDSCAPE

Vidullanka PLC operated in a fast-shifting global energy landscape, characterised by growing demand for electricity, record-high involvement of renewable energy in global power capacity, and other favourable dynamics that encouraged the rapid adoption of solar and renewables worldwide.

Energy remains a central driver of global politics and is vulnerable to risks affecting oil and fuel supplies, cybersecurity, and climate-related events. In recent years, countries have prioritised energy security and affordability, pursuing different strategic solutions to secure favourable conditions. Recent trends driving electricity demand include rising incomes and temperatures. These factors underpin rising electricity demand alongside the growing expansion of data centres and AI, particularly in advanced economies; moreover, as countries push for cleaner energy sources and clean transport solutions, including electric automobiles, this will further accelerate the demand for energy and electricity.

KEY HIGHLIGHTS FROM 2025

Renewable energy capacity reached record highs in 2025, accounting for nearly half of global power capacity.

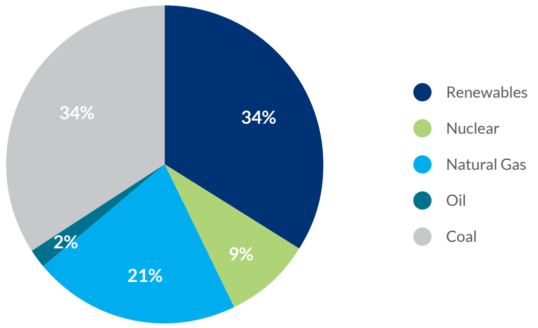
Solar, wind, nuclear, hydropower and other renewables contributed nearly 60% of the growth in global demand.

Solar PV supplied over 25% of the increase in the world's energy demand. This made it the first time that a renewable energy source led global demand growth.

According to the International Energy Agency's Global Energy Review 2026, global energy demand slowed to 1.3%, below the previous decade's average. This is amid expansion across all major fuels and technologies, at different growth rates. The slowdown in global energy demand has been underpinned by a weaker economic expansion, a reduced growth in energy-intensive industries in certain regions, lower cooling requirements, and faster gains from efficiency.

Solar PV added 600 terawatt-hours (TWh), the largest annual increase of any energy source, and supplied around 70% of all electricity generation growth. Moreover, combined renewable generation has now equalled global generation from coal. This marks the first decline in coal-based electricity generation since 2019.

Electricity Generation (TWh) - 2025



Source: Global Energy Review. 2026. International Energy Agency

Moreover, nuclear power generation grew by 1.2% to a record high, while wind power generation rose by 8% and fossil fuel-based generation declined slightly. The combined growth in renewables and nuclear exceeded the full global increase in electricity generation during 2025.

The global electricity industry's potential is reflected in electricity demand growth, which has grown at more than 2 times the rate of energy demand. However, global electricity demand growth eased to 3% in 2025, down from 4.4% in 2024. This slow growth is due to temporary factors, such as reduced cooling needs in Southeast Asia and India. A majority of the growth was from buildings and industry, while electric vehicles and data centres, despite their smaller contributions, expanded rapidly during 2025.

Global renewable capacity jumped 16% in 2025, with 800 GW of renewable energy capacity additions amid supply chain stresses, grid connection delays, financial strains, and policy changes. Of global new renewable capacity additions, over three-quarters came from solar PV, while 20% came from wind.

Battery storage has become the fastest-growing technology in the renewables sector, with 108 GW of new battery storage capacity added globally in 2025.

The Energy Landscape and SDG 7

07 AFFORDABLE AND CLEAN ENERGY

Aligning with SDG 7 for Affordable and Clean Energy, 98.9% of the population of Asia Pacific has access to electricity (2024), while 91.9% of the world's population has gained access to electricity, according to the Asia Pacific Energy Portal.

With a 4.8 billion population in the Asia Pacific region, more than half of the world's demand for energy comes from within the region. According to the International Renewable Energy Agency (IRENA), citing World Bank data, the region's electrification rate stood at nearly 95% in 2024, and according to the agency's estimates, installed total renewable energy capacity in Asia was 2,891 GW in 2025.

Growing demand for electricity and continued expansion of renewable energy capacity will continue to support the Sustainable Development Goal.

GLOBAL RENEWABLE ENERGY TRENDS

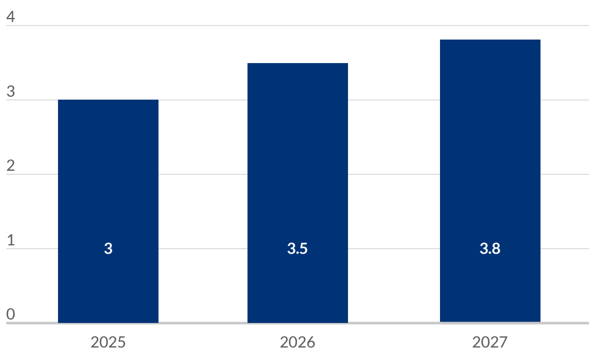
The International Energy Agency's (IEA) Renewables 2025 - Analysis projects that global renewable power capacity will double by 2030, increasing by 4,600 gigawatts. Nevertheless, countries with ambitious plans to increase renewable power capacity face challenges, such as supply-chain vulnerabilities, grid integration, and funding. Moreover, solar PV is expected to double in global growth, driven by low costs, broad social acceptance, and faster permitting.

Solar PV capacity expansion has improved global adoption, driven by cheaper solar panels, easier permitting, and broader social support for solar technology. These factors will drive expected growth in solar power, which is forecast to more than double and account for nearly 80% of growth in renewable power capacity, according to IEA's Renewables 2025 report.

Conversely, wind power faces challenges and is also expected to nearly double by 2030. Hydropower will also play a modest role in global renewables, as pumped storage plants are expected to rise by 2030. Geothermal capacity is also expected to reach a record high, driven by countries such as the USA, Japan, Indonesia, and the Philippines. Our neighbouring nation, India, has a more positive outlook for renewables, with rooftop solar projects receiving new support and faster official approvals for wind power generation.

Based on the IEA's Electricity Mid-Year Update 2026, global power demand is expected to rise in 2026 and 2027, despite the crisis in the Middle East and its impact on higher electricity generation prices, as well as energy conservation efforts in certain regions. Electricity demand is forecast to increase by 3.6% in 2026 and by 3.8% in 2027, surpassing 3% in 2025.

Electricity Demand Increase (Forecast) (%)



Source: Electricity Mid-Year Update 2026, IEA.

Furthermore, intensifying El Niño is expected to increase global electricity demand, driven by the need for increased cooling. El Niño weather patterns are anticipated to affect electricity supply by reducing hydropower and wind generation in several regions, which could raise dependence on coal and gas.

In large part, the global energy landscape will continue to transform, shaped by growing electricity demand, rapid renewable deployment, and the need for stronger, more stable grids and storage solutions. For Vidullanka PLC, these trends highlight the need for further innovation and disciplined project implementation to support the regional and national transition towards clean, affordable, and sustainable power.

FINANCIAL REVIEW

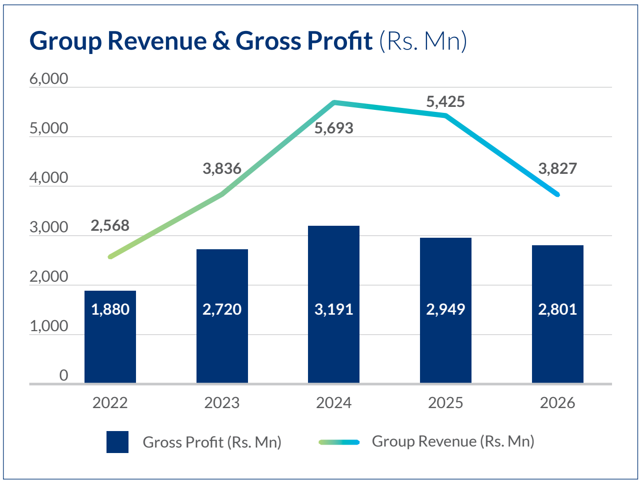
As a Group, Vidullanka PLC (VLL) recorded a profit after tax (PAT) marginally below the PAT of 2024/25 (1.6%), while closing the year with strong structural adaptability across all operations. The Group operated in an environment defined by strong regulatory forces and shifting macroeconomic conditions, particularly in South Asia and East Africa.

CORE REVENUE PERFORMANCE

Group revenue was reported at Rs 3.83 Bn for FY 2025/26, compared with Rs 5.42 Bn in the previous year. The decline is set against the revenue peak in FY 2024/25, which resulted from the conclusion of the EPC contract in Guyana. The contract was based on the delivery of two hydropower plants to the Guyana Energy Agency, totalling 2.2MW of capacity. The project injected Rs 2.1 Bn into the previous year's revenue pool.

The Group's top line underwent its usual cyclical recalibrations across the Financial Year under review, particularly as the international EPC projects concluded in FY 2024/25.

The primary driver of the Group's revenue was its diversified hydro portfolio, balanced between domestic mini-hydro power plants and overseas operations and contributions from newly added solar power plants.



Indicator	FY 2025/26	FY 2024/25
Total Group Revenue	Rs. 3.83 Bn	Rs. 5.42 Bn
Total Cost of Sales	Rs. 1.03 Bn	Rs. 2.48 Bn
Gross Profit	Rs. 2.80 Bn	Rs. 2.95 Bn
Gross Profit Margin	74.5%	54.4%

COST OF SALES

Cost of sales has dropped sharply to Rs 1.03 Bn, by 59% from the previous Financial Year. This reduction is a result of the absence of high turnover – high cost of sale EPC contracts and a shift to higher-margin renewable energy operations. This substantial decline has greatly improved gross profitability.

EXPENSES AND COSTS

Administrative costs increased by 33% during the period, recording a total of Rs 927 Mn. Finance costs increased by 16% to Rs 372 Mn due to borrowings related to the newly commissioned Solar projects. Moreover, finance income declined in line with lower interest rates.

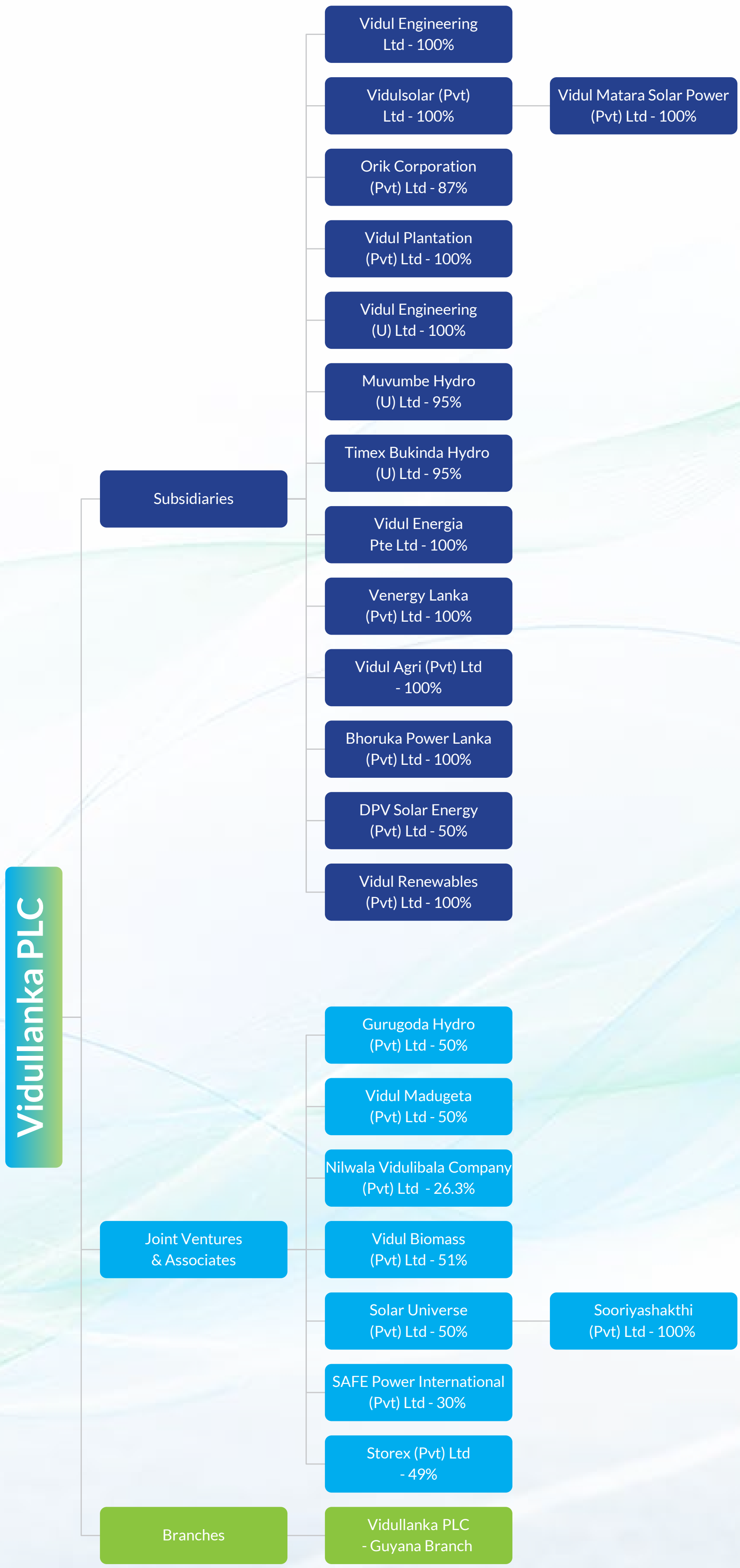
Investment share in joint ventures increased to Rs 474 Mn, up 80%, mainly from the share of profit generated by the 10MW Vavunathivu Phase II Solar power project developed and commissioned under Sooriyashakthi (Pvt) Ltd, part of the Solar Universe venture.

PROFITABILITY

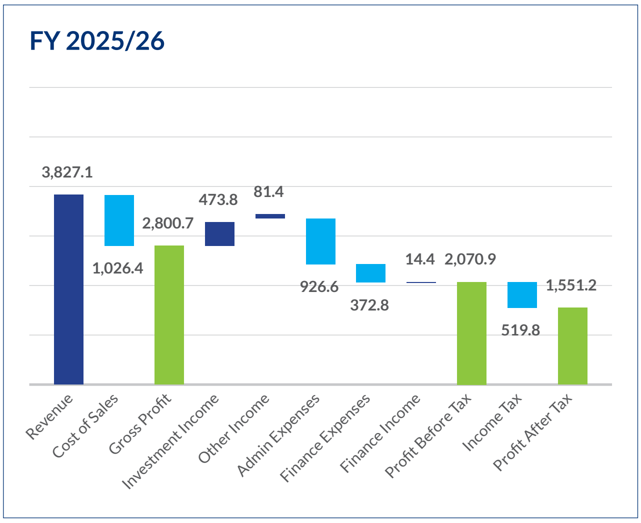
For the period ending March 31, 2026, the Group recorded a commendable Profit After Tax (PAT) of Rs 1.55 Bn compared to the previous year's PAT of Rs 1.58 Bn. Despite a 2% decline, this profitability was driven through a focus on top-line volumes and gross profit margins, as well as systematic management of cost and capital allocation to financially sound, sustainable renewable projects.

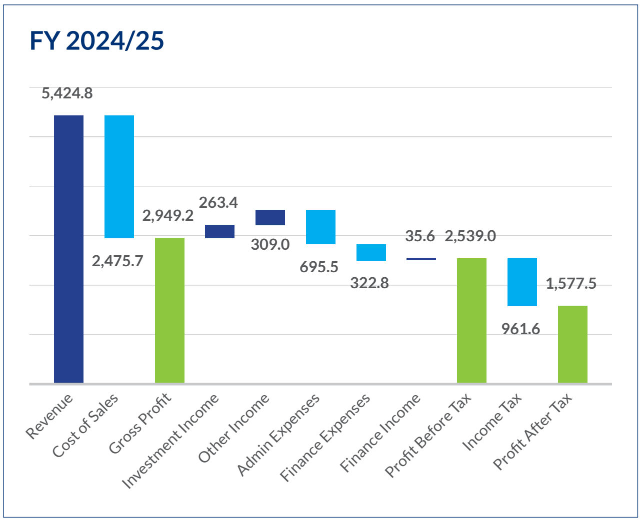
- Overseas hydro operations, anchored by the Muvumbe SHPP (6.5MW) and the Bukinda MHPP (6.5MW), were the Group's strongest performers. Collectively, the segment delivered Rs 1.2 Bn in profit after tax.
- The local hydro plant operations continued to leverage its mature asset base. Key projects, such as the Bambarabatuoya MHPP and the Batathota MHPP, have secured extended 20-year Power Purchase Agreements (PPAs). The local hydro segment posted a profit of Rs 421 Mn. Joint projects, such as the Madugeta MHPP, Ganthuna MHPP, and Ethamala Ella MHPP, also contributed a profit of Rs. 19 Mn in the FY 2025/26.
- The dendro and plantation segment posted a consolidated profit of Rs 111 Mn in the Financial Year under review. This was achieved through effective management of the fuelwood supply chain.
- The solar power generation segment achieved Rs 786 Mn in profit from a Rs.90 Mn during the previous year, underscoring improved investment in the segment, including commissioning of 21MW of new solar capacity via 4 solar power projects.
- The Group did not undertake any new Engineering, Procurement, and Construction (EPC) contracts during the year, despite emerging as the lowest cost bidder for a EPC contract to build a hydro power project in Fiji. The segment's financial outcome, together with the other new ventures reported under the category "Other", was a loss of Rs. 57mn.
- The Engineering, Consultancy, and Project Management segment recorded a further Rs. 72 Mn in profit from Rs. 194 Mn in revenue.

Profit attributable to equity holders was recorded at Rs 1.49 Bn, indicating consistent performance over the period.


Vidullanka PLC
Subsidiaries
Vidul Engineering Ltd - 100%
Vidulsolar (Pvt) Ltd - 100%
Vidul Matara Solar Power (Pvt) Ltd - 100%
Orik Corporation (Pvt) Ltd - 87%
Vidul Plantation (Pvt) Ltd - 100%
Vidul Engineering (U) Ltd - 100%
Muvumbe Hydro (U) Ltd - 95%
Timex Bukinda Hydro (U) Ltd - 95%
Vidul Energia Pte Ltd - 100%
Venergy Lanka (Pvt) Ltd - 100%
Vidul Agri (Pvt) Ltd - 100%
Bhoruka Power Lanka (Pvt) Ltd - 100%
DPV Solar Energy (Pvt) Ltd - 50%
Vidul Renewables (Pvt) Ltd - 100%
Joint Ventures & Associates
Gurugoda Hydro (Pvt) Ltd - 50%
Vidul Madugeta (Pvt) Ltd - 50%
Nilwala Vidulibala Company (Pvt) Ltd - 26.3%
Vidul Biomass (Pvt) Ltd - 51%
Solar Universe (Pvt) Ltd - 50%
Sooriyashakthi (Pvt) Ltd - 100%
SAFE Power International (Pvt) Ltd - 30%
Storex (Pvt) Ltd - 49%
Branches
Vidullanka PLC - Guyana Branch

Comparative Income Statement (Rs. Mn)





COMPREHENSIVE INCOME FOR THE PERIOD

Total comprehensive income for the period under review increased to Rs 1.86 Bn – a 26% surge in comparison to the previous financial period. Moreover, this increase was driven by depreciation of the Sri Lankan rupee against major currencies toward year-end, resulting in a translation gain of Rs 308 Mn, notably due to the group's net positive foreign exchange exposure. This exposure over the period has resulted in a translation reserve of Rs. 1.54 Bn in the Group's consolidated financial statements.

As a result, the comprehensive income attributable to equity holders amounted to Rs 1.79 Bn, up 24%.

EARNINGS PER SHARE (EPS)

Earnings per share for the period ending 31st March 2026 was recorded as Rs 1.45, compared to Rs 1.56 recorded during the last corresponding period. This is a marginal reduction in profit attributable to shareholders, despite improved gross margins and a decline in cost of sales.

DIVIDEND

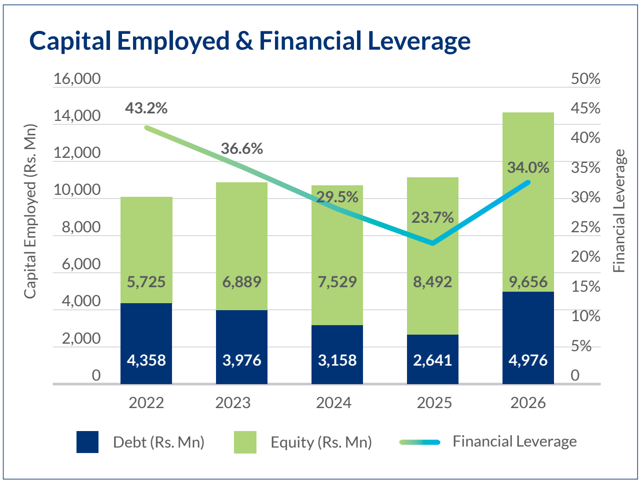
During the Financial Year under review, the Company declared and paid an interim dividend of Rs 0.35 per share in July 2025 and Rs 0.30 per share in December 2025. In total, the company distributed Rs 670 Mn as dividend payments during the Financial Year.

FINANCIAL POSITION AND BALANCE SHEET

The Group's Property, Plant and Equipment portfolio increased considerably, from Rs 7.4 Bn to 10 Bn, marking a 35% increase in the period under review. Major asset deployments represent conversion of cash and debt into operational infrastructure, including newly commissioned solar power plants.

Total group assets expanded to Rs 17 Bn, propelled by increased PPE, improved carrying value of investments in joint ventures and associates, and increased trade and other receivables. Moreover, deferred tax assets have also increased in the period under review.

Total equity and liabilities rose to Rs 17 Bn in FY 2025/26, compared to Rs 13 Bn reported in the previous Financial Year. This includes Rs 5.1 Bn in non-current liabilities and Rs 2.4 Bn in current liabilities, in addition to a total equity of Rs 9.7 Bn; the latter has increased during the year as a result of retained earnings and exchange gains.




Vidullanka Group
Power Generation
Engineering Services
Other
Hydro Local
Hydro Overseas
Dendro & Plantation
Solar
Engineering Services Sri Lanka
VEDRIVE - EMobility Solutions
EPC
BESS
Bambarabatuoya MHPP
Muvumbe SHPP
Dehiattakandiya Dendro PP
TCL Rooftop SPP
Engineering Services East Africa
Vavunathivu BESS
Batathota MHPP
Bukinda SHPP
Medawachchiya Dendro PP
Emerald Rooftop SPP I, II and III
Engineering Services - Singapore
Ampara BESS
Wembiyagoda MHPP
Fuelwood Plantations
VPL Rooftop SPP
Old Anuradhapura BESS
Lower Kotmale Oya MHPP
Monaragala SPP
Beliatta BESS
Rideepana MHPP
Horana SPP
Chunnakam BESS
Udawela MHPP
Horana SPP Phase II
Hambanthota BESS
Gurugoda MHPP
Matara SPP
Killinochchi BESS
Madugeta MHPP
Madampe SPP
Mahiyanganaya BESS
Ganthuna MHPP
Ranna SPP
Maho BESS
Ethamala Ella MHPP
Vavunathivu SPP
Polonnaruwa BESS
Vavunathivu SPP Phase II
Valachchenai BESS
Vavuniya BESS
Panadura BESS
Subsidiaries
Joint Ventures or Associates
Under Construction

OPERATIONAL DEVELOPMENTS AND OUTLOOK

The period under review has clearly demonstrated meaningful progress and transformations for the entire Group. During the year, we traversed regulatory and industry shifts to bolster our resilience against external headwinds. Through strategic moves, strengthened partnerships, and the immense dedication of our team, we have delivered strong financial and operational results that support long-term growth.

The Operating Context and Challenges

During the period under review, the Company withstood macroeconomic pressures arising from events and developments in the local and international contexts. Key concerns included unrest in the Middle East, which raised concerns about uninterrupted access to fuel supplies. Geopolitical disputes, wars and trade policy uncertainties also affected the energy sector and the Company, influencing our focus on global diversification and local operations.

The devastation caused by climate change and related conditions was severe during the period under review, as Ditwah affected four of our power plants. Amidst these setbacks, the Company demonstrated outstanding resilience in restoring affected plants and reconnecting them to the national grid in record time. This exemplified our team's ability to respond effectively to crises.

Furthermore, the depreciation of the Sri Lankan Rupee (LKR) against major currencies caused import costs to rise sharply, resulting in considerable increases in project-related costs. This stressed the need for renewable power solutions to protect the country's energy security as it tackles strain on the fuel supply chain due to geopolitical and war-related tensions and higher import costs.

Regulatory Environment - Constraints and Opportunities

The Company continued to navigate a fast-changing energy sector shaped by new and amended national policies and industry dynamics. Our strategic insights and a passion for powering clean energy solutions have enabled us to capture emerging opportunities and pragmatically manage sector-specific challenges.

Moreover, Sri Lanka's vision of expanding its green energy supplies and the favourable global move towards sustainable energy development have boded well in capturing industry opportunities.

During the year under review, we navigated the following opportunities and constraints.

Opportunities

- The Sri Lankan government's policy target of 70% renewable energy by 2030 provides industry stakeholders the right foundation for advancing local initiatives.
- The unbundling of the CEB is expected to improve its efficiencies and the self-reliance of the industry.
- CEB decision to procure grid-scale Battery Energy Storage System via competitive tenders.
- Global policy developments have increasingly favoured renewable energy and energy efficiency, which aligns with our international strategies.

Constraints

- Certain policy decisions by the energy off-taker, such as curtailment of generated power and reductions in solar PV tariffs, have negatively impacted operational performance and hindered project development.
- The transition to the National System Operator (NSO) as the new off-taker has introduced procedural and operational concerns during the changeover period.

Strategic Expansions and Milestones

As a Group, we achieved several successes and strategic developments in the period under consideration. We marked a Financial Year of robust expansions and diversifications, which strengthened our position in the renewable energy market. Our portfolio and presence in hydro, solar, and dendro power were further consolidated, apart from diversifications into wind power and Battery Energy Storage Systems (BESS).

Expansion in Solar Power

A total capacity of 21 MW was added to our portfolio through four new solar projects in Sri Lanka. This marked a 40% growth in total installed capacity and the largest capacity expansion in the Company's history.

Overall, 43.8 GWh of clean energy was transmitted to the national grid from the Solar segment in the period under review.

Hydro Power Expansion

The acquisition of the 4.5MW Gurugoda Mini Hydro Power Plant was successfully completed in April 2026, broadening our hydro-based power generation capacity.

Strategic Entry into Wind Power

During the year under review, we acquired a 30% stake in SAFE Power International (Pvt) Ltd and established our presence in the wind energy sector. We also secured the development rights of 50MW Mullikulam Wind Tender – Lot 2 in partnership with the David Peiris Group, thereby entering the large-scale wind development sector in Sri Lanka.

Growth in Dendro Power

We commenced construction of the Medawachchiya Dendro Power Plant, which is the Group's second dendro facility. The project reaffirms our commitment to biomass-based clean energy generation, a direct result of the know-how the Company has developed in building and operating the commercially successful Dehiattakandiya Dendro Power Plant.

Battery Energy Storage Systems (BESS) Collaboration

During the period, we partnered with WindForce PLC and secured the development rights for a 10MW BESS facility under the existing joint venture, Solar Universe (Pvt) Ltd. This collaboration subsequently led to joining forces in the development of an additional twelve 10MW BESS facilities under Storex (Pvt) Ltd.

International Expansion

The group continued its Operations and Management services for Lethem Power Company in operating the Moco Moco power plant and Kumu power plant in Guyana. The company emerged as the lowest-cost bidder for an Engineering, Procurement and Construction (EPC) contract in Fiji. Further, a consortium where Vidullanka holds the role of technical partner has secured development rights in Bangladesh for a 10MW solar power project.

Sri Lanka's First-Ever Listed Sukuk

The Group marked a decisive moment by becoming the first company in the country to issue a listed Sukuk. This historic move aimed to raise Rs 500 Mn while securing an A+ rating from Fitch Ratings. The Sukuk was oversubscribed on its initial day, further validating the market's trust in our financial soundness, performance, governance and strategic vision.

Plant Performance Highlights

Among our plants, the Bukinda SHPP in Uganda became the best-performing plant in the year under review. The plant achieved the highest plant load factor during the period.

Domestically, our hydro portfolio showed commendable results through disciplined operational management. The year's success was underscored by several industry recognitions. These include several awards at the JASTECA 5S Awards and multiple awards at the Presidential Environmental Awards in Sri Lanka.

Strategic Partnerships

In the period under review, we took several key steps to consolidate our position in the sector through mutually beneficial partnerships.

WindForce Collaboration

We successfully completed and commissioned a further 10MW solar power plant through Solar Universe (Pvt) Ltd, our collaborative venture with WindForce PLC. This led us to secure development rights for a 10MW/40 MWh BESS facility at the same site.

This has enabled us to expand into an additional 12 BESS projects under Storex (Pvt) Ltd, where a further 120MW/480MWh capacity is presently under construction. Vidullanka PLC holds a 49% stake in the project company, Storex (Pvt) Ltd.

SAFE Power International (Pvt) Ltd.

During the period, we acquired a 30% shareholding in SAFE Power International (WindForce PLC holds a 51% shareholding). The acquisition has enabled Vidullanka to develop a 10MW wind power plant in Alankuda, Puttalam.

DPMC Group Partnership

We broadened our local partner base by partnering with the David Peiris Group. This strategic venture will pave the way for the development of a 10MW solar power plant in Ranna, Hambantota, with grid connectivity expected by September 2026.

The partnership has also created avenues to diversify our wind portfolio by forming a consortium that secured rights to develop a 50MW wind power plant in Mullikulam, Mannar.

Relations with the Off-takers

Our relationship with the Ceylon Electricity Board (CEB) has remained rewarding and mutually beneficial for many years despite certain challenges. The sector is adapting to CEB's recent restructuring and unbundling, with National System Operator (Pvt) Ltd (NSO) becoming the off-taker for the renewable energy sector. As with any major structural change, this period of transition has created several challenges, including delays in payment cycles. However, we are optimistic that these concerns will be resolved as the new entities streamline their processes.

Furthermore, our relationship with Uganda Electricity Transmission Company Limited (UETCL), (the off-taker for the Muvumbe and Bukinda hydropower plants), remained a win-win partnership following the commissioning of new grid infrastructure, which improved power evacuation capacity and enabled us to maximise electricity exports to the national grid while minimising deemed energy claims.

Recognitions and Awards

The following awards and recognitions have enabled us to set a new benchmark for financial soundness and impactful energy management in Sri Lanka's renewable energy sector.

Gold Award for the Sukuk Issue

The Sukuk issue received the Gold Award for Islamic Product of the Year and the Silver Awards, for Islamic Finance Deal of the Year at the 10th IFFSA Awards jointly received by Vidullanka PLC and NDB Investment Bank, the managers to the issue.

Awards at JASTECA

Demonstrating our highest dedication to productivity, we secured several wins at the JASTECA Taiki Akimoto 5S Awards. These awards exemplify our excellence in implementing the 5S philosophy throughout our operations.

- Kotmale MHPP secured the prestigious Gold Award
- Batathota, Wembiyagoda and Madugeta MHPPs earned Silver, Bronze and Merit Awards, respectively.
- Rideepana MHPP received a Merit Award for CSR and Sustainability, recognising the long-running 'WeManage' rivercleaning initiative.

STRATEGIC GROWTH AND FUTURE PROSPECTS

Vidulanka PLC is assured of its assets and infrastructure, as well as its intellectual and technical capabilities, to capitalise on changes in the local and global energy sector. The Group is well placed, through the experiences and achievements of its local and overseas operations, to deliver greater fiscal growth for its shareholders. VLL is expanding beyond its traditional power generation into downstream energy infrastructure through its e-mobility arm – VEDRIVE. The Group now operates EV charging stations at premium locations to secure a strong position in the growing urban electric-vehicle market. The Group will continue to focus on rewarding capital providers through dividends and reinvestments. By sustaining a disciplined approach to expenditure management, new investments, and revenue diversification, the Group is well placed to sustain a healthy balance between rewarding investors and adequately capitalising its pipeline.

Vidullanka PLC remains confident and ready to leverage existing and emerging industry opportunities and to acclimatise to regulatory changes. We are in a strong position to advance our market position in renewable energy by expanding our portfolio in hydro, solar, and biomass with a strong potential to diversify into wind and Battery Energy Storage System (BESS) solutions.

BESS will be a core strategic focus, providing greater capacity to strengthen our presence in the local and overseas renewable energy markets. Furthermore, we plan to expand our cross-border operations in Africa to capitalise on our existing footprint in Uganda. This seems promising, as we have identified and secured several projects in their pre-development phases.

The dendro operations carry prospects due to their moderate competitive environment and favourable returns. This has encouraged us to pursue new prospects within the segment, in Sri Lanka and across borders following the completion of the Medawachchiya Dendro Power Plant.

Capitalising on regional growth, the Group's healthy financial position, and prudent investments, we anticipate our project portfolio to grow in the coming year. The company's increasingly diversified portfolio of hydro, solar, dendro, wind and BESS, supported by EPC and engineering capabilities, positions the Group to face the future with greater strength and resilience.

Supported by these prospects and strategies, Vidullanka PLC is well-prepared to carve an even larger position in the renewable energy sector. We are backed by the necessary human resources and partnerships to accelerate domestic and regional expansion while serving as a key national stakeholder in the nation's sustainable energy footprint.

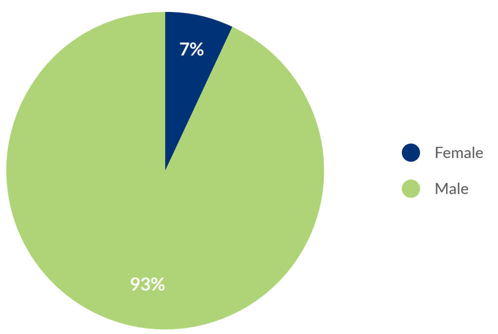
AN INCLUSIVE AND SUPPORTIVE WORKPLACE

Our team at Vidullanka PLC share an unbeatable dedication to our vision. Recognising and rewarding their commitments to the Group remains our top priority. Each year, the Company ensures that each individual receives fair and proper remuneration, financial benefits, room for professional growth, and support for personal well-being.

TEAM DEMOGRAPHICS

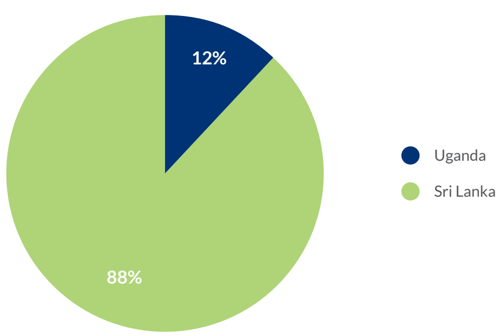
Our workforce has grown during the year under review, from 283 to 305 employees. The team is composed primarily of male employees, while female staff members account for a small percentage; nevertheless, this disparity is most evident among the operational teams of power plants, whereas female participation remains at a satisfactory level in the executive grades.

Employee Composition by Gender



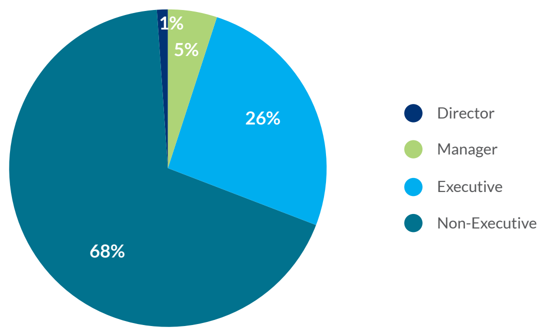
88% of our employees are based here in Sri Lanka, while 12% are employed in our Ugandan operations.

Employee Composition by Country



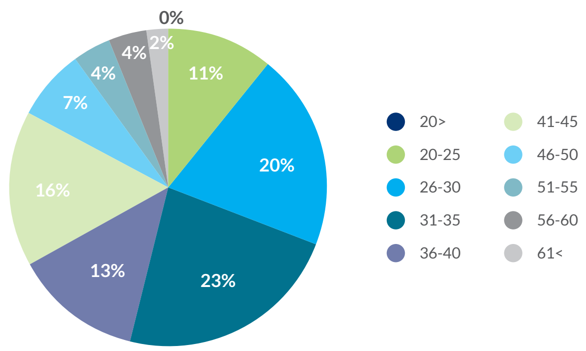
Non-executives are the largest employee category at 68%, followed by executives at 26%. Managerial-level employees and Directorships account for 6% of the workforce.

Employee Composition by Category



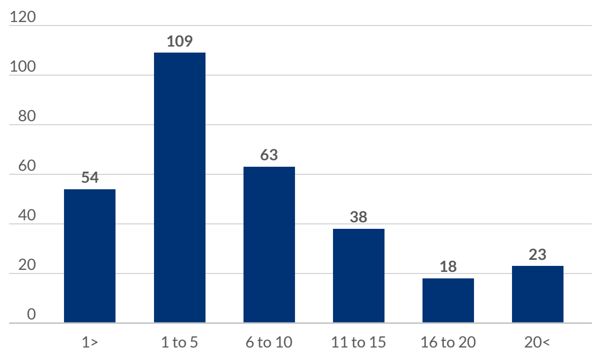
According to the age distribution, our workforce is predominantly formed by young professionals, with a large share between the ages of 31-35. This is followed by peers aged 26 to 30. According to the chart below, the team is in its mid-career stages, with fewer employees in the senior age range.

Employee Composition by Age Group

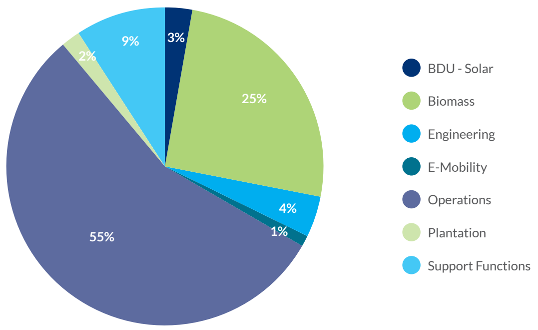


Our workforce is largely composed of newer staff. The largest segment comprises employees with 1 to 5 years of service, followed by those with 6 to 10 years of service.

Employee Composition by Service Years



Employee Composition by Functional Division



Our workforce is concentrated mainly in the Operations division, followed by the Biomass division. Together, they account for the majority of our staff members.

EMPLOYEE WELL-BEING

The well-being of our employees has a direct impact on their performance and workplace satisfaction, and is a central focus within the Vidullanka corporate culture. As a result, we have consistently upheld our commitment to staff physical health over the years by organising preventive medical camps. Similarly, staff physical well-being was prioritised during the year under review, ensuring timely preventive interventions to create awareness and medical support to control non-communicable diseases. this includes a medical camp that was held in collaboration with HNB General Insurance, during which key medical tests and physical examinations were conducted.

WORK-LIFE BALANCE AND EMPLOYEE ENGAGEMENT

Each year we treat our employees and their families to an excursion and a weekend getaway that offer a unique and rewarding experience for all participants.

The 'Fun Friday' series has become a regular event that provides the right backdrop for our employees to engage in interactive, fun and competitive activities. In the peiod under review, we organised a bowling night titled Battle of the Lanes, at Playdium, One Galle Face. The series takes place every 2-3 months to encourage staff to relax and engage with peers outside of work hours.

TALENT DEVELOPMENT AND PERFORMANCE

During the year, we placed a significant focus on continuous learning and capability development of our staff, as a driver of organisational performance and individual growth.

The Company approached employee development through goal-setting exercises and structured leadership development programs to support professional growth. We conducted internal and external sessions throughout the year on a wide range of technical topics and soft-skill areas. A culture of knowledge sharing was consistently promoted through expert sessions on topics such as AI, engineering, wellness, and 5S. During these programs, staff members were encouraged to share personal knowledge and experiences with colleagues to create an immersive learning environment.

Collectively, we invested a substantial amount of time in developing both technical and soft skills through 3,211 man-hours and 3,459 man-hours, respectively.

Technical skills – 3,211 hours

Soft skills – 3,459 hours

By allocating adequate time to develop technical and soft skills, we invested in essential knowledge and behavioural skills required for long-term growth.

EMPLOYEE RECOGNITION

We ensure that our employees receive due recognition for their dedication, professionalism and performance. This is achieved through two organisation-wide recognition programs, which have enabled the Company to reinforce a committed and productive work ethic among our staff members.

- Executive awards ceremony

The ceremony honoured outstanding staff members for their contribution in the company achieving its strategic goals for the previous Financial Year. Awardees were honoured with certificates, trophies and special prizes for their commitment and contributions. The event was organised at Park Street Mews.

- Operational Excellence awards

The event honoured our operational staff members in the hydro, solar, biomass and plantations segments. The ceremony celebrated outstanding employee performance in areas such as productivity, safety, innovation, and talent development. The awards program served as an occasion to recognise and award the dedication and competencies of our employees, whose contributions are invaluable to the Group's success.

Our commitment to sustainable development and environmental sustainability is deeply entrenched in the DNA of Vidullanka PLC. Our vision underpins our commitment to sustainability by stating that we operate to energise the planet through sustainable practices; this ethos continues to guide our mission at Vidullanka PLC to deliver broader, high-impact results through our decisions and actions.

POLICY ACTION

Policies govern our approaches and high standards in environmental and social responsibility. Over the years, we have continued to improve our policies and practices built on four pillars that have been the foundation of our Sustainability Agenda.

From a global perspective, these four interconnected pillars support the United Nations' Sustainable Development Goals and have guided our mission to create a better environment and support vulnerable communities.

Sustainability Framework

Pillar 1
Digitised Operations for Efficiency, Innovation and Optimum Resource Utilisation for Renewable Energy Solutions

Digital technologies remove barriers to enhancing operational efficiency, support predictive maintenance and optimal resource utilisation, foster innovation, and enable strategic planning and environmental assessment. Furthermore, this approach improves energy efficiency and enhances security across cyber activities and network infrastructure, ensuring the reliability of renewable energy solutions.

SDG Alignment

09 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Industry, Innovation and Infrastructure

Pillar 2
Sustainable Practices for Greener Energy and Environmental Stewardship

Our work promotes the broader, national and regional adoption of renewable energy sources. We do this by implementing energy-efficient technologies, carbon offset projects, waste reduction, and public transportation awareness as a way to lower GHG emissions.

Our carbon-offset approaches include reforestation, afforestation, and renewable energy initiatives that compensate for unavoidable emissions while championing carbon neutrality.

SDG Alignment

06 CLEAN WATER AND SANITATION	07 AFFORDABLE AND CLEAN ENERGY	13 CLIMATE ACTION	15 LIFE ON LAND
Clean Water and Sanitation	Affordable and Clean Energy	Climate Action	Life on Land

Pillar 3
Fostering an Empowered and Sustainable Workplace Culture and Society

Our work environment has been strengthened through several sustainable practices to foster a workplace with reduced negative impacts. Our approaches also support environmental awareness and overall staff well-being.

SDG Alignment

- No Poverty
- Zero Hunger
- Good Health and Well-Being
- Quality Education
- Responsible Consumption and Production

Pillar 4
Transparency, Good Governance, and Partnership for Accountability

We are cognisant of the need for transparency, accountability and good governance in achieving sustainability goals. To this end, we approach partnerships strategically and adhere to the highest standards of ethics.

SDG Alignment

- Partnerships for the Goals

FOCUS ON SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Our actions and initiatives have supported the following Sustainable Development Goals. Their impacts have stretched across the island and created ripples, affecting many of our stakeholders across the territories we serve.

SDG	Our Contributions	Sustainability Framework Pillar
SDG 1	✦ Eradicating or reducing levels of poverty through stable job creation	Fostering an Empowered and Sustainable Workplace Culture and Society
SDG 2	✦ Facilitated Robinhood Army Sri Lanka to distribute over 37,016 meals to the needy	Fostering an Empowered and Sustainable Workplace Culture and Society

SDG	Our Contributions	Sustainability Framework Pillar
SDG 3	✦ Medical camps for staff members ✦ Corporate Gym memberships ✦ Weekly indoor cricket and badminton sessions for executive staff	Fostering an Empowered and Sustainable Workplace Culture and Society
SDG 4	✦ ViduSaviya initiative to support the underprivileged students with financial and non financial assistances ✦ Priority for local schools in infrastructure development by the group.	Fostering an Empowered and Sustainable Workplace Culture and Society
SDG 6	✦ Award winning "WeManage" initiative removes and recycles waste from rivers near project sites, with plans for expansions.	Sustainable Practices for Greener Energy and Environmental Stewardship
SDG 7	✦ Clean energy generated: 229.4 GWh ✦ Carbon neutrality achieved across operational portfolio ✦ ISO 14064-1:2018 GHG verification received	Sustainable Practices for Greener Energy and Environmental Stewardship
SDG 9	✦ Adoption of technologies for operational efficiencies, strong infrastructure and data-based decision-making.	Digitised Operations for Efficiency, Innovation and Optimum Resource Utilisation for Renewable Energy Solutions
SDG 12	✦ WeManage initiative spearheading the waste removal and recycling ✦ Sustainable plantations & established out-grower schemes supporting dendro power generation	Sustainable Practices for Greener Energy and Environmental Stewardship
SDG 13	✦ Tonnes of emissions prevented: 116,047 tCO_2e ✦ Tree planting under Vidu Saviya Ratata Sevanak: 104,772 trees ✦ Special tree planting initiatives on World Environment Day	Sustainable Practices for Greener Energy and Environmental Stewardship
SDG 15	✦ Tree planting programs protecting biodiversity and ecological habitats ✦ Habitat restoration through continuous afforestation efforts	Sustainable Practices for Greener Energy and Environmental Stewardship
SDG 17	Collaborative work with governmental bodies and NGOs such as ✦ Central Environmental Authority ✦ Forest Department Sri Lanka ✦ International Union for Conservation of Nature Sri Lanka	Transparency, Good Governance, and Partnership for Accountability

CORPORATE SOCIAL RESPONSIBILITY

At Vidullanka, we have a strong shared commitment to corporate stewardship and social responsibility. Uplifting the impoverished and the vulnerable has not only been a passionate pursuit for us, but a continued reminder that true sustainable development can be achieved by sharing the rewards of our success with the larger society.

In this regard, 'ViduSaviya' has been a beacon in reaching society's less fortunate. The program is our flagship CSR initiative, with a purpose to address critical social and environmental issues through interconnected projects.

Through 'ViduSaviya', we have established several project categories, each serving a unique purpose. These include:

ViduSaviya **Daruwanta Diriyak**

ViduSaviya **Ratata Sevanak**

ViduSaviya **Gamata Eliyak**

ViduSaviya **Lowata Aruthak**

ViduSaviya - Daruwanta Diriyak

Daruwanta Diriyak supports education and strives to create a sustainable future for our nation's children. These school-centric community programs help numerous students minimise hardship and support their education. We actively support schools established in the localities of our power plants, extending the benefits of our economic growth.

The Group continued to support students excelling in academics and athletics through scholarships, including children of our staff members and students from nearby communities. Our contributions included donations to help students attend school with the resources they need, including several contributions made in the year under review.

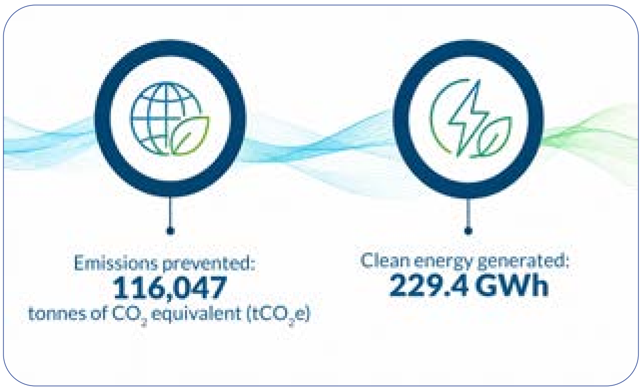
- School shoes for Nursery students of Minimuthu Pre-School, Kempanawaththa, Rathnapura.
- School items to Rainbow Preschool, Sammasthi Perapasala, Gathara Kanishta Vidyalaya at the Matara Solar Plant Opening Ceremony.
- A gift to nursery students of Malithi Preschool,, Maldeniya
- Paint items to Sri Rathanapala Vidyalaya, Badulla.
- Infrastructure development of the Kosnilgoda Primary School, Morawaka

Furthermore, 'Vidul Sithuwam Dekma' is an annual art competition based on the theme of sustainability to raise awareness and mould environmentally responsible children for the future. The competition is organised for the children of our staff members, who receive stationery packs sufficient for a full schooling year. This work also aims to shape the next generation of youth to be caring for the environment.

Environmental Sustainability

Our team continued to uphold environmental stewardship through a strong commitment to renewable energy generation, emissions reduction, sustainable waste management, and enhanced ecological diversity.

Clean Energy



Creating a positive impact on the climate, we generated a total of 229.4 GWh of clean energy and prevented over 116,047 tonnes of CO_2 emission in 2025/26.

This was achieved through consistent renewable energy production. The Company reduced its greenhouse gas emissions, which complements Sri Lanka's decarbonisation efforts and climate action targets.

ViduSaviya Ratata Sevanak

The Company's dedicated project to restore ecosystems, ViduSaviya Ratata Sevanak, has so far served several objectives in protecting and improving natural habitats. Over the years, we have contributed towards a rich diversity of ecologically significant species such as Kumbuk, Mahogany, Mee, Naa, medicinal plants, fruit bearing varieties, and other indigenous flora.

As part of the Vidu Saviya Ratata Sevanak, we have helped preserve Mother Nature by planting 108,012 trees so far, of which 104,772 trees have been sustained to date, including those planted during World Environment Day campaigns. In the year under review, we planted 7,507 saplings, amplifying the value of our efforts and creating a lasting impact.

Our teams select tree species based on their ability to improve soil health, enhance carbon sequestration, and preserve long-term ecological resilience. Our domestic power plants carry a combined annual capacity of 5,000 plants. Our power plants have maintained a strong commitment to this objective, as shown by the Madugeta MHPP plant, which has nurtured 16,436 plants, and the Wembiyagoda MHPP plant, which has created 15,649 plants to date.

ViduSaviya - Lowata Aruthak

The vision behind Lowata Aruthak was to drive innovation that supports community needs. Employees drive the project with the ambition to lead social projects and collaborations focused on social well-being and environmental protection. Our goal is to launch programs that meet the educational and social needs of stakeholders in the external communities while supporting efforts to protect the environment.

ViduSaviya – Gamata Eliyak

The Gamata Eliyak initiative focuses on uplifting the communities surrounding our power plants. The project supports local institutions and individuals with particular needs through community programs. The underlying purpose is to support and raise living standards within the community.

Vidullanka moved ahead following the call to action in response to the urgent need to assist and uplift Ditwah-affected local communities and support government efforts to provide relief.

- Contributed dry rations to communities affected by Cyclone Ditwah across the country. Dry rations were provided to 145 families in several areas strongly impacted by cyclonic impacts.
- Donated Rs 2.5 Mn to the Rebuild Sri Lanka Fund following Cyclone Ditwah, extending our support nationally.

Waste Management

As part of the 'WeManage' initiative, our waste management practices have delivered clear, measurable impacts. Best practices include systematic waste collection and proper segregation.

Waste Type	Quantity Cleaned
Trash Volume	**97 m^3**
Plastic	769 kg
PET Bottles	249 kg
Rubber	179 kg
Glass	211 kg
Aluminium	17 kg
Polyethylene	2,023 kg
Composted	16,080 kg

SUSTAINABILITY HONOURS

In the period under review, we achieved several milestones in our journey toward advanced commitments in environmental sustainability and responsible actions to preserve resources for future generations.

- The Company secured Carbon Neutrality across our operational portfolios.

- Received the Greenhouse Gas Verification under ISO 14064 1:2018, verified by the Control Union Sri Lanka.
- We were honoured with the bronze and merit awards at the Presidential Environment Awards 2025, for our Madugeta MHPP and Rideepana plants, respectively. This underscored the Company's excellent contribution towards environmental conservation in the renewable energy sector.
- Rideepana MHPP was awarded Merit for CSR and Sustainability for our long-running WeManage river cleaning project at the Taiki Akimoto 5S Awards.

Corporate Governance refers to the methodological framework of rules, policies, procedures, practices, and systems established to ensure effective governance and control within an organisation. It considers the interests of a wide range of stakeholders, including shareholders, employees, management, customers, suppliers, financiers, regulatory authorities, government institutions, local communities, and the general public.

Corporate Governance covers all areas of an organisation's management, including strategic planning, internal controls, performance monitoring, and corporate reporting. At Vidullanka PLC, the Board of Directors plays a key role in guiding and overseeing the Group's Corporate Governance framework.

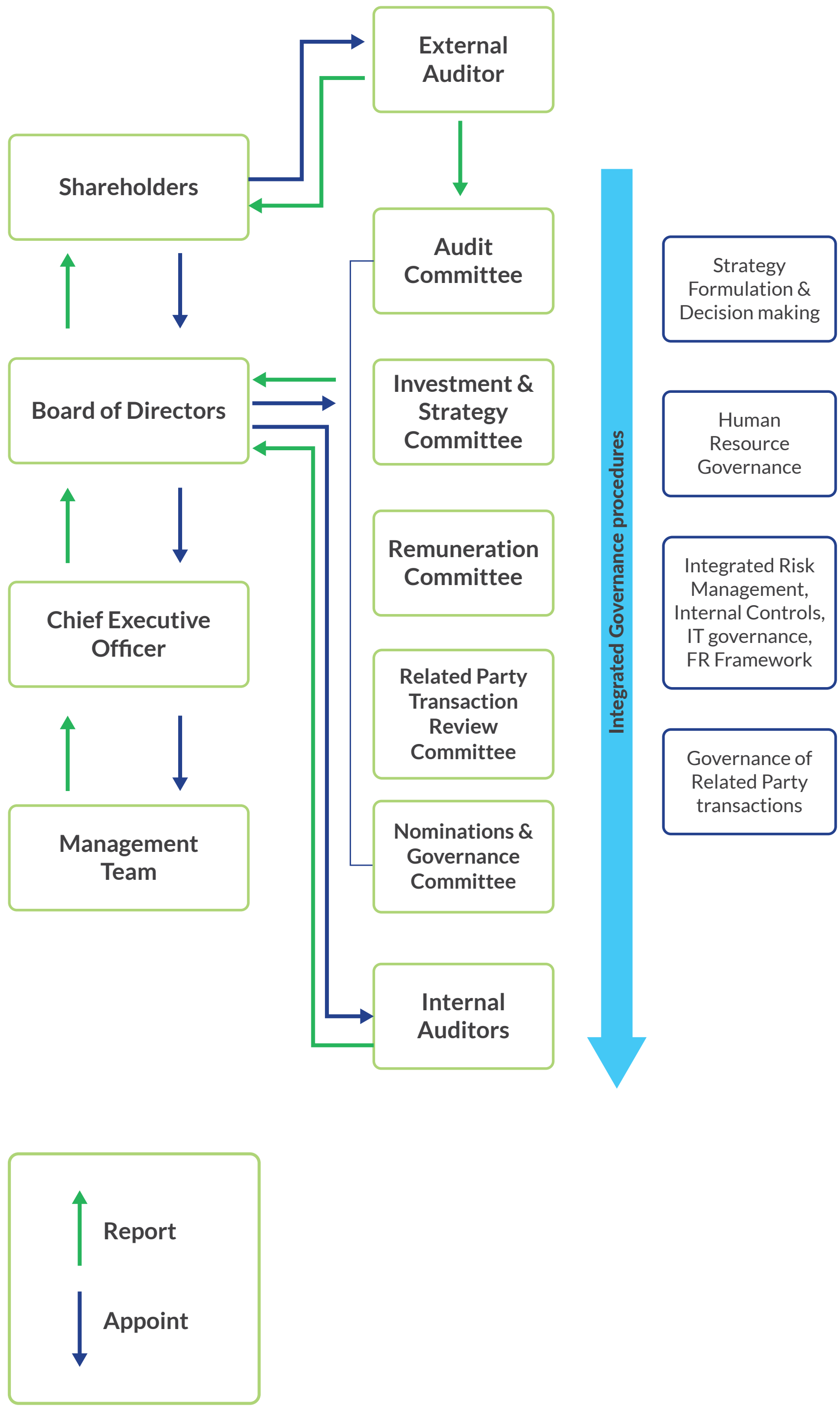
COMPLIANCE SUMMARY

Principle/Codes	Observance
The Companies Act No. 07 of 2007 and regulations	Mandatory provisions
Listing Rules of the Colombo Stock Exchange (CSE)	Mandatory provisions
Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021, including directives and circulars	Mandatory provisions
Sri Lanka Financial Reporting Standards – S1 and S2 Sustainability and Climate-related disclosures	Mandatory provision
Code of Best Practice on Corporate Governance issued by CA Sri Lanka	Voluntary provisions

Key Internal Controls and Procedures

1. Articles of Association
2. Board Policies and Procedures
3. Standard Operating Procedures
4. HR Policies and Procedures
5. Recruitment and Selection Policies
6. IT framework, Policies, and Procedures

The diagram below explains the governance structure of Vidullanka PLC.



The Board

The Board of the Company is responsible for developing, establishing, and driving the Company's strategic direction while protecting the interests of its shareholders. Accordingly, the Board focuses on implementing the strategic direction while ensuring compliance with all applicable rules, regulations, ethical standards, internal controls, and laws.

The Board Composition

The Board of Directors of Vidullanka PLC consists of one Executive Director and nine Non-Executive Directors. This composition complies with Rule 9.8.1 of Section 9 of the Colombo Stock Exchange Listing Rules, which requires a minimum of five Directors on the Board. It also meets the requirements of Rule 9.8.2, which stipulates that at least two Directors or one-third of the Board, whichever is higher, must be independent. Furthermore, the Company complies with Rule 9.6.1, as the Chairperson is a Non-Executive Director, while the Chief Executive Officer serves as an Executive Director.

All three Independent Non-Executive Directors of the Board have duly submitted their annual declarations of independence, thereby ensuring compliance with Listing Rule 9.8.5(a). Accordingly, the Board complies with Listing Rule 9.8.2, which requires the higher of two Directors or one-third of the Board to be independent. Furthermore, all Board members, including the CEO and Chairperson, have submitted declarations confirming their continued compliance with the Fit and Proper Assessment Criteria throughout the relevant Financial Year, in accordance with Listing Rule 9.7.4. Accordingly, it is confirmed that the Directors, CEO, and Chairperson of the Company meet the required standards under the Colombo Stock Exchange Listing Rules.

The Company firmly that all Directors, both individually and collectively, possess the necessary experience, leadership, knowledge, exposure, skills, and business acumen to effectively oversee the Group's operations and drive its growth strategies. The profiles of each Director are set out on Pages 22 in compliance with Rule 9.10.4 of the Listing Rules of the Colombo Stock Exchange.

During the Financial Year ended 31 March 2026, the Board held four meetings at the Company's premises to review the Company's performance and strategic direction. In addition, the Directors participated in 18 subcommittee meetings during the year, as detailed below.

Name	Directorship Status	Board Meetings	Audit Committee Meetings	Investment & Strategy Committee Meetings	Related Party Transactions Review Committee Meetings	Remuneration Committee Meetings	Nominations and Governance Committee Meetings
Mr. Osman Kassim	Board Chairman	3/4		4/5			
Mr. Riyaz M. Sangani	Chief Executive Officer	4/4	4/4	5/5	5/5	1/1	
Mr. Ranjan Mather	Non-Executive Director	4/4		5/5		1/1	
Mr. Sujendra Mather	Non-Executive Director	4/4					
Mr. Shahid M. Sangani	Non-Executive Director	4/4	3/4				3/3
Mr. Sattar Kassim	Non-Executive Director	3/4					
Mr. Sidath Fernando	Non-Executive Director	4/4			5/5		
Mr. Rizvi Zaheed	Independent Non-Executive Director	4/4		5/5	4/5	1/1	3/3
Ms. Deepthie Wickramasuriya	Independent Non-Executive Director	4/4	4/4		5/5		3/3
Prof. Anura Wijayapala	Independent Non-Executive Director	4/4	4/4			1/1	

The Board carefully considers the potential impact of its corporate decisions on stakeholders when planning and making decisions. It ensures that adequate time, knowledge, effort, and resources are devoted to strategic matters, supported by the expertise and insights of the respective subcommittees. The key functions and responsibilities carried out by the Board during the Financial Year are set out below, with a focus on maintaining and promoting sound corporate governance.

1. Developing and refining the business strategy through collaborative discussions, brainstorming sessions, and informed decision-making.
2. Establishing and overseeing a structured monitoring and evaluation framework to track the implementation of strategies, budgets, plans, and forecasts while effectively managing related risks.
3. Ensuring that robust internal control systems are maintained to safeguard the integrity of information and strengthen internal processes.
4. Promoting long-term sustainable value creation for stakeholders through effective oversight of the overall business operations.
5. Delegating decision-making authority to subcommittees and senior management while maintaining appropriate oversight of the process.
6. Reviewing and approving the annual business plan to ensure the appropriate allocation of resources and sufficient time for its implementation.

Furthermore, under the oversight of the Nomination and Governance Committee, Vidullanka PLC ensures that newly appointed Directors receive appropriate induction training, while all Directors are provided with regular training opportunities to support the effective discharge of their duties.

Board Committees

Vidullanka PLC has established five Board subcommittees: the Audit Committee, Remuneration Committee, Related Party Transaction Review Committee, Investment and Strategy Committee, and Nominations and Governance Committee, thereby complying with Listing Rule 9.3.1. The subcommittees met regularly throughout the Financial Year to discharge their responsibilities relating to financial reporting, risk identification and management, corporate governance, internal controls, remuneration and personnel policies, related party transactions, and strategic direction. The Directors attendance to the subcommittee meetings is provided on Page 48.

Audit Committee

The Audit Committee of Vidullanka PLC is chaired by Independent Non-Executive Director Ms. Deepthie Wickramasuriya. The rest of the members the Committee are Independent Non-Executive Director Prof. Anura Wijayapala and Non-Executive Director Mr. Shahid M. Sangani. Accordingly, the Committee meets the requirement that the majority of its members comprise Independent Non-Executive Directors. The Chief Executive Officer and Chief Financial Officer also attended all Committee meetings during the Financial Year by invitation. Based on the above, the Audit Committee complies with Listing Rule 9.13.3 of the Colombo Stock Exchange.

During the Financial Year under review, the Audit Committee held four meetings. Its primary responsibility was to assist and advise the Board on matters relating to financial reporting, internal controls, risk management, and the audit functions of Vidullanka PLC.

Investment and Strategy Committee

The Investment and Strategy Committee is a voluntary committee established by the Board to evaluate prospective business and investment opportunities presented by management and assess their alignment with the Company's strategic direction and objectives. The Committee is also responsible for monitoring the performance and returns of the Group's investments in operational and development-stage projects. Based on its evaluations, the Committee provides recommendations to the Board to support informed strategic decision-making. In addition, the Committee advises the Board on matters relating to strategy formulation, growth, diversification, and asset allocation, while ensuring that shareholder interests are protected.

The Committee comprises four Directors: Mr. Riyaz M. Sangani, Mr. Rizvi Zaheed, Mr. Ranjan Mather, and the Chair of the Committee, Mr. Osman Kassim. The Investment and Strategy Committee held five meetings during the reporting period.

Remuneration Committee

Vidullanka PLC's Remuneration Committee comprises three members: the Committee Chairperson and Independent Non-Executive Director Mr. Rizvi Zaheed, Independent Non-Executive Director Prof. Anura Wijayapala and Non-Executive Director Mr. Ranjan Mather. Accordingly, the composition of the Committee complies with Listing Rule 9.12.6 of the Colombo Stock Exchange. The Remuneration Committee held one meeting during the Financial Year, with the Chief Executive Officer attending the meeting by invitation.

The Remuneration Committee is responsible for formulating policies relating to the remuneration of Executive Directors, including the Chief Executive Officer. It determines fair, competitive, and performance-based remuneration, including share schemes and overall compensation packages comprising salaries, bonuses, incentives, and equity-based rewards for Executive Directors and senior management. These decisions are based on the Company's operational performance, individual performance assessments, and prevailing market practices.

Related Party Transaction Review Committee

Independent Non-Executive Director Mr. Rizvi Zaheed serves as the Chairperson of the Committee, while the remaining members are Non-Executive Director Mr. Sidath Fernando, and Independent Non-Executive Director Ms. Deepthie Wickramasuriya. Accordingly, the Committee complies with Listing Rule 9.14.2 of the Colombo Stock Exchange.

The Committee is responsible for overseeing and monitoring transactions, dealings, transfers and engagements the group undertakes with its related parties. The committee reviews the interests of related parties, changes in status of related parties and transactions between Vidullanka PLC, companies under the group and its related parties. During the period under review, the committee held five meetings the Chief Executive Officer and Chief Financial Officer attending all meetings by invitation.

Detailed reports of the above subcommittees are given in the Board committee section of the annual report.

Nominations and Governance Committee

The Nominations and Governance Committee of the Company comprises Independent Non-Executive Director Ms. Deepthie Wickramasuriya, as the Chairperson, with Independent Non-Executive Director Mr. Rizvi Zaheed and Non-Executive Director Mr. Shahid M. Sangani, serving as members of the Committee.

The Committee is responsible for assessing the skills and competencies required on the Board to support the strategic and operational needs of the business. It periodically reviews the representation of these skills on the Board and ensures a structured and transparent process for the appointment, reappointment, and induction of Directors, supported by clearly defined selection criteria. The Committee also evaluates the performance, suitability, and fit and properness of existing Directors who are considered for re-election, while ensuring that newly appointed Directors receive a comprehensive induction to understand their roles and responsibilities. The Company obtains annual declarations from its Directors confirming their continued compliance with the Fit and Proper Assessment Criteria throughout the Financial Year.

In addition, the Committee oversees the structure, composition, and succession planning of the Board, including identifying and recommending suitable candidates for appointment as Non-Executive Directors and representatives of joint ventures and subsidiaries. It reviews the Company's compliance with its corporate governance framework and ensures alignment with applicable listing requirements and regulatory obligations. The Committee also reviews governance-related reports, recommends the process for the appointment of the Chairperson and Deputy Chairperson, and considers any other matters referred to it by the Board.

The Committee gathered three times during the year in review. The details of Director attendance are given on page 48.

Board Policies

In line with the latest Listing Rules of the Colombo Stock Exchange, Vidullanka PLC has reviewed and reformulated its corporate policies, which are published on the Company's website. These policies cover several key areas of the organisation that require strong governance and oversight. They were developed with the support of external experts, taking into consideration the Company's current corporate environment and business processes, with the objective of strengthening corporate governance, enhancing stakeholder satisfaction, and establishing robust systems and processes. The Company is committed to integrating these policies into its day-to-day operations and taking appropriate measures to ensure their effective implementation and compliance.

The following a listed are the policies adopted by the Company.

a). Policy on the matters relating to the Board of Directors

b). Policy on Board Committees

c). Policy on Corporate Governance, Nominations and Re-election

d). Policy on Remuneration

e). Policy on Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities

f). Policy on Risk management and Internal controls

g). Policy on Relations with Shareholders and Investors

h). Policy on Environmental, Social and Governance Sustainability

i). Policy on Control and Management of Company Assets and Shareholder Investments

j). Policy on Corporate Disclosures

k). Policy on Whistleblowing

l). Policy on Anti-Bribery and Corruption

As such, the Company complies with the rules 9.2.1 and 9.2.3 of Section 9 of the Listing Rules of the Colombo Stock Exchange. No waivers from compliance with the Internal Code of Business Conduct and Ethics were granted by the Company during the Financial Year.

Compliance Management

Vidullanka PLC, as a listed entity and responsible corporate citizen, places significant importance on maintaining compliance with the regulatory requirements established by relevant authorities and institutions. Compliance is managed across the organisation, with each department being responsible for ensuring adherence to the regulations and requirements applicable to its respective functions.

The Finance Department is responsible for ensuring compliance with applicable accounting, financial reporting, sustainability reporting, and auditing standards, as well as the Listing Rules of the Colombo Stock Exchange. It also ensures adherence to directives issued by the Securities and Exchange Commission of Sri Lanka (SEC), regulations of the Central Bank of Sri Lanka, and relevant tax laws in the countries in which the Company operates.

The Human Resources Department is responsible for ensuring compliance with applicable employment laws and health and safety regulations in Sri Lanka and other countries where Vidullanka PLC operates and employs personnel.

The Legal Department, together with the Company Secretaries, oversees compliance with the Companies Act and other relevant legislation, including the establishment of the Beneficial Ownership Register mandated by the 2025 Amendment and compliance with applicable overseas regulations. Compliance checklists and reports are regularly updated and submitted to the Audit Committee and the Board for review and appropriate decision-making.

The Audit Committee, under the oversight of the Board, monitors compliance across the Group with an emphasis on continuous improvement. Regular self-assessments, surprise inspections, and internal audits are conducted to evaluate compliance with SOPs governing financial and accounting functions. These SOPs are reviewed and updated periodically based on recommendations made by the Internal Auditor.

The Company complies with the safety and operational standards prescribed by off-takers such as NSO and UETCL across its respective power plants. In addition, the Company has established voluntary best practices to strengthen operational, health, and safety compliance. These measures include internal plant audits, robust internal controls, and clearly defined lines of responsibility and accountability.

As a renewable energy company, Vidullanka PLC recognises its responsibility towards society, local communities, and the environment. In Sri Lanka, the Company ensures compliance with regulations issued by the Central Environmental Authority, Mahaweli Authority, and other relevant regional authorities. Similarly, its operations in Uganda comply with the standards prescribed by the National Environment Management Authority, the Ministry of Energy and Mineral Development, the tax regulations of the Uganda Revenue Authority and other regulations from relevant government institutions.

Vidullanka PLC is committed to fulfilling its responsibilities as a responsible corporate citizen by ensuring compliance with applicable legal and regulatory requirements across all countries in which it operates. The Company proactively monitors changes in the regulatory environment and obtains timely legal and professional support for continued compliance.

COMPLIANCE WITH LISTING RULES OF COLOMBO STOCK ECHANGE (CSE)

Listing Rule	Requirement	Compliance	Reference
Policies			
9.2.1 Policies	Establish and maintain following policies and publish on the company website: (a) Policy on the matters relating to the Board of Directors (b) Policy on Board Committees (c) Policy on Corporate Governance, Nominations and Re-election (d) Policy on Remuneration (e) Policy on Internal Code of Business conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities (f) Policy on Risk management and Internal controls (g) Policy on Relations with Shareholders and Investors (h) Policy on Environmental, Social and Governance Sustainability (i) Policy on Control and Management of Company Assets and Shareholder Investments (j) Policy on Corporate Disclosures (k) Policy on Whistleblowing (l) Policy on Anti-Bribery and Corruption	Yes	Corporate Governance report on Page 48.
9.2.2 Waivers from Compliance with Internal Code of Business Conduct and Ethics	A disclosure in the annual report on waivers from compliance with Internal Code of Business Conducts and Ethics.	N/A	No such waivers of compliance took place during the Financial Year.
9.2.3 Disclosure regarding policies	The list of policies should be disclosed on the annual report with reference to its website.	Yes	Corporate Governance report on Page 48.
Board Committees			
9.3.1 Board Committees	A listed company shall have the following board committees: (a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee.	Yes	Annual Report of the Board of Directors is given on Page 108.
9.3.2 Compliance of Board Committees	Board Committees shall comply with the composition, responsibilities and disclosures required.	Yes	Report of the Board Committees is given on Page 113.
9.3.3 Chairperson of Board Committees	Chairperson of the Board of Directors shall not be the Chairperson of the Board Committees.	Yes	All committees mandated by the listing rules are chaired by Independent Directors. Report of the Board Committees is given on Page 113.

Listing Rule	Requirement	Compliance	Reference
General Meeting Procedures			
9.4.2 (a) Policy on Relations with Shareholders and Investors	A listed company shall have a policy on communication and relations with shareholders and investors and disclose the same in the Annual Report and website.	Yes	Corporate Governance report on Page 48.
9.4.2 (b) Contact Person	A listed company shall disclose the contact person for communication.	Yes	Corporate Information given on Page 189.
Policy on Matters relating to the Board of Directors			
9.5.1 Policy governing matters relating to the Board of Directors	A listed company shall have a formal policy governing matters relating to the Board of Directors.	Yes	Corporate Governance report on Page 48.
9.5.2. Compliance with Policy governing matters relating to the Board of Directors	A listed company shall confirm compliance with the requirements of the policy in the Annual Report.	Yes	Corporate Governance report on Page 48.
Chairperson and CEO			
9.6.1 Chairperson and CEO	Chairperson of a Listed company shall be a Non-Executive Director and the positions of the Chairperson and CEO shall not be held by the same individual	Yes	Corporate Governance report on Page 48.
Fitness of Directors and CEO			
9.7.1 Fitness and Propriety of Directors	A listed company shall ensure that their Directors and the CEO are, at all times, meet the fit and proper criteria	Yes	Corporate Governance report on Page 48.
9.7.2 Fitness and Propriety of New Directors	The Nominations and Governance Committee shall ensure that Directors recommended are fit and proper	Yes	Corporate Governance report on Page 48.
9.7.4 Director declarations on their fit and propriety	A listed company shall obtain declarations from Directors on an annual basis confirming that each of them have continuously satisfied the Fit and Proper Assessment Criteria during the Financial Year concerned	Yes	Corporate Governance report on Page 48.
Disclosures in the Annual Report of Listed Entities			
9.7.5. (a)	A listed company shall disclose in the annual report a statement that the Directors and CEO satisfy the Fit and Proper Assessment Criteria stipulated	Yes	Corporate Governance report on Page 48.
Board Composition			
9.8.1 Minimum number of Directors	The Board of Directors shall, at a minimum, consist of five (05) Directors.	Yes	Corporate Governance Report on Page 48.
9.8.2 (a) Minimum number of Independent Directors	The Board of Directors of shall, include at least two (2) Independent Directors or such number equivalent to one third (1/3) of the total number of Directors, whichever is higher.	Yes	Corporate Governance report on Page 48.
Independent Directors			
9.8.5 (a) Declaration of Independence by Independent Directors	Each Independent Director shall submit a signed and dated declaration annually of his or her “independence” or “non-independence”	Yes	Corporate Governance report on Page 48.
9.8.5 (b) Determination of Independence of Directors	Make an annual determination as to the “independence” or “non-independence” of each Independent Director and set out the names of Directors determined to be ‘independent’ in the Annual Report	Yes	Corporate Governance report on Page 48.

Listing Rule	Requirement	Compliance	Reference
Disclosures relating to Directors			
9.10.1 Maximum number of Directors	Listed Entities shall disclose its policy on the maximum number of Directorships its Board members shall be permitted to hold	Yes	Available in the Board policies published in the corporate website.
9.10.2 Appointment of New Director	Listed Entities shall, upon the appointment of a new Director, make an immediate Market Announcement	N/A	There were no new appointments of Directors to the Board of Vidullanka PLC during the Financial Year.
9.10.4 Director Profiles	Listed Entities shall disclose information in relation to the Directors in the Annual Report	Yes	Director Profiles given in page 22.
Nominations and Governance Committee (NGC)			
9.11.1 Nominations and Governance Committee	Listed Entities shall have a Nominations and Governance Committee	Yes	Annual Report of the Board of Directors is presented on Page 108. Corporate Governance report on Page 48.
9.11.2 Appointment and Re-election of Directors	Listed Entities shall establish and maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Committee	Yes	Report on Nominations and Governance Committee is given on page 116.
9.11.3 Terms of Reference of the NGC	The Committee shall have a written terms of reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings.	Yes	Corporate Governance report on Page 48.
9.11.4 Composition of the NGC	The members of the Committee shall; (a) comprise of a minimum of three (03) Directors, out of which a minimum of two (02) members shall be Independent Directors. (b) not comprise of Executive Directors (2) An Independent Director shall be appointed as the Chairperson of the NGC.	Yes	Corporate Governance report on Page 48.
9.11.5 Functions of the NGC	The Committee shall perform the functions of the committee as set out in the listing rule 9.11.5	Yes	Corporate Governance report on Page 48.
9.11.6 Disclosures in Annual Report regarding NGC	Annual Report shall contain a report of the NGC signed by its Chairperson	Yes	Corporate Governance report on Page 48.

Listing Rule	Requirement	Compliance	Reference
Remuneration Committee			
9.12.2 Remuneration Committee	Listed entities shall have a Remuneration Committee	Yes	Annual Report of the Board of Directors is presented on Page 108. Report of the Remuneration Committee is presented on Page 118.
9.12.3 Procedure for developing remuneration policy	The committee shall establish and maintain a procedure for developing the remuneration policy on Executive Directors' remuneration. No Director shall be involved in fixing his/her own remuneration.	Yes	Report of the Remuneration Committee is presented on Page 118.
9.12.4 Remuneration for Non-Executive Directors	Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of non-discriminatory pay practices among them to ensure that their independence is not impaired.	Yes	Report of the Remuneration Committee is presented on Page 118.
9.12.5 Terms of Reference of the Remunerations Committee	The committee shall have a written terms of reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings	Yes	Report of the Remuneration Committee is presented on Page 118.
9.12.6 Composition of the Remuneration Committee	(1) The members of the Remuneration Committee shall; (a) comprise of a minimum of three (03) Directors, out of which a minimum of two (02) shall be Independent Directors (b) not comprise of Executive Directors (3) An Independent Director shall be appointed as the Chairperson of the Committee	Yes	Report of the Remuneration Committee is presented on Page 118.
9.12.7 Functions of the Remuneration Committee	The committee shall perform the functions of the committee as set out in the listing rule 9.12.7	Yes	Report of the Remuneration Committee is presented on Page 118.
9.12.8 Disclosure in the Annual Report	The Annual Report should set out the following: (a) Names of the Chairperson and members of the committee and the nature of directorships held by such members (b) A statement regarding the remuneration policy; and, (c) The aggregate remuneration of the Executive and Non-Executive Directors.	Yes	Report of the Remuneration Committee is presented on Page 118. Details of remuneration of Key Management Personnel presented on Page 170.

Listing Rule	Requirement	Compliance	Reference
Audit Committee			
9.13.1 Audit Committee performing risk functions	Where separate committees are not maintained to perform the Audit and Risk Functions, the Audit Committee shall additionally perform the Risk Functions	Yes	Report on the Audit Committee is presented on Page 115.
9.13.2 Terms of reference of the Audit Committee	The committee shall have a written terms of reference clearly defining its scope, authority and duties	Yes	Report on the Audit Committee is presented on Page 115.
9.13.3 Composition of the Audit Committee	The committee shall comprise of a minimum of three Directors, out of which a minimum of two or a majority of the members, whichever higher, shall be Independent Directors. The committee shall not comprise Executive Directors as members, whereas The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) shall attend the committee meetings by invitation. An Independent Director who is a member of a recognized professional accounting body shall be appointed as the Chairperson.	Yes	Report on the Audit Committee is presented on Page 115.
9.13.4 Functions of the Audit Committee	The committee shall perform the functions of the committee as set out in the listing rule 9.13.4	Yes	Report on the Audit Committee is presented on Page 115.
9.13.5 Disclosures in Annual Report	The committee shall prepare an Audit Committee Report which shall be included in the Annual Report	Yes	Report on the Audit Committee is presented on Page 115.
Related Party Transactions Review Committee (RPTRC)			
9.14.1 RPTRC Committee	Listed entities shall have a Related Party Transactions Review Committee	Yes	Annual Report of the Board of Directors presented on Page 108. Report on the RPTRC is presented on Page 119.
9.14.2 Composition of RPTRC Committee	The committee shall comprise of a minimum of three Directors, out of which two (02) members shall be Independent Directors. An Independent Director shall be appointed as the Chairperson of the committee.	Yes	Report on the RPTRC is presented on Page 119.
9.14.3 Functions of the RPTRC Committee	The committee shall establish and maintain a clear policy, procedure and process in place for the identification, clarification and reporting the Related Party Transactions on an end-to-end basis across the entity's operations.	Yes	Report on the RPTRC is presented on Page 119.
9.14.4 General Requirements	The committee shall comply with the General Requirements of the committee as set out in the listing rule 9.14.4	Yes	Report on the RPTRC is presented on Page 119.
9.14.5 Review of Related Party Transactions by the RPTRC Committee	The committee shall review all in advance all proposed related party transactions as set out in the listing rule 9.14.5	Yes	Report on the RPTRC is presented on Page 119.

Listing Rule	Requirement	Compliance	Reference
9.14.6 Shareholder Approval	The company shall seek shareholder approval, on related party transactions meeting criteria set in listing rule 9.14.6	N/A	No such transactions took place during the year. Report on the RPTRC is presented on Page 119.
9.14.7 Immediate Disclosures	The company shall make immediate disclosures on related party transactions meeting criteria set in listing rule 9.14.7	N/A	No such transactions took place during the year. Report on the RPTRC is presented on Page 119.
9.14.8 Disclosures in the Annual Report	The company shall include required disclosures in the Annual Report on related party transactions as per the requirements set out in listing rule 9.14.8	N/A	No such transactions took place during the year. Report on the RPTRC is presented on Page 119.
9.14.9 Acquisition and Disposal of Assets from/to Related Parties	The company shall comply with the requirements of listing rule 9.14.9 with regard to Acquisition and Disposal of Assets from/to Related Parties	N/A	None of the related party transactions involving acquisition or disposal of assets met the required threshold set in rule 9.14.9 Report on the RPTRC is presented on Page 119.
9.17 Additional Disclosures	The Annual Report shall include declarations by the Board of Directors as specified in the Listing rule 9.17	Yes	Annual Report of the Board of Directors presented on Page 108.

COMPLIANCE WITH THE CODE OF BEST PRACTICES ON CORPORATE GOVERNANCE ISSUED BY THE SEC AND CA SRI LANKA

Rule	Requirement	Compliance	Explanatory Notes
A. Directors			
A.1 The Board	Company should be headed by an effective board, which should direct, lead, and control the Company.	Yes	The Board comprises with a majority of Non-Executive Directors, where the Chief Executive Officer as the only Executive Director. Notable Board functions are given in Page 48.
A 1.1	Board should regularly meet. Board meetings should be held at least once every quarter.	Yes	Four board meetings took place during the Financial Year, once every quarter. The details of meetings conducted are given in Page 48.

Rule	Requirement	Compliance	Explanatory Notes
A 1.2	Role of the Board- ✦ Formulation and implementation of business strategy ✦ Approving budgets and major capital expenditure ✦ Ensuring the integrity of the information, internal controls, and risk management ✦ Ensuring compliance with laws and regulations ✦ Ensuring all stakeholders' interest.	Yes	Adopted
A 1.3	The Board collectively and the Directors individually act in accordance with the laws of the country of operation which are applicable to the business enterprise. The Board of Directors ensures that procedures and processes are in place to ensure that the Company complies with all applicable laws and regulations.	Yes	Adopted
A 1.4	The Directors have access to the advice and services of the Board Secretary. The Board Secretary ensures that Board procedures, relevant statutory obligations and other applicable rules and regulations are in compliance.	Yes	Each Director, both individually and collectively as a Board, has unrestricted access to the advice and services of the Company Secretary in matters relating to the company's affairs.
A 1.5	All Directors should bring independent judgement related to their duties and responsibilities on matters relating to strategy implementation, performance, resource allocation, risk management and compliance.	Yes	The company's Directors bring a diverse range of skills and expertise, enabling them to exercise independent and objective judgment in carrying out their duties and overseeing company matters. Refer Corporate Governance on Page 48.
A 1.6	The members of the Board dedicate adequate time and effort to fulfill their duties and responsibilities as Directors of the Company.	Yes	Directors actively and diligently participate in Board and subcommittee meetings, as well as related matters, whenever required. Details relating to the meetings are given in Page 48.
A 1.7	1/3 of the Directors can call for a resolution to be presented to the Board where they feel it is in the best interests of the Company to do so.	Yes	Adopted. However, no such requests were made during the period.
A 1.8	Every Director should receive appropriate training when first appointed to the Board.	Yes	Adopted.
A 2 Division of power	Clear division of responsibilities between the Chairman and the Chief Executive Officer.	Yes	The Board is chaired by Mr. Osman Kassim and Mr. Riyaz M. Sangani acts as the Chief Executive Officer.
A 3 The Chairman's role	The Chairman is responsible for running the Board and should preserve order and facilitate the effective discharge of Board functions.	Yes	Profile of the Chairman is given on Page 22.
A 3.1	The Chairman leading the Board facilitates the effective discharge of Board proceedings. Directors are encouraged to participate in decision- making taking into consideration their views on the affairs of the Company.	Yes	The Chairman's Message is given on Page 14. The Annual Report of the Board of Directors is given on Page 108.

Rule	Requirement	Compliance	Explanatory Notes
A 4 Financial Acumen	The Board should ensure the availability of those with sufficient financial acumen and knowledge to offer guidance on matters of finance.	Yes	The Board comprises Directors with strong financial expertise, acumen, and experience, who offer relevant guidance and support as needed. Profiles of the Directors are given on Page 22.
A 5 Board Composition	There should be a balance of Executive and Non-Executive Directors such that no individual or small group of individuals can dominate the Board's decision making.	Yes	The Board comprises of 9 Non-Executive Directors of which 3 are Independent Non-Executive Directors.
A 5.1	The Board should include Non-Executive Directors of sufficient calibre and numbers for their views to carry out the Board's decision making.	Yes	Profiles of the Directors are given in Page 22.
A 5.2	Composition of the Board of Directors	Yes	Details of the Board composition are given in Page 48.
A 5.3	Independence of the Directors	Yes	
A 5.4	Each Non-Executive Director should submit a signed declaration annually of independence or non- independence.	Yes	
A 5.5	Criteria to evaluate the independence of Non-Executive Directors.	As per the criteria set in the Listing rules 9.8.3 of the Colombo Stock Exchange.	
A 5.6	If an alternate Director is appointed by a Non-Executive Director, such alternate Director should not be an executive of the company.	Yes	No Director acts as an Alternate Director to another Director on the Board.
A 5.7 & A 5.8	Appointment of a Senior Independent Director, in the event that both Chairman and the Chief Executive are the same person	N/A	The positions of Chairman of the Board and the Chief Executive Officer are held by two Directors.
A 5.9	The Chairman should hold meetings with the Non-Executive Directors only, without Executive Directors as necessary and at least once each year.	Yes	During the Financial Year, the Chairman and Non-Executive Directors held one discussion in the absence of the Executive Director following the Board meeting held in March.
A 5.10	In the event that the Directors have concerns that cannot be unanimously resolved, the concerns need to be recorded in the Board minutes.	Yes	The proceedings of each Board meeting are properly recorded by the Company Secretaries and formally approved at the following Board meeting.
A 6 Provision of Information	The Board should be provided with information in a timely manner in form and quality	Yes	The Management presents financial and non-financial information to the Board for review and decision making.
A 6.1	The Management has an obligation to provide the Board with appropriate and timely information.	Yes	Senior management attends Board and subcommittee meetings by invitation, as needed, and provides relevant information for the proceedings in a timely and efficient manner.
A 6.2	The agenda and papers required for a board meeting should be provided to Directors at least seven (7) days before the meeting, and the minutes of the meeting should be provided to Directors at least two weeks after the meeting date.	Yes	Minutes of previous meetings, along with reports and Board papers, are circulated to the Directors in advance, and meetings are conducted in line with a structured agenda.
A 7 Appointments to the Board	There should be a formal and transparent procedure for the appointment of new Directors to the Board.	Yes	The Nomination and Governance Committee assess candidates for their suitability and potential contribution, providing appointment recommendations to the Board.

Rule	Requirement	Compliance	Explanatory Notes
A 7.1 & A 7.2	A Nomination Committee should be established to make recommendations to the Board on all new Board appointments.	N/A	During the year, no new appointments were made to the Board of Vidullanka PLC. However, the committee made recommendations on the appointment of Directors to the subsidiary and joint venture companies.
A 7.3	Disclosure to the shareholders on the appointment of new Directors to the shareholders	Yes	
A 8 Re-election & Resignation	All Directors should be required to submit themselves for re-election at regular intervals and at least once every three years.	Yes	Directors who are retiring by rotation offered themselves for re-election, details of which are given in the Annual Report of the Board of Directors on Page 108.
A 8.1	Non-Executive Directors should be appointed for specific terms subject to re-election and to the provisions of the Companies Act	Yes	All Non-Executive Directors are appointed for a period of three years, which when lapsed subjects them to re-election.
A 8.2	All Directors of the Board should be subject to election by shareholders at the first opportunity after their appointment, and to re-election thereafter at intervals of no more than three years	Yes	No new appointments made to the Board of Vidullanka PLC during the period.
A 8.3	The Director should provide a written communication to the Board on his reasons for resignation.	N/A	No resignations from the Board of Directors during the Financial Year.
A 9 Performance Appraisal	The Board should periodically appraise its own performance to ensure that Board responsibilities are satisfactorily discharged.	Yes	A 360-degree evaluation was conducted covering the entire Board, as well the individual performance of the Directors. The results are satisfactory and meet the requirements of the Board in discharging its duties and responsibilities effectively.
A 10	Disclosure of information in respect of Directors		
A 10.1	Disclosure of each Director in the annual report including the name, qualifications, brief profile, nature of expertise in relevant functional areas, immediate family and material business relationships, category of executive and Non-Executive, names of the listed companies in Sri Lanka which the Director concerned is a Director, the number of Board meetings of the company attended during the year., total number of Board seats held by each Director, the names of the Board committees which the Director acts as the chairman.	Yes	Profile of the Directors is given on Page 22. Details of the meetings held and the attendance is given on Page 48.
A 11 Appraisal of CEO	Appraisal of the Chief Executive Officer should be done at least annually by the Board.		
A 11.1	At the commencement of each year, the Board should consult the CEO regarding targets in the short, medium, and long term to be achieved during the year.	Yes	Organisational goals and targets are set at the annual brainstorming session held at the beginning of each calendar year. Budgets and plans are then prepared with due consideration for the goals and targets, which are approved by the board.
A 11.2	The performance of the CEO should be evaluated by the Board at the end of each fiscal year to ascertain whether the targets are achieved or not.	Yes	The Board deliberates on the performance of the Chief Executive Officer against the set targets during the last Board meeting of the Financial Year.

Rule	Requirement	Compliance	Explanatory Notes
B. Directors' Remuneration			
B 1 Remuneration Procedure	Companies should establish a formal and transparent procedure for developing policies on executive remunerations. No Directors should be involved in deciding his own remuneration.		
B 1.1	Directors should set up a remuneration committee	Yes	Remuneration Committee report given on Page 118.
B 1.2 & B 1.3 Composition	Remuneration committee should consist exclusively of Non-Executive Directors with a minimum of three Non-Executive Directors of whom the majority should be independent. The Chairman should be an independent Non-Executive Director. The Chairman and members of the remuneration committee should be listed in the annual report each year.	Yes	
B 1.4	The Board as a whole shall determine the remuneration of the Non-Executive Directors, including members of remuneration committee, within the limits of the article. The Board may delegate the function to a subcommittee, which might include the CEO.	Yes	
B 1.5	The remuneration committee should consult the Chairman and the CEO about its proposals relating to the remuneration of the other Executive Directors.	N/A	The Chief Executive Officer is the only Executive Director on the Company Board.
B 2 Internal & External equity of remuneration	Levels of remuneration of both Executive and Non-Executive Directors should be sufficient to attract and retain the Directors.		
B 2.1 B2.3	An Executive Director's remuneration should be designed to promote the long-term success of the Company and should be comparable with other companies	Yes	Remuneration Committee report given on Page 118.
B 2.4	The committee should consider remuneration and employment conditions elsewhere within the Group.	Yes	
B 2.5	The performance-related elements of remuneration of Executive Directors should be designed in a manner that is transparent and appropriate.	Yes	
B 2.6	Executive share options should not be offered at a discount.	N/A	The share options offered under Employee share option scheme are priced at the volume weighted market average of the share price in accordance with the provisions of the listing rule.
B 2.7	In deciding the remuneration related to the performance, the remuneration committee should follow the provisions set out in schedule E.	Yes	Remuneration Committee report given on Page 118.
B 2.8	Remuneration committee should consider the compensation commitments in the event of early termination.	N/A	N/A
B 3 Remuneration Policy	The Company's annual report should contain a statement of remuneration policy and details of the remuneration of the Board.	Yes	Remuneration Committee report on Page 118.
B 3.1	The annual report should set out the names of the Directors and contain a statement of remuneration policy and the aggregate remuneration paid to Executive and Non-Executive Directors.	Yes	The details of the remuneration to the Board of Directors and the Key Management Personnel given in Note 26.5. on Page 170.

Rule	Requirement	Compliance	Explanatory Notes
C. Relationships with shareholders			
C 1 Annual General Meeting	The Board should use the AGM to communicate with shareholders and should encourage their participation.		
C 1.1, C 1.2, C 1.3, C 1.4 & C 1.5	The Company should propose a separate resolution at the AGM on each separate issue to the shareholders. For each resolution, proxy appointment forms should provide shareholders with the option to direct their proxy to vote either for or against the resolution or to withhold their vote. Chairperson of the Audit, Remuneration, Nomination and Related Party Transactions review committees and senior independent Directors to be available to answer questions at the AGM. The Company should circulate along with every notice of AGM regarding the procedures of the voting.	Yes	Annual General Meeting of the Company for the Financial Year 2024/25 was successfully held on 25/09/2025 via the Zoom Platform using audio/visual technology. Notice of meeting, form of proxy and other relevant documents were dispatched to the shareholders in advance and also made available via the Company website. All committee Chairpersons of the Company were present at the AGM. The procedures of the voting at the AGM are circulated along with the notices of meeting.
D. Accountability & Audit			
D.1 Financial reporting	The Board should present a balanced and understandable assessment of the company's financial position, performance, governance structure, risk management and internal controls.		
D 1.1 , D 1.2 & D 1.3	The Board should present an annual report including financial statements that are true and fair, balanced, and prepared in accordance with applicable laws & regulations. The Board is responsible to present interim, other price sensitive public reports and statutory requirements. The Board should obtain a declaration from the CEO and the Chief Financial Officer mentioning that financial records of the entity have been properly maintained and give a true and fair view.	Yes	Financial Statement for the Financial Year 2025/26 presented on Page 122. Interim Financial Statements and applicable disclosures were duly published on the Colombo Stock Exchange on time. Directors' responsibilities for annual reporting is given on Page 120.
D 1.4	Declarations by the Directors should be included in "Directors' report".	Yes	The Annual Report of the Board of Directors is given on Page 108.
D 1.5	Statement of Directors' and Auditors' responsibility for the Financial Statements	Yes	Statement of Directors' responsibilities in relation to the Annual financial statements is given on Page 120. Independent Auditors' Report is given on Page 122.
D 1.6	The annual report should contain a "Management Discussion & Analysis"	Yes	Management Discussion & Analysis is found from Page 28 to 47.
D 1.7	Directors shall summon an extraordinary General meeting to notify the shareholders in the event of net assets falling below 50% of the value of the Company's shareholders 'funds.	N/A	Not Applicable

Rule	Requirement	Compliance	Explanatory Notes
D 1.8	The Board should adequately and accurately disclose Related party transactions in its Annual Report.	Yes	The Company complies with the requirements of the Sri Lanka Accounting Standard-24 (LKAS 24) in the financial statements and the annual report. The Related Party Transaction Review Committee is presented on Page 119.
D 2 Risk Management & Internal Control	The Board is responsible for determining the nature and extent of the principal risks, it also should have a risk management process and sound internal controls that would give reasonable assurance on the achievement of organisational goals and objectives.		
D 2.1	The Board should review and ensure the effectiveness of the risk management and internal control systems at least annually. Report on the review to be presented in the annual report.	Yes	During the Financial Year, the Board examined various risk categories that could impact the company, in consultation with the Audit Committee, and implemented necessary controls and risk mitigation measures. Risk Management Report of Vidullanka PLC is given on Page 70.
D 2.2	Assessment of principle risks faced by the Company that would threaten future performance, solvency, and liquidity.	Yes	The Audit Committee employs various risk assessment and mapping techniques to continuously evaluate key risks, providing advice to the Board based on these assessments. The Risk management report of Vidullanka PLC is given on Page 70.
D 2.3	The Company should have an internal audit function	Yes	Internal audits across the group are conducted through the in-house Internal Auditor as well as third party auditors.
D 2.4 & D 2.5	Review of the process & effectiveness of the risk management and internal controls by the audit committee.	Yes	Details are given in the Risk Management Report on Page 70. The Audit Committee Report is presented on Page 115.
D 3 Audit Committee	The Board should have a formal & transparent arrangement in applying the accounting policies, structure, and content of corporate reporting, implementing internal control and risk management principles.		
D 3.1	The Audit Committee should comprise a minimum of three Non-Executive Directors, of whom at least two should be independent. The committee should be chaired by an independent Non-Executive Director	Yes	The committee, which is chaired by an Independent Non-Executive Director, is made up with a total of three Non-Executive Directors, of whom two are Independent.

Rule	Requirement	Compliance	Explanatory Notes
D 3.2	The audit committee should have a written term of reference, with its authority and duties.	Yes	The Audit Committee complies with the charter put forth in the Corporate Governance Best Practices published jointly by the Securities and Exchange Commission & CA Sri Lanka. The committee also complies with the listing rules of the Colombo Stock Exchange. The authority and role of the committee are included in the Audit Committee Report on Page 115.
D 3.3	Disclosure of the audit committee responsibility	Yes	Audit Committee Report is given on Page 115.
D 4 Related party transactions review committee	The Board should establish a procedure to ensure that the Company does not engage in transactions with "related parties" in a manner that would grant such parties "more favourable treatment" than that accorded to third parties in the normal course of business.		
D 4.1	Related party transactions will be as defined in LKAS 24.	Yes	The Company applies the conditions of LKAS 24 when preparing and presenting financial statements.
D 4.2	The committee should comprise exclusively of Non-Executive Directors, the majority of whom should be independent. The committee should be chaired by an independent Non-Executive Director.	Yes	The Report on the Affairs of the Related Party Transaction Review Committee is given on Page 119.
D 4.3	Disclosures on the related party transaction review committee	Yes	The Report on the Affairs of the Related Party Transaction Review Committee is given on Page 119.
D 5 Code of Conduct and Ethics	The Company must adopt a code of business conduct and ethics for Directors, key management personnel that should include dealing in the shares of the company, compliance, bribery and corruption, confidentiality, unethical behaviour etc		
D 5.1	The company shall have a code of business conduct and ethics.		Corporate Governance Report is given on Page 48.
D 5.2	The company should have a process in place to ensure that all material and price sensitive information is promptly identified.	Yes	The Company promptly identifies material and price-sensitive information in accordance with applicable regulations, ensuring timely and appropriate actions are taken to manage and address such information effectively.
D 5.3	The company should establish a policy/ process for monitoring and disclosure of shares purchased by any Director, key management personnel or any other employee involved in FR.	Yes	All share transactions carried out by the Directors are disclosed to the market as directed by the Listing Rules of the Colombo Stock Exchange. A standard operating procedure for Directors' dealing in the shares of the company is in place.
D 5.4	Disclosure by the Chairman that there is no violation of the code of conduct and ethics	Yes	Chairman's Message is given on Page no 14.

Rule	Requirement	Compliance	Explanatory Notes
D6 Corporate governance Disclosures	Directors should be required to disclose the extent to which the company adheres to established principles and practices of Corporate Governance.		
D 6.1	The Director should include in the company's annual report, a corporate governance report setting out the principles and provisions of this code.	Yes	Corporate Governance Report is given on Page 48.
E. Investor Relations			
E 1 Investor Relations – institutional Investors	Institutional shareholders have a responsibility to make considered use of their votes and encouraged to ensure their voting intentions are translated into practice. A listed company should conduct a regular and structure dialogue with shareholders.	Yes	The company maintains a strong corporate relationship with its investors. The Annual General Meeting acts as a key communication forum, enabling the Company to engage with shareholders, present its annual performance, and receive their feedback. Further disclosures are made through announcements on the Colombo Stock Exchange.
E 2	Institutional investors are encouraged to give due weight to all relevant factors drawn to their attention when evaluating the governance structure in relation to Board structure and composition.	Yes	
F.			
F 1 Investor relations – Other investors	Individual shareholders should be encouraged to carry out analyses on investing or divesting decisions of individual shareholders.	Yes	The company engages and collaborates with investment analysts and advisors who conduct company-specific, sectoral, and broader market analyses of its shares.
F 2	All the shareholders should be encouraged to participate in general meetings of companies and exercise their voting rights.	Yes	All shareholders are invited and encouraged to attend the Company's general meetings. To support their active participation, the necessary communication tools and clear instructions are provided in advance.
G. Internet and Cybersecurity			
G 1	The Board should have a process to identify how the organisation's business model, IT devices within and outside the organisation and consequent cybersecurity risks may affect the business.	Yes	Risk Management Report is given on Page 70.
G 2	The Board should appoint a Chief Information Security Officer (CISO) with sufficient expertise and authority to implement a cyber security risk management policy that could be approved by the Board.	Yes	The CISO role is not carried in-house by any member of the board. The company utilises external experts to better understand and address the emerging concerns.
G 3	The Board should allocate regular and adequate time on the Board meeting agenda for discussions about cyber risk management.	Yes	A paper on IT infrastructure, security and compliance is presented at each Board meeting. Risk Management Report is given on Page no 70 Audit Committee Report is given on Page 115.
G 4	The Board should ensure the effectiveness of the cybersecurity risk management through periodic review.	Yes	Risk Management report is given on Page no 70.

Rule	Requirement	Compliance	Explanatory Notes
G 5	The Board should disclose in the annual report, the process and management of cyber security risks.	Yes	Risk Management report is given on Page no 70.
H. Environment, Society and Governance (ESG)			
H 1	The Company's annual report should contain sufficient information for investors and stakeholders to assess how ESG risks and opportunities are recognised and reported.	Yes	The ESG dimension of risk management is comprehensively addressed within the Company's risk management and corporate governance frameworks, with additional information disclosed through the Management Discussion and Analysis detailed from Page 28 to 47. The Company also adopted SLFRAS S1 and S2, the relevant disclosures are given on page 86. Risk Management report is given on Page no 70. Corporate Governance report is given on Page 48.
H 1.1	The Company should provide information in relation to the relevance of environmental, social factors to the business, how ESG may affect their business, how risks and opportunities pertaining to the ESG are recognised, managed, and reported.	Yes	The relevant information are given in the Chairman's Message, CEO's Review and Management Discussion and Analysis on Pages 14, 18 and 28. respectively. SLFRS S1 and S2 related disclosures are given on page 86.

DISCLOSURES REQUIRED BY THE COMPANIES ACT NO 7 OF 2007 IN THE ANNUAL REPORT

Section	Description	Status of compliance	Reference in the Annual report
168 (1) (a)	The state of the Company's affairs or of its subsidiaries, any changes during the period in the nature of the business.	Yes	Plant Portfolio is given on Page 08. Organisational Profile is given on Page 33.
168 (1) (b)	Financial statements of the Company and the Group in accordance with sections 151, 152 for the accounting period completed.	Yes	Financial statements and notes are included on Page no 125.
168 (1) (c)	Auditors' report on the financial statements of the group financial statements.	Yes	Auditors' report is given on Page 122.
168 (1) (d)	Changes in accounting policies made during the year.	Yes	Accounting policies are included with the changes on Page 131.
168 (1) (e)	Particulars of the entries in the interests register made during the accounting period.	Yes	Annual Report of the Board of Directors is given in Page 108.
168 (1) (f)	Remunerations and other benefits of Directors during the accounting period.	Yes	The details of the remuneration to the Board of Directors and the Key Management Personnel given on Note 26.5 on Page 170.
168 (1) (g)	Amounts of donations made by the Company during the accounting period.	Yes	Management Discussion and Analysis is given on Pages from 28 to 47.
168 (1) (h)	Name of the persons holding office as Directors and who ceased to hold office during the accounting period.	Yes	Directors' profiles are given on Page 22. Annual Report of the Board of Directors is given on Page 108.
168 (1) (i)	Amounts payable to the external auditors as audit fees and other fees for other services.	Yes	Refer notes no 14 on page 162.
168 (1) (j)	Any relationships and interests with the auditors and the Group.	Yes	Audit Committee Report is given on Page 115. Annual Report of the Board of Directors is given on Page 108.
168 (1) (k)	Signatures on behalf of the Board by two Directors and the Secretary of the Company.	Yes	Annual Report of the Board of Directors is given on Page 108.

COMPLIANCE WITH SECTION 7.6 - CONTINUING LISTING RULES ISSUED BY THE COLOMBO STOCK EXCHANGE (CSE)

Section	Description	Status of compliance	Reference in the Annual report
7.6 (i)	The names of the persons who were the Directors during the year of the entity.	Yes	Annual Report of the Board of Directors is given on Page 108.
7.6 (ii)	Principal activities of the entity and its subsidiaries and changes thereon.	Yes	Company Profile is given on Page 33. Management Discussion and Analysis is given on Pages from 28 to 47.
7.6 (iii)	The names and the numbers of shares held by the 20 largest holders and the percentage of such shares.	Yes	Investor Information is given on Page 178.
7.6 (iv)	The float adjusted market capitalisation, public holding %, number of public shareholders	Yes	Investor Information is given on Page 178.
7.6 (v)	A statement of each Director's holding and the Chief Executive Officer's holding of shares in the beginning and the end of the year.	Yes	Annual Report of the Board of Directors is given on Page 108.

Section	Description	Status of compliance	Reference in the Annual report
7.6 (vi)	Information pertaining to material foreseeable risk factors of the entity.	Yes	Risk Management Report is given on Page 70.
7.6 (vii)	Details of material issues pertaining to employees and industrial relations of the entity.	N/A	The Company did not encounter any material events during the year.
7.6 (viii)	Extents, locations, valuations, and the number of buildings of the entity's land holdings and investment properties.	Yes	Given in note no 04 in financial statements on Page 142.
7.6 (Ix)	Numbers of shares representing the entity's stated capital	Yes	Annual report of the Board of Directors given is on Page 108.
7.6 (x)	A Description schedule of the number of holders in each class of equity securities and the percentage of total holdings	Yes	Investor information is given on Page 178.
7.6 (xi)	The following ratios and the market price information need to be disclosed. 1. Dividend per share 2. Dividend pay out 3. Net asset value per share 4. Market value per share	Yes	Ten-year summary and investor information are given on pages 182 and 178 respectively.
7.6 (xii)	Significant changes in the entity's or its subsidiaries' fixed assets and market value of land.	Yes	Annual Report of the Board of Directors is given on Page 108.
7.6 (xiii)	If the entity has raised funds during the year through a public issue, rights issue, and private placement, ✦ Statement as to the manner in which the proceeds of such issue has been utilised, ✦ Number, classes of shares and reason for the issue, ✦ Any material changes of the funds raised through an issue of securities.	N/A	During the year, company raised Rs. 500 Mn through a public issue of Shariah Compliant Debenture (Sukuk). Note related to Sukuk issue given in note no 9.2.1.1 on page 156.
7.6 (xiv)	Disclosures of each employee share option scheme and employee share purchase scheme.		Annual report of the Board of Directors given is on Page 108. Disclosure related to Employee Share Option Scheme (ESOS) given in the note no 8.3 on page 153.
7.6 (xv)	Disclosures pertaining to corporate governance practices in terms of rules 7.10.3,7.10.5 and 7.10.6 of the section 7 of the rules.	Yes	Corporate Governance Report is given on Page 48.
7.6 (xvi)	Related party transactions exceeding 10% of the equity or 5% of total assets of the entity as per audited financial statements, whichever is lower. The details shall include, as a minimum, 1. The date of the transaction 2. The name of the related party 3. The relationship between the entity and the related party 4. The amount of the transaction and terms of the transaction 5. The rationale for entering into the transaction	Yes	Related party transactions occurred did not exceed the limits specified in the rules. Report of the Related Party Transactions Committee is given on Page 119.

Global volatilities in terms of geopolitical tensions, trade disputes, military actions, etc. have been a key consideration for entities due to their resultant effects on business activities. In an increasingly interconnected global economy, developments beyond national borders can have significant implications for domestic economic conditions. The integration of markets and the growing interdependence of international trade mean that countries must closely monitor global developments and remain prepared to respond to external shocks. For Sri Lanka, this calls for a proactive approach to economic policymaking, greater resilience within the external sector, and stronger diplomatic and trade partnerships to support economic stability and future development amid an uncertain global landscape. Following several challenging years, Sri Lanka is gradually moving towards greater economic normalisation. Having made considerable progress in its recovery efforts, the country is now transitioning from stabilisation towards establishing a foundation for sustained economic expansion and long-term financial stability.

A structured approach to risk management enables an organisation to identify emerging threats, assess their potential consequences, and take timely actions to address them. By embedding risk considerations into strategic planning and maintaining a proactive, forward-looking approach, the organisation can develop robust processes and controls that support business continuity while facilitating the achievement of its strategic goals. Establishing a clear risk appetite is also essential, providing defined parameters within which risks can be assumed and ensuring that exposure remains aligned with the organisation's overall capacity and objectives.

Vidullanka PLC is a pioneer in the Renewable Energy industry in Sri Lanka, expanding its foothold to Uganda and Guyana as well. The company is dedicated to continuously strengthening and refining its risk management framework, recognising that effective risk oversight is fundamental to building resilience and supporting sustainable growth over the long term.

The company maintains ongoing oversight of its business environment to detect significant risk exposures and determine whether they remain within established tolerance levels. This is supported by scheduled risk reviews carried out across individual functions, together with assessments of external factors, enabling the organisation to develop a comprehensive understanding of potential threats. Identified risks are subsequently evaluated and ranked according to the probability of occurrence and the extent to which they could affect both present activities and future business performance.

Subsequently, the Board of Directors, working closely with senior management, external consultants, and industry experts, determines and implements appropriate mitigation strategies. Any residual risks that remain are subject to continuous monitoring to detect any shifts or emerging trends. This proactive and structured approach enables the company to remain agile, well-informed, and equipped to protect its business from adverse impacts.

The Audit Committee maintains close engagement with management to ensure that the company's risk management framework remains responsive to changes in the business landscape. Individual departments and business units contribute to this process by sharing relevant information on emerging and existing exposures within their respective areas. Their input also supports the continuous refinement of the internal risk management framework, enabling it to remain aligned with the organisation's evolving operational requirements.

The Enterprise Risk Management (ERM) Framework adopted by Vidullanka PLC is as follows:

Determination

- Understanding the strategic goals and objectives of the company.
- Determining the strategic priorities and objectives of the risk management process.
- Formulating the risk appetite.

Assessment

- Identification of the key risks through collective approaches and consultation.
- Determining the level of risk appetite.

Development

- Development of suitable risk responses to the identified risks based on the risk ratings of the experts.
- Formulation of the overall risk response strategy by the management.

Implementation

- Implementation of risk response strategy.
- Delegation and monitoring implementation.
- Risk financing and consultation

Control

- Periodic review of risk profile to monitor the retained risks and perceived volatility with the help of traffic light and risk rating mechanism.
- System audits and continuous monitoring of control mechanisms.
- Systematic approach to communication on any adverse issues identified.

THE FOLLOWING MAJOR RISKS ARE ADDRESSED THROUGHOUT THE COMPANY'S OPERATIONS:

Business Risk

Vidullanka's business risk encompasses the potential challenges and uncertainties arising from the sectors in which it operates, the jurisdictions in which it has established a presence, and any new markets or business ventures it may pursue in the future. The emergence of such risks could have significant consequences for the Group, extending beyond its existing operations to influence prospective investments and expansion plans. These exposures may result in lower returns, financial losses, or limitations on the company's ability to expand. To manage these exposures effectively, the company continually assesses and monitors the countries in which it conducts business, together with markets identified for potential future expansion. Regular reporting and review of these jurisdictions enable the company to identify emerging concerns and evaluate the risks that could affect its existing activities and future strategic initiatives.

Weather Risk

Vidullanka's core business involves the development, ownership and operation of renewable energy projects, supported by complementary activities across the value chain, including Engineering, Procurement and Construction (EPC) and Operations and Maintenance (O&M) services. Its power generation activities rely primarily on naturally available resources such as water, sunlight and biomass, supporting its hydro, solar and dendro energy portfolio. The company has also taken steps to enter into the wind sector, with development of projects with a capacity of 60MW being carried out. As these resources are dependent on prevailing climatic conditions, the Group is inherently exposed to weather-related uncertainties.

Variations in rainfall, solar irradiation and wind patterns can materially influence electricity output from hydro, solar and wind facilities respectively. Unexpected changes in these conditions may reduce generation volumes, resulting in lower revenues and potentially affecting the profitability of individual projects and the Group as a whole. Such exposure is common across the renewable energy industry and cannot be directly controlled, given the inherent unpredictability of weather patterns. Nevertheless, the impact can be reduced through diversification across technologies and geographical locations. Accordingly, Vidullanka identifies weather-related exposure as a high-impact risk requiring close attention within its overall risk management framework.

The Group has progressively broadened its generation portfolio to reduce its reliance on a single renewable energy technology. Historically, its operations were predominantly focused on hydropower, which remains a key area of expertise. The diversification process expanded into biomass in 2019 following the commissioning of the 3.3 MW Dehiyathakandiya biomass power plant. This was followed by the entry into solar generation in 2020, with the Group's solar portfolio subsequently growing to 35 MW. The company has also taken the initiative to further diversify into 2 more technology streams; wind power and Battery Energy Storage Systems (BESS). Vidullanka PLC is currently developing 2 wind power projects in Sri Lanka, with a combined capacity of 60MW. The company also took part in the country's first ever utility scale BESS tender, and ventured into developing such facilities across the country. Each BESS facility would carry a capacity of 10MW & 4-hour battery discharge. This 130MW BESS initiative, which the company is part of, represents its largest ever project undertaken, which significantly diversifies the project mix away from weather risk.

Geographical diversification has also formed an important component of the Group's risk mitigation strategy. Vidullanka commenced its international expansion in 2017 with the commissioning of the 6.5 MW Muvumbe Small Hydropower Plant (SHPP) in Uganda, followed by the Bukinda SHPP in 2020. Establishing generation assets across different geographical regions provides greater diversification of climatic exposure and can help offset the effects of seasonal or cyclical variations affecting generation in any single market.

These measures demonstrate the Group's efforts to reduce its vulnerability to weather-driven fluctuations in renewable energy generation. Cash flows generated by its overseas operations have provided an additional source of income during periods in which unfavourable weather conditions have reduced generation from its Sri Lankan assets. Going forward, the Group expects to further diversify its revenue base through additional international projects, a wider mix of renewable energy technologies, and complementary activities such as EPC and O&M consultancy services. Together, these initiatives are expected to strengthen the resilience and stability of Group earnings.

Foreign Exchange Risk

Foreign exchange exposure arises when movements in currency values affect the worth of assets held overseas or alter the financial impact of transactions conducted in currencies other than the Sri Lankan Rupee. With Vidullanka's growing international presence, the Group is increasingly exposed to such movements through its foreign operations. Accordingly, currency trends and their potential financial implications are closely considered when making operational, investment and strategic decisions.

The Group maintains a net asset position in foreign currencies, largely attributable to its international operations. This position has the potential to generate favourable translation movements when exchange rates move in the Group's favour. The year resulted in a foreign currency translation gain of Rs. 308 million being recognised for the Financial Year, compared with a translation gain reserve of over Rs. 1.3 billion previously recognised.

Foreign currency exposure is also significant during the development of new projects, as machinery, equipment and other key inputs are substantially sourced from overseas suppliers. Consequently, changes in exchange rates can materially influence the overall investment required and the expected returns from projects under development or construction. The sharp depreciation of the Sri Lankan Rupee in early 2026 due to geopolitical conflicts contributed to substantial increases in project costs, placing pressure on the projected returns of several developments. However, the Group's international portfolio provided a degree of resilience against these adverse effects.

The Group maintains continuous oversight of its foreign-denominated assets, liabilities and transactions to ensure that currency exposure remains consistent with its financial and strategic objectives. Senior management, under the direction of the Board, regularly assesses movements in foreign exchange markets and evaluates appropriate responses to prevailing conditions. This enables the Group to identify opportunities arising from favourable currency movements while taking measures to minimise potential adverse impacts on its financial performance.

Legal and Regulatory Risk

As Vidullanka PLC broadens its operations across different jurisdictions, maintaining compliance with the legal, regulatory and governance requirements applicable in each jurisdiction remains a key priority. The Group seeks to ensure that its activities are conducted in accordance with the relevant statutory and regulatory obligations governing each of its operating environments.

As a Sri Lankan incorporated entity, Vidullanka PLC operates in accordance with the provisions of the Companies Act No. 07 of 2007. Its status as a listed company on the Colombo Stock Exchange also requires adherence to the Listing Rules and applicable directives of the Securities and Exchange Commission of Sri Lanka. Furthermore, the Group aligns its governance practices with the principles set out in the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka. These practices are periodically reviewed and strengthened to ensure continued alignment with prevailing requirements and recognised governance standards.

The Audit Committee provides oversight of the Group's adherence to applicable legislation, regulations and corporate governance requirements. A comprehensive compliance checklist is reviewed at each Committee meeting, with key findings and recommendations subsequently communicated to the Board for consideration and appropriate action. Responsibility for specific compliance areas are distributed across the organisation, with the Finance and Legal functions overseeing matters including financial reporting, taxation and legal obligations, while respective business units manage regulatory requirements relevant to their activities. The Board is also kept informed of material or ongoing legal matters and, where appropriate, obtains advice from external specialists to support sound and informed decision-making.

Country Risk

Country risk encompasses the potential adverse effects that conditions within a particular jurisdiction may have on investments and business activities. Such exposure may arise from a range of factors, including political developments, regulatory and legal conditions, economic circumstances, restrictions on the movement of funds, and social or civil instability. The overall risk profile of a country varies according to its governance structures, political environment, judicial framework, infrastructure, economic strength and other evolving conditions.

Vidullanka PLC adopts a cautious and forward-looking approach when assessing the risks associated with its international operations. Its two hydropower facilities in Uganda have established strong relationships with relevant government institutions and regulatory authorities, supported by comprehensive Power Purchase Agreements and Investment Protection Agreements. Similarly, prior to undertaking the EPC assignment in Guyana, the Group carried out detailed due diligence to evaluate the country's risk profile and its potential implications for the project. Conditions within the operating environment are also monitored on an ongoing basis to identify emerging concerns or deviations that may require attention.

As part of its established operating procedures, Vidullanka ensures that all statutory approvals, permits and licences required for both operational assets and projects under development are obtained and maintained in accordance with the requirements of the relevant host country. These authorisations are also monitored to ensure that renewals are completed within the required timeframes. Over time, the Group has developed strong and mutually supportive relationships with a diverse range of stakeholders across the renewable energy sector, including government institutions, regulators, development organisations, financial institutions, project sponsors, donors and other strategic partners. These relationships contribute to the Group's ability to operate effectively and build resilience across different markets.

A comprehensive assessment of the political, economic and social environment is undertaken before the Group enters a new country or commits to an overseas development. The findings provide insight into the external factors that could influence the viability and risk profile of the proposed investment, allowing decisions to be made within the Group's established risk appetite. Where identified exposures exceed acceptable thresholds, appropriate safeguards and mitigation measures can be incorporated before proceeding, thereby reducing potential uncertainties and strengthening the quality of investment decisions.

Counterparty risk

Counterparty risk represents the possibility of financial loss arising when a party to a revenue generating contract fails to fulfil its contractual obligations or defaults on amounts payable. Vidullanka has contractual arrangements with electricity off-takers, including the National Systems Operator (NSO) and Lanka Electricity Company (LECO) in Sri Lanka, as well as the Uganda Electricity Transmission Company Limited (UETCL) in Uganda. The NSO is the new incumbent off-taker which replaced the CEB, as the CEB underwent an unbundling exercise recently. All power projects of the company which were under PPAs with the CEB are now serviced under the NSO. Electricity generated by the

Group's power plants is supplied to these counterparties under Power Purchase Agreements (PPAs), which establish the applicable payment terms and mechanisms. These arrangements are further supported by provisions contained within the relevant Investment Protection Agreements.

The financial standing, creditworthiness and overall profile of an electricity purchaser are therefore important considerations when assessing prospective investments. Before committing to a new project, the Group undertakes detailed assessment of the proposed off-taker and its ability to meet its contractual obligations. The analysis also considers the maturity of the renewable energy regulatory framework within the relevant jurisdiction and the extent to which government institutions and other agencies actively support renewable energy and sustainable investment.

Historically, Vidullanka PLC, together with other Independent Power Producers (IPPs) in Sri Lanka, experienced significant payment delays from the CEB. At the height of the issue, receivables due from the CEB accumulated to approximately 14 months of outstanding payments. Subsequent policy measures introduced by the government, together with the implementation of cost-reflective electricity tariffs, have materially improved the financial position of the sector. However, since the recent unbundling of the CEB and the introduction of the NSO as the replacement off-taker, there has been a marked increase in payment delays. The company is actively exploring methods to reduce the payment delays and build up internal resilience mechanisms for such delays.

UETCL has generally demonstrated a strong payment record in relation to Vidullanka's Ugandan operations. Both regular energy payments as well as deemed energy payments are settled by the UETCL within an acceptable timeframe.

The Group's counterparty exposure also evolved significantly during the past three Financial Years following the addition of the Guyana Energy Agency (GEA) as a source of revenue. GEA engaged Vidullanka under an EPC contract for the design and construction of two hydropower plants in Lethem, Guyana. The project generated a consistent revenue stream for the Group until the completion of the contract in December 2024. The company now undertakes an Operations & Maintenance Consultancy Assignment for the Lethem Power Company, the regional power distribution company with regard to the two hydropower projects built, resulting in the company generating regular recurring foreign income through the contract.

The Group's broad range of counterparties provides an important layer of protection against excessive dependence on any single customer or off-taker. This diversification reduces the potential financial impact should one counterparty experience payment difficulties or fail to meet its obligations. Accordingly, Vidullanka assesses its overall counterparty risk as moderate, while recognising that the level of exposure may fluctuate in response to changing economic, regulatory and external conditions.

Operational Risk

Operational risk arises from the possibility of financial, operational or strategic consequences resulting from weaknesses or failures within internal processes, people, systems and controls, as well as from unforeseen external events. Such exposure can occur across virtually any business function and may include system failures, human error, inadequate procedures, supplier or customer related issues, regulatory developments and natural disasters. It can also extend to areas such as legal compliance, employee related matters, protection of assets and overall business performance. Effective identification and management of these exposures are therefore essential to safeguarding the organisation's objectives and supporting the successful execution of its strategy.

Vidullanka PLC's principal activity is renewable energy generation, supported by complementary businesses across the renewable energy value chain. The Group's operations involve a wide range of activities and assets, creating exposure to potential human errors, equipment failures, procedural weaknesses and other operational disruptions. The Operations function regularly evaluates plant processes, operating procedures and equipment to identify vulnerabilities and implement appropriate preventive and corrective measures. The Group's EPC and O&M activities introduce additional complexities, particularly in meeting project-specific contractual requirements while maintaining required quality, regulatory and environmental standards.

Department heads, under the overall guidance of management, are responsible for directing their respective teams towards achieving operational and strategic objectives while maintaining appropriate risk controls. Internal control mechanisms are embedded within key processes to establish appropriate safeguards and facilitate the early identification and management of operational exposures. These controls are supported by ongoing monitoring mechanisms designed to identify plant level equipment failures, process disruptions and other material operational incidents in a timely manner.

The Audit Committee regularly evaluates the Group's overall risk profile and considers suitable actions to reduce the consequences of risks that materialise. Given the importance of operational resilience to both the Group's existing activities and its future expansion, risk management remains a key area of focus for the Committee.

Stakeholder Risk

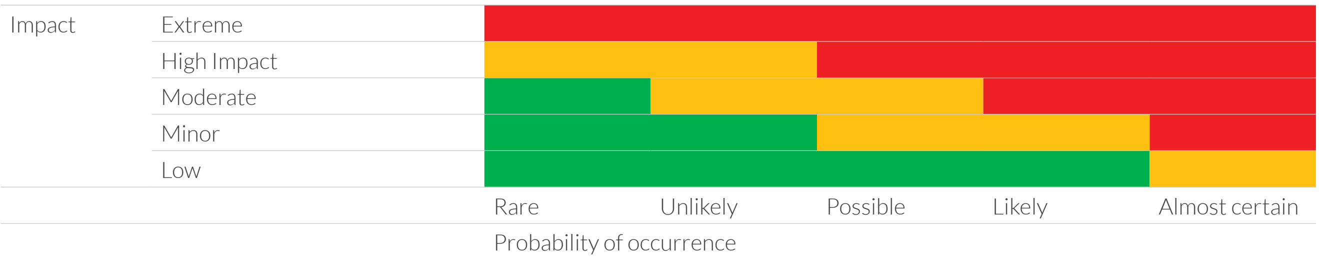
Strong stakeholder relationships are fundamental to maintaining business continuity and supporting sustainable corporate growth. As stakeholders can have varying degrees of influence over an organisation's activities, identifying and addressing potential stakeholder-related concerns at an early stage is important to prevent them from developing into material risks. Accordingly, the Group places emphasis on understanding stakeholder expectations and tailoring its engagement approach according to the level and nature of risk associated with each stakeholder group.

At the locations of its operating power plants, Vidullanka PLC maintains active engagement with surrounding rural and local communities. The Group's community initiatives are primarily centred on social welfare and local development, with the broader objective of contributing to improved living standards and community well-being in areas surrounding its operations.

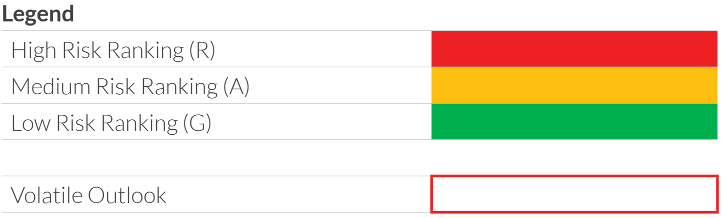
These efforts are further supported through ViduSaviya, the Group's dedicated CSR arm, which implements a range of programmes across project communities. Activities cover areas such as community development, healthcare, education, sports, environmental protection and initiatives supporting law and order. Through these ongoing engagements, Vidullanka seeks to build constructive relationships with local communities, address their needs and expectations, and foster stronger and more sustainable relationships with stakeholders in the areas where it operates.

Additionally, Vidullanka formulates risk management strategies tailored to the profiles of its key stakeholder groups, enabling the company to mitigate potential risks effectively and responsibly.

Risk rating matrix used



Legend



#	Risk Category	Risk	Definition	Catastrophic/ Critical/ Significant/ Low	Mitigation Action	Risk Owner	Risk Review Status	Risk Ranking
1	**Financial and Economic Environment**							
		Counterparty Credit Risk	Risk of loss of principal or financial reward stemming from a debtor's failure to repay a due amount or to meet contractual obligations.	Significant	Electricity generated by Vidullanka's power facilities in Sri Lanka and Uganda are supplied to the National Systems Operator (NSO), the incumbent replacement of CEB, Lanka Electricity Company (LECO) and Uganda Electricity Transmission Company Limited (UETCL), respectively. The payment arrangements relating to these electricity sales are determined by the respective Power Purchase Agreements entered into between each power project and its relevant utility. The Group's receivables from UETCL are additionally supported by bank guarantees issued by the utility, which provide the respective projects with recourse in the event of payment default. In Sri Lanka, the NSO has delayed payments to Renewable Energy power producers primarily due to the challenges associated with the unbundling process and adequate capitalisation. Payments received from UETCL in respect of both electricity actually generated and deemed energy have generally remained satisfactory. The Operation and Maintenance engagement with the Guyana Energy Agency provides regular recurring revenues to the company. The servicing of these payments is carried out by the Lathem Power Company in a satisfactory manner.	CFO	Adopted	

#	Risk Category	Risk	Definition	Catastrophic/ Critical/ Significant/ Low	Mitigation Action	Risk Owner	Risk Review Status	Risk Ranking
		Financial Risk	Risk of losing shareholders' wealth because of the Company's incompetence in matching liquidity with financial obligations.	Critical	Vidullanka PLC maintains continuous oversight of its liquidity position by assessing factors that could influence cash generation and financial stability, including weather conditions, broader economic developments and the performance of key investments. The Group has also established a diversified revenue base across geographical markets, business models and renewable energy technologies, which helps reduce reliance on any single source of income. The Audit Committee regularly assesses the Group's capacity to meet its debt obligations and monitors potential exposure arising from contingent liabilities.	CEO	Adopted	
		Economic Risk	The chances of the investments and financial operations being affected by regulations, macroeconomic conditions, interest rates, exchange risk and political stability.	Critical	Vidullanka PLC undertakes a comprehensive assessment of the investment climate and prevailing economic conditions within a jurisdiction before proceeding with any proposed investment. Where appropriate, the Group also seeks to enter into Investment Protection Agreements with the relevant government authorities to provide additional safeguards for its investments. Despite these measures, exposure to broader economic conditions cannot be completely eliminated, as macroeconomic developments remain largely outside the Group's direct influence. Volatility in interest rates and foreign exchange markets continues to present potential challenges, particularly where such movements could increase project costs, affect expected returns or delay the progress of projects under development.	CEO & COO	Adopted	
		Interest Rate Risk	Adverse impact on the profitability of the Company due to interest rate fluctuations.	Significant	Interest rates in Sri Lanka are currently stable. The company has a diverse mix of financing, priced at both fixed and floating rates to further mitigate any risks from fluctuating rates.	CFO	Adopted	
		Liquidity Risk	Potential difficulties faced in meeting short-term financial obligations. Arises when sufficient liquid assets or readily available cash are not available to cover immediate financial needs.	Critical	Vidullanka PLC maintains flexibility in meeting its financing needs through its presence across several countries. A diversified range of external funding avenues, together with strong internally generated cash flows, provides the Group with a sound liquidity position and supports its ability to finance ongoing and future requirements. The Group further demonstrated its ability to access innovative sources of capital through the issuance of Sri Lanka's first listed Sukuk in June 2025, highlighting its financial flexibility and capacity to explore alternative funding structures.	CFO	Adopted	

#	Risk Category	Risk	Definition	Catastrophic/ Critical/ Significant/ Low	Mitigation Action	Risk Owner	Risk Review Status	Risk Ranking
		Exchange Rate Risk	The risk of losses due to the fluctuation of exchange rates. This also brings in translation, transaction and economic risk to the business.	Significant	Vidullanka PLC maintains a diversified balance sheet with assets and obligations denominated in both Sri Lankan Rupees and US Dollars. As the Group advances its expansion plans across domestic and international markets, several projects remain at various stages of development. A substantial proportion of the equipment and materials required for these projects are sourced internationally, creating exposure to movements in foreign exchange rates. The Group actively tracks currency market developments and assesses their potential impact on project costs and the overall financial position. Where necessary, suitable measures are implemented to limit adverse currency movements and protect the economic viability of projects and the Group's financial strength.	CFO	Adopted	
2	**Environmental, Health and Safety**							
		Health and Safety Risk	The risk of employees being exposed to dangers during working hours on the power plant construction sites and the office.	Critical	Vidullanka PLC places strong emphasis on maintaining high standards of occupational health and safety throughout its operations. Comprehensive policies, procedures and Standard Operating Procedures (SOPs) have been established to promote safe working conditions across both the head office and individual project locations. Personnel working at power plants are provided with appropriate personal protective equipment (PPE), with its use required throughout both project construction and operational activities. The Group has also adopted recognised workplace efficiency and management practices, including 5S and Kaizen, supported by structured training programmes to promote consistent application across the organisation. Safety awareness is further reinforced through the physical design of work environments, incorporating prominent signage, visual indicators, graphical safety instructions and clearly documented operating procedures. These measures collectively support the development of a strong safety culture and help minimise workplace hazards across the Group's activities.	Director - Operations	Adopted	
		Environment & Disaster Risk	The risks of potential adverse disaster events occurring during the operations/ disrupting the operations.	Critical	Vidullanka PLC has a dedicated team of environmental specialists who play an active role in identifying and addressing environmental risks through preventive measures and strict adherence to applicable environmental requirements. Where specialised expertise is required, the Group engages external consultants and technical professionals to provide additional guidance and ensure that potential environmental impacts and associated risks are comprehensively assessed. In addition, appropriate insurance arrangements are maintained to provide financial protection against significant risks that could adversely affect the Group's operations.	Director - Operations	Adopted	

#	Risk Category	Risk	Definition	Catastrophic/ Critical/ Significant/ Low	Mitigation Action	Risk Owner	Risk Review Status	Risk Ranking
		Epidemic Risk	Risk of adverse operational and economic impact stemming from epidemic/pandemic outbreaks.	Significant	The experience gained during the COVID-19 pandemic has enabled Vidullanka PLC to further strengthen and refine its Standard Operating Procedures (SOPs). These enhancements have improved the Group's preparedness and response capabilities, enabling it to better manage potential disruptions arising from future epidemics or similar public health events.	COO & Director - Operations	Adopted	
		Weather Risk	Risk of disruptions and financial losses due to changing weather conditions.	Critical	Vidullanka PLC has progressively broadened its generation portfolio and geographic footprint as a means of reducing its exposure to climate-related fluctuations. Its hydropower assets across Sri Lanka and Uganda provide geographical diversification that helps moderate the effects of seasonal variations in water availability. In addition, the Group's portfolio of dendro and solar facilities provides further diversification from hydropower, helping to balance fluctuations in hydroelectric output and support greater stability in overall generation and financial performance. The Group's initiative to expand into wind as well as BESS projects is a further addition that improves its diversification from weather risk.	COO & Director - Operations	Adopted	
3	**Stakeholder Relations**							
		Public Relations Risk	This is the risk of losing reputation, which can lead to conflicts with stakeholders.	Low	Through its CSR initiative, "ViduSaviya", Vidullanka PLC undertakes a wide range of programmes aimed at supporting communities and promoting environmental and social development. These efforts contribute to strengthening the Group's relationship with the public and building greater stakeholder confidence. Key initiatives include reforestation and afforestation activities, provision of medical equipment, educational scholarships, charitable contributions, blood donation campaigns, distribution of essential goods and various other community-focused programmes.	Operations Department	Adopted	
		Stakeholder Risk	The risk of failure to adequately manage stakeholder expectations.	Significant	Individual departments across Vidullanka PLC are responsible for understanding the expectations of their respective stakeholders and managing these relationships in a manner that balances the interests of all parties. The relevance, significance and potential influence of stakeholder activities are assessed to ensure that engagement is appropriately prioritised and effectively managed. A formal quarterly risk review is conducted under the oversight of the Audit Committee. As part of this process, each department reports on the risks relevant to its area of responsibility, enabling the Committee to maintain an updated view of the Group's overall risk exposure and identify matters requiring further attention.	CEO & Heads of Departments	Adopted	

#	Risk Category	Risk	Definition	Catastrophic/ Critical/ Significant/ Low	Mitigation Action	Risk Owner	Risk Review Status	Risk Ranking
4	**Operational Environment**							
		Operational Risk	This involves the risk of losses arising from internal activities, processes, and procedures.	Significant	Vidullanka PLC's principal activities encompass project development, renewable energy generation and engineering, with EPC and Operations & Maintenance engagements providing an additional stream of business activity. These operations are supported by a range of corporate and functional areas, including Finance, Human Resources, Administration, Legal and Information Technology. Clearly established Standard Operating Procedures (SOPs) and performance guidelines govern these functions, providing a structured framework for consistent execution and efficient management of activities. Regular internal audits are undertaken to evaluate adherence to established procedures and identify weaknesses or opportunities for improvement. The results of these reviews are used to implement appropriate corrective measures and strengthen operational practices on an ongoing basis. In addition, the Group has obtained ISO 9001:2015 certification covering its domestic hydropower and solar operations, further demonstrating its commitment to maintaining structured quality management systems and consistent operational standards.	CFO & Heads of Departments	Adopted	
		Fraud Risk	Possible losses from the suboptimal use of Company assets, corruption etc.	Significant	Vidullanka PLC has established a structured framework for preventing, identifying and addressing fraudulent activities, with oversight provided through collaboration between the Internal Audit function and the Audit Committee. The framework incorporates strong internal controls, including appropriate segregation of responsibilities, defined principles for the effective utilisation of company assets, and clear procedures governing their authorised and responsible use. Collectively, these controls strengthen accountability, reduce opportunities for fraudulent activity and support sound governance across the Group's operations.	All Heads of Departments	Adopted	
5	**Information Technology**							
		Information Risk	Risk of unauthorised access, manipulation and dissemination to the public of confidential information relating to the Company.	Critical	Vidullanka PLC continues to strengthen its information security framework and controls governing the handling and distribution of data through the support of external specialists. The Group also utilises established cloud-based technology solutions to enhance data protection, maintain reliable backups and support the security and availability of critical information. Access to sensitive and confidential information is subject to strict controls, with permissions granted only to designated personnel based on their authorised responsibilities. These measures help safeguard the Group's information assets and reduce the risk of unauthorised access, loss or inappropriate disclosure of data.	IT Department	Adopted	

#	Risk Category	Risk	Definition	Catastrophic/ Critical/ Significant/ Low	Mitigation Action	Risk Owner	Risk Review Status	Risk Ranking
6	**Regulatory Environment**							
		Regulatory & Legal Risk	Risk of changes in laws and regulations which have a material impact on the business and the viability of its investments.	Low	Vidullanka PLC maintains a proactive approach to meeting the legal, regulatory and statutory requirements applicable to its activities across all jurisdictions in which it operates. Where specialised expertise is required, the Group obtains advice from external tax, legal and regulatory professionals to support appropriate due diligence, strengthen compliance and ensure that decisions are made within established governance frameworks. In addition to fulfilling mandatory governance requirements, the Group adopts relevant voluntary principles and recognised corporate governance practices. This approach supports transparency, accountability and sound oversight, while promoting consistent and effective governance across the organisation.	Finance & Legal	Adopted	
7	**Global Business Environment**							
		Competition Risk	The risk of failure to adapt to the changing business environment amidst the increased competition between renewable energy developers.	Low	Vidullanka PLC is guided by a Board comprising professionals and business veterans with extensive experience and varied expertise across multiple industries and business sectors. The collective knowledge and commercial experience of the Directors enable the Group to respond effectively to changes within the renewable energy sector and identify opportunities arising from evolving market conditions. The Group also leverages strategic partnerships to strengthen its competitive position across both domestic and international markets. Complementing the Board's oversight, the Investment and Strategy Committee provides focused guidance on major strategic matters and supports the development and continuous refinement of the Group's long-term business direction.	Senior Management & Board of Directors	Adopted	
		Country & Political Risk	A collection of risks associated with investing in foreign countries, including political risk, economic risk, exchange rate risk, sovereign risk, and repatriation risk.	Low	Before entering a new country, Vidullanka PLC undertakes detailed feasibility assessments to determine the commercial viability and broader risk profile of the proposed investment. Where required, the Group engages external specialists to provide independent expertise during the evaluation process. Potential exposures relating to taxation, legislation, political conditions and other country-specific factors are carefully examined through a comprehensive due diligence process before any investment decision is finalised. Drawing on its experience in international markets, the Group also seeks to establish appropriate safeguards for its overseas investments by negotiating Investment Protection Agreements with the respective host governments before committing capital. These arrangements provide an additional layer of protection and help safeguard the Group's interests throughout the investment lifecycle.	CEO, CFO, COO	Adopted	

#	Risk Category	Risk	Definition	Catastrophic/ Critical/ Significant/ Low	Mitigation Action	Risk Owner	Risk Review Status	Risk Ranking
		Geographical & Diversification Risk	Geographical risk is the potential negative impact on a company due to its exposure to specific locations. Diversification risk is the potential negative impact on a company if it fails to spread its investments or operations across various assets or markets.	Low	Within Sri Lanka, Vidullanka PLC is actively exploring opportunities arising from large-scale renewable energy tenders, with particular emphasis on solar and wind power projects. Successful participation in these developments is expected to further strengthen the Group's domestic presence and increase its exposure to the local renewable energy market. At the same time, the Group continues to advance its international project pipeline, supporting the expansion of its operations across selected markets in Africa, South Asia and South America. This combination of domestic and overseas growth initiatives is expected to further diversify the Group's geographical footprint and create additional opportunities for long-term expansion.	CEO, CFO, COO	Adopted	

SUSTAINABILITY RELATED DISCLOSURES UNDER SLFRS S1 & S2

1. BASIS OF PREPARATION

This report details Vidullanka PLC's climate-related financial disclosures as set out in the SLFRS S2 Climate-Related Disclosure standard. The organisation recognizes that climate-related risks and opportunities are intrinsically linked to its business model, long-term value creation, and stakeholder expectations. Accordingly, this report provides information on the governance, strategy, risk management processes, and metrics and targets used by the Group to identify, assess, manage, and monitor climate-related matters that may influence its business performance and prospects over the short, medium, and long-term. The report has been prepared under the guidance of SLFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and S2 (Climate-related Disclosures).

2. REPORTING ENTITY, ORGANISATIONAL BOUNDARY AND VALUE CHAIN

Vidullanka PLC has undertaken the initial adoption of the Sri Lanka Financial Reporting Standard (SLFRS) S2 Climate-related Disclosures and presents its climate-related financial impact in accordance with the requirements of SLFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 Climate-related Disclosures.

This report comprises the qualitative disclosure of climate-related financial disclosures of Vidullanka PLC and its operations.

In assessing climate-related risks and opportunities, the Group has considered material impacts across its value chain, including upstream suppliers and service providers, internal operational processes, and downstream stakeholders and activities that may influence or be influenced by the Group's business model, strategy, financial performance, and long-term value creation, providing stakeholders with transparent and decision-useful information on the Group's governance, strategy, risk management and climate related metric and targets.

3. APPLICABLE REPORTING FRAMEWORKS AND GUIDANCE

A. SLFRS S1 | Version 2025 –Sustainability Disclosure Standard (General Requirements for Disclosure of Sustainability-related Financial Information)

B. SLFRS S2 | Version 2025 – Sustainability Disclosure Standards (Climate-related Disclosures)

Note: The standards were issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) as the localized Sustainability Disclosure Standards and are aligned with IFRS S1 and IFRS S2 issued by the International Sustainability Standards Board (ISSB)

C. SASB Industry Standard | Version 2023 –Sustainability Accounting Standard (Electric Utilities & Power Generators SICS-IF-EU)

D. SASB Industry Standard | Version 2023 –Sustainability Accounting Standard (Engineering & Construction Services SICS-IF-EN)

E. SASB Industry Standard | Version 2023 –Sustainability Accounting Standard (Solar Technology & Project Developers SICS-RR-ST)

F. SASB Industry Standard | Version 2023 –Sustainability Accounting Standard (Forestry Management SICS-RR-FM)

G. SASB Industry Standard | Version 2023 –Sustainability Accounting Standard (Biofuels SICS-RR-BI)

4. REPORTING ENTITY AND PERIOD UNDER REVIEW

The reporting boundary for this disclosure is consistent with the Group's financial consolidation boundary and includes all entities, operations and physical locations under its financial control. Details of the locations included within the reporting boundary are provided on page 129. The reporting period covers 1st April 2025 to 31st March 2026, in line with the reporting period of the Group's consolidated financial statements.

Physical Locations and Legally Registered Entities Covered by the Reporting Boundary

No.	Physical Entity	Legal Name/ Registered Name	Location/ Address
01	Vidullanka PLC-Head Office	Vidullanka PLC	WVC4+3X Colombo 6°55'12.68"N 79°51'26.78"E
02	Bambarabatuoya MHPP	Vidullanka PLC	PG25+GR8, Ratnapura 6°42'04.89"N 80°30'34.63"E
03	Batathota MHPP	Vidullanka PLC	R97G+386, Kuruwita 6°48'45.52"N 80°22'32.98"E

No.	Physical Entity	Legal Name/ Registered Name	Location/ Address
04	Wembiyagoda MHPP	Vidullanka PLC	GC97+382, Kalawana 6°31'03.65"N 80°24'47.85"E
05	Lower Kotmale Oya MHPP	Vidullanka PLC	2MM2+88 Kumbaloluwa 7°02'00.05"N 80°39'02.77"E
06	Rideepana MHPP	Vidullanka PLC	2357+PJX, Andeniya, Badulla 7°00'33.88"N 81°03'50.88"E
07	Udawela MHPP	Vidullanka PLC	3346+H6J, Badulla 7°03'23.84"N 81°03'38.56"E
08	Muvumbe SHPP	Muvumbe Hydro (U) Ltd	M4RX+M65 Kahondo, Uganda 1°18'30.1"S 30°08'53.2"E
09	Bukinda SHPP	Timex Bukinda Hydro (U) Ltd	3QF6+J95, Kigwabya, Uganda 1°04'26.53"N 30°45'39.46"E
10	Monaragala Solar PP	Orik Corporation (Pvt) Ltd	Q9CP+JM, Ambagolla 6°46'17.60"N 81°23'12.20"E
11	Horana Solar PP	Vidulsolar (Pvt) Ltd	P3PH+5RF, Horana 6°44'08.73"N 80°04'47.82"E
12	Horana Solar PP - Phase II	Vidulsolar (Pvt) Ltd	P3PH+5RF, Horana 6°44'01.19"N 80°04'49.25"E
13	Matara Solar PP	Vidul Matara Solar Power (Pvt) Ltd	3HQ5+Q36, Kamburupitiya 6°05'21.92"N 80°33'27.50"E
14	Madampe Solar PP	Vidulsolar (Pvt) Ltd	JRC6+2F9, Bangadeniya 7°37'12.58"N 79°48'40.46"E
15	Vidul Plantation	Vidul Plantation (Pvt) Ltd	Gliricidia Plantations

All the legal entities listed above maintain their registered addresses at Level 4, Access Towers, No. 278, Union Place, Colombo 2, Sri Lanka, except for Muvumbe Hydro (U) Ltd and Timex Bukinda Hydro (U) Ltd, whose registered offices are located at Unicalo House, Plot 11, Archer Road, Kololo, P.O. Box 35966, Kampala, Uganda.

5. LOOKING AHEAD (TIME HORIZON)

To effectively assess and respond to climate-related risks and opportunities, Vidullanka PLC applies defined short, medium, and long-term time horizons that are aligned with the Group's strategic planning cycles, asset lifespans, and investment decisions.

Short-term	Medium-term	Long-term
0 – 2 Years	3 –5 Years	>5 Years

6. REPORTING EXEMPTIONS

As a first-time adopter of SLFRS standard, Vidullanka PLC has utilized the applicable transitional reliefs permitted under the standard to facilitate the implementation of climate-related financial disclosures during the reporting period.

A. **Climate-only reporting** - Vidullanka PLC discloses information only on Climate Related Risks and Opportunities (CRROs)

B. **Reporting comparatives** - Harnessing the transition reliefs furnished under SLFRS S2, Vidullanka PLC has not disclosed comparative information for CRROs in the underlying year, as it is the adoption year of the standard. Comparative disclosures will be provided from the subsequent reporting period onwards.

C. **Value chain emissions** - In accordance with the transition provisions of SLFRS S2, Vidullanka PLC has deferred the disclosure of Scope 3 greenhouse gas emissions for the underlying reporting period following its initial adoption of the Standard.

D. **Anticipated financial impact** - Vidullanka PLC has applied the transition relief provided under the Standard, whereby qualitative disclosures on the anticipated financial effects of climate-related risks and opportunities are not required during the first two reporting periods following initial adoption of the Standard.

E. **Climate resilience disclosure requirements** - Vidullanka PLC has utilised the transition relief provided by CA Sri Lanka in relation to climate resilience disclosures, allowing a phased approach to achieving full compliance with the climate resilience reporting (scenario analysis) disclosure requirements during the first two years of SLFRS S2 adoption.

7. SOURCES OF ESTIMATIONS & UNCERTAINTIES

In preparing these climate-related financial disclosures, Vidullanka PLC has applied significant professional judgement, estimates, and assumptions. Due to the forward-looking nature of climate-related risks and opportunities, the disclosures are inherently subject to uncertainty, evolving scientific and economic assumptions, and limitations in the availability of relevant information and data.

7.1. Materiality Assessment

Significant judgement is applied in assessing whether CRROs could reasonably be expected to influence the Group's cash flow, access to finance, or cost of capital across the short, medium, and long-term.

7.2. Organisational level GHG Emissions reporting and Emission Removals

Professional judgement was exercised by the independent verifier in determining the suitability of emission factors and validating the use of delegated activity data to ensure a reasonable and consistent basis for the quantification of greenhouse gas emissions.

7.3. Time Horizon Classification

The determination of short, medium, and long-term time horizons involved the application of professional judgement, considering the lifecycle of renewable energy projects from development through operation, and ensuring consistency with the Company's strategic planning and decision-making processes.

7.4. Measurement Uncertainties

Scope 1 and Scope 2 GHG Emissions – Estimations are based on activity data and externally sourced emission factors. Uncertainty may arise due to data limitations, assumptions applied, and potential variability in the emission factors used for emissions quantification.

8. GOVERNANCE

The Board of Directors of Vidullanka PLC maintains ultimate accountability for the oversight of the Company's sustainability and ESG performance, encompassing its economic, environmental, and social impacts. The Board is responsible for overseeing SRROs and CRROs that could reasonably be expected to affect the Company's business model, strategy, financial position, financial performance, cash flows, and resilience across the short, medium, and long-term. Through its governance and decision-making processes, the Board ensures that sustainability and climate-related considerations are effectively integrated into the Company's strategic planning, risk management, and value creation activities. SLFRS-S2-6(a)

8.1. Climate Governance Framework

The Board oversees the measurement, monitoring, and reporting of performance against the Company's ESG objectives, key metrics, and targets, reinforcing accountability and continuous improvement in sustainability performance. As part of its ongoing commitment to strengthening ESG governance, Vidullanka PLC has developed a comprehensive ESG Policy to formalise its sustainability commitments and guide responsible business practices across the organisation. The Policy has been submitted to the Board of Directors as part of the Company's governance enhancement programme. SLFRS-S2-6(a)i)

8.2. The Board Oversight

Board Oversight

During the reporting period, the Board oversight was exercised through the organisational existing risk management framework, which includes Weather Risk, and Environment and Disaster Risk. A separate Board-level review of CRROs was not undertaken during the year. Management completed the initial CRRO assessment as part of the organisational initial adoption of SLFRS S1 and S2, providing a foundation for formalised Board oversight in future reporting periods.

The Board determines whether appropriate skills, knowledge, and competencies are available to oversee climate-related strategies. As part of its mandate, the Audit Committee annually evaluates the composition, expertise, and capability requirements of the senior management to ensure effective oversight of emerging CRROs.

Vidullanka PLC maintains a structured control environment that supports the ongoing monitoring and management of key risks across its operations.

- Review of the Company's risk profile conducted each quarter during the reporting period to monitor residual risks, risk trends, and changes in risk exposure using established risk rating and traffic-light assessment mechanisms.
- Completion of ISO 9001 system audit and 27 internal financial audits for control reviews to evaluate the effectiveness of internal controls, risk mitigation measures, and governance processes.
- Continuous monitoring of key risks and control activities to identify emerging issues and ensure timely implementation of corrective actions.
- Formal escalation and communication of significant risk events, control deficiencies, or adverse developments through established governance and reporting channels.
- Quarterly reporting of risk assessment outcomes, control performance, and mitigation progress to management, the Audit Committee, and the Board for oversight and decision-making.

The Board's evaluation is further supported by the Company's risk management framework, which incorporates the identification, assessment, and monitoring of weather risks across its operations. These risk management practices provide valuable insights into CRROs related to the Company's renewable energy portfolio. Where opportunities for capability enhancement are identified, the Board supports the development of relevant competencies through capacity building, specialist consultations and access to external expertise. This approach enables the organisation to maintain an appropriate level of climate-related governance and ensures that the skills and competencies required to oversee strategies responding to CRROs continue to evolve alongside the business and the external operating environment. (SLFRS-S2- 6(a)ii)/ (SLFRS-S2-6(a)iii)

The members of the Board of Directors collectively possess a complementary mix of skills and competencies encompassing renewable energy development, electrical engineering, corporate finance, investment banking, legal and regulatory affairs, agriculture and plantation management, risk management, corporate governance, entrepreneurship, and international business leadership. This multidisciplinary expertise, supported by extensive cross-sector and overseas exposure, strengthens the Board's capacity to provide informed oversight over CRROs, including matters linked to weather dependency, energy transition, regulatory developments, project execution, access to finance, and long-term business resilience. The Board's capabilities are further reinforced through its committee structure, including the Audit Committee, Investment and Strategy Committee, Nominations and Governance Committee, Remuneration Committee, and Related Party Transactions Review Committee, which support oversight of financial reporting, risk management, strategic investment, governance, succession, and compliance obligations. The Nominations and Governance Committee also considers the qualifications, professional experience, independence, skills, competencies, diversity, and strategic fit of Directors in supporting effective governance and Board performance. Further details of qualifications, experience, directorships, and areas of expertise are set out in the section "Board of Directors" on pages from 22 to 26. (SLFRS-S2-6(a)ii)

8.3. Climate Integration Across Strategy, Investments and Risk Management

Vidullanka PLC's principal business activities are centred on renewable energy generation, EPC & engineering and Consultation & Project Management. Accordingly, CRROs are directly relevant to the formulation and oversight of the organisational business strategy. Climate-related considerations are therefore reviewed through the existing ERM framework under material matters which include Weather risk, Legal and Regulatory Risk, Country risk, Counterparty risk, Operational risk, and risk are considered.

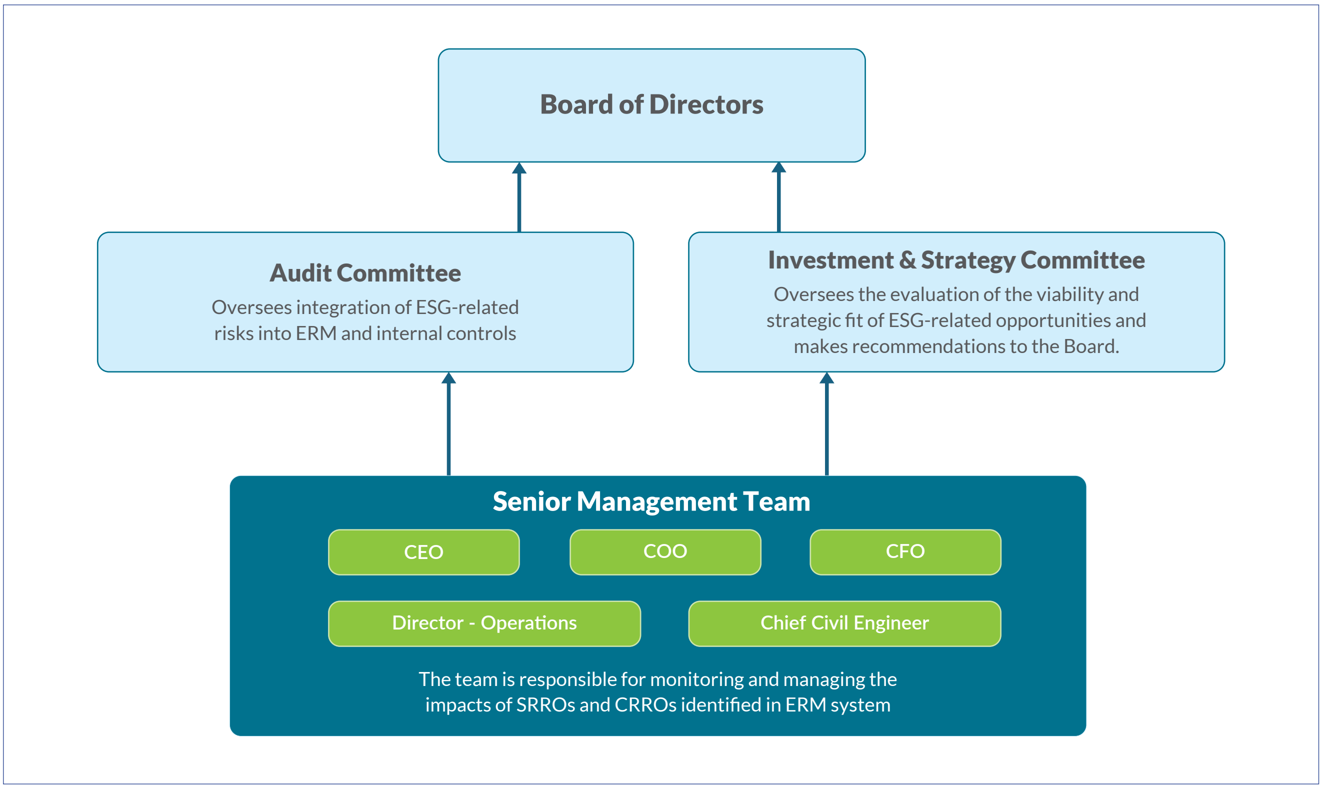
In making decisions on major transactions, including new project developments, expansions, acquisitions, investments, and significant operational commitments, the organisational approach is supported by the preparation and review of Environmental Impact Assessments (EIA), Initial Environmental Examinations (IEE), and Environmental and Social Impact Assessments (ESIA), where applicable. These assessments provide a structured basis for identifying, evaluating, and managing environmental, social, and climate-related impacts associated with project siting, design, construction, operation, and long-term asset performance.

The findings from EIA, IEE, and ESIA processes are considered by the management team and the Business Development Department, Operations Department, Engineering Department, and Finance Department, where relevant, and are escalated to the Board or relevant Board Committees as part of project evaluation, investment approval, risk mitigation, and strategic decision-making. During the underlying reporting period, Vidullanka PLC did not undertake any new EIAs, IEEs, or ESIAs. All solar power projects commissioned during the year were developed in accordance with the applicable environmental regulatory requirements and were supported by Environmental Recommendations (ERs) issued by the Central Environmental Authority. The Company remains committed to ensuring that new developments are implemented in compliance with relevant environmental regulations and approval processes, while integrating environmental considerations into project planning and execution activities within the region where operations are carried out.

The Board also considers trade-offs associated with CRROs when overseeing strategy and major decisions. The identification and assessment of CRROs are currently led by the senior management, given its direct involvement in project development, plant operations, resource monitoring, and site-level risk detection. The process is directly involved with the management personnel of business development, operations, finance and engineering, where it is evaluated as part of operational and investment decision-making.

The organisation has also initiated steps to further strengthen the governance structure, with progress being made towards establishing an ESG Policy, ESG Committee to support Board-level oversight of CRROs and, in future, broader SRROs. SLFRS-S2-6(a)iv/ SLFRS-S–6(b)

Figure 1 Climate Governance and Management Structure



SLFRS-S2– 6(b)i/ SLFRS-S2– 6(b)ii

8.4. Climate Targets, Performance Monitoring and Incentives

The Board of Directors oversees the setting and monitoring of targets related to CRROs through the existing organisational ERM. Currently, Vidullanka PLC has not established standalone climate-related targets or performance metrics that are directly linked to remuneration policies. However, climate-related matters are considered through the Company's operational monitoring, project performance reviews, environmental compliance processes, and ERM framework. CRRO-related metrics are not currently embedded in executive or employee remuneration policy.

SLFRS S2–6(a)v

9. STRATEGY

Vidullanka PLC has undertaken the initial adoption of SLFRS S2 Climate-related Disclosures, guided by the principles of SLFRS S1 & S2. As a renewable energy business whose operations are closely linked to natural resources, climate-related risks and opportunities are central to the organisational strategy, operational resilience and long-term value creation. In this initial reporting cycle, Vidullanka PLC presents qualitative climate-related financial disclosures covering its operations and value chain, including upstream suppliers and service providers, internal operational processes, and downstream stakeholders covering the entire organisational value chain. Through this report, the organisation seeks to provide transparent and decision-useful information on how climate-related matters are identified, assessed, managed and monitored across governance, strategy, risk management, and metrics and targets. As reporting practices mature, Vidullanka PLC will continue to strengthen its approach to climate resilience, data availability, internal controls and forward-looking assessment, supporting informed decision-making and alignment with evolving sustainability disclosure expectations.

9.1. Value Stream Mapping

Figure 2 Vidullanka PLC – Power Generation, EPC & OM Value Stream

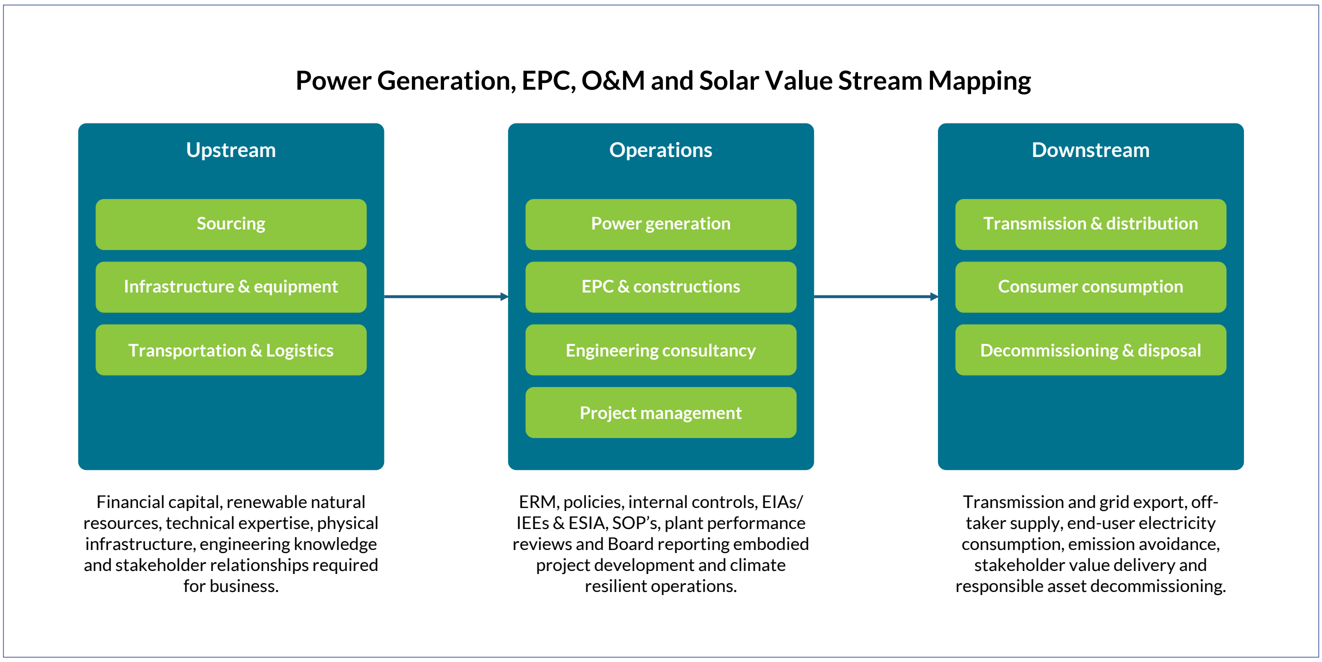
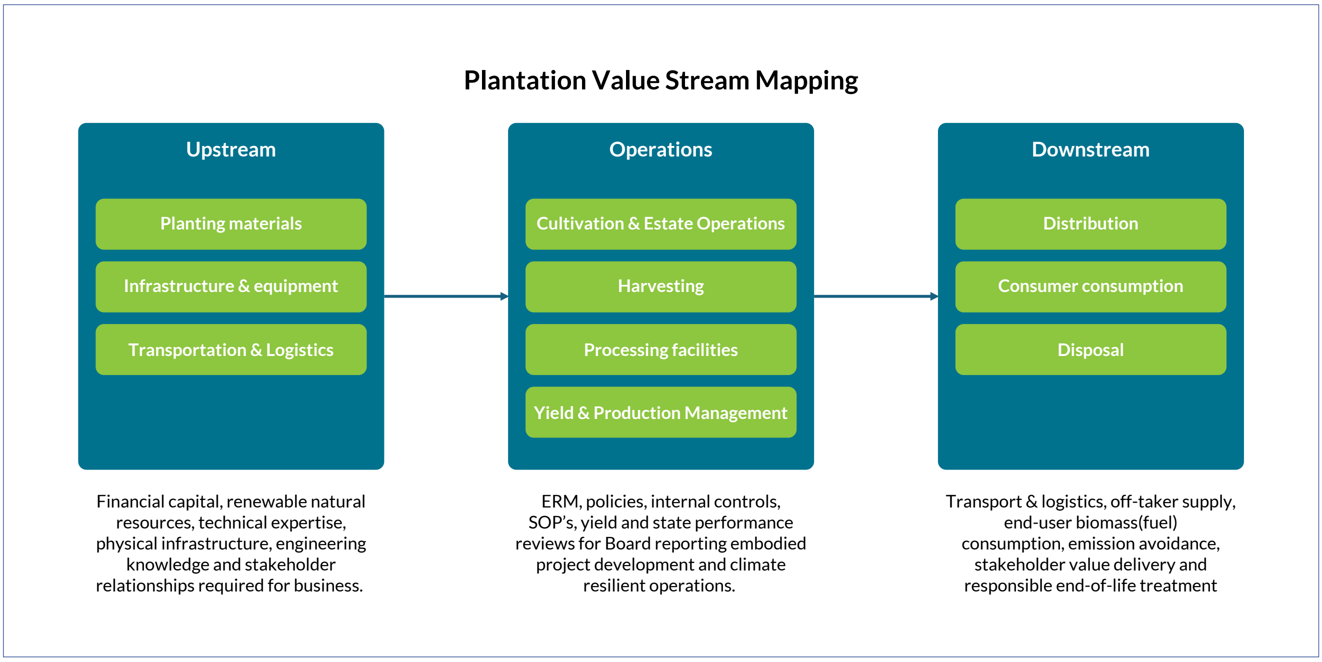


Figure 3 Vidullanka PLC – Plantation Value Stream



9.2. Upstream value chain and operational Inputs

Vidullanka PLC's upstream value chain comprises the resources, inputs, services, and supporting infrastructure required to enable organisational power generation, EPC & OM and plantation activities. This includes the sourcing of raw materials, equipment, technology, planting materials, contracted services, transportation, logistics, and other operational inputs obtained from suppliers and business partners. Effective management of the upstream value chain is essential to ensuring operational continuity, resource availability, cost efficiency, and climate resilience. As part of its strategic assessment under SLFRS S1 and SLFRS S2, Vidullanka considers the CRROs that may arise across these upstream activities, including those related to supply chain reliability, resource availability, infrastructure resilience, changing environmental conditions, and stakeholder expectations, which have the potential to influence the organisational long-term value creation and business performance.

9.2. Operational value creation

Vidullanka PLC's operations encircle the core activities undertaken to develop, operate, maintain, and manage organisational power generation, EPC & OM and plantation activities. The effective management of operational activities is supported through governance structures, ERM process, policies, operational controls, performance monitoring mechanisms, and continuous improvement initiatives. As part of its SLFRS S1 & S2 disclosure requirements, the organisation considers CRROs that may arise across its operations, including those associated with operational efficiency, climate resilience, technological developments, environmental conditions vs impact, and evolving stakeholder expectations, which may influence the organisational long-term performance and value creation.

9.4. Downstream value delivery and lifecycle management

Vidullanka PLC's downstream value chain incorporates the activities through which its energy products and engineering services are delivered to the stakeholders, extending beyond the organisation's direct operations. These activities include the transmission & distribution and Utilisation of renewable energy, engineering and maintenance services, sustainable biomass products, and other value-adding outputs generated by organisational operations. The downstream value chain also captures the benefits delivered to customers, the general public, investors, and other stakeholders through reliable renewable energy supply, sustainable resource utilisation, and responsible business practices. As part of its climate-related impact assessment, the Group considers the CRROs that may arise across downstream activities, including changing customer expectations, market developments, regulatory requirements, technological advancements, and evolving sustainability landscape, which may influence long-term demand, business resilience, and value creation.

9.5. Climate related risks and opportunities (CRROs)

The table below presents the material CRROs identified through the Company's climate impact assessment, together with the applicable short, medium, and long-term time horizons over which they may affect organisational prospects. business model, strategy, and financial performance.

Short-term	Medium-term	Long-term
0-2 Years	3-5 Years	5+ Years
Focuses on immediate operational and strategic actions required to manage current climate-related risks and prioritize near-term opportunities that may influence business performance and resilience.	Strategic business model adjustments implemented to address emerging climate-related risks and position the organisation for sustainable long-term growth	Transformational measures intended to position the Group for long-term success by strengthening resilience to CRROs.

	Risks/ Opportunities	Time Horizon	Affected Area
CR 1	**Extreme Weather and Infrastructure Resilience** ***Physical – Acute risk*** Extreme rainfall, extrema heat, floods, landslides, seasonal rainfall variability, increasing frequency of severe weather events, and damage to transmission infrastructure affecting hydropower generation, grid connectivity, operations and revenue generation.	⚠ ⚠ ⚠	✦ Floods and severe weather may damage infrastructure and interrupt operations. ✦ Infrastructure disruptions, maintenance costs, and operational downtime. ✦ Fluctuations in generation output and earnings volatility.
CR 2	**Sustainable Finance** ***Transitional risk*** Sustainable finance requirements, lender and investor ESG expectations, access to green finance, financing conditions, cost of capital, and climate-related disclosure expectations affecting funding availability.	⚠ ⚠	✦ Could influence access to financing and cost of capital.
CO 1	**Renewable Energy Portfolio Growth and Geographic Diversification** ***Climate Opportunity*** Renewable energy demand growth, solar portfolio expansion, diversified renewable energy technologies, international renewable asset expansion, and geographic diversification of hydropower assets to strengthen revenue resilience and reduce location specific climate exposure.	⚠ ⚠	✦ Increased demand for clean energy supports business expansion. ✦ Reduced dependence on single resource and improved resilience. ✦ Reduced exposure to localized weather variability. ✦ Reduced dependence on rainfall patterns in a single region.
CO 2	**Enhanced ESG performance and sustainability reputation** ***Climate Opportunity*** ESG performance, sustainability reputation, stakeholder confidence, investor perception, responsible renewable energy practices, access to green finance, and long-term credibility.	⚠ ⚠	✦ Improved stakeholder confidence and access to green finance.
CO 3	**Affordable Clean Energy Demand and Low-carbon Market Growth** ***Climate Opportunity*** Investors focus on affordable clean energy, growth in renewable electricity demand, increasing electricity demand driven by the low-carbon transition, market confidence, revenue growth opportunities, and long-term clean energy supply towards the renewable energy targets with contribution to the Nationally Determined Contributions (NDCs).	⚠ ⚠	✦ Expectations for cost-efficient renewable energy development. ✦ Rising demand for affordable clean energy supports expansion opportunities. ✦ Supports expansion of renewable generation capacity and related services.
CO 4	**Renewable Technology Diversification** ***Climate Opportunity*** Expansion into diversified renewable technologies, broader energy mix, solar and biomass/dendro growth, reduced reliance on a single generation source, improved revenue resilience, and climate-risk diversification.	⚠ ⚠	✦ Broader energy mix can improve cost stability and affordability.
CO 5	**Energy Storage and Grid Flexibility** ***Climate Opportunity*** Battery storage integration, improved dispatch flexibility, reduced renewable energy curtailment, enhanced grid stability, power evacuation support, and improved reliability of solar and renewable energy generation.	⚠ ⚠	✦ Improved dispatch flexibility and reduced curtailment risk. ✦ Reduced exposure to hydrological risk and improved revenue stability.

⚠ Short-term ⚠ Medium-term ⚠ Long-term

CRRO	Business model and value chain		Strategy and decision making	
	Current and anticipated effects on the business model and value chain	**Influence of CRROs on the business model and value chain**	**Current and anticipated changes to the business model**	**Current and anticipated direct/ indirect mitigation and adaptation efforts**
CR 1 - Extreme Weather and Infrastructure Resilience Physical – Acute risk	Extreme weather causes damage to assets and grid infrastructure, disrupting generation and revenue generation. Climate variability may reduce power output, requiring stronger resilience, maintenance and diversification measures. Value chain impact: Upstream - Infrastructure & equipment/ Transportation & Logistics Operations - Power generation/ EPC & OM/ Cultivation and Estate operations/ Processing facilities Downstream - Transmission & distribution	Location - Sri Lanka/ Uganda Impact portfolio - Hydro/ Dendro/ Solar/ EPC & OM/ Plantation Value chain impact: Upstream - Infrastructure & equipment/ Transportation & Logistics Operations - Power generation/ EPC & OM/ Cultivation and Estate operations/ Processing facilities Downstream - Transmission & distribution	Climate resilience considerations are integrated into project development, asset management and operational decision-making processes rather than resulting in a fundamental change to the business model.	**Direct** ✦ Risk-prone project sites are assessed against 100-year flood line scenarios and other relevant climate hazards prior to project commissioning. ✦ Continuous enhancement of Emergency Response Plans (ERP) and Business Continuity Plans (BCP). ✦ Establishment of flood recovery plans and disaster recovery procedures for vulnerable operations. ✦ Implementation of preventive and corrective maintenance systems to improve infrastructure resilience. ✦ Continuous monitoring of meteorological, hydrological and operational parameters to identify potential catastrophic events and enable precautionary actions. ✦ Establishment of Standard Operating Procedures (SOPs) for disaster recovery and conduct of regular emergency drills and training programs. **Indirect** ✦ Geographic diversification of assets and operations to reduce exposure to location-specific climate risks.

CRRO	Business model and value chain		Strategy and decision making	
	Current and anticipated effects on the business model and value chain	Influence of CRROs on the business model and value chain	Current and anticipated changes to the business model	Current and anticipated direct/ indirect mitigation and adaptation efforts
CR 2 - Sustainable Finance Transitional risk	Climate events influencing project financing, capital allocation and investment decisions across renewable energy expansion, EPC activities and portfolio diversification, requiring stronger climate data, governance, reporting controls and ESG performance documenting, reporting and management. Value chain impact: Upstream - Sourcing/ Infrastructure & equipment/ Transportation & Logistics Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Decommissioning & disposal	Location - Sri Lanka/ Uganda Impact portfolio - Hydro/ Dendro/ Solar/ EPC & OM Value chain impact: Upstream - Sourcing/ Infrastructure & equipment/ Transportation & Logistics Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Decommissioning & disposal	Sustainable financing considerations are increasingly incorporated into investment evaluation and capital allocation decisions through the implementation of a Green Financing Framework.	**Direct** ✦ Adoption of a Green Financing Framework covering key business activities, supported by defined evaluation, governance and regulatory compliance processes. ✦ Utilisation of sustainable financing instruments, including Green Bonds listed on the Colombo Stock Exchange (CSE). ✦ Enhancement of sustainability-related reporting and disclosure practices. **Indirect** ✦ Strengthened engagement with investors, financial institutions and development finance institutions to improve access to climate-aligned funding.

CRRO	Business model and value chain		Strategy and decision making	
	Current and anticipated effects on the business model and value chain	Influence of CRROs on the business model and value chain	Current and anticipated changes to the business model	Current and anticipated direct/ indirect mitigation and adaptation efforts
CO 1 - Renewable Energy Portfolio Growth and Geographic Diversification Climate Opportunity	Renewable energy portfolio growth and geographic diversification strengthen organisational business model by expanding revenue sources across multiple technologies and locations, reducing dependence on a single climate-sensitive resource or geography. The opportunity impacts the value chain by supporting new project origination, equipment sourcing, EPC execution, financing, operations, grid integration and asset management, while improving revenue resilience and reducing location-specific climate exposure. Value chain impact: Upstream - Sourcing/ Infrastructure & equipment Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Consumer consumption/ Decommissioning & disposal	Location - Sri Lanka/ Uganda Impact portfolio - Hydro/ Dendro/ Solar/ EPC & OM Value chain impact: Upstream - Sourcing/ Infrastructure & equipment Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Consumer consumption/ Decommissioning & disposal	21 MW capacity addition (11 MW consolidating entities and 10 MW joint ventures) expansion of the renewable energy portfolio across multiple geographies and generation technologies to enhance revenue resilience and reduce dependence on a single market or energy source.	**Direct** ✦ Geographic diversification of projects and operations. ✦ Expansion across multiple renewable energy technologies and energy sources. **Indirect** ✦ Strengthening strategic partnerships and financing arrangements to support portfolio growth.

CRRO	Business model and value chain		Strategy and decision making	
	Current and anticipated effects on the business model and value chain	Influence of CRROs on the business model and value chain	Current and anticipated changes to the business model	Current and anticipated direct/ indirect mitigation and adaptation efforts
CO 2 - Sustainable Finance Climate Opportunity	Enhanced ESG performance and sustainability reputation which strengthen organisational business model by improving stakeholder confidence, investor perception, access to green finance and long-term market credibility. The opportunity can positively influence the value chain by supporting green procurement, stronger environmental and operational practices, better project governance, improved stakeholder trust, and more credible delivery of renewable energy solutions. Value chain impact: Upstream - Sourcing/ Infrastructure & equipment/ Transportation & Logistics Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Consumer consumption/ Decommissioning & disposal	Location - Sri Lanka/ Uganda Impact portfolio - Hydro/ Dendro/ Solar/ EPC & OM Value chain impact: Upstream - Sourcing/ Infrastructure & equipment Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Consumer consumption/ Decommissioning & disposal	The opportunity enhances stakeholder confidence, access to capital and corporate reputation, but does not result in a material change to the Group's core business model.	**Direct** ✦ Continued enhancement of sustainability-related disclosures and ESG reporting practices, including alignment with evolving sustainability reporting frameworks. ✦ Strengthening governance structures, policies and internal processes related to ESG and climate-related matters. **Indirect** ✦ Maintenance of transparent stakeholder engagement and sustainability communications to strengthen investor and lender confidence. ✦ Improved access to sustainable finance and climate-related funding opportunities through enhanced ESG performance and disclosure practices.

CRRO	Business model and value chain		Strategy and decision making	
	Current and anticipated effects on the business model and value chain	Influence of CRROs on the business model and value chain	Current and anticipated changes to the business model	Current and anticipated direct/ indirect mitigation and adaptation efforts
CO 3 - Affordable Clean Energy Demand and Low-carbon Market Growth Climate Opportunity	Affordable clean energy demand and low-carbon market growth strengthen organisational business model by increasing demand for renewable energy, supporting revenue growth and improving long-term market competitiveness. This opportunity influences the value chain by encouraging renewable project development, solar and diversified energy expansion, efficient capital allocation, grid-connected power delivery and stronger investor confidence in organisational clean energy generation growth strategy. Value chain impact: Upstream - Sourcing/ Infrastructure & equipment Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Consumer consumption	Location - Sri Lanka/ Uganda Impact portfolio - Hydro/ Dendro/ Solar/ EPC & OM Value chain impact: Upstream - Sourcing/ Infrastructure & equipment Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Consumer consumption	The opportunity primarily supports growth within the existing renewable energy business model rather than requiring a material change to the business model	**Direct** ✦ Development of cost-optimised project designs through experienced engineering teams and specialist consultants to deliver competitively priced renewable energy solutions. ✦ Continuous improvement of project development and operational efficiency. **Indirect** ✦ Application of financial engineering techniques to improve project bankability. ✦ Expansion of relationships with Development Finance Institutions (DFIs) and international financial institutions to secure long-term, cost-effective financing.

CRRO	Business model and value chain		Strategy and decision making	
	Current and anticipated effects on the business model and value chain	Influence of CRROs on the business model and value chain	Current and anticipated changes to the business model	Current and anticipated direct/ indirect mitigation and adaptation efforts
CO 4 - Renewable Technology Diversification Climate Opportunity	Renewable technology diversification strengthens organisational business model by expanding its energy mix across hydro, solar and dendro, reducing reliance on a single generation source and improving revenue resilience. The opportunity influences the value chain by supporting new technology adoption, renewable project development, equipment sourcing, EPC execution, operations, grid integration and long-term asset management, while reducing exposure to technology-specific and climate-related generation risks. Value chain impact: Upstream - Sourcing/ Infrastructure & equipment/ Transportation & logistics Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Consumer consumption/ Decommissioning & disposal	Location - Sri Lanka/ Uganda Impact portfolio - Hydro/ Dendro/ Solar/ EPC & OM Value chain impact: Upstream - Sourcing/ Infrastructure & equipment/ Transportation & logistics Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Consumer consumption/ Decommissioning & disposal	Expansion beyond the existing hydro, solar and dendro portfolio through consideration of emerging technologies such as wind energy and Battery Energy Storage Systems (BESS). Continued evaluation of additional renewable energy technologies to strengthen long-term portfolio resilience	**Direct** ✦ Assessment and development of opportunities in wind energy and battery storage technologies. ✦ Continued evaluation of emerging renewable energy technologies. **Indirect** ✦ Collaboration with technology providers, developers and investors to support technology deployment.

CRRO	Business model and value chain		Strategy and decision making	
	Current and anticipated effects on the business model and value chain	Influence of CRROs on the business model and value chain	Current and anticipated changes to the business model	Current and anticipated direct/ indirect mitigation and adaptation efforts
CO 5 - Energy Storage and Grid Flexibility Climate Opportunity	Energy storage and grid flexibility strengthen organisational business model by improving renewable energy dispatch reliability, reducing curtailment risk and supporting better integration of renewable energy sources. The opportunity can influence the value chain by enabling battery storage adoption, improving power evacuation, supporting grid stability, enhancing operational reliability and increasing the value of renewable electricity delivered to off-takers. Value chain impact: Upstream - Sourcing/ Infrastructure & equipment Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Consumer consumption	Location - Sri Lanka/ Uganda Impact portfolio - Hydro/ Dendro/ Solar/ EPC & OM Value chain impact: Upstream - Sourcing/ Infrastructure & equipment Operations - Power generation/ EPC & construction/ Engineering consultancy/ Project management Downstream - Transmission & distribution/ Consumer consumption	Integration of Battery Energy Storage Systems (BESS) as a strategic growth area to enhance grid flexibility, renewable energy integration and future revenue opportunities.	**Direct** ✦ Development of the awarded 10MW/40MWh Battery Energy Storage System project. ✦ Participation, through a strategic partnership, in the development of 12 BESS projects with a combined capacity of 120MW/480MWh. ✦ Continued investment in battery storage technologies and related capabilities. **Indirect** ✦ Engagement with utilities, regulators and strategic partners to support wider deployment of energy storage solutions.

Current Impacts				Time horizon
Impacts on financial position	Impacts on financial performances	Impacts on cash flows	Underlying year financial effect	
CR 1 Direct physical damage from extreme weather events reduces the carrying value of property, plant & equipment across the hydro, solar and dendro asset base — intakes, solar arrays, plantations and Vidullanka-owned interconnection assets. In severe events, individual assets can be permanently impaired or written off, reducing the Company's asset base and net worth. Insurance-receivable recognition partially offsets, and provisions for asset-restoration obligations may be recognized in the recovery period. Extended dry-year sequences and temperature-related stress may trigger impairment-testing indicators; where grid curtailment or outages delay PPA settlements, trade receivables extend. A sustained increase in event frequency may require reassessment of useful economic lives, accelerating depreciation.	Future generation of energy reduced lead to reduction of the revenue, increase the operation expenses including repair cost of the assets as results this led to company working capital reduction.	Physical damage necessitates unplanned capital outlays for repair, restoration or replacement, frequently incurred on an urgent basis. Combined with delayed PPA settlements during outages, these exert pressure on the Company's liquidity and working capital position.	✦ Operation cost due to Ditwah cyclone impact: Rs. 15.6 Mn ✦ Recovered amount from the Insurance: Rs. 8.9 Mn ✦ Internally provisioned amount for unforeseen eventualities: Rs. 19.5 Mn	Short, Medium & Long term

Current Impacts				Time horizon
Impacts on financial position	**Impacts on financial performances**	**Impacts on cash flows**	**Underlying year financial effect**	
CR 2 Loss of eligibility for green and sustainability-linked instruments shifts the liability mix toward higher-cost conventional debt, elevating the effective cost of gearing at any given asset level. Compliance-infrastructure investment (data systems, assurance readiness, disclosure controls) capitalizes into intangibles and property, plant & equipment. Reputational impairment from failure to meet emerging disclosure expectations weakens the intangible-value component underpinning going-concern classification and the recoverability of project-development work-in-progress. Certification and framework adoption may bring certification-related intangibles onto the balance sheet.	Failure to meet emerging sustainable finance eligibility (SLFRS S1/S2 disclosure quality and lender ESG covenants, failure to meet green/sustainable finance eligibility does not increase the cost of debt in the Sri Lankan context yet, could be substantial compliance related costs and non-compliances related penalties, incremental compliance and disclosure expenditure, and potential delays in project development approvals.)	Delayed access to concessional and blended finance elongates the funding cycle for capex-intensive projects, disrupting operating cash-flow predictability. Higher interest in coupons on conventional debt increases finance-cost outflows in operating activities.	✦ Project-development WIP amount: Rs.253.6 Mn ✦ Operating cash outflow (ESG compliance cost) amount: No material Impact during 2025/26	Medium & Long term
CO 1 Portfolio diversification across catchments and geographies materially reduces impairment-concentration risk — a wider set of cash-generating units means that adverse hydrology or weather events in one location do not automatically threaten the carrying value of the fleet as a whole.	Stable revenue for over the period mitigates the risk of climate changes due to dependence on one geographical location and Uganda operations and Foreign-currency revenue provides a partial natural hedge against foreign currency payable risk.	Cash inflow diversified across geographies and currencies improves group cash-flow resilience.	✦ Investment in solar: Rs. 1,950 Mn ✦ Revenue from solar investment projects: Rs. 328 Mn	Medium & Long term

Current Impacts				Time horizon
Impacts on financial position	**Impacts on financial performances**	**Impacts on cash flows**	**Underlying year financial effect**	
C0 2 Enhanced ESG performance strengthens the intangible reputation asset that underpins going-concern classification and pipeline valuation. Although typically not capitalized on the balance sheet, this reputation is material in substance through its influence on the recoverability of project-development work-in-progress and the pricing of the Company's liabilities. Supports classification of debt-instrument proceeds as green or sustainability-linked, and eligibility for reduced-collateral facilities from development finance institutions.	Stronger ESG standing improves off-taker, regulator and lender preference; supports improved PPA terms over time and reduces reputation-driven regulatory and legal expenses. Enhanced eligibility for independent certifications and green frameworks (as adopted by peer utilities) further supports margin quality.	Enhanced stakeholder confidence supports stable operating cash inflow and may unlock sustainability-linked cash incentives.	✦ Revenue — improved PPA pricing over time: No material Impact during 2025/26 ✦ Finance costs - sustainability-linked step-down benefit: No material Impact during 2025/26 ✦ Legal and regulatory expense — reduced from stronger reputation (certification-related): No material Impact during 2025/26	Medium & Long term
C0 3 Long-term asset-based expansion as capacity additions align with structural low-carbon demand growth. Pipeline valuation strengthens, project-development intangibles — PPA rights, land options, permits, tender pre-qualifications — grow as the development book fills. Affordability discipline preserves the recoverability of project-development work-in-progress by maintaining eligibility to compete in future PPA tenders. Debt and equity financing scale to fund the build-out, with the composition of new financing reflecting an increasing share of sustainability-linked instruments over the horizon.	Discipline on cost-efficient project development sustains margins in future PPA tenders and protects revenue quality; failure to demonstrate affordability could compress margins or exclude the Company from tender processes. Alignment with investor and DFI expectations on affordability supports continued eligibility for renewable project financing. Higher generation volumes and improving PPA terms drive top-line growth in a tightening supply-demand market; economies of scale support gross margin improvement over the medium to long term.	Sustained access to concessional and blended finance supports capex funding affordability discipline and sustains predictable operating cash flow through PPA tenor.	✦ Identified financial impact: No material impact during 2025/26	Medium & Long term

Current Impacts				Time horizon
Impacts on financial position	**Impacts on financial performances**	**Impacts on cash flows**	**Underlying year financial effect**	
C0 4 Possibility of new asset classes onto the balance sheet: Battery Energy Storage Systems (BESS), potentially wind. LKAS 16 requires componentized depreciation where components have different useful lives.	Diversification into hybrid solar + storage, solar + wind and biomass generate broader revenue streams correlated with individual resource variability, supporting steadier long-run revenue and mitigating dry-year hydro losses.	Steadier long-run cash flow profile than hydro-only, capex-heavy in the short term but improved working-capital predictability as diversified assets come online. Battery storage integration further improves cash conversion by reducing curtailment losses and by introducing steadier form of cash flow.	✦ Refer to segment note on page 166.	Medium & Long term
C0 5 Battery energy storage systems enter the balance sheet as a new PPE class with shorter useful lives (typically 10–15 years) than hydro (30+ years) or solar (20 years), requiring differentiated depreciation profiles and a distinct impairment-testing approach. Capital work-in-progress grows during construction phases.	BESS may indirectly reduce curtailment losses and improve realized revenue per MW installed. Peer utilities are explicitly identifying BESS investment as a lever to improve renewable energy efficiency and protect revenue realisation.	Steadier and newer source of operating cash flow through capacity charges on BESS facilities, which are not affected by seasonal, cyclical and climatic conditions. This may indirectly improve the operating cash of the renewable energy plants through improved grid stability and reduced curtailments.	✦ Curtailment related losses: Rs.55 Mn	Medium & Long term

Vidullanka PLC does not currently have a formal climate transition plan and has not conducted climate-related scenario analysis during the underlying reporting period. As part of its initial adoption of SLFRS S1 & S2 standards, the organisation has focused on establishing baseline climate-related information and strengthening its understanding of CRROs.

The organisation recognises that regulatory expectations relating to GHG emissions reporting, emissions reduction commitments, and climate-related disclosures are likely to evolve, alongside increasing stakeholder expectations for sustainable project development and operations. In response, Vidullanka PLC intends to progressively evaluate and develop its climate transition approach, taking into consideration applicable local and international standards, industry guidance, and best practices applicable to the energy generation, EPC & OM, and plantation sectors. This will support the organisational long-term efforts to enhance climate resilience, manage transition-related risks, and capture emerging climate-related opportunities.

10. RISK MANAGEMENT

10.1. Risk Management Structure

The Audit Committee supports the Board of Directors in discharging its responsibilities related to financial reporting, internal controls, risk management, and assurance activities across Vidullanka PLC. Through quarterly engagement with management, the Committee provides oversight of the effectiveness of the organisational governance, risk management, and internal control frameworks, ensuring that material risks are appropriately identified, assessed, managed, and reported.

Vidullanka PLC has established an ERM Framework and Policy on Risk Management and Internal Controls that provides the foundation for a structured and systematic approach to managing risks and enhancing organisational resilience. The framework supports the identification and evaluation of strategic, operational, financial, regulatory, sustainability-related, and climate-related risks, while facilitating the implementation of appropriate mitigation measures and control mechanisms.

The Board, supported by the Audit Committee and management, exercises independent judgement in fulfilling its governance responsibilities, including matters relating to strategy execution, business performance, capital allocation, risk oversight, regulatory compliance, and long-term value creation. In performing these duties, Directors consider the potential impact of material risks and opportunities, including sustainability-related and climate-related matters, on the organisational operations and strategic objectives.

The organisational ERM framework provides a structured process for risk identification, assessment, monitoring, and mitigation, supporting informed decision-making and effective governance oversight. Further details of organisational ERM framework and risk governance structure are provided on Page 70.

10.2. Integration of Climate-Related Risks into the Enterprise Risk Management Framework

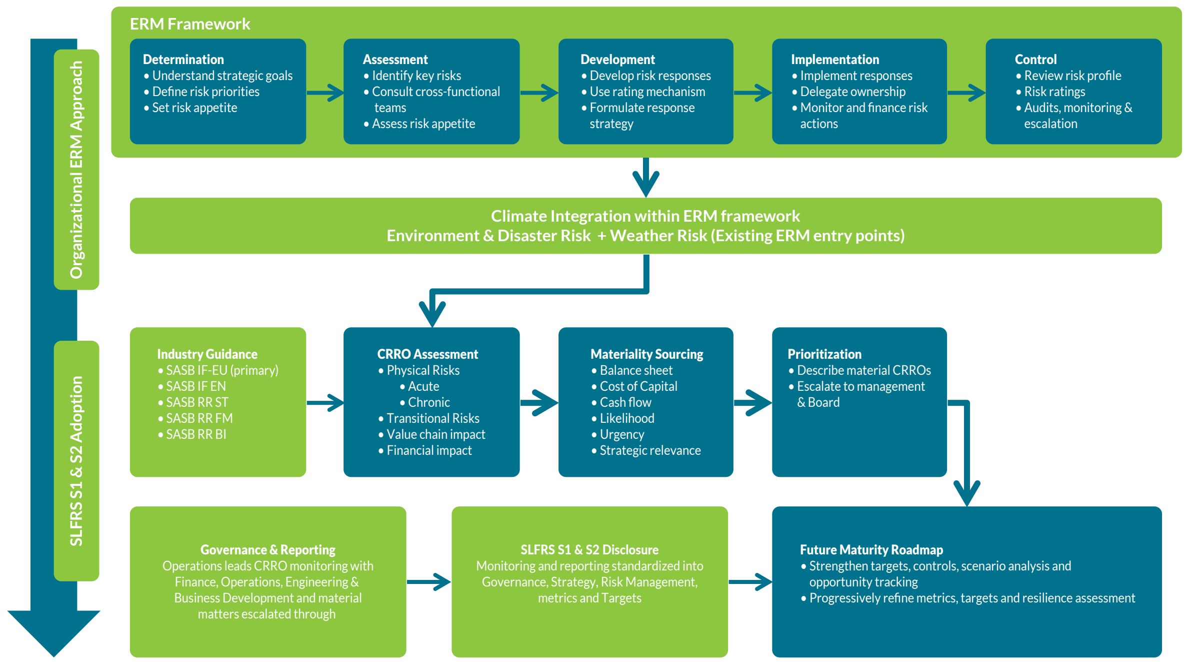
Vidullanka PLC integrates climate-related risk considerations within its established ERM Framework through the assessment and management of Environment & Disaster Risk along with Weather Risk, which has historically been recognized as key business risks given the organisational reliance on renewable energy resources such as water, sunlight, and biomass. During the reporting period, climate-related risks were evaluated through these existing risk topics, with particular focus on the potential impacts of changing weather patterns, rainfall variability, and solar irradiance fluctuations on energy generation performance, operational continuity, and financial outcomes. Recognizing the inherent exposure of hydropower, solar, and biomass operations to climatic conditions, Weather Risk is categorized as a high-impact and critical risk within the organisational risk management framework. Through regular risk assessments, monitoring activities, and mitigation planning, climate-related considerations are incorporated into the organisational broader risk management processes, supporting informed decision-making and the long-term resilience of its renewable energy portfolio, operations and related services.

Vidullanka PLC does not currently undertake entity-specific climate-related scenario analysis to support the identification and assessment of climate-related risks and opportunities. The Company has relied on its established ERM Framework during the reporting period to identify and evaluate climate-related topics, primarily through the assessment of weather-related risks that are material to its operations.

As part of the initial adoption of SLFRS S1 & S2 standard, Vidullanka PLC undertook a preliminary CRRO assessment by leveraging existing ERM risk categories and applying relevant industry-specific guidance from the SASB Standards applicable to the renewable energy sector. The list of referred standards is given on page 81. This assessment enabled the Company to establish an initial understanding of climate-related matters that may influence its business model, operations, strategy, and long-term value creation.

While the ERM Framework has traditionally focused on identifying and managing risk exposures, the CRRO assessment broadened the Company's perspective by introducing a structured evaluation of climate-related opportunities. This provided insights into potential opportunities associated with renewable energy growth, operational resilience, technological advancements, sustainable financing avenues, and other climate-related developments that were not previously assessed through the conventional risk management process. Building on this foundation, Vidullanka PLC intends to progressively strengthen its climate risk and opportunity management practices, including the future application of climate-related scenario analysis, to support a deeper assessment of climate resilience.

10.3. SLFRS S1 & S2 Risk Management Approach



Vidullanka PLC integrates climate-related considerations into its established ERM framework through existing risk categories such as Environment & Disaster Risk and Weather Risk. These categories support the identification and monitoring of current climate-related matters. As the initial adoption of SLFRS S1 and S2, the organisation has expanded this process through a preliminary CRRO assessment using relevant SASB industry specific standards. This enables Vidullanka PLC to assess both CRROs based on value chain impact, financial impact, likelihood, urgency and strategic relevance, while progressively strengthening climate resilience, data maturity and future scenario analysis capabilities.

11. METRICS AND TARGETS

11.1. Climate related metrics

11.1.1. Greenhouse Gases (Absolute Emission Targets - 1.5°C Scenario)

Vidullanka PLC measures and reports its Scope 1 (direct) and Scope 2 (indirect) greenhouse gas (GHG) emissions in accordance with the requirements of ISO 14064-1:2018, providing a structured approach for the quantification and reporting of emissions across its operational boundary. The reporting boundary is aligned with the organisational consolidated financial reporting boundary and encompasses all operations included within this SLFRS S1 & S2 disclosures.

As Financial Year 2025/26 represents the organisation's inaugural year of GHG emissions reporting under the SLFRS S2 reporting framework, the emissions inventory has been established as a baseline against which future performance will be assessed. To enhance the reliability and credibility of reported greenhouse gas (GHG) emissions information, Vidullanka PLC's organisational GHG inventory has been independently verified by a qualified third party in accordance with the requirements of ISO 14064-1:2018. The verification was conducted over the defined organisational operational boundary, encompassing all applicable Scope 1, 2 and limited Scope 3 emission sources identified.

The GHG emissions information disclosed in this SLFRS S1 & S2 report has been extracted from the independently verified organisational inventory and is limited to the entities within Vidullanka PLC's consolidated financial reporting boundary, as presented on page 129 below. This approach ensures alignment between the organisational climate-related disclosures and its consolidated financial statements, while providing stakeholders with transparent, reliable, and decision-useful information on the Group's greenhouse gas emissions performance against the financial position, performance and cash flows for the reporting period.

As this represents Vidullanka PLC's first reporting cycle under the climate-related disclosure framework, the verified emissions inventory establishes the organisational baseline GHG emissions profile. This baseline will support future performance monitoring, target setting, and year-on-year comparative assessments, which will be accompanied by independent verification in subsequent reporting periods.

In line with the transitional relief provisions available under SLFRS S2, Scope 3 GHG emissions have not been disclosed during the current reporting period under the SLFRS S1 & S2 disclosure statement. Vidullanka PLC intends to progressively strengthen its climate-related data management and reporting processes over future reporting cycles, including the development of emissions reduction targets and performance improvement initiatives.

GHG Footprint – Vidullanka PLC			
Scope & Category	2025/26 tCO_2e	Emission Factor	Global Warming Potential
Scope 1 Emissions			
Stationary emissions	6.621	2006 IPCC Guidelines	IPCC (AR6) 2024
Mobile emissions	116.971	2006 IPCC Guidelines	IPCC (AR6) 2024
Fugitive emissions	2.764	2006 IPCC Guidelines	IPCC (AR6) 2024
Total Scope 1 Emissions	**126.356**		
Scope 2 Emissions			
Purchased electricity	111.050	Sri Lanka Energy Balance 2022	IPCC (AR6) 2024
Purchased cool air	8.511	Sri Lanka Energy Balance 2022	IPCC (AR6) 2024
Total Scope 2 Emissions	**119.561**	**N/A**	

Emission Composition – Direct GHG Emissions (Scope 1)

Type of Gas	2025/26 tCO_2e
CO_2	120.987
CH_4	1.271
N_2O	1.571
HFC	2.527

11.1.2. Key Assumptions and Sources used for GHG Measurement

Scope	Emission Category	Activity	Data Source	Emission Factor (EF) Source	Sources of Global Warming Potential (GWP) Values
Scope 1	C1: Stationary combustion	Diesel generators (backup), water pumps (diesel), LPG for canteens, biomass for canteen cooking/power generation, firewood for cooking	Fuel invoices, purchase invoices, consumption logs/ records	2006 IPCC, etc, DEFRA	IPCC (AR6) 2024
	C2: Mobile combustion	Company-owned vehicles, grass cutters, chainsaw,	Fuel invoices, vehicle running charts	2006 IPCC Guidelines, Energy, Ch. 3, Table 3.2.1 & 3.2.2 (vehicles); Table 3.3.1 (grass cutter, chainsaw)	IPCC (AR6) 2024
	C3: Fugitive emissions	Refrigerant leakage - R22, R32, R134a, R401, R404, R407, R410a, R600a (AC/refrigeration), CO_2 extinguishers, fertilizer usage	Invoices, SAP issuances, purchase records, landscaping records	AC refilling: 2006 IPCC Guidelines, Vol. 3, Ch. 7 (Emissions of Fluorinated Substitutes for ODS); CO_2 extinguishers: 2006 IPCC Guidelines, Vol. 3, 2.F.3 (Fire Extinguishers); Urea: 2006 IPCC Guidelines, Agriculture, Forestry and Other Land Use, Vol. 4, Ch. 11, Table 11.1 (Direct N_2O–N EF = 0.01 kg N_2O–N/kg N applied; conversion factor 44/28)	IPCC (AR6) 2024
Scope 2	Emissions from imported energy	Purchased electricity from CEB (Sri Lanka) and UEDCL (Uganda)	Electricity e-bills	Sri Lanka Energy Balance 2022 T&D loss - Statistical Digest 2024	N/A
	Purchased cool air	Purchased cooling/ heating from third-party suppliers (e.g., building owner/ landlord) for offices/sites under Vidullanka PLC operational control	Purchased air conditioning or Purchased Cooling Air from the Building Owner at Head Office (e.g., BTU system usage).	Sri Lanka Energy Balance 2022	N/A

11.2. Targets

The Group plans to formalise climate-related targets and integrate them into its performance monitoring processes through appropriate KPIs and periodic performance reviews.

Note: The Company has not yet finalised the following matters and intends to address them in future reporting periods:

1. the amount and percentage of assets or business activities vulnerable to climate- related transitional risks and climate- related physical risks.
2. the amount and percentage of assets or business activities aligned with climate-related opportunities
3. the amount of capital expenditure, financing or investment deployed towards CRROs

Vidullanka PLC continues to evaluate climate related risks and anticipates enhancing quantitative disclosures as more comprehensive data becomes available.

12. SLFRS S1 AND S2 CONTENT INDEX

SLFRS S1 & S2 Indicator	Indicator Description	Page
Governance		
SLFRS S1-27 (a) SLFRS S2 - 6 (a)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability and climate-related risks and opportunities	83
SLFRS S1 - 27 (a) i SLFRS S2 - 6 (a) i	How responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s)	83
SLFRS S1– 27 (a) ii SLFRS S2- 6 (a) ii	How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability and climate-related risks and opportunities	84 - 85
SLFRS S1– 27 (a) iii SLFRS S2 - 6 (a) iii	How and how often the body(s) or individual(s) is informed about sustainability and climate-related risks and opportunities	84 - 85
SLFRS S1– 27 (a) iv SLFRS S2 - 6 (a) iv	How the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities	85
SLFRS S1– 27 (a) v SLFRS S2– 6 (a) v	How the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets (see paragraph 51), including whether and how related performance metrics are included in remuneration policies	85
SLFRS S1– 27 (b) i SLFRS S2– 6 (b) i	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	85
SLFRS S1– 27 (b) ii SLFRS S2– 6 (b) ii	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities Whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions	85
Strategy		
SLFRS S1 – 29 (a) SLFRS S2 – 9 (a)	The sustainability and climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	88
SLFRS S1 – 29 (b) SLFRS S2– 9 (b)	The current and anticipated effects of those sustainability and climate-related risks and opportunities on the entity's business model and value chain	89 - 95
SLFRS S1 – 29 (c) SLFRS S2– 9 (c)	The effects of those sustainability and climate-related risks and opportunities on the entity's strategy and decision-making	89 - 95
SLFRS S1 – 29 (d) SLFRS S2– 9 (d)	The effects of those sustainability and climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into the entity's financial planning	96 - 99
SLFRS S1 – 29 (e) SLFRS S2– 9 (e)	The resilience of the entity's strategy and its business model to those sustainability and climate-related risks	89 - 95
SLFRS S1 – 30 (a) SLFRS S2– 10 (a)	Describe sustainability and climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	96 - 99
SLFRS S2– 10 (b)	Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk	88 - 95
SLFRS S1 – 30 (b) SLFRS S2– 10 (c)	Specify the time horizons—short, medium or long term—over which the effects of each of those sustainability and climate-related risks and opportunities could reasonably be expected to occur	96 - 99
SLFRS S1 – 30 (c) SLFRS S2– 10 (d)	Explain how the entity defines 'short term', medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	86 - 87

SLFRS S1 & S2 Indicator	Indicator Description	Page
Climate Resilience		
SLFRS S2– 22 (a)	The entity's assessment of its climate resilience as at the reporting date	N/A
SLFRS S2– 22 (a) i	The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis	N/A
SLFRS S2– 22 (a) ii	The significant areas of uncertainty considered in the entity's assessment of its climate resilience	N/A
SLFRS S2– 22 (a) iii	The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term	N/A
SLFRS S2– 22 (b)	How and when the climate-related scenario analysis was carried out	N/A
SLFRS S2– 22 (b) i	Information about the inputs the entity used, including ✦ Which climate-related scenarios the entity used for the analysis and the sources of those scenarios ✦ Whether the analysis included a diverse range of climate-related scenarios ✦ Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks ✦ Whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change ✦ Why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; ✦ The time horizons the entity used in the analysis ✦ What scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis)	N/A
SLFRS S2– 22 (b) ii	The key assumptions the entity made in the analysis, including assumptions about ✦ Climate-related policies in the jurisdictions in which the entity operates ✦ Macroeconomic trends ✦ National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources) ✦ Energy usage and mix ✦ Developments in technology	N/A
SLFRS S2– 22 (b) iii	The reporting period in which the climate-related scenario analysis was carried out	N/A
Risk Management		
SLFRS S1 – 44 (a)	The processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability-related risks, including information about	100 - 101
SLFRS S1 – 44 (a) i SLFRS S2– 25 (a) i	The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes)	100
SLFRS S1 – 44 (a) ii SLFRS S2– 25 (a) ii	Whether and how the entity uses scenario analysis to inform its identification of sustainability and climate-related risks	N/A
SLFRS S1 – 44 (a) iii SLFRS S2– 25 (a) iii	How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria)	100
SLFRS S1 – 44 (a) iv SLFRS S2– 25 (a) iv	Whether and how the entity prioritizes sustainability-related risks relative to other types of risk	100
SLFRS S1 – 44 (a) v SLFRS S2– 25 (a) v	How the entity monitors sustainability-related risks	100 - 101
SLFRS S1 – 44 (a) vi SLFRS S2– 25 (a) vi	Whether and how the entity has changed the processes it uses compared with the previous reporting period	100

SLFRS S1 & S2 Indicator	Indicator Description	Page
SLFRS S1 – 44 (b) SLFRS S2– 25 (b)	The processes the entity uses to identify, assess, prioritise and monitor sustainability-related opportunities	101
SLFRS S1 – 44 (C) SLFRS S2– 25 (c)	The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring sustainability and climate-related risks and opportunities are integrated into and inform the entity's overall risk management process	101
Greenhouse Gases		
SLFRS S2– 29 (a) i	The entity shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent classified as: (1) Scope 1 greenhouse gas emissions (2) Scope 2 greenhouse gas emissions (3) Scope 3 greenhouse gas emissions	101
SLFRS S2– 29 (a) ii	Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions	N/A
SLFRS S2– 29 (a) iii	Disclose the approach it uses to measure its greenhouse gas emissions including; ✦ the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions ✦ the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions ✦ any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes	101
SLFRS S2– 29 (a) iv	For Scope 1 and Scope 2 greenhouse gas emissions disclosed, disaggregated emissions between the consolidated accounting group and other investees such as associates, joint ventures and unconsolidated subsidiaries	102
SLFRS S2– 29 (a) v	For Scope 2 greenhouse gas emissions disclosure, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that are necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions	102
SLFRS S2– 29 (a) vi	For Scope 3 greenhouse gas emissions disclosed, the categories included within the entity's measure of Scope 3 greenhouse gas emissions ✦ in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) ✦ additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance	N/A
SLFRS S2– 29 (b)	The amount and percentage of assets or business activities vulnerable to climate-related transition risks	103
SLFRS S2– 29 (c)	The amount and percentage of assets or business activities vulnerable to climate-related physical risks	103
SLFRS S2– 29 (d)	The amount and percentage of assets or business activities aligned with climate-related opportunities	103
SLFRS S2– 29 (e)	The amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	N/A
SLFRS S2– 29 (f)	Internal carbon prices ✦ an explanation of whether and how the entity is applying a carbon price in decision-making ✦ the price for each metric ton of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions	N/A

SLFRS S1 & S2 Indicator	Indicator Description	Page
SLFRS S2– 29 (g)	Remuneration ✦ a description of whether and how climate-related considerations are factored into executive remuneration ✦ the percentage of executive management remuneration recognised in the current period that is linked to climate- related considerations	N/A

ABBREVIATIONS

SLFRS	Sri Lankan Financial Reporting Standard
IFRS	International Financial Reporting Standard
SASB	Sustainability Accounting Standard Board
MHPP	Mini Hydro Power Plant
BPP	Biomass Power Plant
CRRO	Climate Related Risks and Opportunities
CR	Climate Related Risks
CO	Climate Related Opportunities
SRRO	Sustainability Related Risk and Opportunities
ERM	Enterprise Risk Management
NDC	Nationally Determined Contributions
EIA	Environmental Impact Assessment
IEE	Initial Environmental Examinations
ESIA	Environmental and Social Impact Assessments
EPC	Engineering, Procurement and Construction
O&M	Operations and Management
T&D	Transmission & Distribution
GHG	Greenhouse Gas
BESS	Battery Energy Storage Systems
IPCC	Intergovernmental Panel on Climate Change
IPCC AR 6	Intergovernmental Panel on Climate Change – Assessment Report 6
DEFFRA	Department for Environment, Food & Rural Affairs
CEB	Ceylon Electricity Board
UEDCL	Uganda Electricity Distribution Company Limited

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

The Board of Directors are pleased to submit their report together with the Auditor's Report and Financial Statements for the year ended 31st March 2026, to be presented at the 30th Annual General Meeting of the Company.

REVIEW OF THE YEAR

Principal Activity of the Company / Core Activity

The business activity of the company is to engage in renewable energy business including renewable energy generation, project development, installation & construction, operation & maintenance, consultancy services and turnkey solutions. For this purpose, the company operates six hydro power plants namely Bambarabatuoya MHPP, Batathota MHPP, and Wembiyagoda MHPP in Ratnapura District, Rideepana MHPP and Udawela MHPP in Badulla District and Lower Kotmale Oya MHPP in Nuwara Eliya District.

The business operations of the company encompass the business operations of Vidullanka PLC along with the now amalgamated Walagamba Balashakthi (Pvt) Ltd. with effect from 01st January 2022, and Lower Kotmale Oya Hydro Power (Pvt) Ltd., Rideepana Hydro (Pvt) Ltd. and Udawela Hydro (Pvt) Ltd. with effect from 03rd January 2024.

Principal Activity of the Branch in Guyana

The principal activity of Vidullanka PLC-Guyana Branch is to design, engineer, construct and commission both Moco Moco MHPP and Kumu MHPP located in Lethem, Guyana for the Guyana Energy Agency.

Principal Activity of the Subsidiaries

The principal activity of Vidul Engineering Ltd. is the provision of construction and engineering services related to renewable energy plants and related structures. It also operates rooftop solar power plants (SPP) on Build Own & Transfer terms with commercial & industrial clients.

The principal activity of Muvumbe Hydro (U) Ltd. is to produce electricity and transmit to the National grid of Uganda from the Muvumbe Small Hydro Power Plant (SHPP) in Kabale District of Republic of Uganda. The power plant commenced commercial operation on 15th March 2017.

The principal activity of Vidul Plantation (Pvt) Ltd. is to engage in agribusiness relating to fuelwood supply to the Dendro power plants and other industries through its own fuelwood plantations and out-grower schemes. The business operations of the Vidul Plantation include the business operations of the Vidul Plantation (Pvt) Ltd and the now amalgamated Vasanagama Plantations (Pvt) Ltd with effect from 31st March 2026.

The principal activity of Timex Bukinda Hydro (U) Ltd. is to produce electricity and transmit to the National grid of Uganda from the Bukinda SHPP in Kigadi District of Republic of Uganda. The power plant commenced commercial operations on 31st July 2020.

The principal activity of Orik Corporation (Pvt) Ltd. is to produce electricity and transmit to the National grid from its Monaragala SPP located in Monaragala. The power plant was commissioned to the national grid on 23rd September 2021.

The principal business activity of Venergy Lanka (Pvt) Ltd. is to engage in project development and e-mobility related business initiatives.

The principal business activity of Vidul Energia Pte. Ltd., Singapore is to provide engineering consultancy and O&M services to the renewable energy industry clients overseas.

The principal business activity of Vidulsolar (Pvt) Ltd (Previously known as Horana Solar Power (Pvt) Ltd.) is to own and operate the Horana SPP, Horana SPP – Phase II in the Kalutara District and Madampe SPP in Puttalam District. The business operations of the Vidulsolar encompasses the business operations of Vidulsolar (Pvt) Ltd, along with the now amalgamated Vidul Solar Power (Pvt) Ltd and Vidul Madampe Solar Power (Pvt) Ltd with effect from 10th March 2026. The Horana SPP – Phase II and Madampe SPP commenced commercial operations during the Financial Year 2025/26

The principal business activity of Vidul Agri (Pvt) Ltd. is to engage in sustainable fuelwood business serving the industrial sector.

The principal activity of Vidul Engineering (U) Ltd. is the provision of EPC, construction management and engineering services related to renewable energy plants and related structures in Uganda & other countries in Africa. During the year the company remained dormant without any active business activities taking place.

The principal activity of DPV Solar Energy (Pvt) Ltd, is to build, own and operate the Ranna Solar Power plant in Hambantota. The power plant is presently under construction and expected to be commissioned to the national grid during the FY 2026/27.

The principal business activity of Vidul Renewables (Pvt) Ltd. is to engage in business development activities relating to emerging and new business opportunities.

Principal Activity of Indirectly Owned Subsidiaries

Principal business activity of Vidul Matara Solar Power (Pvt) Ltd. is to build, own, and operate the proposed Matara Solar Power plant in Matara District. The Matara Solar Power plant was commissioned to the national grid on 19th September 2025.

Principal Activity of the Joint Venture & Associates

The principal activity of Gurugoda Hydro (Pvt) Ltd. is to produce electricity and transmit to the National grid. The company's power plant, Ganthuna MHPP is located in Aranayake, Kegalle.

The principal activity of Vidul Madugeta (Pvt) Ltd. is to produce electricity and transmit to the National grid. The plant owned and operated by the company Madugeta MHPP is situated in Neluwa, Galle.

The principal business activity of Vidul Biomass (Pvt) Ltd. is to produce electricity and transmit to the National Grid. The company's power plant is located in Dehiattakandiya.

The principal business activity of Nilwala Vidulibala Company (Pvt) Ltd. is to produce electricity and transmit to the National grid from the Ethamala Ella MHPP.

The principal business activity of Solar Universe (Pvt) Ltd. is to generate electricity and transmit to the National grid from the Vavunativu SPP in Batticaloa and to build own and operate a Battery Energy Storage System with a capacity of 10MW/ 40MWh.

The principal business activity of Sooriyashakthi (Pvt) Ltd. is to generate electricity and transmit to the National grid from the Vavunativu SPP - Phase II in Batticaloa. The power plant was commissioned to the national grid on 26th July 2025.

The principal activity of SAFE Power International (Pvt) Ltd is to Build, Own and Operate the Alankuda WPP in Puttalam. The construction of the power plant is yet to commence.

Major/Material Business Transactions

During the period under consideration, no material business transactions were entered into by the company other than the following.

1. Vidullanka PLC together with DPMC group secured the development rights of Lot 2 of the Mullikulam Wind Power Project with installed capacity of 50MW.
2. The company acquired a 30% stake in SAFE Power International (Pvt) Ltd, which has secured all the required approvals to develop the 10MW Alankuda WPP.

Financial Statements

The financial statements prepared in compliance with the requirements of Section 151 of the Companies Act No. 07 of 2007 are given on page 122 to 177 of this annual report.

Independent Auditor's Report

The Auditor's Report on the financial statements is given on page 122 of this report.

Accounting Policies

The Accounting Policies adopted in preparation of the financial statements is given on page 131 to 140. There were no changes in Accounting Policies adopted by the Company during the year under review, other than those given in note no. 03 to the financial statements on page 140.

Financial Results / Profit and Appropriations

The Group recorded a Profit After Tax of Rs. 1,551,158,032/- of which Rs. 1,490,108,771 /- is attributed to the equity shareholders.

During the year under review, the Company distributed a first Interim dividend of Rs. 0.35 per share amounting to Rs. 359,517,620/- and a second Interim dividend of Rs. 0.30 per share amounting to Rs. 308,157,960.30.

Property, Plant & Equipment

During the year under review the Group invested a sum of Rs. 2,729,333,280 /- (2025 - Rs. 58,362,305/-) in property, plant & equipment of which Rs 59,497,764/- (2025 - Rs. 26,067,372/-) is in plant & machinery, Rs. 1,560,646,068 /- (2025 - Rs. 125,570/-) is in plant & machinery - Solar, Rs. 9,555,648 /- (2025- Rs. 6,313,753/-) is in Computer and other equipment and Rs. 10,042,923/- (2025 - Rs. 717,425/-) is in furniture and fixtures. Further Rs. 9,092,313 /- (2025 - Rs. 2,250,141/- is invested in office equipment, Rs. 13,421,214/- (2025 - Rs. 22,190,094/-) is in Motor Vehicles and Rs. 1,990,249,334/- (2025 - Rs. 88,836,862/-) is in Power plants work - in – progress of which Rs. 1,600,847,490/- (2025 - Rs. 8,438,827/-) was transferred to the respective asset classes. Investment in freehold land amounts to Rs. 677,675,506/- (2025- Rs. 697,950/-).

In addition, the Group invested Rs. 17,240/- (2025 -Rs. 4,691,608/-) in bearer biological assets.

The exchange rate differences caused a total increase of Rs. 376,111,461 /- in the Group property, plant and equipment.

Information relating to movement in Property, Plant & Equipment during the year is disclosed under Note 4 to the financial statement.

Market Value of Freehold Land

There was no freehold land classified as investment properties.

Investments

Details of long-term Investments held by the Group are given in Note. 5 to the financial statements on page 146.

Impairments

The details relating to the impairment provisions are given in notes. 5.2 and 6.1 to the financial statements on pages 147 and 151.

Directors' Responsibilities

The Statement of the Directors' Responsibilities is given on page 120 of this report.

Corporate Governance

The Board of Directors declare that the company has complied with the corporate governance rules laid down under section 9 of the Listing Rules of the Colombo Stock Exchange and the report on extent of compliance with the Corporate Governance best practices is given in page 48.

Reserves

The Reserves and Accumulated Profits as at 31st March 2026 amount to Rs. 4,817,676,590 /- vs. Rs. 3,994,606,641/- as at 31st March 2025. The breakup and the movement are shown in the Statement of Changes in Equity in the financial statements.

Stated Capital

The stated capital of the company was Rs. 3,031,341,896 /- The movements are shown in the Statement of Changes in Equity in the financial statements.

ESOS

The Employee Share Option Scheme (ESOS), targeting to offer share options equivalent to 5% of the issued number of ordinary voting shares, amounting to 43,565,798 shares, was approved by shareholders at an Extraordinary General Meeting (EGM) held on 26th September 2024. The number of options issued under the scheme was subsequently adjusted to 47,253,986 in accordance with the section 5.6.6 (a) following the issue of shares by way of scrip dividend.

Accordingly, these 47,253,986 share options are planned to be issued in 4 phases over the period from the date of shareholder approval (26th September 2024) to 01st September 2027. The options granted under the scheme can be subscribed (exercised) starting from 01st September 2025 (for Phase 1 options after their vesting period) up to 31st August 2029 (for Phase 4 options).

Presently, a total of 23,062,233 options has been issued under Phase 1 and Phase 2 net of retraction as per the approved circular. A total of 6,342,073 options from phase 1 have been subscribed as of 31st March 2026, resulting in 16,720,160 outstanding options.

The details of the option valuation and the charge to the stated capital as a result of the subscription is given in Note no 8.3 to the audited financial statements.

Material Issues Pertaining to Employees and Industrial Relations of the Company

The company did not come across any material issues pertaining to employees and industrial relations during the year.

Post Balance Sheet Events

There have not been any material events after the Balance Sheet date that require adjustments to or disclosure in the Financial Statements other than the following,

1. Vidullanka PLC acquired Bhoruka Power Lanka (Pvt) Ltd for a consideration of Rs. 663mn on 4th of April 2026.
2. The company entered into an agreement with WindForce PLC to jointly develop 12 Battery Energy Storage Systems with installed capacity of 10MW/40MWh each via Storex (Pvt) Ltd.

Statutory Payments

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments in relation to the government and the Employees have been made on time.

Interests Register

Details of the transactions with Director related entities are disclosed in Note 26.5 to the Financial Statements on page 170 and have been circulated to the Board on 25th August 2026 pursuant to section 192 (2) of the Companies Act No. 07 of 2007.

BOARD COMMITTEES

Audit Committee

Following are the names of the Directors comprising the Audit Committee of the Board;

- Ms. Deepthie Wickramasuriya (Chairperson)
- Mr. Shahid M. Sangani
- Prof. Anura Wijayapala

The report of the Audit Committee on page 115 set out the manner of compliance by the Company in accordance with the requirements of Rule 9.13 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance.

Remuneration Committee

Following are the names of the Directors comprising the Remuneration Committee of the Board;

- Mr. Rizvi Zaheed (Chairperson)
- Prof. Anura Wijayapala
- Mr. Ranjan Mather

The report of the Remuneration Committee in accordance with the requirements of Rule 9.12 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance on page 118 contains a statement of the remuneration policy. The details of the aggregate remuneration paid to the Executive, Non-Executive Directors and other key management personnel during the Financial Year are given in note 26.5 to the financial statement on page 170.

Investment and Strategy Committee

Following are the names of the Directors comprising the Investment and Strategy Committee of the Board;

- Mr. Osman Kassim (Chairperson)
- Mr. Ranjan Mather
- Mr. Rizvi Zaheed
- Mr. Riyaz M. Sangani

The report of the Investment and Strategy Committee on the strategic direction and the investment policy is given on page 113.

Related Party Transaction Review Committee

Following are the names of the Directors comprising the Related Party Transaction Review Committee of the Board;

- Mr. Rizvi Zaheed (Chairperson)
- Ms. Deepthie Wickramasuriya
- Mr. Sidath Fernando

The report of the Related Party Transactions Review Committee is given on page 119.

The Board of Directors declare that there were no related party transactions during the Financial Year falling within the ambit of rule 9.14.8 of Listing Rules of the Colombo Stock Exchange.

All other related party transactions that could be classified as related party transactions in terms of LKAS 24-'Related Party Disclosures', are given in notes 7, 11, and 26. In terms of section 9.14.8 (4) of the Listing Rules of the Colombo Stock Exchange the Board confirms that the company has complied with all requirements pertaining to Related Party Transactions.

Nominations and Governance Committee

Following are the names of the Directors comprising the Nominations and Governance Committee of the Board;

- Ms. Deepthie Wickramasuriya (Chairperson)
- Mr. Rizvi Zaheed
- Mr. Shahid M. Sangani

The report of the Nominations and Governance Committee is given on page 116 in accordance with the requirements of Rule 9.11 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance.

Investor Information and Shareholdings

The investor information is given on page 178.

Major Shareholders

Details of twenty largest shareholders of the company and percentage held by each of them are disclosed in page 178.

Directors

The Directors of the company as at 31st March 2026 and their brief profiles are given on page 22 in this report.

Following proposals are presented to the shareholders at the AGM for approval with regard to the Directors of the company.

1. It is proposed to re-elect Ms. Deepthie Wickramasuriya and Mr. Sujendra Mather who retire by rotation being eligible, to the Board in terms of Article 20.5 of the Articles of the Association of the Company.
2. It is proposed to re-elect Mr. Osman Kassim, Mr. Ranjan Mather and Mr. Rizvi Zaheed who retire in terms of section 210 of the Companies Act No. 07 of 2007 and being eligible to the Board in terms of section 211 of the Companies Act.
3. To declare & continue Mr. Rizvi Zaheed as an Independent Director in terms of Section 9.8.3 of the Listing Rules of the CSE.

Independence of Directors

In accordance with Rule 9.8.5 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance (CSECG Rules), Mr. Osman Kassim, Mr. Shahid M. Sangani, Mr. Ranjan Mather, Mr. Sidath Fernando, Mr. Sattar Kassim, Mr. Sujendra Mather, Mr. Rizvi Zaheed, Ms. Deepthie Wickramasuriya and Prof. Anura Wijayapala who are Non-Executive Directors of the company, have submitted a signed and dated declaration to the Board on the status of their Independence.

Directors' Shareholding

The interest of the Directors in the shares of the Company as at 31st March of 2026 and 2025 were as follows:

Director	No of Ordinary Voting Shares	
	As at 31/03/2026	As at 31/03/2025
Amana Bank PLC / Mr. Osman Kassim	**137,751,552**	137,751,552
Mr. Osman Kassim /Ms. K. Kassim/ Mr. A.O.Kassim	**130,315**	130,315
Mr. Riyaz M. Sangani	**113,356,140**	90,513,823
Amana Bank PLC/ Mr. Riyaz M. Sangani	**87,107,527**	107,107,527
National Development Bank PLC/ Riyaz M. Sangani	**21,693,158**	21,693,158
Mr. Shahid M. Sangani	**2,986,486**	3,378,136
Amana Bank PLC/ Mr. Shahid M. Sangani	**6,887,029**	4,664,029
Mr. Ranjan Mather	**100,000,000**	100,000,000
Mr. Sidath Fernando	**41,746,349**	41,746,349
Mr. Sattar Kassim	**11,877**	102,105,204
Mr. Sattar Kassim / Mrs. S. S. Kassim	**102,093,327**	-
Mr. Sujendra Mather	**22,372,420**	22,372,420
Mr. Rizvi Zaheed	**-**	43,386
Ms. Deepthie Wickramasuriya	**-**	-
Prof. Anura Wijayapala	**-**	-

Director	No of Ordinary Non-Voting Shares	
	As at 31/03/2026	As at 31/03/2025
Amana Bank PLC / Mr. Osman Kassim	**8,145,585**	8,145,585
Mr. Osman Kassim /Ms. K. Kassim/ Mr. A.O.Kassim	**2,563,433**	2,563,433
Mr. Riyaz M. Sangani	-	750,615
Mr. Shahid M. Sangani	**336,542**	336,542
Amana Bank PLC/ Mr. Shahid M. Sangani	**416,153**	416,153
Mr. Ranjan Mather	**2,480,487**	1,724,872
Mr. Sidath Fernando	**501,320**	501,320
Mr. Sattar Kassim	-	-
Mr. Sujendra Mather	-	-
Mr. Rizvi Zaheed	-	3,871
Ms. Deepthie Wickramasuriya	-	-
Prof. Anura Wijayapala	-	-

Auditors

The resolutions to appoint the present Auditors, Messers. Ernst & Young Chartered Accountant, who has expressed their willingness to continue in office, will be proposed at the Annual General Meeting. As far as the Directors are aware, the Auditors do not have any relationship with interest in the company other than those disclosed above.

The Audit Committee reviews the appointment of the Auditor, its effectiveness and its relationship with the company, including the level of audit and non-audit fees paid to the Auditor. Details on the work on the Audit Committee are set out in the Audit Committee Report.

Going Concern

The Directors are satisfied that the company, its subsidiaries and associates have adequate resources to continue in operational existence for the foreseeable future to justify adopting the going concern basis in preparing the financial statements.

Declarations

The Directors of Vidullanka PLC; hereby declare that,

- they have declared all material interests in contracts involving in the Entity and that they have refrained from voting on matters in which they were materially interested;
- they have conducted a review of the internal controls covering financial, operational and compliance and risk management and have obtained reasonable assurance of their effectiveness and successful adherence therewith.
- they have made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions;
- disclosures have been made of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Entity has operations.

Notice of Meeting

The Annual General Meeting will be held at 9.30 am on 24th September 2026 at the registered office of the company with participation via audio visual technology.

The Notice of the Annual General Meeting appears on page 184.

For and on behalf of the Board,

(Sgd.)

Riyaz M. Sangani
CEO

(Sgd.)

Osman Kassim
Chairman

(Sgd.)

Managers & Secretaries (Pvt) Ltd
Secretaries

Vidullanka PLC
Colombo.
25 August 2026

Vidullanka PLC maintains a robust corporate governance framework designed to promote accountability, safeguard stakeholder interests, and drive sustainable growth. To ensure efficient and deeply focused oversight, the Board has delegated specific responsibilities to five specialized Board Sub-Committees: the Audit Committee, the Remuneration Committee, the Related Party Transactions Review Committee, the Nominations and Governance Committee, and the Investment and Strategy Committee.

Each committee operates under a clearly defined Terms of Reference that outlines its scope, authority, and responsibilities. The mandated committees are composed entirely of Non-Executive Directors with a strong majority of Independent Directors, ensuring that objective and independent judgment is exercised in all deliberations. The voluntary Investment and Strategy Committee brings together key strategic leaders to steer the Group's domestic and international expansion projects.

These subcommittees met regularly throughout the Financial Year to review critical aspects of financial reporting, risk management, internal controls, regulatory compliance, director nominations, executive compensation, and strategic direction and asset allocation. Collectively, their insights and recommendations enable the Board to make well-informed decisions that uphold the highest standards of integrity and transparency.

The detailed reports of each committee, highlighting their composition, mandate, and key activities during the Financial Year ended 31st March 2026, are given below.

INVESTMENT AND STRATEGY COMMITTEE REPORT

Report on the Affairs of The Investment and Strategy Committee During the Financial Year 2025/26

The Investment and Strategy Committee of Vidullanka PLC ("the Committee") is entrusted with the critical role of reviewing and assessing proposed investment opportunities, formulating forward-looking business strategies, and overseeing all related undertakings. Its core purpose is to provide the Board with well-founded recommendations, highlighting how each initiative supports the Company's overarching objectives and aligns with its long-term growth trajectory.

The Committee maintains continuous oversight of all assets within the Group's investment portfolio, closely tracking their performance and subjecting any underperforming ventures to in-depth review and remedial action. In addition, it keeps a vigilant watch on the broader market landscape, identifying risks that could affect current investments while seeking to harness emerging opportunities and evolving industry trends.

Composition of the Committee

The Investment and Strategy Committee is a voluntary committee established by the Board, and its composition during the year was as follows:

- Mr. Osman Kassim – Chairman (Non-Executive Director)
- Mr. Rizvi Zaheed (Independent Non-Executive Director)
- Mr. Ranjan Mather (Non-Executive Director)
- Mr. Riyaz M. Sangani (Chief Executive Officer)

The Chief Financial Officer and Chief Operating Officer attended all meetings by way of invitation.

The Committee convened on five formal occasions during the Financial Year. The detail of the attendance is given in the corporate governance section of this Annual report.

Key Activities during FY 2025/26

During the year under review, the Committee focused on diversifying the Group's energy portfolio, optimizing international project development efforts, and refining the corporate structure for long-term growth.

1. Expansion into New Technologies

- Wind Power Sector: The Committee advised the Board on a strategic equity investment in a domestic wind power project, marking the Group's formal entry into this segment. Furthermore, the Company formed a partnership with a local conglomerate and secured the development rights for a significant wind power facility through a competitive bidding process.
- Energy Storage (BESS): Following a review of national tender dynamics, the Committee recommended participation in a Battery Energy Storage System (BESS) tender, which successfully secured rights for a grid-scale project. Subsequently, the Committee also recommended the Company join a joint venture to co-develop a further 120MW of BESS capacity.

2. International Operations and Governance

- Regional Portfolio: The Committee monitored the progress and commissioning of projects in the East African and South American regions, ensuring continued alignment with Group standards.
- Pipeline Development: The Committee recommended exploratory development in new jurisdictions in the Southern African region, leveraging established holding structures for regional connectivity.
- Ethics and Compliance: The Committee performed rigorous ethical and compliance reviews of overseas proposals, reaffirming the Group's commitment to integrity even when it required recommending against high-return opportunities that did not satisfy our governance frameworks.

3. Strategic Restructuring and Efficiency

- Holding Company Implementation: The Committee recommended the consolidation of renewable assets under specialized intermediate holding companies to enhance transparency, improve operational efficiency, drive performance through internal competition and intrapreneurship.
- Asset Optimisation: The Committee evaluated the potential disposal of non-core subsidiaries and marginal assets to streamline the Group's balance sheet and prioritize capital for high-impact projects.

4. Performance Benchmarking and Financing

- Strategic Benchmarks: The Committee advised the Board on a revision of long-term benchmarks to ensure the Group remains competitive in large-scale national tenders while maintaining a sustainable growth trajectory.
- Operational Oversight: A new framework for monthly vertical performance reviews was recommended, with Board members participation to drive accountability and divisional performance.
- Capital Management: The Committee provided oversight for the issuance of an innovative Sukuk Bond, recommending a structure designed to optimize financing cost.
- The Committee remains committed to steering Vidullanka PLC toward sustainable growth through disciplined asset allocation and the exploration of innovative clean energy solutions globally.

(Sgd.)
Osman Kassim
Chairperson
Investment and Strategy Committee

25 August 2026

AUDIT COMMITTEE REPORT

Report on the Affairs of the Audit Committee During the Financial Year 2025/26

The Audit Committee of Vidullanka PLC ("the Committee") holds a pivotal role in overseeing the Company's financial reporting processes, audit functions, internal control systems, compliance with applicable laws, and all related procedures. In addition, it is entrusted with the ongoing evaluation of the organisation's established risk management, ensuring that it remains consistent with the Company's defined risk appetite and policy frameworks.

Composition of the Audit Committee

In compliance with Listing Rule 9.13.3, the Committee is comprised of three Non-Executive Directors, of whom two are independent. The members during the year were:

- Ms. Deepthie Wickramasuriya – Chairperson (Independent Non-Executive Director)
- Prof. Anura Wijayapala (Independent Non-Executive Director)
- Mr. Shahid M. Sangani (Non-Executive Director)

The Committee is chaired by Ms. Deepthie Wickramasuriya, a seasoned finance professional and member of a recognized accounting body (FCMA), providing the necessary financial expertise mandated by Rule 9.13.3(6). The CEO and CFO attended all meetings by invitation to support the Committee's deliberations.

Role of the Committee

The Committee's primary responsibility is to ensure that all financial statements and public disclosures are prepared in strict conformity with Sri Lanka Accounting Standards (LKAS/SLFRS), the CSE Listing Rules, and the Companies Act No. 07 of 2007. It assists the Board in fulfilling its oversight of the integrity of financial statements and the effectiveness of the Group's internal control and risk management frameworks.

Duties and Responsibilities During FY 2025/26

The Committee operated under formally approved Terms of Reference, which were reviewed during the year to ensure their continued relevance and alignment with applicable governance requirements and the evolving needs of the Group.

The Committee convened on four occasions during the Financial Year. Details of members' attendance are presented on page 49 of this Annual Report.

The following key activities were performed:

1. **Financial Reporting:** Reviewed and recommended the quarterly and annual financial statements for Board approval. The Committee scrutinized significant judgments, disclosures and accounting treatments.
2. **Impairments & Write-offs:** Evaluated specific provisions for project write-offs. This included monitoring the impairments arising out of the project predevelopment expenses incurred across the group.
3. **Capital Structure & Funding:** Reviewed the issuance of the Rs. 500 Mn Sukuk Bond and project financing facilities for solar subsidiaries.
4. **Internal Controls & ERP:** Monitored the implementation of the Microsoft Dynamics system, providing oversight on addressing initial challenges to ensure stabilisation.
5. **Risk Management:** Reviewed the Group risk profile, made recommendation on appropriate risk rating taking into consideration the emerging global and domestic events. The committee also reviewed and approved the risk profile presented in the annual report.
6. **Insurance Review:** Advised the operations team on necessary course of actions required on adequately managing the operational risks of hydro, dendro and solar power plants, including securing insurance coverages as well as setting up internal risk mitigation mechanisms.
7. **Asset Management:** Prioritized the completion of fixed asset verifications for Vidul Plantation, Vidul Biomass, and the Head Office to ensure robust physical control over assets.
8. **Related Party Disclosures:** Reviewed the related party transactions and balances in quarterly financial statements to ensure adequate disclosures were made.
9. **Regulatory Compliance:** Reviewed compliance reports quarterly, noting and actioned where any gaps identified in terms of compliance requirements
10. **Internal Audit:** Reviewed internal audit findings, including a specialized information system control verification which confirmed the effectiveness of implemented controls. The Company maintained a formally approved Internal Audit Charter, which defined the authority, responsibilities, scope and reporting framework of the internal audit function.
11. **Internal audit assurance:** Provided through a risk-based internal audit programme comprising independent reviews of key processes, internal controls and information systems, with significant findings, recommendations and related management actions reported to and monitored by the Committee.

Independent Auditors: The Committee performed an annual assessment of the independence and performance of Messrs. Ernst & Young (EY). EY has served as the Group's auditors for approximately 20 years.

The Committee obtained written assurance from EY confirming their independence in accordance with professional and regulatory requirements. Regarding non-audit services, the Committee ensured safeguards were in place by verifying that the fees were not material to the audit firm and that the services did not involve management decision-making roles. The Committee has recommended to the Board the re-appointment of EY for the Financial Year ending 31st March 2027.

Assurance from CEO and CFO In compliance with Rule 9.13.5(2)(c), the Committee has received formal assurance from the CEO and CFO that the financial records of the Entity have been properly maintained and that the financial statements give a true and fair view of the Group's operations and finances.

(Sgd.)
Deepthie Wickramasuriya
Chairperson – Audit Committee

25 August 2026

NOMINATION AND GOVERNANCE COMMITTEE REPORT

Report on the Affairs of the Nominations and Governance Committee During the Financial Year 2025/26

The Nominations and Governance Committee ("the Committee") was constituted by the Board of Directors of Vidullanka PLC ("the Company") to assist the Board in discharging its responsibilities relating to Board composition, succession planning, the appointment and reappointment of Directors, performance evaluation and corporate governance.

During the year under review, the Committee operated under Board-approved Terms of Reference, which were reviewed to ensure their continued relevance and alignment with applicable regulatory requirements and recognized corporate governance practices.

In accordance with Rule 9.11.6 of the Listing Rules of the Colombo Stock Exchange ("CSE Listing Rules"), the Committee hereby presents its report for the Financial Year ended 31st March 2026.

9.11.6(A) – Composition of the Committee

The composition of the Committee complied with the CSE Listing Rules, with the majority of its members being Independent Non-Executive Directors. As at 31st March 2026, the Committee comprised the following members:

No	Name of the Director	Nature of Directorship	Date of Appointment to the Committee
01	Ms. Deepthie Wickramasuriya	Independent Non-Executive Director	21/03/2024
02	Mr. Rizvi Zaheed	Independent Non-Executive Director	21/03/2024
03	Mr. Shaid Sangani	Non-Executive Director	21/03/2024

9.11.6(B) – Meetings of the Committee

The Committee met on three occasions during the Financial Year from 01st April 2025 to 31st March 2026. Details of members' attendance at these meetings are provided on page 49 of this Annual Report.

9.11.6(C) – Policy and Process for Nominating Directors

The Company maintained a formal and documented policy governing the nomination, selection and appointment of Directors. In evaluating prospective candidates, the Committee considered their qualifications, professional experience, skills, competencies, independence, integrity and ability to contribute to the Company's strategic objectives and governance requirements.

9.11.6(E) – Board Diversity

The Committee confirmed the Company's compliance with Rule 9.5.1(c) of the CSE Listing Rules and continued focus on Board diversity, considering professional experience, skills, age, gender and broader representation to support effective governance and balanced decision-making.

9.11.6(F) – Implementation of Appointment and Reappointment Policies

The policies and procedures governing the appointment and reappointment of Directors were effectively implemented during the year. All recommendations were made following appropriate due diligence and an assessment of each Director's qualifications, experience, independence, suitability and contribution to the Board.

9.11.6(D) & (G) – Re-Election of Directors

The Committee confirmed that all Directors were subject to re-election at regular intervals and at least once every three years, in accordance with the Articles of Association of the Company and applicable governance requirements.

i). Re-election of Directors retiring by rotation

Pursuant to Article 20.5 of the Company's Articles of Association, the following Directors, being those subject to retirement by rotation who had served the longest period since their last election or appointment, retired by rotation and, being eligible, were recommended by the Committee for re-election at the Annual General Meeting held on 25th September 2025.

Name of the Director	Date of First Appointment	Date of Last Re-appointment:	Board Committees, Other Directorships, Principal Commitments & Relationships
Mr. Shahid Sangani	29/09/2003	22/07/2016	The details are provided in the Board of Directors and Corporate Governance sections of this Annual Report
Mr. Sidath Fernando	13/02/2012	22/07/2016	

ii). Continued Classification as an Independent Director

During the year, the Committee recommended that Mr. Rizvi Zaheed continue to be classified as an Independent Director for the Financial Year 2026/27, notwithstanding his attainment of 70 years of age on 19 May 2025. The recommendation was made in accordance with the revised CSE Listing Rules effective from 1 March 2025, under which a director over the age of 70 could continue to be considered independent, subject to satisfying the applicable independence criteria.

iii). Reappointment of Directors Over 70 Years of Age

The Committee recommended the following Directors, who were over 70 years of age, for reappointment with shareholder approval at the Annual General Meeting held on 25th September 2025 pursuant to Section 211 of the Companies Act No. 07 of 2007.

Name of the Director	Date of First Appointment	Date of Last Re-appointment:	Board Committees, Other Directorships, Principal Commitments & Relationships
Mr. Osman Kassim	05/12/2003	24/09/2024	The details are provided in the Board of Directors and Corporate Governance sections of this Annual Report
Mr. Ranjan Mather	05/12/2003	24/09/2024	

9.11.6(H) – Performance Evaluation of the Board and Chief Executive Officer

In compliance with Rule 9.11.5 of the CSE Listing Rules, the Committee oversaw the evaluation of the individual and collective performance of the Board and the Chief Executive Officer and concluded that their performance was satisfactory and aligned with expected governance and leadership standards.

9.11.6(I) – Access to Information by Independen

Independent Directors received timely Board and Committee papers, management updates and access to professional advisers, enabling them to discharge their duties and make informed, objective decisions.

9.11.6(J) – Induction and Orientation Programmes

As no new Directors were appointed during the year, no induction programme was conducted. The established induction framework remained in place to familiarize future appointees with the Group's structure, operations, strategy and regulatory obligations.

9.11.6(K) – Ongoing Updates to Existing Directors

Directors were kept informed of relevant regulatory, governance and Company developments through Board and Committee papers, management presentations and periodic briefings.

9.11.6(L) – Criteria for Determining Independence

The Committee reviewed the annual independence declarations and confirmed that all Independent Non-Executive Directors satisfied the criteria set out in Rule 9.8.3 of the CSE Listing Rules.

9.11.6(M) – Compliance with Corporate Governance Requirements

The Committee reviewed management's compliance report and confirmed that the Company had complied with Section 9 of the CSE Listing Rules, while continuing to uphold transparency, accountability and sound governance. Further details are provided in the Corporate Governance Commentary section of this Annual Report.

On behalf of the Nominations and Governance Committee,

(Sgd.)
Deepthie Wickramasuriya
Chairperson
Nominations and Governance Committee

25 August 2026

REMUNERATION COMMITTE REPORT

Report on the Affairs of the Remuneration Committee During the Financial Year 2025/26

The Remuneration Committee ("the Committee") assisted the Board of Directors of Vidullanka PLC in establishing a competitive and appropriate remuneration framework for the Executive Directors, Chief Executive Officer and senior management. The Committee sought to ensure that remuneration arrangements supported the attraction, retention and motivation of suitably qualified personnel while remaining aligned with market practices, the Group's strategic objectives and long-term interests.

During the year under review, the Committee comprised the following members:

Mr. Rizvi Zaheed – Chairperson
Independent Non-Executive Director

Prof. Anura Wijayapala
Independent Non-Executive Director

Mr. Ranjan Mather
Non-Executive Director

The Committee operated under formally approved Terms of Reference, which were reviewed during the year to ensure their continued relevance and alignment with applicable governance requirements and the evolving needs of the Group.

The Committee met once during the Financial Year. Details of members' attendance are presented on page 49 of this Annual Report.

During the year, the Committee reviewed the Group's remuneration structures, policies and procedures and made recommendations to the Board where appropriate. It also considered relevant human resource policies and advised management on measures to address employee retention and other workforce challenges.

The remuneration and benefits of the Executive Directors, Chief Executive Officer and senior management were reviewed with reference to market conditions, responsibilities and annual performance. No Director participated in decisions relating to their own remuneration. The remuneration of Non-Executive Directors was determined on a transparent and non-discriminatory basis to preserve their independence, and they were not entitled to performance-related incentives.

The aggregate remuneration paid to Executive and Non-Executive Directors is disclosed in the Financial Statements on page 170.

(Sgd.)
Rizvi Zaheed
Chairperson- Remuneration Committee

25 August 2026

RELATED PARTY TRANSACTION REVIEW COMMITTEE REPORT

Report on the Affairs of the Related Party Transaction Review Committee During the Financial Year 2025/26

The Related Party Transactions Review Committee ("the Committee") assisted the Board of Directors of Vidullanka PLC ("the Company") in overseeing transactions entered into with related parties during the Financial Year. Its principal responsibility was to ensure that such transactions were transparent, commercially justified, conducted on an arm's length basis and compliant with Section 9 of the Listing Rules of the Colombo Stock Exchange and LKAS 24 – Related Party Disclosures.

During the year under review, the Committee comprised of the following three (03) Non-Executive Directors, two (02) of whom, including the Chairperson, were Independent Non-Executive Directors:

Mr. Rizvi Zaheed – Chairperson
Independent Non-Executive Director

Ms. Deepthie Wickramasuriya
Independent Non-Executive Director

Mr. Sidath Fernando
Non-Executive Director

The Committee met five time during the year, that included four quarterly meetings and a special meeting to deliberate on a specific transaction proposed and operated under Board-approved Terms of Reference, which were reviewed during the year to ensure their continued relevance and alignment with applicable regulatory and corporate governance requirements. Details of members' attendance at these meetings are set out on page 49 of this Annual Report.

The Committee reviewed related party transactions entered into or proposed during the year, taking into consideration their terms, commercial rationale, applicable approval requirements and compliance with the established policies and procedures. The Committee's comments, observations and recommendations arising from its reviews were communicated to the Board of Directors for consideration and, where required, further action or approval.

The policies and procedures adopted by the Committee provided for the identification, classification, review, approval and reporting of related party transactions. Proposed non-recurring and ad hoc transactions were reviewed in advance, while recurring transactions were periodically reviewed and ratified. Material changes to previously approved transactions were also submitted to the Committee for review.

In discharging its responsibilities, the Committee obtained relevant information and assistance from management and sought independent professional advice where considered necessary. It also assessed the adequacy of the internal controls governing related party transactions, identified matters requiring Board or shareholder approval and reviewed the related disclosures included in the Financial Statements and the Annual Report.

No related party transactions falling within the scope of Rules 9.14.6, 9.14.7, 9.14.8 or 9.14.9 of the Listing Rules of the Colombo Stock Exchange were entered into during the Financial Year.

Declaration

The Annual Report of the Board of Directors included a negative declaration confirming that the Company had not entered into any related party transaction falling within the ambit of Rule 9.14.8 of the Listing Rules of the Colombo Stock Exchange during the year under review. This declaration is presented on Annual Report of the Board of Directors given in page 108 of this Annual Report.

The disclosures required under the applicable Listing Rules are set out in Notes 7, 11 and 26 are given in pages 151, 160 and 168 respectively. All other related party transactions and balances falling within the scope of LKAS 24 – Related Party Disclosures are presented in Notes 7, 11 and 26 to the Financial Statements.

(Sgd.)
Rizvi Zaheed
Chairperson
Related Party Transactions Review Committee

25 August 2026

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors' responsibility in relation to the Financial Statements is detailed below. The report of the Auditors sets out their responsibility in relation to the Financial Statements.

The Companies Act No.07 of 2007 requires that the Directors prepare Financial Statements for each Financial Year, which reflect a true and fair view of the state of affairs of the Company and the Group as at the end of the Financial Year and the profit for that Financial Year. In preparation of these statements the Directors are required to ensure that,

1. Appropriate accounting policies have been selected and applied on a consistent basis. Material anomalies, if any, are disclosed and explained.
2. Ensure that all applicable accounting standards have been followed.
3. The adjustments and estimates are reasonable and prudent.
4. The Directors are responsible for ensuring that the Company keeps sufficient accounting records to disclose, with reasonable accuracy, the financial position of the Company and that of the Group and to enable them to ensure that the Financial Statements comply with the Companies Act. They are also responsible for taking reasonable steps to safeguard the assets of the Company and to establish appropriate systems of internal controls, which provide reasonable though not absolute assurance to the Directors that assets are safe guarded and internal controls, are in place with a view to the prevention and detection of fraud and error.
5. The Directors are required to prepare the Financial Statements and to provide the Auditors with every opportunity to take whatever steps, and undertake whatever inspection they consider to be appropriate for the purpose of enabling them to give their audit report.

The Directors are of the view that they have discharged their responsibilities as set out in this statement.

COMPLIANCE REPORT

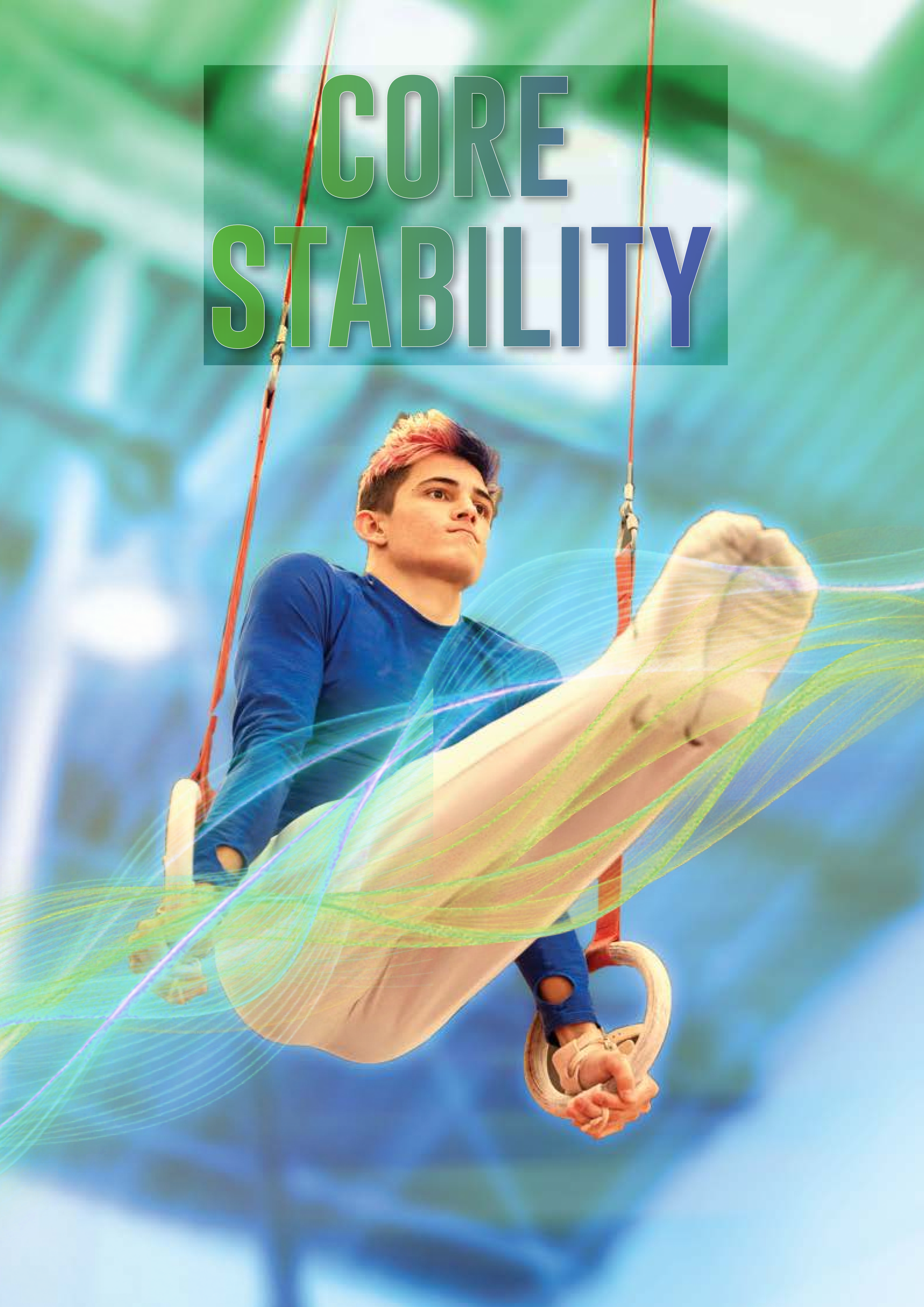
The Directors confirm that to the best of their knowledge, all taxes, duties and levies and taxes payable on behalf of and in respect of employees of the Company and its group companies, and all other known statutory dues as were due and payable by the Company and its group companies as at the balance sheet date have been paid or where relevant provided for.

By order of the Board,

(Sgd.)
Managers & Secretaries (Pvt) Ltd
Secretaries
Vidullanka PLC

25 August 2026

CORE STABILITY



Shape the future
with confidence

Ernst & Young
Chartered Accountants
Rotunda Towers
No. 109, Galle Road
P.O. Box 101
Colombo 03, Sri Lanka

Tel: +94 11 246 3500
Fax: +94 11 768 7869
Email: eysl@lk.ey.com
ey.com

DNG/CPN/KA

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VIDULLANKA PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Vidullanka PLC ("the Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group"), which comprise the Statement of Financial Position as at 31 March 2026, and the Statement of 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 material accounting policy information.

In our opinion, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as at 31 March 2026, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
Assessment of Impairment of Goodwill The Group's Statement of Financial Position includes an amount of Rs. 141 Mn relating to Goodwill acquired on the business combinations as further described in Notes 5.2 to the financial statements. Goodwill is tested annually for impairment based on the recoverable amount determined by Management using value in use computations (VIU). Such Management VIU calculations are based on the discounted future cashflows of each Cash Generating Unit (CGU) to which Goodwill has been allocated. A deficit between the recoverable value and the carrying value of the CGUs including Goodwill would result in an impairment. Impairment testing of Goodwill was a key audit matter due to : ✦ The degree of management assumptions, judgements and estimates associated with deriving the estimated future cashflows used for value in use calculations. ✦ Key areas of significant management judgments, estimates and assumptions included key inputs and assumptions related to the value in use computations of future cash flows, tariff rates used for extrapolation purposes, plant load factor and discount rates as disclosed in Notes 5.2 to the financial statements.	**Our audit procedures included the following:** ✦ Obtained an understanding of how management has forecast its discounted future cash flows. ✦ Tested the calculations of the discounted future cash flows and agreed underlying data used by Management to relevant underlying accounting records. ✦ Based on the best available information up to the date of our report, we assessed the reasonableness of significant management assumptions including tariff rates, discount rates and plant load factor. We performed sensitivity analysis of significant assumptions to evaluate the effect on the value in-use calculations. ✦ Evaluated the sensitivity of the forecasted cash flows by focusing on plausible changes in the key assumptions and analyzing the impact on the recoverable amount. We have also assessed the adequacy of the disclosures made in Note 5.2 to the financial statements.
Estimated Depreciation of Plant & Machinery Property, plant and equipment of the Group include hydro and solar plant & machinery – totalling Rs. 8,661,845,322 which represent 51% of the Group's total assets as of reporting date. Depreciation on hydro and solar plant & machinery – totalling Rs. 358,197,292 for the year ended 31 March 2026. The Group's policy is to calculate the depreciation of these assets on the straight-line method over their estimated useful life as described in Note 2.3.8 to the financial statements. Estimation of the useful life of plant & machinery – hydro and solar was considered a Key Audit Matter due: ✦ the degree of management assumptions and judgment required over the determination of remaining useful lives, underlying lease agreements and renewal options contained in power purchase agreements.	**Our audit procedures included the following;** ✦ We obtained the understanding of management's policies and procedures developed over the estimation of the remaining useful lives of plant & machinery – hydro & solar. ✦ We assessed the reasonableness of management assumptions and judgments applied in developing expectations of remaining useful lives of Plant & Machinery (hydro and solar) and checked the agreement terms in the power purchase agreements entered. ✦ We checked the arithmetical accuracy of the depreciation recorded during the year. We have also assessed the adequacy of disclosures made in Notes 2.3.8 , 4.1 and 4.2 to the financial statements.

Other Information included in the 2026 Annual Report

Other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the financial statements does not cover 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 other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the management and those charged with governance

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

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

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

Report on other legal and regulatory requirements

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

The Institute of Chartered Accountants of Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 4169.

25 August 2026
Colombo

STATEMENT OF FINANCIAL POSITION

		Group		Company	
As at 31 March		2026	2025	2026	2025
	Notes	Rs.	Rs.	Rs.	Rs.
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	4	**9,994,184,980**	7,417,462,808	**1,778,310,100**	1,891,604,084
Bearer Biological Assets	4.1.8	**19,546,103**	21,803,121	**-**	-
Right of Use Assets	4.3	**168,063,095**	142,127,215	**53,522,203**	26,562,193
Investments in Subsidiaries	5.1	**-**	-	**1,363,203,589**	1,078,201,089
Investment in Joint Ventures and Associates	5.3	**2,255,331,618**	1,512,589,286	**1,292,864,883**	955,624,883
Other Project Investments	6	**253,643,481**	62,700,273	**253,643,481**	62,700,273
Goodwill	5.2	**141,852,612**	143,335,502	**-**	-
Deferred Tax Asset	10.3	**343,528,268**	2,575,293	**46,943,885**	-
		13,176,150,157	9,302,593,498	**4,788,488,141**	4,014,692,522
Current Assets					
Inventories		**201,271,824**	187,217,773	**60,333,848**	55,941,605
Trade and Other Receivables	7	**1,878,228,956**	1,441,564,826	**662,868,221**	473,928,162
Other Financial Assets	5.4.1	**273,043,254**	240,579,380	**37,841,500**	36,441,500
Cash and Cash Equivalents	20	**1,621,378,650**	2,023,478,163	**73,474,772**	496,281,018
		3,973,922,684	3,892,840,142	**834,518,341**	1,062,592,285
Total Assets		**17,150,072,841**	13,195,433,640	**5,623,006,482**	5,077,284,807
EQUITY AND LIABILITIES					
Capital and Reserves					
Stated Capital	8	**3,031,341,896**	2,939,293,738	**3,031,341,896**	2,939,293,738
Retained Earnings		**4,817,676,590**	3,994,606,641	**943,105,603**	718,165,924
Other Components of Equity		**1,561,409,997**	1,270,004,881	**24,991,160**	(7,139,545)
Equity Attributable to Equity Holders of the Parent		**9,410,428,483**	8,203,905,260	**3,999,438,659**	3,650,320,117
Non Controlling Interest		**245,146,465**	287,659,794	**-**	-
Total Equity		**9,655,574,948**	8,491,565,054	**3,999,438,659**	3,650,320,117
Non-Current Liabilities					
Loans and Borrowings	9	**3,765,126,022**	1,558,611,013	**500,000,000**	100,025,452
Defined Benefit Liability	12	**106,283,120**	100,209,903	**94,097,590**	88,301,424
Deferred Tax Liability	10.2	**1,219,163,003**	1,145,363,269	**-**	14,753,126
Lease Liability	21.1	**52,857,712**	45,006,920	**40,370,729**	32,583,233
		5,143,429,857	2,849,191,105	**634,468,319**	235,663,235
Current Liabilities					
Trade and Other Payables	11	**1,087,841,812**	635,694,546	**319,681,014**	377,067,473
Loans and Borrowings	9	**1,138,376,214**	1,030,488,637	**650,155,815**	644,511,158
Lease Liability	21.1	**19,716,700**	7,246,731	**19,262,675**	3,228,657
Income Tax Liabilities		**105,133,310**	181,247,567	**-**	166,494,167
		2,351,068,036	1,854,677,481	**989,099,504**	1,191,301,455
Total Equity and Liabilities		**17,150,072,841**	13,195,433,640	**5,623,006,482**	5,077,284,807
Net Asset Value Per Share (Rs.)		**9.11**	7.99	**3.87**	3.55

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

(Sgd.)
Mafaz Ansar
CFO

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the Board by,

(Sgd.)
Riyaz M. Sangani
CEO

(Sgd.)
Rizvi Zaheed
Director

The accounting policies and notes on pages 129 through 176 form an integral part of these Financial Statements.

25 August 2026
Colombo

STATEMENT OF COMPREHENSIVE INCOME

		Group		Company	
Year ended 31 March		**2026**	**2025**	**2026**	**2025**
	Notes	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Revenue	13	**3,827,141,368**	5,424,848,180	**543,301,498**	2,618,709,857
Cost of Sales		**(1,026,392,703)**	(2,475,653,018)	**(213,046,710)**	(1,698,603,279)
Gross Profit		**2,800,748,665**	2,949,195,162	**330,254,788**	920,106,578
Other Income and Gains / (Losses)	17	**81,387,696**	309,035,120	**1,340,945,844**	755,323,057
Administrative Expenses		**(926,618,739)**	(695,518,201)	**(676,665,490)**	(611,298,728)
Finance Cost	15	**(372,788,609)**	(322,758,023)	**(153,226,529)**	(111,548,292)
Finance Income	16	**14,422,603**	35,646,267	**7,627,684**	24,399,962
Share of Results of Equity Accounted Investee		**473,766,286**	263,442,685		
Profit / (Loss) Before Tax	14	**2,070,917,902**	2,539,043,010	**848,936,297**	976,982,577
Income Tax (Expense) / Reversal	10	**(519,759,870)**	(961,571,678)	**41,968,662**	(274,967,791)
Profit / (Loss) for the Year		**1,551,158,032**	1,577,471,332	**890,904,959**	702,014,786
Other Comprehensive Income (OCI)					
Other Comprehensive Income that not will be Reclassified to Profit or Loss in Subsequent Period					
Net Actuarial Gain / (Loss) on Defined Benefit Plan		**5,607,086**	(18,818,743)	**5,161,318**	(16,422,379)
Income Tax Effect on Net Actuarial Gain / (Loss) on Defined Benefit Plan		**(2,167,683)**	5,128,519	**(1,548,395)**	4,926,714
Other Comprehensive Income that may be Reclassified to Profit or Loss in Subsequent Period					
Exchange Differences on Translation of Foreign Operations		**308,481,127**	(82,247,249)	**6,611,567**	(8,480,011)
Share of Other Comprehensive Income of Equity Accounted Investees (Net of Tax)		**(321,453)**	297,143		
Other Comprehensive Income for the Year, Net of Tax		**311,599,077**	(95,640,330)	**10,224,490**	(19,975,676)
Total Comprehensive Income for the Year, Net of Tax		**1,862,757,109**	1,481,831,002	**901,129,449**	682,039,110
Profit Attributable to :					
Equity Holders of the Parent		**1,490,108,771**	1,529,940,999	**890,904,959**	702,014,786
Non-Controlling Interests		**61,049,261**	47,530,333	**-**	-
		1,551,158,032	1,577,471,332	**890,904,959**	702,014,786
Total Comprehensive Income Attributable to :					
Equity Holders of the Parent		**1,787,033,285**	1,438,054,255	**901,129,449**	682,039,110
Non-Controlling Interests		**75,723,824**	43,776,747	**-**	-
		1,862,757,109	1,481,831,002	**901,129,449**	682,039,110
Earning Per Share- Basic		**1.45**	1.56	**0.86**	0.72
Earnings Per Share - Diluted	18	**1.45**	1.56	**0.86**	0.72
Dividend Per Share				**0.65**	1.70

The accounting policies and notes on pages 129 through 176 form an integral part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

Group	Notes	Stated Capital Rs.	Retained Earnings Rs.	Other Capital Reserves Rs.	Foreign Currency Translation Reserve Rs.	Non-Controlling Interest Rs.	Total Rs.
Balance as at 01 April 2024		1,825,593,926	4,082,365,801	-	1,348,498,544	272,382,022	7,528,840,293
Profit for the Year		-	1,529,940,999	-	-	47,530,333	1,577,471,332
Other Comprehensive Income		-	(13,393,081)	-	(78,493,663)	(3,753,586)	(95,640,330)
Total Comprehensive Income for the Year		-	1,516,547,918	-	(78,493,663)	43,776,747	1,481,831,002
Scrip Dividend		1,113,699,812	(1,132,450,437)	-	-	-	(18,750,625)
Dividend Paid During the Year		-	(471,856,641)	-	-	(28,498,975)	(500,355,616)
Balance as at 31 March 2025		2,939,293,738	3,994,606,641	-	1,270,004,881	287,659,794	8,491,565,054
Balance as at 01 April 2025		**2,939,293,738**	**3,994,606,641**	**-**	**1,270,004,881**	**287,659,794**	**8,491,565,054**
Profit for the Year		**-**	**1,490,108,771**	**-**	**-**	**61,049,261**	**1,551,158,032**
Other Comprehensive Income		**-**	**3,117,950**	**-**	**265,885,978**	**42,595,149**	**311,599,077**
Total Comprehensive Income for the Year		**-**	**1,493,226,721**	**-**	**265,885,978**	**103,644,410**	**1,862,757,109**
Share Based Payments	8.3	**-**	**-**	**38,982,669**	**-**	**-**	**38,982,669**
Exercise of Share Options	8.3	**92,048,158**	**-**	**(13,463,531)**	**-**	**-**	**78,584,627**
Acquisition of NCI Shares		**-**	**(578,569)**	**-**	**-**	**(69,421,431)**	**(70,000,000)**
Dividend Paid during the Year	19	**-**	**(669,578,203)**	**-**	**-**	**(76,736,308)**	**(746,314,511)**
Balance as at 31 March 2026		**3,031,341,896**	**4,817,676,590**	**25,519,138**	**1,535,890,859**	**245,146,465**	**9,655,574,948**

Company	Notes	Stated Capital Rs.	Retained Earnings Rs.	Other Capital Reserves Rs.	Amalgamation Reserves Rs.	Foreign Currency Translation Reserve Rs.	Total Rs.
Balance as at 01 April 2024		1,825,593,926	684,748,998	-	947,204,883	1,340,466	3,458,888,273
Profit for the Year		-	702,014,786	-	-	-	702,014,786
Other Comprehensive Income		-	(11,495,665)	-	-	(8,480,011)	(19,975,676)
Total Comprehensive Income for the Year		-	690,519,121	-	-	(8,480,011)	682,039,110
Scrip Dividend		1,113,699,812	(185,245,554)	-	(947,204,883)	-	(18,750,625)
Dividend Paid during the Year		-	(471,856,641)	-	-	-	(471,856,641)
Balance as at 31 March 2025		2,939,293,738	718,165,924	-	-	(7,139,545)	3,650,320,117
Balance as at 01 April 2025		**2,939,293,738**	**718,165,924**	**-**	**-**	**(7,139,545)**	**3,650,320,117**
Profit for the Year		**-**	**890,904,959**	**-**	**-**	**-**	**890,904,959**
Other Comprehensive Income		**-**	**3,612,923**	**-**	**-**	**6,611,567**	**10,224,490**
Total Comprehensive Income for the Year		**-**	**894,517,882**	**-**	**-**	**6,611,567**	**901,129,449**
Share Based Payments	8.3	**-**	**-**	**38,982,669**	**-**	**-**	**38,982,669**
Exercise of Share Options	8.3	**92,048,158**	**-**	**(13,463,531)**	**-**	**-**	**78,584,627**
Dividend Paid during the Year	19	**-**	**(669,578,203)**	**-**	**-**	**-**	**(669,578,203)**
Balance as at 31 March 2026		**3,031,341,896**	**943,105,602**	**25,519,138**	**-**	**(527,978)**	**3,999,438,659**

The accounting policies and notes on pages 129 through 176 form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS

		Group		Company	
Year ended 31 March		**2026**	**2025**	**2026**	**2025**
	Notes	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Operating Activities					
Profit / (Loss) Before Tax		**2,070,917,902**	2,539,043,010	**848,936,297**	976,982,577
Adjustments for					
Depreciation Property, Plant and Equipment	4	**412,626,395**	392,298,568	**134,222,105**	136,497,875
Depreciation Biological Assets		**2,274,258**	4,536,690	**-**	-
Depreciation of Right of Use Assets	4.3.2	**25,838,334**	20,941,803	**18,479,195**	6,561,733
(Profit) / Loss on Disposal of Property, Plant and Equipment	17	**(8,885,234)**	28,168,790	**(506,092)**	3,096,130
Write off of Biological Assets (net)		**-**	12,195,601	**-**	-
Expenses on Defined Benefit Plan	12.1	**19,035,903**	13,585,102	**16,650,034**	13,240,666
Impairment / Written Off of New Projects		**59,576,924**	44,944,256	**59,576,924**	44,944,256
Impairment -Goodwill / Receivables	6.1	**1,482,890**	(58,935,056)	**-**	-
Net Gains on Translation of Foreign Currency		**86,399,522**	(27,326,657)	**2,960,668**	(8,022,741)
Share of Results of Equity Accounted Investee		**(473,766,286)**	(263,442,685)	**-**	-
Share Based Payments		**38,982,669**	-	**38,982,669**	-
Dividend Income	17	**(5,221,000)**	-	**(1,294,086,418)**	(510,205,814)
Gain on Bargain Purchase	17	**-**	(14,793,658)	**-**	-
Finance Income	16	**(14,422,603)**	(35,646,267)	**(7,627,684)**	(24,399,962)
Finance Cost	15	**372,788,609**	322,758,023	**153,226,529**	111,548,292
Operating Profit Before Working Capital Changes		**2,587,628,283**	2,978,327,520	**(29,185,773)**	750,243,012
(Increase) / Decrease in Inventories		**(7,272,927)**	(55,162,886)	**(4,392,243)**	(18,503,312)
(Increase) / Decrease in Trade & Other Receivables		**(640,341,899)**	1,241,354,828	**(188,940,059)**	586,159,190
Increase / (Decrease) in Other Payables		**698,143,301**	(448,852,754)	**(57,386,459)**	(407,524,648)
Cash Generated from / (Used in) Operations		**2,638,156,758**	3,715,666,708	**(279,904,534)**	910,374,242
Finance Cost Paid		**(364,333,648)**	(329,727,130)	**(146,175,540)**	(107,295,578)
Defined Benefit Plan Cost Paid	12	**(7,355,600)**	(1,713,450)	**(5,692,550)**	(537,450)
Income Tax Paid		**(928,216,132)**	(788,881,008)	**(192,269,298)**	(173,740,190)
Net Cash from / (Used in) Operating Activities		**1,338,251,378**	2,595,345,120	**(624,041,922)**	628,801,024
Investing Activities					
Acquisition of Property, Plant and Equipment		**(2,728,153,979)**	(149,679,167)	**(24,316,239)**	(41,457,554)
Acquisition of Biological Assets		**(17,240)**	(4,691,608)	**-**	-
Acquisition of Right to Use Asset	4.1.8	**(45,439,204)**	-	**(45,439,204)**	-
Proceeds from Sale of Property, Plant and Equipment	4.3	**46,640,212**	6,089,529	**6,640,212**	1,539,529
Investment in New Projects, net of cash acquired		**(250,520,132)**	(57,837,382)	**(250,520,132)**	(57,837,382)
Investment on Other Financial Assets	5.4.1	**(18,861,771)**	13,639,711	**(1,400,000)**	20,000,000
Finance Income Received		**12,774,898**	34,993,476	**5,979,979**	23,821,573
Dividend Received		**62,972,125**	66,676,125	**1,294,086,418**	510,205,814
Acquisition of NCI, net of cash acquired		**(70,000,000)**	-	**(70,000,000)**	-
Investment in Subsidiaries		**-**	-	**(215,002,500)**	(50,000,000)
Investment in Joint Ventures / Associates		**(337,240,000)**	(185,000,000)	**(337,240,000)**	(185,000,000)
Net Cash Flows from / (Used in) Investing Activities		**(3,327,845,091)**	(275,809,316)	**362,788,534**	221,271,980
Financing Activities					
Proceeds from Share Issue		**78,584,627**	-	**78,584,627**	-
Dividend Payments		**(746,314,511)**	(500,355,616)	**(669,578,203)**	(471,856,641)
Principal Payment under Ijara-Leases (Motor Vehicle)	21.1.1	**(4,733,059)**	(5,828,345)	**(3,687,076)**	(3,327,002)
Principal Payment under SLFRS 16 - Non- Motor	21.1	**(16,302,710)**	(44,701,289)	**(13,330,615)**	(560,704)
Principal Payment under Diminishing Musharakah Facilities	9.2.2	**(653,266,245)**	(485,966,959)	**(175,924,692)**	(215,427,616)
Principal Payment under Short Term Facilities	9.1.3	**(1,446,908,574)**	(735,014,349)	**(1,365,259,034)**	(606,070,267)
Proceeds from Ijara-Leases (Motor Vehicle)	21.1.1	**14,000,000**	-	**14,000,000**	-
Proceeds from - Leases (Non-Motor Vehicle)		**27,356,530**	-	**26,839,204**	-
Proceeds from Diminishing Musharakah Facilities	9.2.2	**2,335,000,000**	6,538,400	**-**	-
Proceeds from Short Term Facilities	9.1.3	**1,500,078,142**	771,251,943	**1,446,802,931**	659,316,609
Proceeds from Listed Sukuk Issuance		**500,000,000**	-	**500,000,000**	-
Net Cash Flows from / (Used in) Financing Activities		**1,587,494,200**	(994,076,215)	**(161,552,858)**	(637,925,621)
Net Increase / (Decrease) in Cash and Cash Equivalents		**(402,099,513)**	1,325,459,589	**(422,806,246)**	212,147,382
Cash and Cash Equivalents at the Beginning of the Year		**2,023,478,163**	698,018,574	**496,281,018**	284,133,636
Cash and Cash Equivalents at the End of the Year	20	**1,621,378,650**	2,023,478,163	**73,474,772**	496,281,018

The accounting policies and notes on pages 129 through 176 form an integral part of these Financial Statements.

1. CORPORATE INFORMATION

1.1. General

Vidullanka PLC ("the Company") is a public quoted Company incorporated and domiciled in Sri Lanka. The registered office of the Company is located at Level 4, Access Towers, No.278, Union Place, Colombo 02. and the principal places of business are situated in Rathnapura, Badulla, Nuwara-Eliya Districts of Sri Lanka and branch operations in Guyana, South America.

The Consolidated financial statements of the Company for the year ended 31 March 2026 comprise the Company and its Subsidiaries (together referred as the "Group").

Subsidiaries

Vidullanka PLC has investments in the following direct subsidiaries.

Subsidiary	Date of Incorporation	The Act	Registered Address	Ownership %
Vidul Engineering Ltd	03 Sep 2007	Companies Act No. 07 of 2007 of Sri Lanka	Level 04, Access Tower, No, 278, Union Place, Colombo 02	100%
Vidulsolar (Pvt) Ltd	22 Mar 2021			100%
Orik Corporation (Pvt) Ltd	11 Nov 2010			100%
Vidul Matara Solar Power (Pvt) Ltd	06 Oct 2023			100%
Vidul Plantation (Pvt) Ltd	20 Feb 2015			100%
Vidul Agri (Pvt) Ltd	29 Oct 2020			100%
DPV solar Energy (Pvt) Ltd	04 Jan 2024			50%
Venergy Lanka (Pvt) Ltd	08 July 2020			100%
Vidul Renewables (Pvt) Ltd	02 Aug 2024			100%
Muvumbe Hydro (U) Ltd	07 Feb 2011	Companies Act No 110 of 2012 of Uganda	3rd Floor Unicalo House, Plot 11, Archer Road, Kololo P. O. Box 100326, Kampala.	95%
Timex Bukinda Hydro (U) Ltd	30 May 2011			95%
Vidul Engineering (U) Ltd	11 Jan 2019			100%
Vidul Energia Pte. Ltd	21 Sep 2020	Section 164 of the Companies Act 1967 of Singapore.	2 Havelock Road, #06-08 Havelock2, Singapore 059763.	100%

Additionally, Vidul Plantation (Pvt) Ltd acquired control of Vasanagama Plantation (Pvt) Ltd during the financial year 2019/20. Vasanagama Plantation (Pvt) Ltd is a limited liability company incorporated and domiciled in Sri Lanka. The registered office of the company is located at Level 04, Access Tower, No. 278, Union Place, Colombo 02. Vidul Plantation (Pvt) Ltd held 100% equity stake in the company. The operations of Vasanagama Plantation (Pvt) Ltd was amalgamated with Vidul Plantation (Pvt) Ltd as per the provisions of the Company's Act section 242 (1) with effect from 31 March 2026.

During the year, Horana Solar Power (Pvt) Ltd was renamed as Vidulsolar (Pvt) Ltd with effect from 28 January 2026. Subsequently the operations of Vidul Solar Power (Pvt) Ltd and Vidul Madampe Solar Power (Pvt) Ltd were amalgamated with Vidulsolar (Pvt) Ltd with effect from 10 March 2026 as per the section 242 (1) of the Company's Act No. 07 of 2007.

Joint Ventures

Vidullanka PLC has investments in the following joint venture companies;

Joint Venture	Holding Percentage	Joint Venture Partner
Gurugoda Hydro (Pvt) Ltd	50%	RenewGen (Pvt) Ltd
Vidul Madugeta (Pvt) Ltd	50%	RenewGen (Pvt) Ltd
Vidul Biomass (Pvt) Ltd	51%	OC Energy Lanka (Pvt) Ltd

The registered offices of the above companies, are located at Level 4, Access Tower, No. 278, Union Place, Colombo 02.

Associates

Vidullanka PLC has investments in the following Associate companies.

Associates	Holding Percentage	Registered Address
Nilwala Vidulibala Company (Pvt) Ltd	26.30%	50/8A, Siripa Road, Colombo 05.
Solar Universe (Pvt) Ltd	50%	334, T B Jaya Mawatha, Colombo 10.
SAFE Power International (Pvt) Ltd	30%	334, T B Jaya Mawatha, Colombo 10.

1.2. Principal Activities and Nature of Operations

Company

The principal business activity of the company is to engage in renewable energy business including renewable energy generation, project development, Installation & construction, operation & maintenance, consultancy services and turnkey solutions. For this purpose, the company operates six hydro power plants namely Bambarabatuoya MHPP, Batathota MHPP, and Wembiyagoda MHPP in Ratnapura District, Rideepana MHPP and Udawela MHPP in Badulla District and Lower Kotmale Oya MHPP in Nuwara Eliya District.

The principal activity of Vidullanka PLC– Guyana Branch is to design, engineer, construct and commission both Moco Moco MHPP and Kumu MHPP located in Lethem, Guyana for the Guyana Energy Agency. Presently, the construction of the power plants are complete and presently under performance guarantee period.

Subsidiaries

The principal activity of Vidul Engineering Ltd is the provision of construction and engineering services related to renewable energy plants and related structures. It also invests in and operate rooftop solar power plants on Build Own & Transfer terms with industrial clients.

The principal business activity of Vidul Energia Pte. Ltd, Singapore is to provide engineering consultancy and O&M services to the renewable energy industry overseas.

The principal business activity of Venergy Lanka (Pvt) Ltd is to engage in project development, e-mobility and related business activities.

The principal activity of the Vidul Plantation (Pvt) Ltd is to engage in agribusiness relating to fuelwood supply to the Dendro power plants and other industries through its own fuelwood plantations and outgrower schemes. The business operations of the company include the business operations of the Vidul Plantation (Pvt) Ltd and the now amalgamated Vasanagama Plantations (Pvt) Ltd with effect from 31st March 2026.

The principal business activity of Vidul Agri (Pvt) Ltd is to engage in sustainable fuelwood business serving the industrial sector.

The principal activity of Vidulsolar (Pvt) Ltd is to produce electrical energy and transmit to the national grid from the Horana phase I and phase II ground mounted solar power plants in Kalutara District and Madampe solar power plant in Puttalam District.

The principal activity of Vidul Matara Solar Power (Pvt) Ltd is to produce electrical energy and transmit to the national grid from the ground mounted Matara solar power plant in Matara District.

The principal activity of Orik Corporation (Pvt) Ltd is to produce electrical energy and transmit to the national grid from the ground mounted Monaragala solar power plant in Monaragala District.

The principal activity of DPV Solar Energy (Pvt) Ltd is to produce electrical energy and transmit to the national grid from the ground mounted Ranna solar power plant in Hambantota District. The project is currently under construction.

The principal activity of Muvumbe Hydro (U) Ltd is to produce electrical energy and transmit to the national grid from the Muvumbe small hydro power plant in Kabale District of Republic of Uganda.

The principal activity of Timex Bukinda Hydro (U) Ltd is to produce electrical energy and transmit to the national grid from the Bukinda small hydro power plant in Kagadi District of the Republic of Uganda.

The principal activity of Vidul Engineering (U) Ltd is the provision of EPC, construction management and engineering services related to renewable energy plants and related structures in Uganda & other countries in Africa.

The principal business activity of Vidul Renewables (Pvt) Ltd engaged in business development activities in other emerging opportunities .

Joint Ventures

The principal activity of Gurugoda Hydro (Pvt) Ltd is to produce electrical energy and transmit to the national grid from its Ganthuna mini hydro power plant in Aranayaka, Kegalle.

The principal activity of Vidul Madugeta (Pvt) Ltd is to produce electrical energy and transmit to the national grid from its Madugeta mini hydro power plant in Neluwa, Galle.

The principal activity of Vidul Biomass (Pvt) Ltd is to produce electrical energy and transmit to the national grid from the Dehiyathakanidiya dendro power plant in Nawamedagama, Ampara .

Associates

The principal activity of Nilwala Vidulibala Company (Pvt) Ltd is to produce electrical energy and transmit to the national grid from its Ethamala Ella mini hydro project in Morawaka, Matara.

The principal activity of SAFE Power international (Pvt) Ltd is to produce electrical energy and transmit to the national grid from the proposed Alankuda Wind Power project, in Puttalam. The project is in predevelopment stage.

The Principal activity of Solar Universe (Pvt) Ltd is to produce electrical energy and transmit to the national grid from the Vavunathivu phase I and Phase II ground mounted solar power plant in Vavunathivu, Batticaloa.

1.3. Date of Authorisation for Issue

The Consolidated Financial Statements of Vidullanka PLC, for the year ended 31 March 2026 was authorized for issue in accordance with a resolution of the Board of Directors on 25 August 2026.

2. BASIS OF PREPARATION AND OTHER ACCOUNTING POLICIES

2.1. BASIS OF PREPARATION

2.1.1. Statement of Compliance

The Consolidated Financial Statement of the Group and the separated Financial Statement of the Company, which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Notes to the Financial Statements have been prepared and presented in accordance with Sri Lanka Accounting Standards (SLFRSs) laid down by the Institute of Chartered Accountants of Sri Lanka and in compliance with the requirements of the Companies Act No 7 of 2007.

2.1.2. Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis, except financial instruments at Fair Value Through Profit or Loss that have been measured at fair value and defined benefit obligations is recognised as the present value of the defined benefit obligation.

2.1.3. New accounting standards, interpretations and amendments adopted by the group

There are several Interpretations and amendments which are effective for the current financial year. However, Group does not have significant impact from them.

2.1.4. Functional and Presentation Currency

The consolidated financial statements are presented in Sri Lankan Rupees (Rs.) and all values are rounded to the nearest rupee, except when otherwise indicated.

2.1.5. Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less or more than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements.

2.1.6. Materiality and Aggregation

In compliance with Sri Lanka Accounting Standard - LKAS 01, (Presentation of Financial Statements), each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions too are presented separately unless they are immaterial.

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the Statement of comprehensive income unless required or permitted by an Accounting Standard.

2.1.7. Comparative Information

The comparative information is restated or reclassified wherever necessary to confirm to the current year's presentation.

2.2. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of Financial Statements of the Group in conformity with Sri Lanka Accounting Standards (SLFRSs) requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The most significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements of the Group and the Company are as follows:

2.2.1. Going Concern

The Directors have made an assessment of the Group's ability to continue as a going concern and are satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Board is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern, and they do not intend either to liquidate or to cease operations of the Company. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.2.2. Useful lives of Property, Plant and Equipment

The Group reviews the assets' residual values, useful lives and methods of depreciation at each reporting date. Contractual terms as per SPPAs and probabilities of renewals were also considered in assessing the appropriateness of useful life span of the plant. Judgement by the management is exercised in the estimation of these values, rates and methods and hence they are subject to uncertainty.

2.2.3. Measurement of the Recoverable Amount of Cash-Generating Units Containing Goodwill

The Group tests annually whether goodwill requires impairment, in accordance with the accounting policy stated in Note 2.3.1. The basis of determining the recoverable amounts of cash generating units and key assumptions used are given in Note 5.2 to the Financial Statements.

2.3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION.

2.3.1 Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at fair value at the date of acquisition and the amount of any non-controlling interest in the acquiree.

Acquisition related costs are expensed as incurred and included in administrative expenses.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised as a profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Interest on Equity Accounted Investees – Joint ventures and Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. The Company discloses the cost less any accumulated impairment loss of the investment in the individual financial statements.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The Statement of Comprehensive Income reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of comprehensive income outside operating profit.

The financial statements of the associate and joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the Statement of Comprehensive Income.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from the disposal is recognised in profit or loss.

In the separate financial statements, investments in joint ventures and associates are accounted at cost.

2.3.2. Foreign Currency

2.3.2.1. Foreign Currency Translation

The Financial Statements are presented in Sri Lankan Rupees, which is the Group's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.3.2.2. Net Gain or Loss on Conversion of Foreign Operation

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisitions, are translated into Sri Lanka Rupees at spot exchange rates at the reporting date. The income and expenses of foreign operations are translated into Sri Lanka Rupees at spot exchange rates at the dates of the transactions.

Foreign currency differences are recognized in OCI and accumulated in the foreign currency translation reserve (Translation reserve), except to the extent that the translation difference is allocated to NCI.

2.3.3. Taxation

Current Taxes

Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax law used to compute the amount are those that are enacted or substantively enacted at the reporting date.

The provision for income tax is based on the elements of income and expenditure as reported in the Financial Statements and computed in accordance with the provisions of the Inland Revenue Act.

Vidullanka PLC is subject to income tax at a rate of 30%, as specified in the Inland Revenue Act No. 24 of 2017 and its subsequent amendments. The profits earned by the branch operations in Guyana are subject to income tax at a rate of 25%, in accordance with the income tax regulations of the Republic of Guyana. Additionally, a branch dividend withholding tax (WHT) at a rate of 20% on the profit after tax is applicable.

Gurugoda Hydro (Pvt) Ltd, Vidul Madugeta (Pvt) Ltd, Nilwala Vidulibala Company (Pvt) Ltd, and Vidul Biomass (Pvt) Ltd are companies approved under the Board of Investment Act. As such, these companies enjoy a tax holiday for five years, effective from the year in which the company begins to generate profits or any year of assessment not later than two years from the commencement of commercial operations, whichever is earlier, as per the agreements dated 28 May 2009, 29 September 2011, 22 April 2010, and 07 April 2016, respectively. After the expiration of the tax exemption period, the income of the aforementioned entities shall be taxed at a concessionary rate of 10% for a period of two years, and at 20% thereafter.

Unless specifically stated otherwise herein, group entities incorporated in Sri Lanka shall be subject to income tax at the general corporate income tax rate applicable under the Inland Revenue Act No. 24 of 2017 and any subsequent amendments.

Muvumbe Hydro (U) Ltd, Timex Bukinda Hydro (U) Ltd, and Vidul Engineering (U) Ltd are subject to the provisions of the Uganda Revenue Act No. 10 of 2017 and are therefore liable for tax at a rate of 30% on taxable income.

Vidul Energia Pte. Ltd. is liable for income tax at a rate of 17%, as per the provisions of the Income Tax Act of 1947 and any subsequent amendments.

Management has used its judgement on the application of tax laws, including transfer pricing regulations involving identification of associated undertakings, estimation of the respective arm's length prices and selection of appropriate pricing mechanism.

Deferred Taxation

Deferred income tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

IFRIC 23 Uncertainty over income tax treatments

The IFRIC 23 interpretation on Uncertainty over income tax treatments involve uncertainty that affects the application of LKAS 12 Income Taxes specifically determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. It does not apply to taxes or levies outside the scope of LKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty. The Company applies significant judgement in identifying uncertainties over income tax treatments.

2.3.4. Borrowing Costs

Borrowing costs are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.3.5. Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

The costs incurred in bringing the inventories to its present location and the conditions are accounted as follows:-

Raw Materials - At actual cost on first-in, first-out basis (FIFO).

2.3.6. Financial Instruments – Initial Recognition and Subsequent Measurement

2.3.6.1. Financial Assets

Initial Recognition and Measurement

Financial assets within the scope of SLFRS 9 are classified as amortized cost, fair value through other comprehensive income (OCI), and Fair Value Through Profit or Loss .

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. This assessment is referred to as the Solely Payment of Principal and Interest (SPPI) test and is performed at an instrument level. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at Fair Value Through Profit or Loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in income statement.

The Group's financial assets include cash and cash equivalents, short-term investments and trade and other receivables.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at Fair Value Through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at Fair Value Through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at Fair Value Through Profit or Loss.

a). Financial assets at amortized cost (debt instruments)

The Group measures financial assets at Amortized Cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets at Amortized Cost are subsequently measured using the Effective Interest Rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial Assets at Amortized Cost comprise of trade and other receivables, amounts due from related parties, and deposits.

b). Financial assets at Fair Value Through OCI (debt instruments)

The Group measures debt instruments at Fair Value Through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at Fair Value Through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at Amortized Cost. The remaining Fair Value changes are recognized in OCI. Upon derecognition, the cumulative Fair Value change recognized in OCI is recycled to Profit or Loss.

The Group does not have any debt instruments at Fair Value Through OCI.

c). Financial assets at Fair Value Through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at Fair Value Through OCI when they meet the definition of equity under LKAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument- by instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at Fair Value Through OCI are not subject to impairment assessment.

However, the Group does not have any Financial assets at Fair Value Through OCI.

d). Financial assets at Fair Value Through Profit or Loss

Financial assets at Fair Value Through Profit or Loss include financial assets held for trading, financial assets designated upon initial recognition at Fair Value Through Profit or Loss , or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at Fair Value Through Profit or Loss , irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at Fair Value Through OCI, as described above, debt instruments may be designated at Fair Value Through Profit or Loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at Fair Value Through Profit or Loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Financial Assets at Fair Value Through Profit or Loss comprise of equity investments in non-listed companies.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset and the Group has transferred substantially all the risks and rewards of the ownership.

Impairment of Financial Assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at Fair Value Through Profit or Loss . ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

2.3.6.2. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at Fair Value Through Profit or Loss , loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts.

Subsequent Measurement

The measurement of financial liabilities depends on their classification as described below:

Finance Payables

After initial recognition, finance payable are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of comprehensive income.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts are recognised in the statement of comprehensive income.

Fair value of Financial Instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques.

2.3.7. Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits, and short-term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding overdrafts. Investments with short maturities i.e. three months or less from the date of acquisitions are also treated as cash equivalents.

2.3.8. Property, Plant and Equipment

a). Recognition and Measurement

All items of Property, Plant and Equipment are initially recorded at cost. Subsequent to the initial recognition the Group records assets at cost less any accumulated depreciation and accumulated impairment loss thereon.

b). Depreciation

The provision for depreciation is calculated by using a straight line method on the cost or valuation of all property, plant and equipment other than freehold land, in order to write off such amounts over the following estimated useful lives by equal instalments.

Office Furniture	05-10 Years
Office Equipment	02 Years to 05 Years
Plant & Machinery - Hydro	5 - 40 Years
Plant & Machinery - Solar	5 - 20 years
Plant & Machinery - Other	5 - 20 years
Solar – Control Units	Term of PPA or Build, Own, Operate, Transfer (BOOT) agreement of the Project
Solar Cable & Others	Term of PPA or Build, Own, Operate, Transfer (BOOT) agreement of the Project
Computer and Computer Equipment	04 Years
Vehicles	05 Years

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

2.3.9. Maturement on Bearer Biological Asset and biological produce and related

2.3.9.1. Biological assets

Biological Assets are classified as either mature biological assets or immature biological assets. Mature biological assets are those that have attained harvestable specifications or are able to sustain regular harvests. Immature biological assets are those that have not yet attained harvestable specifications, and Gliricidia plants and plants in the nurseries are classified as biological assets.

Biological assets are further classified as Bearer biological assets and consumable biological assets. Bearer biological asset include gliricidia trees, being biological assets that are not intended to be sold or harvested, but are used to grow for purpose of harvesting agricultural produce from such biological assets. Example of consumable biological assets includes managed timber trees those that are to be harvested as agricultural produce or sold as biological assets.

2.3.9.2. Bearer Biological Assets

The bearer biological assets are measured at cost less accumulated depreciation and accumulated impairment losses, if any, in terms of LKAS 16 – Property Plant & Equipment.

The cost of land preparation, rehabilitation, new planting, replanting, crop diversification, inter planting and fertilising, etc., incurred between the time of planting and harvesting (when the planted area attains maturity), are classified as immature plantations. These immature plantations are shown at direct costs plus attributable overheads. The expenditure incurred on bearer biological assets which comes into bearing during the year, is transferred to mature plantations.

2.3.9.3 Infilling Cost on Bearer Biological Assets

The land development costs incurred in the form of infilling have been capitalised to the relevant mature field, if it increases the expected future benefits from that field, beyond its pre-infilling performance assessment. Infilling costs so capitalised are depreciated over the newly assessed remaining useful economic life of the relevant mature plantation, or the unexpired lease period, whichever is lower.

Infilling costs that are not capitalised have been charged to the Income Statement in the year in which they are incurred.

Initial recognition	Cost less accumulated depreciation and accumulated impairment losses, if any, in terms of LKAS 16 – Property Plant & Equipment.
Immature Plantations	Immature plantations are shown at direct costs plus attributable overheads. The expenditure incurred on bearer biological assets which comes into bearing during the year, is transferred to mature plantations.
Mature Plantations	Converted to mature plantations after 2 years of planting or ready for commercial harvest. Depreciated over the remaining useful economic life of the relevant mature plantation, or the unexpired lease period, whichever is lower.
Impairment Loss	Loss of more than 35% plants will be treated as impairment loss.
Inventory valuation	Fair value less cost to sell in terms of LKAS 41.

2.3.10. Leases

2.3.10.1. Recognition

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

- the contract involves the use of an identified assets.
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the assets.

The company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The company recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.3.10.2. Right-of-use Asset

The right-of-use asset is initially measured at cost. This comprises of the initial amount of the lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

After the commencement date, Company measures the right-of-use asset on cost model.

2.3.10.3. Depreciation

Right-of-use assets are depreciated using the straight-line method over the shorter of the lease term and the estimated useful life of the underlying asset. If the ownership of the leased asset transfers to the Company at the end of the lease term, or the cost of the right-of-use asset reflects the exercise a purchase option the asset is depreciated over the useful life of the underlying asset.

The right-of-use assets are subject to impairment.

2.3.10.4. Lease Liability

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

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

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

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee.
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method.

After the commencement date, Company measure the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

2.3.10.5. Short-term Leases And Leases of Low-Value Assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the term of the lease or any other basis more representative of the time pattern of the benefits derived from the lease.

2.3.10.6. Presentation in the statement of financial position

The Company presents right-of-use assets separately from other assets and lease liabilities separately from other liabilities in its statement of financial position.

2.3.11. Other Project Investments

The Group's investments in the development of various power generating projects are included under this category. Other Project Investments are stated at cost or lower of management's estimation of realisable value. The Group assesses the viability of the projects at each reporting date for any indications of impairment. Any impairment recognized will be charged to the statement of comprehensive income.

2.3.12. Impairment of Non-Financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for individual assets, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Whereby, the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to assets. In determining fair value less costs to sell, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations are recognized in the statement of comprehensive income in those expense categories consistent with the function of the impaired assets, except for property previously revalued where the revaluation was taken to equity. In this case, impairment is also recognized in equity up to the amount of any previous revaluation.

For assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of the recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. If that is the carrying amount of the asset is increased to its recoverable amount.

The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation. Had no impairment loss been recognized for the asset in prior years such reversal is recognized in the statement of comprehensive income unless the asset is carried at the revalued amount, in which case the reversal is treated as a revaluation increase.

2.3.13. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of comprehensive income net of any reimbursement.

2.3.14. Defined Benefit Plan – Gratuity

The Group annually measures the present value of the promised retirement benefits for gratuity, which is a defined benefit plan using the Projected Unit Credit Actuarial Valuation method.

This item is stated under the Defined Benefit Liability in the Statement of Financial Position.

a). Recognition of Actuarial Gains and Losses

Actuarial gains and losses are recognized as other comprehensive income/expense in the year in which it arose itself.

b). Funding Arrangements

The gratuity liability is not externally funded.

2.3.15. Defined Contribution Plans – Employees' Provident Fund & Employees' Trust Fund

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with the respective statutes and regulations. The Group contributes 12 % and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

2.3.16. Share-based payments

Employees of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity settled transactions). In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment transaction and the fair value of any identifiable goods or services received at the grant date.

The Group applies SLFRS 2, Share based payments in accounting for employee remuneration in the form of shares.

2.4. STATEMENT OF COMPREHENSIVE INCOME

2.4.1. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account, contractually defined terms of payment and excluding taxes or duty. Under SLFRS 15, revenue is recognised upon satisfaction of performance obligations.

The following specific criteria are used for the purpose of recognition of revenue.

a). Energy Supplied

Revenue from energy supplied is recognized, upon delivery of energy from the power plant and the adjustment for transmission line losses shall be adjusted monthly upon receiving the meter reading by the Power Purchasing Company at the metering point. Delivery of Electrical Energy shall be completed when Electrical Energy meets the specifications as set out in the power purchase agreement is received at the metering point. As per the Standard Power purchasing agreement, the power plants are to be operated as a must run facility and the tariff/price is also governed by the same agreement.

b). Interest

Interest Income is recognised as the interest accrues (taking into account the effective interest rate) unless collectibles are doubtful.

c). Rendering of Services

Revenue from rendering of services is recognized by reference to the stage of completion. At contract inception, the Group determines whether it satisfies the performance obligation over time or at a point in time. The revenue recognition occurs at a point in time when control of the asset is transferred to the customer. For each performance obligation satisfied over time, the Group recognizes the revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

d). Dividend Income

Dividend income is recognised when the right to receive payment is established.

e). Other Income

Other income is recognized on an accrual basis. Net gains and losses of a revenue nature on the disposal of property, plant & equipment and other non-current assets, including investments have been accounted for in the statement of comprehensive income, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

Gains and losses arising from incidental activities to main revenue generating activities and those arising from a group of similar transactions which are not material are aggregated, reported and presented on a net basis.

2.4.2. Expenditure Recognition

a). Expenses are recognized in the income statement on the basis of direct association between the cost incurred and the earning of specific item of income. All expenditure incurred in the running of the business and the maintenance of the property plant & equipment in a state of efficiency has been charged to income in arriving at the profit for the year.

b). For the purpose of presentation of Statement of comprehensive income, the Directors are of the opinion that function of expenses method presents fairly the elements of the Group's performance, and hence such presentation method is adopted.

c). Finance expenses are recognized in the statement of comprehensive income on effective interest cost basis.

2.4.3. Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relating to transactions with any of the Group's other components.

The Group comprises of five major business segments: Power Generation (Local), Power Generation (Overseas), Dendro & Plantation, Solar, and Engineering, Consultation & Project Management. The activities that do not falls under the above segments are categorised under "Other" category. Details of the segment reporting are shown in Note 22 to the Financial Statements.

2.4.4. Net Asset Per Share

The Net Asset Per Share is arrived by dividing the net asset attributable to the equity holders of the Company by the number of shares of the company.

2.4.5. Earnings Per Share

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

2.4.6. Dividend Per Share

The Company presents its dividend per share (DPS) for its ordinary shares. The DPS is calculated by dividing the total dividend by the number of ordinary shares.

3. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended accounting standards issued up to the date these Financial Statements are authorised for issue, but not yet effective for the current reporting period, are disclosed below. These standards and amendments will be adopted, if applicable, when they become effective.

SLFRS 18 Presentation and Disclosure in Financial Statements

SLFRS 18, which replaces LKAS 1, introduces significant enhancements to the way financial information is organized and communicated. The standard establishes new categories and subtotals in the statement of profit or loss to improve consistency and comparability across entities. It also requires entities to disclose management-defined performance measures (as specified in the standard), together with clear explanations and reconciliations. In addition, SLFRS 18 introduces strengthened requirements regarding the location, aggregation, and disaggregation of financial information. These changes are designed to ensure that Financial Statements present information more transparently and in a way that enhances users' understanding of an entity's financial performance and position.

SLFRS 18, and consequential amendments to the other accounting standards, are effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted.

The potential impact of SLFRS 18 on the Financial Statements and the related notes is currently being identified and evaluated.

SLFRS 19 Subsidiaries without public accountability: Disclosures

SLFRS 19 introduces reduced disclosure requirements for subsidiaries that do not have public accountability but continue to apply the full SLFRS recognition and measurement principles.

The purpose of SLFRS 19 is to lessen the financial reporting burden on qualifying subsidiaries by simplifying disclosure requirements, while still ensuring that Financial Statements remain high-quality, consistent, and comparable for users.

SLFRS 19 applies to Specified Business Enterprises, as defined in the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995. Subsidiaries that fall within this category and do not have public accountability are eligible to apply SLFRS 19.

The Standard becomes effective for annual reporting periods beginning on or after 01 January 2027. Early application is permitted.

The potential impact of SLFRS 19 is currently being identified and evaluated.

Classification and Measurement of Financial Instruments - Amendments to SLFRS 9 and SLFRS 7

The amendments introduce enhancements to the classification, measurement, derecognition, and disclosure requirements for financial instruments. Their objective is to strengthen transparency, promote greater consistency in financial reporting, and respond to emerging market developments - particularly features such as sustainabilitylinked terms and naturedependent electricity contracts.

These amendments are effective for annual reporting periods beginning on or after 01 January 2026. Early application is permitted.

The amendments are not expected to have a material impact on the Financial Statements.

Annual improvements to Sri Lanka Accounting Standards

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

4. PROPERTY, PLANT AND EQUIPMENT

4.1. GROUP

4.1.1. Gross Carrying Amounts

	Balance as at 01.04.2025	Additions	Transfers/ Disposals	Exchange Differences	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.
Freehold Land	145,567,785	677,675,506	(637,844)	1,122,422	**823,727,869**
Office Furniture and Fittings	34,281,498	10,042,923	-	1,306,625	**45,631,046**
Office Equipment	45,323,253	9,092,313	73,081	814,404	**55,303,051**
Computers and Computer Equipment	79,230,696	9,555,648	(797,952)	1,210,212	**89,198,604**
Plant and Machinery	8,572,157,450	59,497,764	(204,103)	369,910,119	**9,001,361,230**
Plant and Machinery-Solar	760,253,428	1,641,035,531	(52,462,933)	-	**2,348,826,026**
Motor Vehicles	173,347,872	13,421,214	(20,017,193)	1,703,635	**168,455,528**
Total Value of Depreciable Assets	9,810,161,982	2,420,320,899	(74,046,944)	376,067,417	**12,532,503,354**

4.1.2. In the Course of Construction

	Balance as at 01.04.2025	Additions	Transfers/ Disposals	Exchange Differences	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.
Work-in-Progress	80,389,463	1,990,249,334	(1,681,236,953)	44,044	**389,445,888**
	80,389,463	1,990,249,334	(1,681,236,953)	44,044	**389,445,888**
Total Gross Carrying Value	9,890,551,445	4,410,570,233	(1,755,283,897)	376,111,461	**12,921,949,242**

4.1.3. Depreciation

	Balance as at 01.04.2025	Charge for the Year	Transfers/ Disposals	Exchange Differences	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.
At Cost					
Office Furniture and Fittings	20,266,862	3,859,270	-	505,704	**24,631,836**
Office Equipment	37,531,005	4,350,243	(34,990)	1,457,529	**43,303,787**
Computers and Computer Equipment	55,639,462	12,930,581	(401,951)	1,044,959	**69,213,051**
Plant and Machinery	2,138,897,904	285,849,154	402	77,128,097	**2,501,875,557**
Plant and Machinery-Solar	138,581,172	72,348,138	(24,462,933)	-	**186,466,377**
Motor Vehicles	82,172,232	33,289,009	(14,434,585)	1,246,998	**102,273,654**
Total Depreciation	2,473,088,637	412,626,395	(39,334,057)	81,383,287	**2,927,764,262**

4.1.4. Net Book Values

Year ended 31 March	2026	2025
	Rs.	Rs.
At Cost		
Freehold Land	**823,727,869**	145,567,785
Office Furniture and Fittings	**20,999,210**	14,014,636
Office Equipment	**11,999,264**	7,792,248
Computers and Computer Equipment	**19,985,553**	23,591,234
Plant and Machinery	**6,499,485,673**	6,433,259,546
Plant and Machinery-Solar	**2,162,359,649**	621,672,256
Motor Vehicles	**66,181,874**	91,175,640
	9,604,739,092	7,337,073,345
In the Course of Construction		
Power Plant Work-in-Progress	**389,445,888**	80,389,463
	389,445,888	80,389,463
Total Carrying Amount of Property, Plant and Equipment	**9,994,184,980**	7,417,462,808

4.1.5. During the year, the Group acquired Property, Plant and Equipment amounting to Rs. 2,729,333,280/- (2025 – Rs. 123,035,138/-) , of which Rs. 389,445,888/- (2025 – Rs. 80,389,463/-) was retained in Work-in-Progress.

4.1.6. Property, Plant and Equipment includes fully depreciated assets that are still in use having a gross carrying amount of Rs. 200,866,073/-and in (2025 -Rs.76,607,288/-).

4.1.7. The group holds a total land extend of 56.60 acres in Ratnapura,Badulla, Nuwara Eliya, Monaragala, Kalutara , Colombo and Matara Districts.

4.1.8. Bearer Biological Assets

Gross Carrying Amounts

	Balance as at 01.04.2025	Additions	Transfers / Disposals	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
Gliricidia Plants	37,793,514	17,240	-	**37,810,754**
	37,793,514	17,240	-	**37,810,754**

Depreciation

	Balance as at 01.04.2025	Charge for the Year	Transfers/ Disposals	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
Gliricidia Plants	15,990,393	2,274,258	-	**18,264,651**
Total Depreciation	15,990,393	2,274,258	-	**18,264,651**

Net Book Values

Year ended 31 March	2026	2025
	Rs.	Rs.
At Cost		
Total Carrying Amount of Bearer Biological Assets	19,546,103	**21,803,121**

4.2. COMPANY

4.2.1. Gross Carrying Amounts

	Balanceas at 01.04.2025	Additions	Transfers / Disposals	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
At Cost				
Freehold Land	64,410,555	-	-	**64,410,555**
Office Furniture and Fittings	24,228,850	443,993	-	**24,672,843**
Office Equipment	15,596,299	513,050	73,017	**16,182,366**
Computers and Computer Equipment	54,191,022	7,030,134	(797,888)	**60,423,268**
Plant and Machinery	2,708,482,544	-	-	**2,708,482,544**
Motor Vehicles	117,897,030	12,783,264	(6,068,868)	**124,611,426**
	2,984,806,300	20,770,441	(6,793,739)	**2,998,783,002**

4.2.2. In the Course of Construction

	Balanceas at 01.04.2025	Additions	Transfers / Disposals	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
Work-in-Progress	750,000	4,295,798	(750,000)	**4,295,798**
	750,000	4,295,798	(750,000)	**4,295,798**
Total Gross Carrying Value	2,985,556,300	25,066,239	(7,543,739)	**3,003,078,800**

4.2.3. Depreciation

	Balanceas at 01.04.2025	Charge for the Year	Transfers / Disposals	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
At Cost				
Office Furniture and Fittings	12,424,950	2,190,010	-	**14,614,960**
Office Equipment	13,877,433	872,663	(34,990)	**14,715,106**
Computers and Computer Equipment	35,246,994	9,886,083	(402,105)	**44,730,972**
Plant and Machinery	992,204,484	92,911,700	-	**1,085,116,184**
Motor Vehicle	40,198,355	28,361,649	(2,968,526)	**65,591,478**
Total Depreciation	1,093,952,216	134,222,105	(3,405,621)	**1,224,768,700**

4.2.4. Net Book Values

	2026	2025
	Rs.	Rs.
At Cost		
Freehold Land	64,410,555	**64,410,555**
Office Furniture and Fittings	10,057,883	**11,803,900**
Office Equipment	1,467,260	**1,718,866**
Computers and Computer Equipment	15,692,296	**18,944,028**
Plant and Machinery	1,623,366,360	**1,716,278,060**
Motor Vehicles	59,019,948	**77,698,675**
	1,774,014,302	**1,890,854,084**
In the Course of Construction		
Work-in-Progress	4,295,798	**750,000**
Total Carrying Amount of Property, Plant and Equipment	1,778,310,100	**1,891,604,084**

4.2.5. During the year, the Group acquired Property, Plant and Equipment amounting to Rs. 24,316,239/- (2025 - Rs. 40,707,554 /-) , of which Rs 4,295,798/- (2025- 750,000/-) was retained in Work-in-Progress.

4.2.6. Property, Plant and Equipment includes fully depreciated assets that are still in use having a gross carrying amount of Rs. 81,429,381/- and in (2025 -Rs. 56,436,594/-).

4.2.7. The company holds land totaling 18.95 acres in the Ratnapura, Badulla and Nuwara Eliya districts. The Company also owns the civil structures associated with the power plants in the said locations.

4.3. Right Of Use Assets

4.3.1. Gross Carrying Amounts - Group

	Balance as at 01.04.2025	Additions	Transfers / Disposals	Exchange Diffrence	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.
At Cost					
Land	159,733,645	26,839,204	-	7,414,819	**193,987,668**
Buildings	19,351,410	-	(19,351,410)	-	**-**
Motor Vehicles	37,406,904	18,600,000	-	-	**56,006,904**
	216,491,959	45,439,204	(19,351,410)	7,414,819	**249,994,572**

4.3.2. Depreciation

	Balance as at 01.04.2025	Charge for the Year	Transfers / Disposals	Transfers / Exchange Gain / (Loss)	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.
At Cost					
Land	27,249,256	16,108,364	-	1,079,810	**44,437,430**
Buildings	16,932,482	2,418,928	(19,351,410)	-	**-**
Motor Vehicles	30,183,005	7,311,042	-	-	**37,494,047**
	74,364,743	25,838,334	(19,351,410)	1,079,810	**81,931,477**

4.3.3. Net Book Values

	2026	2025
	Rs.	Rs.
At Cost		
Land	**149,550,238**	132,484,389
Buildings	**-**	2,418,928
Motor Vehicles	**18,512,857**	7,223,899
	168,063,095	142,127,215

4.3.4. Gross Carrying Amounts - Company

	Balance as at 01.04.2025	Additions	Disposals	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
At Cost				
Land	31,315,194	26,839,204	-	**58,154,399**
Motor Vehicles	22,600,404	18,600,000	-	**41,200,404**
	53,915,598	45,439,204	-	**99,354,803**

4.3.5. Depreciation

	Balance as at 01.04.2025	Charge for the Year	Transfers / Disposals	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
At Cost				
Land	10,303,864	12,841,189	-	**23,145,053**
Motor Vehicles	17,049,541	5,638,006	-	**22,687,547**
	27,353,405	18,479,195	-	**45,832,600**

4.3.6. Net Book Values

	2026	2025
	Rs.	Rs.
At Cost		
Land	**35,009,346**	21,011,330
Motor Vehicles	**18,512,857**	5,550,863
	53,522,203	26,562,193

5. INVESTMENTS

Group and Company

5.1. Investments in Subsidiaries (Company)

Non Quoted

Year ended 31 March	Relationship	2026 Holding Percentage	2025 Holding Percentage	2026 Cost Rs.	2025 Cost Rs.
Vidul Engineering Ltd	Subsidiary	**100%**	100%	**26,700,080**	26,700,080
Vidul Engineering (U) Ltd	Subsidiary	**100%**	100%	**-**	-
Vidul Plantation (Pvt) Ltd	Subsidiary	**100%**	100%	**60,000,000**	60,000,000
Muvumbe Hydro (U) Ltd	Subsidiary	**95%**	95%	**400,912,327**	400,912,327
Timex Bukinda Hydro (U) Ltd	Subsidiary	**95%**	95%	**369,588,682**	369,588,682
Orik Corporation (Pvt) Ltd	Subsidiary	**87%**	87%	**31,000,000**	31,000,000
Vidulsolar (Pvt) Ltd	Subsidiary	**100%**	67%	**450,000,000**	140,000,000
Vidul Renewables (Pvt) Ltd	Subsidiary	**100%**	-	**25,000,000**	-
Vidul Solar Power (Pvt) Ltd	Subsidiary	**-**	100%	**-**	50,000,000
Venergy Lanka (Pvt) Ltd	Subsidiary	**100%**	100%	**1,000**	-
Vidul Agri (Pvt) Ltd	Subsidiary	**100%**	100%	**1,000**	-
DPV Solar Energy (Pvt) Ltd	Subsidiary	**50%**	-	**500**	-
				1,363,203,589	1,078,201,089

5.1.1. Material Partially Owned Subsidiaries

As per SLFRS 12 (Disclosure of Interests in Other Entities), Financial information of Subsidiaries that have material non-control interest needs to be disclosed separately. However the Management of the Group concluded that there were no subsidiaries with material non-controlling interest that require separately disclosure.

5.2. Goodwill

	Group			
Year ended 31 March	Balance as at 01.04.2025	Additions	Impairment	Balance as at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
Goodwill From Lower Kothmale MHPP	96,869,277	-	-	**96,869,277**
Goodwill From Timex Bukinda Hydro (U) Ltd	33,120,211	-	-	**33,120,211**
Goodwill From Vasanagama Plantation (Pvt) Ltd	13,346,014	-	(1,482,890)	**11,863,124**
	143,335,502	-	(1,482,890)	**141,852,612**

Goodwill as at the reporting date has been tested for impairment.

The Company and its subsidiaries annually carry out impairment tests on all its intangible assets. The business acquisition to which the goodwill is attributable is valued based on the earnings growth method. Assumptions applied in such computations are reviewed each year.

Goodwill as at the date of financial position has been tested for impairment and recognised Rs 1,482,890/- in 2026 (2025 - 61,482,890/-) was written off from carrying value. Recoverable values for the above test were estimated based on value in use of the acquired assets on business combination in the normal course of business. The key assumptions used to determine the recoverable amount are as follows;

Discount Rate

The discount rate of used is the risk free rate adjusted by the addition of an appropriate risk premium.

Period Covered & Tariff

Period covered was as per the Standardised Power Purchase Agreement (SPPA) with Ceylon Electricity Board and Uganda Electricity Transmission Company Ltd.

Subsidiary / Power Plant	Remaining Years	Tariff Scheme Applicable
Lower Kothmale MHPP	08 Years	2009 Three Tier Tarrif
Timex Bukinda Hydro (U) Ltd	15 Years	Rs 31.13 (US $ 0.0957)

Contractual terms as per SPPAs and probabilities of renewals were also considered in assessing the appropriateness period covered for the computation.

Inflation Rate

The basis used to determine the value assigned to the budgeted cost inflation, is the inflation rate, based on projected economic conditions.

Gross Margins

The basis used to determine the value assigned to the budgeted gross margins is the average gross margin achieved in the years preceding the budgeted year adjusted for projected market conditions.

5.3. Investments in Joint Ventures and Associates

Year ended 31 March	Relationship	2026 Holding Percentage	2025 Holding Percentage	2026 Cost Rs.	2025 Cost Rs.
Non Quoted					
Gurugoda Hydro (Pvt) Ltd	Joint Venture	**50%**	50%	**31,412,412**	31,412,412
Vidul Madugeta (Pvt) Ltd	Joint Venture	**50%**	50%	**90,000,000**	90,000,000
Vidul Biomass (Pvt) Ltd	Joint Venture	**51%**	51%	**248,254,138**	248,254,138
Nilwala Vidulibala Company (Pvt) Ltd	Associate	**26.3%**	26.3%	**44,625,000**	44,625,000
Solar Universe (Pvt) Ltd	Associate	**50%**	50%	**541,333,333**	541,333,333
SAFE Power International (Pvt) Ltd	Associate	**30%**	-	**337,240,000**	-
				1,292,864,883	955,624,883

5.3.1. Investment in Joint Ventures & Associates (Group)

Share of Net Asset Value from Joint Ventures & Associates

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.
Gurugoda Hydro (Pvt) Ltd	**56,578,756**	63,890,888
Vidul Madugeta (Pvt) Ltd	**198,379,318**	222,018,775
Nilwala Vidulibala Company (Pvt) Ltd	**151,820,522**	169,396,684
Vidul Biomass (Pvt) Ltd	**488,858,367**	396,254,143
Solar Universe (Pvt) Ltd	**1,023,722,911**	661,028,796
SAFE Power International (Pvt) Ltd	**335,971,744**	-
Total Investment in Joint Ventures & Associates.	**2,255,331,618**	1,512,589,286

5.3.2. Share of Comprehensive Income from Joint Ventures & Associates

Group

Year ended 31 March	2026 Rs.	2025 Rs.
Gurugoda Hydro (Pvt) Ltd	**105,368**	7,304,856
Vidul Madugeta (Pvt) Ltd	**10,110,543**	36,584,979
Nilwala Vidulibala Company (Pvt) Ltd	**9,198,838**	45,461,180
Vidul Biomass (Pvt) Ltd	**92,604,224**	89,548,660
Solar Universe (Pvt) Ltd	**362,694,115**	84,840,153
SAFE Power International (Pvt) Ltd	**(1,268,256)**	-
Total Share of Comprehensive Income from Joint Ventures & Associates.	**473,444,832**	263,739,828

5.3.3. Movement in Investment in Joint Ventures & Associates during the Year

Group

Year ended 31 March	2026 Rs.	2025 Rs.
Balance as at the Beginning of the Reporting Period	**1,512,589,286**	1,127,498,300
Share of total Comprehensive Income	**473,444,832**	263,739,828
Acquisition of Stake / Investment in the Joint Venture	**337,240,000**	199,793,658
Dividends Received	**(67,942,500)**	(78,442,500)
Balance as at the End of the Reporting Period	**2,255,331,618**	1,512,589,286

5.3.4. Vidullanka PLC holds the following interests: 50% in Gurugoda Hydro (Pvt) Ltd ,Solar Universe (Pvt) Ltd and Vidul Madugeta (Pvt) Ltd, 51% in Vidul Biomass (Pvt) Ltd, 26.3% in Nilwala Vidulibala Company (Pvt) Ltd, During the year, Vidullanka acquired an additional 30 % stake in SAFE Power International (Pvt) Ltd.

These investments are accounted for using the equity method in the consolidated financial statements. Summarized financial information of the joint ventures and associates, based on their SLFRS financial statements, and the reconciliation with the carrying amount of the investments in the consolidated financial statements as of 31 March 2026, are provided below

As at 31 March 2026	Gurugoda Hydro (Pvt) Ltd	Vidul Madugeta (Pvt) Ltd	Vidul Biomass (Pvt) Ltd	Nilwala Vidulibala Company (Pvt) Ltd	Solar Universe (Pvt) Ltd	SAFE Power International (Pvt) Ltd
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Current Assets	16,429,154	44,059,742	1,612,384,258	228,100,601	496,760,247	235,765,172
Non-Current Assets	90,221,482	390,180,893	-	289,963,059	4,347,671,287	300,021,456
Current Liabilities	(3,289,450)	(8,915,014)	(362,416,160)	(10,137,524)	(377,903,901)	(9,042,132)
Non-Current Liabilities	(3,578,494)	(28,566,885)	(272,745,582)	(13,178,162)	(2,402,123,368)	(140,947,902)
Equity	99,782,692	396,758,737	977,222,516	494,747,974	2,064,404,265	385,796,593
Equity Proportionate	49,891,346	198,379,368	498,383,483	130,118,717	1,032,202,132	115,738,978
Goodwill or Other Adjustments	6,687,410	(50)	(9,525,116)	21,701,805	(8,479,221)	220,232,766
Group Carrying Amount of the Investment	56,578,756	198,379,318	488,858,367	151,820,522	1,023,722,911	335,971,744

Summarised Statement of Profit or Loss for the Year Ended 31 March 2026	Gurugoda Hydro (Pvt) Ltd	Vidul Madugeta (Pvt) Ltd	Vidul Biomass (Pvt) Ltd	Nilwala Vidulibala Company (Pvt) Ltd	Solar Universe (Pvt) Ltd	SAFE Power International (Pvt) Ltd	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue	21,971,039	71,916,170	1,087,932,556	70,808,175	777,081,365	-	2,029,709,305
Cost of Sales	(20,574,414)	(42,271,002)	(812,098,549)	(40,058,665)	(241,162,113)	-	(1,156,164,743)
Administrative Expenses	(738,113)	(1,079,100)	(29,593,177)	(4,248,345)	(31,517,214)	(4,219,080)	(71,395,029)
Finance Cost	(12,850)	(781,604)	(48,468,615)	(206,502)	(226,760,371)	(24,938)	(276,254,879)
Other Income	236,955	642,208	8,469,026	20,145,098	7,437,261	16,499	36,947,047
Profit/(Loss) Before Tax	882,617	28,426,672	206,241,241	46,439,761	285,078,929	(4,227,519)	562,841,701
Income Tax Expense	(921,084)	(8,090,251)	(23,818,224)	(11,627,171)	440,309,300	-	395,852,569
Profit/(Loss) for the Year	(38,468)	20,336,421	182,423,017	34,812,590	725,388,229	(4,227,519)	958,694,271
Total Comprehensive Income / (Loss) for the Year	210,736	20,221,086	181,576,910	34,976,570	725,388,229	(4,227,519)	958,146,012
Group's Share of Profit / (Loss) for the Year	105,368	10,110,543	92,604,224	9,198,838	362,694,115	(1,268,256)	473,444,832

Summarised Financial Information for the Year Ended 31 March 2026	Gurugoda Hydro (Pvt) Ltd	Vidul Madugeta (Pvt) Ltd	Vidul Biomass (Pvt) Ltd	Nilwala Vidulibala Company (Pvt) Ltd	Solar Universe (Pvt) Ltd	SAFE Power International (Pvt) Ltd
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Cash and Cash Equivalent	9,177,051	14,129,947	1,612,384,258	34,110,963	185,020,689	208,426,494
Current Financial Liabilities (Excludes Trade & Other Payables)	-	-	167,655,364	-	312,000,000	-
Non Current Financial Liabilities	-	-	2,001,700	-	2,365,195,904	-
Depreciation	4,013,203	17,221,904	42,143,104	11,364,705	189,753,630	-
Finance Income	236,955	645,306	-	20,145,098	6,355,769	43,837
Finance Cost	(12,850)	(338,161)	(46,206,539)	(206,502)	(226,760,371)	(66,258)
Income Tax Expenses	(921,084)	(8,090,251)	(23,818,224)	(11,627,171)	440,309,300	-

5.4. Other Financial Assets

5.4.1. Financial Assets at Fair Value through Profit or Loss

			Group		Company	
Year ended 31 March	2026	2025	2026	2025	2026	2025
	Number of Shares	Number of Shares	Rs.	Rs.	Rs.	Rs.
Investment in Non Quoted Shares						
Africeylon Power (Pvt) Ltd	**1,623,999**	1,623,999	**22,841,500**	22,841,500	**22,841,500**	22,841,500
Fergasam Power (Pvt) Ltd	**900,000**	900,000	**9,000,000**	9,000,000	**9,000,000**	9,000,000
Quantel Renewable Energy Ltd	**-**	-	**196,836,718**	185,068,826	**-**	-
ADL Capital Ltd	**250,000**	250,000	**2,500,000**	2,500,000	**2,500,000**	2,500,000
Less: Impairment Provision	**-**	-	**(128,578,567)**	(61,770,329)	**(2,500,000)**	(2,500,000)
			102,599,651	157,639,997	**31,841,500**	31,841,500
Investment in Quoted Shares						
Amana Bank PLC	**200,000**	200,000	**6,000,000**	4,600,000	**6,000,000**	4,600,000
			6,000,000	4,600,000	**6,000,000**	4,600,000
Investment in Fixed Deposits						
Seylan Bank PLC- IBU			**120,521,751**	41,295,983	**-**	-
NDB Bank PLC- IBU			**43,921,852**	37,043,400	**-**	-
			164,443,603	78,339,383	**-**	-
Group Carrying Amount of the Other Financial Assets			**273,043,254**	240,579,380	**37,841,500**	36,441,500

As of 1st of April 2025, the Company assessed its Financial Assets at fair value through profit or loss, There has been no change in the fair value assessed on 1st April 2025 with the fair value as of 31st March 2026.

6. OTHER PROJECT INVESTMENTS

Summary

	Group		Company	
Year ended 31 March	**2026**	**2025**	**2026**	**2025**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Balance as at the Beginning of the Year	**220,747,806**	162,910,424	**220,747,806**	162,910,424
Projects Costs Incurred during the Year	**252,909,667**	116,279,524	**252,909,667**	116,279,524
Less: Transfers to Project Companies	**-**	-	**-**	-
Other Transfers	**(2,389,535)**	(58,442,142)	**(2,389,535)**	(58,442,142)
Written Off	**-**	-	**-**	-
Balance before Impairment Provision	**471,267,938**	220,747,806	**471,267,938**	220,747,806
Impairment Provision	**(217,624,457)**	(158,047,533)	**(217,624,457)**	(158,047,533)
Balance as at the End of the Year	**253,643,481**	62,700,273	**253,643,481**	62,700,273

The company assessed the recoverability of the investments made on development of new projects by the company. Having identified that the recoverability of some of the project investments made have diminished significantly due to the changes in the environment, the company provided a general impairment provision of Rs. 68,844,000/- and Rs. 9,267,076/- was written off as unrealisable.

6.1. Impairment of Other Project Investments

	Group		Company	
Year ended 31 March	**2026**	**2025**	**2026**	**2025**
	Rs.	**Rs.**	**Rs.**	**Rs.**
As at 01 April	**158,047,533**	113,103,277	**158,047,533**	113,103,277
Charge for the Year	**68,844,000**	68,040,000	**68,844,000**	68,040,000
Write Off	**(9,267,076)**	(23,095,744)	**(9,267,076)**	(23,095,744)
As at 31 March	**217,624,457**	158,047,533	**217,624,457**	158,047,533

7. TRADE AND OTHER RECEIVABLES

	Group		Company	
Year ended 31 March	**2026**	**2025**	**2026**	**2025**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Trade Receivables	**964,589,062**	603,572,390	**68,880,830**	53,132,067
Other Receivables	**461,977,637**	766,910,392	**58,552,900**	228,743,260
Advances and Prepayment	**291,900,504**	54,155,213	**19,014,265**	25,835,441
Dividend Receivables	**125,773,378**	-	**125,773,378**	-
Amounts Due from Related Parties (Note 7.1)	**5,341,945**	-	**362,500,230**	150,390,905
Loans to Company Officers (Note 7.2)	**28,646,430**	16,926,831	**28,146,618**	15,826,489
	1,878,228,956	1,441,564,826	**662,868,221**	473,928,162

7.1. Amounts Due from Related Parties

		Group		Company	
Year ended 31 March		2026	2025	2026	2025
	Relationship	Rs.	Rs.	Rs.	Rs.
Vidul Plantation (Pvt) Ltd	Subsidiary	-	-	1,310,012	-
Venergy Lanka (Pvt) Ltd	Subsidiary	-	-	41,341,777	30,627,627
Vidul Matara Solar Power (Pvt) Ltd	Subsidiary	-	-	-	88,593,562
Vidul Madampe Solar Power (Pvt) Ltd	Subsidiary	-	-	-	28,162,814
Vidul Agri (Pvt) Ltd	Subsidiary	-	-	21,691,902	3,006,902
Vidul Renewables (Pvt) Ltd	Subsidiary	-	-	4,994,679	-
DPV Solar Energy (Pvt) Ltd	Subsidiary	-	-	293,006,602	-
Vidul Biomass (Pvt) Ltd	Joint Venture	5,341,945	-	155,258	-
		5,341,945	-	362,500,230	150,390,905

7.2. Loans to Company Officers

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Balance as at the Beginning of the Year	16,926,831	5,512,890	15,826,489	4,366,299
Loans Granted / Transferred during the Year	19,710,257	13,968,000	19,924,836	13,253,000
Less : Repayments	(8,280,157)	(3,103,002)	(7,903,757)	(2,371,198)
Effective Interest Rate Adjustment	289,499	548,943	299,050	578,388
Balance as at the End of the Year	28,646,430	16,926,831	28,146,618	15,826,489

8. STATED CAPITAL

8.1. Fully Paid Ordinary Shares

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Fully Paid Ordinary Shares- Voting				
Balance as at 1 April	2,600,480,129	1,572,214,625	2,600,480,129	1,572,214,625
Issue of Ordinary Shares	92,048,158	1,028,265,504	92,048,158	1,028,265,504
Balance as at 31 March	2,692,528,287	2,600,480,129	2,692,528,287	2,600,480,129
Fully Paid Ordinary Shares- Non Voting				
Balance as at 1 April	338,813,609	253,379,301	338,813,609	253,379,301
Issue of Non Voting Shares	-	85,434,308	-	85,434,308
Balance as at 31 March	338,813,609	338,813,609	338,813,609	338,813,609
Total Stated Capital	3,031,341,896	2,939,293,738	3,031,341,896	2,939,293,738

8.2. Movement in Number of Ordinary Shares

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Fully Paid Ordinary Shares- Voting				
Balance as at 1 April	**945,079,626**	871,315,960	**945,079,626**	871,315,960
Issue of Ordinary voting shares	**6,342,073**	73,763,666	**6,342,073**	73,763,666
Balance as at 31 March	**951,421,699**	945,079,626	**951,421,699**	945,079,626
Fully Paid Ordinary Shares- Non Voting				
Balance as at 1 April	**82,113,575**	72,394,086	**82,113,575**	72,394,086
Issue of Ordinary non-voting shares	-	9,719,489	-	9,719,489
Balance as at 31 March	**82,113,575**	82,113,575	**82,113,575**	82,113,575
Total No of Shares	**1,033,535,274**	1,027,193,201	**1,033,535,274**	1,027,193,201

The Shares of the Company are listed at Colombo Stock Exchange.

8.3. Employee Share Option Scheme (ESOS)

Introduction and Objective:

The Board of Directors of Vidullanka PLC established an Employee Share Option Scheme (ESOS) following shareholder approval secured on September 26, 2024. The primary objective of the scheme is to foster increased employee engagement and commitment, while strengthening the human capital essential for the Company's growth in the power generation and engineering services sectors. The scheme is governed by the Listing Rules of the Colombo Stock Exchange (CSE), directions from the Securities and Exchange Commission, and the Laws of Sri Lanka.

Summary of the Scheme and Terms

The Board of Directors, having received approval in principle from the Colombo Stock Exchange (CSE) and authorisation from shareholders at the Extraordinary General Meeting held on September 26, 2024, created the scheme to offer 43,565,798 ordinary voting shares. This amount represents 5% of the total number of ordinary voting shares in issue at the time of the proposal. These options are granted to Executive Directors, Managers, and Executive grade employees of the Company and its subsidiaries whom the Board deems eligible.

In accordance with the provisions Section 5.6 of the Listing Rules of the Colombo Stock Exchange, the Company adjusted the number of options underlying the scheme to reflect changes in the capital structure. Consequently, the options available at each phase increased by 922,047 shares, bringing the total adjusted options to 47,253,986 (originally 43,565,798).

On August 25, 2025, the Board of Directors resolved to amend the eligibility criteria for Phases 2, 3, and 4 to rectify a drafting inconsistency in the original Circular to Shareholders. The original text erroneously set a fixed service cut-off date of March 31, 2024, for all phases. To align the scheme with its intended progressive design, the Board clarified that for the remaining phases, the required two years of service will be assessed as of the respective grant date for each phase. The Colombo Stock Exchange granted a formal waiver to Rule 5.6.4 of the Listing Rules for this amendment on September 11, 2025, noting it as a non-substantive correction that does not prejudice shareholders.

Phase	Earliest Date of Grant	Latest Date of Grant	Vesting Period from Grant Date	Exercise Period from Grant Date	%	No. of Options
1	Sept 26,2024	Sept 01,2029	1 Year	2 Years	1.25%	11,813,496
2	Sept 01,2025	Sept 01,2029	1 Year	2 Years	1.25%	11,813,496
3	Sept 01,2026	Sept 01,2029	1 Year	2 Years	1.25%	11,813,496
4	Sept 01,2027	Sept 01,2029	1 Year	2 Years	1.25%	11,813,496

Note: In the event of a delay in the grant date as per the provisions of the original circular, the end of the vesting and exercise periods shall be set as 365 days and 730 days from the revised grant date, respectively.

Under the ESOS scheme, the exercise price for each phase is set at the 30-market day Volume Weighted Average (V.W.A) price of the share immediately preceding the respective grant date. The options vest after a period of one year and exercisable over a further one year period. Any unallotted or retracted options from a previous phase due to disqualification events (such as resignation or termination for cause) are added to the granting pool of the next phase.

The fair value of the options is estimated at the grant date using an appropriate option pricing model (Black Scholes), taking into account the terms and conditions of each phase of the grant. Accordingly, the fair value of the options were recognised in the ESOS Reserve accounts as follows,

Year ended 31 March 2026	Phase 1	Phase 2	Total
Number of Options	11,813,496	11,813,496	23,626,992
Options Retracted due the identified causes	(464,078)	(469,661)	(933,739)
Retracted Options added to subsequent granting pool	-	368,980	368,980
Total Options Issued	11,349,418	11,712,815	23,062,233
Exercise Price (Rs.)	12.391	14.712	
Number of Options Exercised			
FY 25/26	6,342,073	-	6,342,073
Total Consideration Received in Cash (Rs.)	78,584,627	-	78,584,627
Outstanding Options	5,007,345	11,712,815	16,720,160
Expected Future Subscription Value (Rs.)	62,046,012	172,318,934	234,364,946
Fair Value per Option (Rs.)	2.1229	2.1792	
Provisions Made as of 31 March 2026 (Rs.)	24,093,580	14,889,089	38,982,669
Transferred to Stated Capital (Rs.)	(13,463,531)	-	(13,463,531)
ESOS Reserve Carried Forward (Rs)	10,630,049	14,889,089	25,519,138

In accordance with the provisions of the Companies Act No. 07 of 2007, the Company and its subsidiaries have not extended any direct or indirect financial assistance to employees for the purpose of exercising their options under this scheme.

9. INTEREST-BEARING LOANS , BORROWINGS AND IJARA LEASES

9.1. Group

Year ended 31 March	Amount Repayable Within 1 Year	Amount Repayable After 1 Year	2026 Total	Amount Repayable Within 1 Year	Amount Repayable After 1 Year	2025 Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Debentures (Sukuk) (9.1.1)	-	500,000,000	**500,000,000**	-	-	-
Diminishing Musharakah Facilities (9.1.2)	454,793,719	3,265,126,022	**3,719,919,741**	400,075,711	1,558,611,013	1,958,686,724
Short Term Working Capital Facilities (9.1.3)	683,582,494	-	**683,582,494**	630,412,926	-	630,412,926
	1,138,376,214	3,765,126,022	**4,903,502,235**	1,030,488,637	1,558,611,013	2,589,099,650

9.1.1. Debentures (Sukuk)

		As at 01.04.2025	Proceeds Raised	Repayments / Transfers	As at 31.03.2026
		Rs.	Rs.	Rs.	Rs.
Sukuk Issuance June 2025	Sukuk Type A - Fixed 10.75	-	118,290,000	-	**118,290,000**
	Sukuk Type B - Floating (AWPLR)	-	381,710,000	-	**381,710,000**
		-	500,000,000	-	**500,000,000**
Gross Liability		-			**733,516,250**
Finance Charges Allocated to Future Periods		-			**(233,516,250)**
Net Liability		-			**500,000,000**

9.1.2. Diminishing Musharakah Facilities

Year ended 31 March	As at 01.04.2025	Facilities Obtained	Exchange Differences on Translation	Repayments	As at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.
Amana Bank PLC	281,945,555	650,000,000	-	(275,345,555)	**656,600,000**
NDB Bank PLC	200,025,452	-	-	(150,025,452)	**50,000,000**
Syndicated Facility (NDB Bank PLC & Seylan Bank PLC)	1,366,551,690	-	79,499,262	(207,716,336)	**1,238,334,616**
Seylan Bank PLC	110,164,027	-	-	(20,178,902)	**89,985,125**
Commercial Bank Ceylon PLC	-	1,685,000,000	-	-	**1,685,000,000**
	1,958,686,724	2,335,000,000	79,499,262	(653,266,245)	**3,719,919,741**
Gross Liability	2,639,390,763				**4,930,116,497**
Finance Charges Allocated to Future Periods	(680,704,039)				**(1,210,196,755)**
Net Liability	1,958,686,724				**3,719,919,741**

9.1.3. Short Term Working Capital Facilities

Year ended 31 March	As at 01.04.2025	Facilities Obtained	Exchange Differences on Translation	Repayments	As at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.
Amana Bank PLC	190,000,000	927,478,716	-	(950,000,000)	**167,478,716**
Hatton National Bank PLC	50,000,000	150,000,000	-	(100,000,000)	**100,000,000**
NDB Wealth Islamic Money Plus Fund	176,171,367	311,884,272	-	(307,759,032)	**180,296,607**
Commercial Papers	214,241,559	110,715,154	-	(89,149,542)	**235,807,171**
	630,412,926	1,500,078,142	-	(1,446,908,574)	**683,582,494**

9.2. Company

Year ended 31 March	Amount Repayable Within 1 Year	Amount Repayable After 1 Year	2026 Total	Amount Repayable Within 1 Year	Amount Repayable After 1 Year	2025 Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Debentures (Sukuk) (9.2.1)	-	500,000,000	**500,000,000**	-	-	-
Diminishing Musharakah Facility (9.2.2)	50,000,000	-	**50,000,000**	125,899,240	100,025,452	225,924,692
Short Term Working Capital Facilities (9.2.3)	600,155,815	-	**600,155,815**	518,611,918	-	518,611,918
	650,155,815	500,000,000	**1,150,155,815**	644,511,158	100,025,452	744,536,610

9.2.1. Debentures (Sukuk)

Year ended 31 March		As at 01.04.2025	Proceed Raised	Repayments / Transfers	As at 31.03.2026
		Rs.	Rs.	Rs.	Rs.
Sukuk Issuance June 2025	Sukuk Type A - Fixed 10.75	-	118,290,000	-	**118,290,000**
	Sukuk Type B - Floating (AWPLR)	-	381,710,000	-	**381,710,000**
		-	500,000,000	-	**500,000,000**
Gross Liability		-			**733,516,250**
Finance Charges Allocated to Future Periods		-			**(233,516,250)**
Net Liability		-			**500,000,000**

9.2.1.1. Utilisation of Funds Raised through debenture (Sukuk)

Company concluded an issue of 5,000,000 sukuks (shariah compliant debentures) each at Rs. 100/-, raising the sum of Rs. 500,000,000/- for the purposes of refinancing of short-term finance facilities of the company and for the working capital requirements. The sukuks were listed in the Colombo Stock Exchange on 23rd June 2025.The table below shows the allocation of sukuk issue funds and current utilisation status.

Objective Number	Objective as per prospectus	Amount allocated as per propectus in LKR	Proposed date of utilisation as per propectus	Amount allocated from funds raised in LKR (A)	% of Total Proceeds	Amounts utilized in LKR (B)	% of utilisation against allocation	Clarification if not fully utilized including where the funds are invested
1	Refinancing of short-term finance facilities obtained for working capital purposes.	LKR 400 Mn	as and when the maturities fall within the next 12 months subsequent to the allotment of the Sukuk	LKR 430 Mn	86%	LKR 430 Mn	100%	-
2	Utilisation of funds to fulfil working capital requirements	LKR 100 Mm	within the next 6 months subsequent to the allotment of the Sukuk	LKR 70 Mn	14%	LKR 70 Mn	100%	-

9.2.2. Diminishing Musharakah Facilities

Diminishing Musharakah Facilities	As at 01.04.2025	Facilities Obtained	Repayments / Transfers	As at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
National Development Bank PLC	200,025,452	-	(150,025,452)	**50,000,000**
Amana Bank PLC	25,899,240	-	(25,899,240)	**-**
	225,924,692	-	(175,924,692)	**50,000,000**
Gross Liability	360,585,294			**54,267,553**
Finance Charges Allocated to Future Periods	(134,660,602)			**(4,267,553)**
Net Liability	225,924,692			**50,000,000**

9.2.3. Short Term Working Capital Facilities

Year ended 31 March	As at 01.04.2025	Facilities Obtained	Exchange Differences on Translation	Repayments	As at 31.03.2026
	Rs.	Rs.	Rs.		Rs.
Commercial Papers	132,440,550	84,918,659	-	(37,500,000)	**179,859,209**
Amana Bank PLC	160,000,000	900,000,000	-	(920,000,000)	**140,000,000**
Hatton National Bank PLC	50,000,000	150,000,000	-	(100,000,000)	**100,000,000**
NDB Wealth Islamic Money Plus Fund	176,171,368	311,884,272	-	(307,759,034)	**180,296,606**
	518,611,918	1,446,802,931	-	(1,365,259,034)	**600,155,815**

10. INCOME TAX

The Major Components of Income Tax Expense for the Year Ended 31 March are as follows:

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Current Income Tax				
Current Tax Expense on Ordinary Activities for the Year	**840,338,491**	791,403,965	**19,728,349**	226,119,153
(Over) / Under Provision of Current Taxes in respect of Prior Years	**9,322,792**	23,097,423	**-**	20,572,437
	849,661,283	814,501,388	**19,728,349**	246,691,590
Deferred Income Tax				
Deferred Taxation Charge / (Reversal)	**(329,901,413)**	147,070,290	**(61,697,011)**	28,276,201
	(329,901,413)	147,070,290	**(61,697,011)**	28,276,201
Income Tax Expenses / (Reversal) Reported in the Income Statement	**519,759,870**	961,571,678	**(41,968,662)**	274,967,791
Other Comprehensive Income Statement				
Deferred Taxation Charge/(Reversal)	**2,167,683**	(5,128,519)	**1,548,395**	(4,926,714)
Income Tax Expenses in Other Comprehensive Income	**2,167,683**	(5,128,519)	**1,548,395**	(4,926,714)

10.1. A Reconciliation between Tax Expense and the Accounting Profits Multiplied by Statutory Tax Rate is as follows;

	Group		Company	
Year ended 31 March	**2026**	**2025**	**2026**	**2025**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Tax on Profit from Trade, Business & Other				
Accounting Profit Before Tax	**2,070,917,902**	2,539,043,010	**848,936,297**	976,982,577
At the Statutory Income Tax Rate of 17 %	**12,926,197**	1,071,880	**-**	-
At the Statutory Income Tax Rate of 25%	**21,276,747**	134,512,489	**21,276,747**	134,512,489
At the Statutory Income Tax Rate of 30 % (2024 : 30%)	**866,799,354**	738,516,042	**261,821,231**	285,893,042
Tax Effect of Disallowable Expenses	**219,085,790**	231,200,970	**103,774,683**	71,572,572
Tax Effect of Aggregate Allowable Items	**(621,213,791)**	(351,103,150)	**(407,242,883)**	(174,460,710)
Tax Effect of Income Exempt from Tax	**(7,307,513)**	(147,324,240)	**-**	(154,213,255)
Tax Effect on Investment Income	**-**	5,994,961	**-**	5,994,961
WHT on Dividend	**238,960,299**	185,236,309	**-**	91,606,664
Tax Effect of Utilisation of Tax Losses	**109,811,408**	(6,701,296)	**40,098,571**	(34,786,609)
At the Effective Income Tax Rates	**840,338,491**	791,403,965	**19,728,349**	226,119,153
(Over) / Under Provision of Income Tax in respect of Previos Years	**9,322,792**	23,097,423	**-**	20,572,437
Deferred Taxation Charge / (Reversal)	**(329,901,413)**	147,070,290	**(61,697,011)**	28,276,201
Deduction of Previous Year Tax loss	**-**	-	**-**	-
Total Income Tax Expenses / (Reversal) Reported in the Income Statement	**519,759,870**	961,571,678	**(41,968,662)**	274,967,791
Effective Tax Rate (%)	**25%**	38%	**-5%**	28%

10.2. Group- Deferred Tax Liabilities

	Statement of Financial Position		Statement of Comprehensive Income	
Year ended 31 March	**2026**	**2025**	**2026**	**2025**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Deferred Tax Liability				
Capital Allowances for Tax Purposes	**1,236,839,529**	1,376,579,507	**(139,739,978)**	291,886,862
	1,236,839,529	1,376,579,507		
Deferred Tax Assets				
Defined Benefit Plans	**-**	(26,653,633)	**26,653,633**	(24,888,287)
ROU Assets	**-**	(2,989,681)	**2,989,681**	(2,741,252)
Impairment Provisions	**(18,237)**	(47,414,260)	**47,396,023**	(17,459,654)
Tax Losses Brought Forward	**(17,658,289)**	(154,158,664)	**136,500,375**	(130,485,365)
	(17,676,526)	(231,216,238)		
Exchange Translation Adjustments				
Deferred Tax (Reversal) / Charge			**73,799,734**	116,312,304
Deferred Tax Charge for OCI			**-**	-
Net Deferred Tax Liability / (Asset)	**1,219,163,003**	1,145,363,269		

10.3. Group - Deferred Tax Asset

	Statement of Financial Position		Statement of Comprehensive Income	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Deferred Tax Liability				
Property, Plant & Equipment	**26,105,029**	23,386,822	**2,718,207**	(162,049,283)
	26,105,029	23,386,822		
Deferred Tax Assets				
Employee Benefit Obligations	**(29,484,137)**	(1,812,426)	**(27,671,711)**	15,940,322
Provisions	**(65,287,337)**	-	**(65,287,337)**	33,930,983
Tax Loss Carried Forward	**(272,734,493)**	(24,077,075)	**(248,657,418)**	121,225,673
ROU Assets	**(2,127,329)**	(72,614)	**(2,054,715)**	1,900,087
	(369,633,297)	(25,962,115)		
Deferred Tax (Reversal) / Charge			**(340,952,975)**	10,947,782
Deferred Tax Charge for OCI			**(2,167,683)**	5,128,519
Net Deferred Tax Liability / (Asset)	**(343,528,268)**	(2,575,293)		

10.4. Company - Deferred Tax (Asset) / Liability

	Statement of Financial Position		Statement of Comprehensive Income	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Deferred Tax Liability				
Tax effect of Property, Plant & Equipment	**189,373,585**	191,781,467	**(2,407,882)**	6,345,362
Transfers on Amalgamation	**-**	-	**-**	-
	189,373,585	191,781,467		
Deferred Tax Assets				
Tax effect of Employee Benefit Obligations	**(28,229,277)**	(26,490,427)	**(1,738,850)**	(8,737,679)
Tax effect of Provisions	**(65,287,337)**	(47,414,260)	**(17,873,077)**	(13,483,277)
Tax effect of Tax Loss Carried Forward	**(140,967,496)**	(100,348,743)	**(40,618,753)**	44,954,005
Tax effect of ROU Assets	**(1,833,360)**	(2,774,911)	**941,551**	(802,210)
	(236,317,470)	(177,028,341)		
Deferred Tax (Reversal) / Charge			**(61,697,011)**	28,276,201
Deferred Tax Charge for OCI			**1,548,395**	(4,926,714)
Net Deferred Tax Liability / (Asset)	**(46,943,885)**	14,753,126		

11. TRADE AND OTHER PAYABLES

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Amounts Due to Related Parties (11.1)	**316,032,717**	7,769,758	**57,278,215**	510,921
Sundry Creditors including Accrued Expenses	**655,715,371**	502,657,317	**146,309,075**	251,289,081
Dividend Payable	**21,360,060**	10,235,105	**21,360,060**	10,235,105
Finance Cost Payable	**86,154,963**	108,608,527	**86,154,963**	108,608,527
Financial Guarantee	**8,578,701**	6,423,839	**8,578,701**	6,423,839
	1,087,841,812	635,694,546	**319,681,014**	377,067,473

11.1. Amounts Due to Related Parties

		Group		Company	
Year ended 31 March		2026	2025	2026	2025
	Relationship	Rs.	Rs.	Rs.	Rs.
Vidul Solar Power (Pvt) Ltd	Subsidiary	**-**	-	**-**	401,782
Vidul Engineering Ltd	Subsidiary	**-**	-	**10,676,092**	109,139
Vidulsolar (Pvt) Ltd	Subsidiary	**-**	-	**39,787,822**	-
Nilwala Vidulibala Company (Pvt) Ltd	Associate	**1,681,271**	-	**1,681,271**	-
Solar Universe (Pvt) Ltd	Associate	**5,133,030**	-	**5,133,030**	-
Vidul Biomass (Pvt) Ltd	Joint Venture	**16,583,238**	7,769,758	**-**	-
David Pieris Motor Lanka (Pvt) Ltd	Joint Venturer	**292,635,178**	-	**-**	-
		316,032,717	7,769,758	**57,278,215**	510,921

12. DEFINED BENEFIT LIABILITY

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Balance as at the Beginning of the Year	**100,209,903**	69,519,508	**88,301,424**	59,175,829
Expenses on Defined Benefit Plan (12.1)	**19,027,153**	15,886,030	**16,174,834**	13,100,397
Payment during the Year	**(7,355,600)**	(1,713,450)	**(5,692,550)**	(537,450)
Inter - Company Transfers during the Year	**8,750**	(2,300,928)	**475,200**	140,269
Net Actuarial (Gain) / Loss Recognized during the Year	**(5,607,086)**	18,818,743	**(5,161,318)**	16,422,379
Balance as at the End of the Year	**106,283,120**	100,209,903	**94,097,590**	88,301,424

12.1. Expenses on Defined Benefit Plan

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Current & Past Service Cost	**8,408,139**	7,543,689	**6,748,632**	5,999,297
Interest Cost on Defined Benefit Liability	**10,619,014**	8,342,341	**9,426,202**	7,101,100
	19,027,153	15,886,030	**16,174,834**	13,100,397

12.2. Principal Assumptions

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
Discount Rate	**10.0%**	11.0%	**10.0%**	11.0%
Salary Increment	**9.0%**	10.0%	**9.0%**	10.0%
Retirement Age	**60**	60	**60**	60
Mortality	**A 1967/70 Mortality Table**	A 1967/70 Mortality Table	**A 1967/70 Mortality Table**	A 1967/70 Mortality Table

An actuarial valuation of the gratuity fund was carried out as at 31 March 2026 by Units Actuaries & Consultants (Pvt) Ltd, a firm of professional actuaries & valuation method used by the actuary to value the fund is the "Projected Unit Credit Method" recommended by Sri Lanka Accounting Standards - LKAS 19 (Employee Benefits).

12.3. Sensitivity of Assumptions Employed in Actuarial Valuation

The following table demonstrates the sensitivity to a reasonable possible change in the key assumptions employed with all other variables held constant in the employment benefit liability assessment of the Group.

		Group		Company	
Increase/Decrease in Discount Rate	Increase /Decrease in Salary Increment	Sensitivity Effect on Employment Benefit Obligation		Sensitivity Effect on Employment Benefit Obligation	
		2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
(+1%)		**(6,011,198)**	(5,889,941)	**(5,133,867)**	(5,021,074)
(-1%)		**6,732,669**	6,579,442	**5,721,315**	5,580,791
	(+1%)	**7,292,175**	7,098,655	**6,221,826**	6,044,370
	(-1%)	**(6,616,724)**	(6,454,228)	**(5,673,354)**	(5,522,720)

13. REVENUE

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Power Generation - Local	**531,451,498**	524,804,637	**531,451,498**	513,098,920
Power Generation - Overseas	**2,548,348,741**	2,187,558,783	**-**	-
Other	**3,385,716**	2,093,905,220	**-**	2,093,905,220
Engineering, Consultancy and Project Management	**120,694,239**	40,782,215	**11,850,000**	11,705,717
Plantation	**294,781,920**	440,164,038	**-**	-
Solar	**328,479,254**	137,633,287	**-**	-
	3,827,141,368	5,424,848,180	**543,301,498**	2,618,709,857

14. PROFIT / (LOSS) BEFORE TAX

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Stated after Charging				
Included in Cost of Sales				
Depreciation	**366,109,977**	363,746,037	**101,666,048**	121,970,125
Defined Benefit Plan Costs - Gratuity	**2,135,541**	1,965,500	**1,286,808**	1,302,156
Included in Administrative Expenses				
Depreciation	**46,516,873**	19,274,702	**32,556,057**	18,209,265
Staff Costs (Include the following Costs)	**323,651,912**	271,382,069	**282,209,739**	233,897,161
Defined Benefit Plan Costs - Gratuity	**16,696,740**	13,036,998	**14,416,026**	11,798,241
Defined Contribution Plan Costs - EPF , ETF , NSSF & Etc.	**35,381,678**	23,288,797	**23,607,645**	19,990,020
Auditors' Remunerations - Audit Fees	**9,309,313**	11,092,575	**2,189,997**	3,544,825
Impairment / Write- Off	**137,243,152**	195,231,079	**68,844,000**	68,040,000

15. FINANCE COST

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Finance Cost - Diminishing Musharakah/ Ijarah/ Short Term Facilities	**363,349,646**	315,239,690	**146,175,540**	107,295,578
Finance Cost - Staff Loan IFRS	**1,190,728**	420,462	**1,190,728**	420,462
Finance Cost - Right of Use Asset IFRS	**8,248,235**	7,097,871	**5,860,261**	3,832,252
	372,788,609	322,758,023	**153,226,529**	111,548,292

16. FINANCE INCOME

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Profit from Mudarabah Savings Accounts	**12,774,898**	34,993,476	**5,979,979**	23,821,573
Finance Income - Staff Loan	**1,647,705**	652,791	**1,647,705**	578,389
	14,422,603	35,646,267	**7,627,684**	24,399,962

17. OTHER INCOME AND GAINS / (LOSSES)

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Dividend Received	**5,221,000**	-	**1,294,086,418**	510,205,814
Profit on Disposal of Property, Plant and Equipment	**8,885,234**	(28,168,790)	**506,092**	(3,096,130)
Mark to Market Adjustment on Quoted Shares	**1,400,000**	-	**1,400,000**	-
Other Income	**45,480,524**	297,362,708	**30,765,402**	250,177,193
Gain on Bargain Purchase	**-**	14,793,658	**-**	-
Gain / (Loss) in Exchange Rate Fluctuations	**20,400,938**	25,047,544	**14,187,932**	(1,963,820)
	81,387,696	309,035,120	**1,340,945,844**	755,323,057

18. EARNINGS PER SHARE

Basic Earnings Per Share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Amounts Used as Numerator				
Net Profit/(Loss) Attributable to Ordinary Shareholders of the parent for Basic Earnings per Share (Rs.)	**1,490,108,771**	1,529,940,999	**890,904,959**	702,014,786
Number of Ordinary Shares Used as Denominator	**Nos**	Nos	**Nos**	Nos
Weighted Average No of Voting shares	**949,049,165**	902,375,274	**949,049,165**	902,375,274
Weighted Average No of Non Voting Shares	**82,113,575**	76,927,394	**82,113,575**	76,927,394
Weighted Average No of Total shares for Basic EPS Calculation	**1,031,162,740**	979,302,668	**1,031,162,740**	979,302,668
Earning Per Share- Basic	**1.45**	1.56	**0.86**	0.72
Earning Per Share- Diluted	**1.45**	1.56	**0.86**	0.72

19. DIVIDEND PAID AND PROPOSED

Year ended 31 March	2026	2025
	Rs.	Rs.
Declared and Paid During the Year		
1st Interim Dividend - 2025/26 Rs. 0.35 (2024/25 Rs.0.30)	**359,517,620**	283,113,013
2nd Interim Dividend - 2025/26 Rs. 0.30 (2024/25 Rs.1.40)	**310,060,583**	1,321,194,065
	669,578,203	1,604,307,078

20. CASH AND CASH EQUIVALENTS

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Components of Cash and Cash Equivalents				
Favourable Cash and Cash Equivalents Balance				
Cash and Bank Balances	**1,621,378,650**	2,023,478,163	**73,474,772**	496,281,018
Total Cash and Cash Equivalents For the Purpose of Cash Flows Statement	**1,621,378,650**	2,023,478,163	**73,474,772**	496,281,018

21. Lease Liability

21.1. Lease Liability - Group

Year ended 31 March	Repayable Within 1 Year	Repayable After 1 Year	2026 Total	Repayable Within 1 Year	Repayable After 1 Year	2025 Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Leases other than Motor Vehicles	14,086,528	43,737,797	**57,824,325**	3,588,067	43,182,438	46,770,505
Ijara _Leases (Motor Vehicles) (21.1.1)	5,630,172	9,119,915	**14,750,087**	3,658,664	1,824,482	5,483,146
	19,716,700	52,857,712	**72,574,412**	7,246,731	45,006,920	52,253,651

Year ended 31 March	Balance As at 01.04.2025	Additions	Repayments	Balance As at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
Leases other than Motor Vehicles (21.1)	46,770,505	27,356,530	(16,302,710)	**57,824,325**
Ijara _Leases (Motor Vehicles) (21.1.1)	5,483,146	14,000,000	(4,733,059)	**14,750,087**
	52,253,651	41,356,530	(21,035,769)	**72,574,412**

21.1.1. Ijara _Leases (Motor Vehicle) - Group

Year ended 31 March	As at 01.04.2025	Facilities Obtained	Repayments	As at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
Hatton National Bank PLC	4,092,350	-	(2,052,381)	**2,039,969**
Commercial Bank of Ceylon PLC	1,390,796	14,000,000	(2,680,678)	**12,710,118**
	5,483,147	14,000,000	(4,733,059)	**14,750,087**
Gross Liability	5,921,248			**17,993,762**
Finance Charges Allocated to Future Periods	(438,102)			**(3,243,675)**
Net Liability	5,483,146			**14,750,087**

21.2. Lease Liability - Company

Year ended 31 March	Repayable Within 1 Year	Repayable After 1 Year	2026 Total	Repayable Within 1 Year	Repayable After 1 Year	2025 Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Leases other than Motor Vehicles	13,632,503	31,250,814	**44,883,317**	615,977	30,758,751	31,374,728
Ijara _Leases (Motor Vehicles) (21.2.1)	5,630,172	9,119,915	**14,750,087**	2,612,681	1,824,483	4,437,163
	19,262,675	40,370,729	**59,633,404**	3,228,657	32,583,233	35,811,891

Year ended 31 March	Balance As at 01.04.2025	Additions	Repayments	Balance As at 31.03.2026
	Rs.	Rs.	Rs.	Rs.
Leases other than Motor Vehicles (21.2)	31,374,728	26,839,204	(13,330,615)	**44,883,317**
Ijara _Leases (Motor Vehicles) (21.2.1)	4,437,163	14,000,000	(3,687,076)	**14,750,087**
	35,811,891	40,839,204	(17,017,691)	**59,633,404**

21.2.1. Ijara _Leases (Motor Vehicle) - Company

Year ended 31 March	As at 01.04.2025	Facilities Obtained	Repayments	As at 31.03.2026
	Rs.		Rs.	Rs.
Commercial Bank of Ceylon PLC	344,814	14,000,000	(1,634,695)	**12,710,119**
Hatton National Bank PLC	4,092,349	-	(2,052,381)	**2,039,968**
	4,437,163	14,000,000	(3,687,076)	**14,750,087**
Gross Liability	4,838,332			**17,993,762**
Finance Charges Allocated to Future Periods	(401,169)			**(3,243,675)**
Net Liability	4,437,163			**14,750,087**

21.3. Maturity Analysis of Lease Liability

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Less than 1 Year	**18,926,319**	6,722,207	**18,868,916**	3,221,459
1 to 5 Years	**18,579,305**	6,973,830	**17,209,559**	7,265,583
More than 5 Years	**35,068,788**	38,557,614	**23,554,929**	25,324,849
Total	**72,574,412**	52,253,651	**59,633,404**	35,811,891

22. SEGMENT INFORMATION

Year ended 31 March	Power Generation-Local 2026	Power Generation-Local 2025	Power Generation Overseas 2026	Power Generation Overseas 2025	Dendro & Plantation 2026	Dendro & Plantation 2025
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Segmental Revenue	**531,451,498**	524,804,637	**2,548,348,741**	2,187,558,783	**294,781,920**	440,164,038
Depreciation & Amortisation	**(142,292,357)**	(119,035,410)	**(188,106,275)**	(185,916,605)	**(15,479,473)**	(20,827,403)
Finance Income	**7,627,684**	13,099,872	**-**	9,092,073	**31,216**	6,298
Finance Cost	**-**	(2,320,364)	**(132,341,554)**	(164,571,913)	**(11,222,052)**	(6,028,379)
Share of results of equity accounted investee	**19,736,203**	89,053,872	**-**	-	**92,604,224**	89,548,660
Profit / (Loss) Before Tax	**357,979,428**	807,405,537	**1,803,590,045**	1,475,393,469	**122,180,620**	116,915,233
Income Tax Expense	**63,245,410**	(48,848,638)	**(592,278,959)**	(571,809,926)	**(10,839,931)**	(13,111,043)
Profit / (Loss) for the Year	**421,224,837**	758,556,899	**1,211,311,086**	903,583,543	**111,340,688**	103,804,190

Year ended 31 March	Power Generation-Local 2026	Power Generation-Local 2025	Power Generation Overseas 2026	Power Generation Overseas 2025	Dendro & Plantation 2026	Dendro & Plantation 2025
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Non-Current Assets	**4,403,940,013**	3,593,820,545	**4,848,718,127**	4,738,210,771	**133,524,440**	109,303,778
Current Assets	**64,902,228**	608,071,225	**2,614,760,038**	2,551,695,290	**113,810,717**	103,442,436
Total Assets	**4,468,842,240**	4,201,891,770	**7,463,478,165**	7,289,906,060	**247,335,158**	212,746,214
Non-Current Liabilities	**634,468,017**	235,663,269	**2,222,168,339**	2,288,169,461	**12,526,129**	9,405,908
Current Liabilities	**254,531,784**	742,559,684	**681,946,259**	415,623,007	**209,266,455**	195,400,466
Total Liabilities	**888,999,802**	978,222,954	**2,904,114,598**	2,703,792,467	**221,792,584**	204,806,374

The financial results and financial position of the EPC segment are now presented under the "Other" category, together with business activities that do not fall within any of the five segments identified above.

23. COMMITTMENTS & CONTINGENCIES

23.1. Capital Expenditure Commitments

During the year, the Company entered into a capital commitment of Rs. 1.3 Bn in equity for the development of new power projects.

23.2. Corporate Guarantees

Company	Relationship with Vidullanka PLC	Amount of Guarantee Provided by Vidullanka PLC	Amount of Loan Obtained by the Relevant Company	Loan Balance as at 31 March 2026	Loan Balance as at 31 March 2025
Vidul Engineering Ltd	Subsidiary	85,000,000	68,654,840	**29,191,801**	40,706,705
Vidul Plantation (Pvt) Ltd	Subsidiary	50,000,000	40,000,000	**6,600,000**	125,772,648
Vidul Agri (Pvt) Ltd	Subsidiary	35,000,000	27,478,716	**27,478,716**	6,538,400
Vidul Biomass (Pvt) Ltd	Joint Venture	740,000,000	957,265,000	**399,002,385**	541,516,807
Solar Universe (Pvt) Ltd	Associate	425,000,000	1,453,216,904	**1,182,216,904**	1,321,216,904
		1,335,000,000	2,546,615,460	**1,644,489,807**	2,035,751,464

	Solar		Engineering Consultancy and Project Management		Other		Group/Other Elimination		Group	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	328,479,254	137,633,287	193,739,487	183,776,999	3,385,716	2,093,905,220	(73,045,248)	(142,994,784)	3,827,141,368	5,424,848,179
	(72,348,138)	(72,035,402)	(20,644,446)	(750,242)	(1,868,298)	(19,211,999)	-	-	(440,738,987)	(417,777,061)
	434,852	6,222,167	6,328,816	2,088,882	36	5,136,974	-	-	14,422,603	35,646,267
	(71,052,467)	(38,849,436)	(4,781,234)	(1,760,004)	571,581	(10,340,015)	(153,962,883)	(98,887,913)	(372,788,609)	(322,758,023)
	362,694,115	84,840,153	-	-	(1,268,256)	-	-	-	473,766,286	263,442,685
	522,214,885	98,229,206	55,307,986	97,844,666	(35,904,138)	538,049,956	(754,450,923)	(594,795,057)	2,070,917,902	2,539,043,010
	263,578,814	(7,394,383)	16,771,843	1,866,096	(21,276,747)	(226,119,153)	(238,960,299)	(96,154,631)	(519,759,870)	(961,571,678)
	785,793,699	90,834,823	72,079,829	99,710,762	(57,180,885)	311,930,803	(993,411,222)	(690,949,688)	1,551,158,032	1,577,471,332

	Solar		Engineering Consultancy and Project Management		Other		Group/Other Elimination		Group	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	2,952,022,285	674,559,533	78,978,254	103,510,135	758,967,038	83,188,736	-	-	13,176,150,157	9,302,593,498
	613,833,272	62,380,431	498,333,393	106,031,807	68,283,036	461,218,954	-	-	3,973,922,684	3,892,840,142
	3,565,855,557	736,939,963	577,311,647	209,541,942	827,250,075	544,407,690	-	-	17,150,072,841	13,195,433,640
	1,601,126,297	280,719,245	21,018,041	35,233,221	652,123,033	-	-	-	5,143,429,857	2,849,191,105
	972,855,877	172,205,525	153,720,002	19,190,037	78,747,660	309,698,762	-	-	2,351,068,036	1,854,677,481
	2,573,982,175	452,924,770	174,738,043	54,423,258	730,870,693	309,698,762	-	-	7,494,497,893	4,703,868,586

24. ASSETS PLEDGED

The following assets have been pledged as security for liabilities.

24.1. Company

	Carrying Amount of Pledged Assets		
Year ended 31 March	2026	2025	Included under Assets
	Rs.	Rs.	
Nature of Liability			
Charge over Leased Assets on Finance Lease Liabilities Previous Year and ROU Asset of Current Year	**18,512,857**	5,550,863	Right of Use asset
For Diminishing Musharakah (Trade & Term Loan)	**1,687,776,915**	1,780,688,615	Property, Plant and Equipment
Total Carrying Value of Assets Pledged	**1,706,289,772**	1,786,239,478	

24.2. Group

	Carrying Amount of Pledged Assets		
Year ended 31 March	2026	2025	Included under Assets
	Rs.	Rs.	
Charge over Leased Assets on Finance Lease Liabilities Previous Year and ROU Asset of Current Year	**18,512,857**	7,223,899	Right of Use asset
For Diminishing Musharakah (Trade & Term Loan)	**7,323,213,542**	6,578,827,331	Property, Plant and Equipment
Total Carrying Value of Assets Pledged	**7,341,726,399**	6,586,051,230	

25. LITIGATIONS

Following Court actions have been initiated against the Company.

a). D.C. Ratnapura Case No. 22020/L - The Parties filed their respective Written Submissions .The Appeals are to be taken before the Civil Appeal Court of Ratnapura for Argument.

26. RELATED PARTY DISCLOSURE

26.1. Details of Significant Related Party Disclosure are as follows:

The Company carried out following transactions with related parties in the ordinary course of its business on an arms length basis at commercial rates during the year.

Year ended 31 March				
Company	**Relationship**	**Nature of Transactions**	**2026**	**2025**
			Rs.	**Rs.**
Vidul Engineering Ltd (VEL)	Subsidiary	Expenses incurred by VLL on behalf of VEL	**4,048,065**	79,419,800
		Settlement done by VEL	**(5,251,564)**	(9,955,754)
		Fund transfer from VEL	**(75,954,133)**	(107,860,260)
		Fund transfer from VLL	**47,609,522**	-
Vidulsolar (Pvt) Ltd (Previously known as Horana Solar Power (Pvt) Ltd) (VSL))	Subsidiary	Expenses incurred by VLL on behalf of VSL	**2,903,700**	1,958,529
		Funds Transfers to VSL	**268,656,535**	5,000,000
		Funds Transfers From VSL	**(70,379,958)**	(8,000,000)
		Share Issue	**(240,000,000)**	-
		Settlement done by VSL	**(968,100)**	(2,934,101)
Vidul Plantations (Pvt) Ltd (VPL)	Subsidiary	Funds transferred to VPL	**-**	25,000,000
		Funds transferred from VPL	**-**	(25,000,000)
		Expense incurred by VLL on behalf of VPL	**1,353,762**	838,880
		Settlement done by VPL	**(43,750)**	(896,840)
Orik Corporation (Pvt) Ltd (ORIK)	Subsidiary	Expense incurred by VLL on behalf of ORIK	**3,166,193**	1,507,058
		Fund transfer from ORIK	**(2,000,000)**	-
		Dividends from ORIK	**5,220,000**	12,180,000
		Settlement done by ORIK	**(1,166,193)**	(1,598,316)
Vidul Madugeta (Pvt) Ltd (VMPL)	Joint Venture	Expenses incurred by VLL on behalf of VMPL	**18,632,504**	11,882,338
		Settlements done by VMPL	**(18,632,504)**	(11,882,338)
		Dividends from VMPL	**31,500,000**	31,500,000
Gurugoda Hydro (Pvt) Ltd (GHPL)	Joint Venture	Expenses incurred by VLL on behalf of GHPL	**6,068,082**	8,210,963
		Settlement done by GHPL	**(6,068,082)**	(8,210,963)
		Dividends from GHPL	**7,417,500**	7,417,500

Year ended 31 March				
Company	**Relationship**	**Nature of Transactions**	**2026**	**2025**
			Rs.	**Rs.**
Vidul Biomass (Pvt) Ltd (VBL)	Joint Venture	Funds Transferred to VBL	**119,200,000**	75,000,000
		Funds Transferred from VBL	**(125,200,000)**	(75,400,000)
		Expense incurred by VLL on behalf of VBL	**8,356,319**	2,552,119
		Settlements from VBL	**(2,201,061)**	(2,074,332)
Nilwala Vidulibala Company (Pvt) Ltd (NVC)	Associate	Funds transferred to NVC / Expense incurred by VLL on behalf of NVC	**13,501,696**	10,084,915
		Settlement / Fund Transfer done by NVC	**(11,820,425)**	(10,084,915)
		Dividends from NVC	**26,775,000**	26,775,000
Vidul Solar Power (Pvt) Ltd (HRN2)	Subsidiary	Expenses incurred by VLL on behalf of HRN2	**(17,262,028)**	-
		Funds Transferred to HRN2	**77,794,948**	49,598,218
		Funds Transferred from HRN2	**(93,500,000)**	(50,000,000)
		Settlements from HRN2	**5,988,904**	-
Vidul Matara Solar Power (Pvt) Ltd (MTR)	Affliate	Expenses incurred by VLL on behalf of MTR	**1,420,630**	186,742
		Funds Transferred to MTR	**38,600,000**	26,500,000
		Funds Transferred from MTR	**(124,918,504)**	-
		Settlements from MTR	**(3,695,687)**	(113,634)
Vidul Madampe Solar Power (Pvt) Ltd (MDP)	Affliate	Expenses incurred by VLL on behalf of MDP	**1,024,795**	47,694
		Funds Transferred to MDP	**88,400,000**	-
		Funds Transferred from MDP	**(21,500,000)**	(23,600,000)
		Settlements from MDP	**-**	(25,792)
DVP Solar Energy (Pvt) Ltd (DPV)	Subsidiary	Fund Reansferred to DPV	**293,006,600**	-
		Fund Reansferred from DPV	**-**	-

26.2. Terms and Conditions

Transactions with related parties are carried out in the ordinary course of business on relevant commercial terms. Outstanding balances at the year end are unsecured and net settlement occurs in cash.

26.3. Recurrent Related Party Transactions

There were no recurrent related party transactions which in aggregate value exceeds 10% of the Gross Revenue / Income as per 31 March 2026 Audited Financial Statements.

26.4 . Non-Recurrent Related Party Transactions

There were no non recurrent related party transactions which in aggregate value exceeds 10% of the equity or 5% of the total assets which ever lower of the company as per 31 March 2026 Audited Financial Statements.

26.5. Transactions with Key Management Personnel of the Company

Key Management Personnel (KMPs) are defined as those persons having authority and responsibility for planning , directing and controlling the activities of the Group. Such key management personnel of the Group are the members of its Board of Directors and the members of corporate management, that of its parent, and Chief Executive Officer, Independent Transactions with Key Management Personnel and transactions with the Close Family Members(CFMs) of the KMPs , if any, also been have taken into consideration in the following disclosure.

Year ended 31 March	2026	2025
	Rs.	Rs.
Key Management Personnel Compensation		
Short-Term Employee Benefits	**90,365,708**	112,471,051
Post Employment Benefits	**-**	8,247,000
Other Benefits Paid by the Company	**-**	-
	90,365,708	120,718,051

27. FAIR VALUE DISCLOSURE

27.1. Fair Value of Financial Assets and Liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's and Group's financial instruments:

	Company			
	Carrying Amount		Fair Value	
As at 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Financial Assets				
Other Financial Assets	**37,841,500**	36,441,500	**37,841,500**	36,441,500
Trade and Other Receivables	**643,853,956**	448,092,721	**643,853,956**	448,092,721
Cash and Cash Equivalents	**73,474,772**	496,281,018	**73,474,772**	496,281,018
	755,170,228	980,815,239	**755,170,228**	980,815,239
Financial Liabilities				
Loans and Borrowings	**1,150,155,815**	744,536,610	**1,150,155,815**	744,536,610
Trade and Other Payables	**319,681,014**	377,067,473	**319,681,014**	377,067,473
	1,469,836,829	1,121,604,083	**1,469,836,829**	1,121,604,083

	Group			
	Carrying Amount		Fair Value	
As at 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Financial Assets				
Other Financial Assets	**273,043,254**	240,579,380	**273,043,254**	240,579,380
Trade and Other Receivables	**1,586,328,452**	1,387,409,613	**1,586,328,452**	1,387,409,613
Cash and Cash Equivalents	**1,621,378,650**	2,023,478,163	**1,621,378,650**	2,023,478,163
	3,480,750,356	3,651,467,156	**3,480,750,356**	3,651,467,156
Financial Liabilities				
Loans and Borrowings	**4,903,502,236**	2,589,099,650	**4,903,502,236**	2,589,099,650
Trade and Other Payables	**1,087,841,812**	635,694,546	**1,087,841,812**	635,694,546
	5,991,344,048	3,224,794,196	**5,991,344,048**	3,224,794,196

The management assessed that cash and short-term deposits, trade and other receivables and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments. The significant interest bearing loans and borrowings are in floating rate which considered the carrying value as the fair value.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

27.2. Determination of Fair Value And Fair Value Hierarchy

For all financial instruments where fair values are determined by referring to externally quoted prices or observable pricing inputs to models, independent price determination or validation is obtained. In an inactive market, direct observation of a traded price may not be possible. In these circumstances, the Company uses alternative market information to validate the financial instrument's fair value, with greater weight given to information that is considered to be more relevant and reliable.

Fair values are determined according to the following hierarchy:

Level 1 : Quoted market price (unadjusted) financial instruments with quoted price in active markets.

Level 2 : Valuation technique using observable inputs : financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments are valued using models where all significant inputs are observable.

Level 3 : Valuation technique with significant unobservable inputs : financial instruments are valued using valuation techniques where one or significant inputs are observable.

The following tables shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy.

	Group				Company			
As at 31 March 2026	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Financial Assets								
Other Financial Assets	**6,000,000**	**-**	**267,043,254**	**273,043,254**	**6,000,000**	**-**	**31,841,500**	**37,841,500**
	6,000,000	**-**	**267,043,254**	**273,043,254**	**6,000,000**	**-**	**31,841,500**	**37,841,500**

	Group				Company			
As at 31 March 2025	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Financial Assets								
Other Financial Assets	4,600,000	-	235,979,380	240,579,380	4,600,000	-	31,841,500	36,441,500
	4,600,000	-	235,979,380	240,579,380	4,600,000	-	31,841,500	36,441,500

During the reporting period ended 31 March 2026 and 2025, there were no transfers between Level 1 and Level 2 fair value measurements.

28. EVENTS OCCURING AFTER THE REPORTING PERIOD

28.1. Acquisition of Bhoruka Power Lanka (Pvt) Ltd

Subsequent to the reporting date, on 4th April 2026, Vidullanka PLC acquired 100% equity ownership of Bhoruka Power Lanka (Pvt) Ltd, a company engaged in the business of renewable energy generation through 4.5MW Gurugoda Mini Hydro Power Plant. The acquisition was completed after the reporting period, and the transaction has not been recognized in the financial statement of year ended 31st March 2026. Accordingly, the acquisition will be accounted for in the financial statements for the year ending 31st March 2027.

The total purchase consideration agreed for the acquisition amounted to Rs. 663,457,025/-, payable as follows:

- Immediate payment of Rs. 170,961,350/- payable upon execution.
- Performance contingent payment of Rs. 192,495,675/- payable on or before 15th December 2025.
- Deferred payment of Rs.300,000,000/- payable in installments of Rs. 2,000,000/- per month for 5 months, followed by Rs. 5,000,000/- per month for 58 months.

28.2. Strategic Investment in Storex (Pvt) Ltd

Subsequent to the reporting date, on 12th May 2026 the company entered into a share sale and purchase agreement to acquire 49% stake in Storex (Pvt) Ltd and a shareholders' agreement to Invest approximately Rs. 2 bn in the company for the development of Battery Energy Storage Systems (BESS). Storex (Pvt) Ltd has already secured all regulatory approvals and successfully achieved financial close to develop twelve, 10MW/40MWh grid-scale BESS plants across Sri Lanka. Since the agreement was entered into after the reporting date, the transaction has not been recognised in the financial statements for the year ended 31st March 2026 and will be recognised in the financial statements of year ended 31st March 2027.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's investments, operations and to provide guarantees to support its operations. The Group has, trade and other receivables and cash and other short – term deposits that arrive directly from its operations.

The Group's senior management oversees the management of these risks . The Group's senior management is supported by the Audit committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The Audit committee provides assurance to the Board of Directors that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with group policies and group risk appetite. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

29.1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise of four types of risk: interest rate risk, currency risk, commodity price risk and other price risk , such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits with financial ínstitutions.

29.1.1. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings.

The Group's profit before tax is affected through the impact on floating rate borrowings as follows.

Years	Increase/Decrease in Basis Points	Group Effect on Profit Before Tax	Company Effect on Profit Before Tax
2026	**100**	**+ 20.4 Mn / - 18.1 Mn**	**+2.8 Mn / - .04 Mn**
2025	100	+/- 11.1 Mn	+/-0 Mn

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

29.1.2. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates is significant as the Group now has two power plants located overseas. The electricity generation payment is linked to the USD, thus the transaction gain or loss is estimated to be minimal. The Group also imports electro-mechanical equipment in foreign currency as part of the investment in the renewable energy projects. The foreign currency related risks associated with the imports of plant & machinery are within the acceptable range of the Group's risk appetite and would be accommodated by the project contingency measures.

Since the functional currency of Muvumbe Hydro (U) Ltd & Timex Bukinda Hydro (U) Ltd are based on USD, the Group is subject to significant translation gain or loss arising from converting the USD to the LKR.

Foreign Currency Sensitivity

The Translation of USD based assets and liabilities to LKR would have significant impact on the value of Group assets and liabilities. The translation risk would decrease over time as the power plant start generating USD based revenue and payback the borrowings. The import of Fixed Assets for renewable energy projects would not have a direct impact on the income statement. The increase/decrease of the asset value due to the foreign exchange movement would be capitalized and would be depreciated over the useful life time of the asset, thus the impact would be immaterial.

USD Appreciation Against LKR	Group Effect on Profit Before Tax	Effect on Profit Before Tax
As at 31 March	**2026**	**2025**
	Rs.	**Rs.**
1%	**13.0 Mn**	9.0 Mn
(-1%)	**(13.0 Mn)**	(9.0 Mn)

29.1.3. Commodity Price Risk

The Group is principally engaged in generating electricity using renewable energy sources. The project companies would pay pre-agreed unit prices for the use of the river flow to the respective government institutions, thus the impact of commodity prices would have immaterial impact on the earnings of the Group.

29.2. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group is selling the electricity to the state monopoly transmission licensee National Systems Operator (NSO). The customer regardless of its financial position is a state entity and has maintained a credit record throughout the period. The group evaluates the credit quality of the external customer and enters written agreements before rendering the services.

Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Group's Finance Department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the top management on a regular basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

29.3. Liquidity Risk

The Group monitors its risk to a shortage of funds using continuous cash flow forecasts & cash budgeting. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans, short term loans, leases and hire purchase contracts.

The table below summarises the maturity profile of the Group's and Company's financial liabilities and financial assets based on contractual undiscounted payments.

Group As at 31 March 2026	Less than 3 Months	4 to 12 Months	2 - 3 Years	4 - 5 Years	>5 Years	Total
Financial Assets						
Other Financial Assets	**-**	**273,043,254**	**-**	**-**	**-**	**273,043,254**
Trade and Other Receivables	**1,083,468,979**	**502,859,473**	**-**	**-**	**-**	**1,586,328,452**
Cash and Cash Equivalents	**1,621,378,650**	**-**	**-**	**-**	**-**	**1,621,378,650**
	2,704,847,629	**775,902,727**	**-**	**-**	**-**	**3,480,750,356**
Financial Liabilities						
Loans and Borrowings	**199,855,798**	**1,367,847,833**	**2,106,507,675**	**1,832,173,382**	**858,824,315**	**6,365,209,003**
Trade and Other Payables	**1,087,841,812**	**-**	**-**	**-**	**-**	**1,087,841,812**
Total	**1,287,697,610**	**1,367,847,833**	**2,106,507,675**	**1,832,173,382**	**858,824,315**	**7,453,050,815**

As at 31 March 2025	Less than 3 Months	4 to 12 Months	2 - 3 Years	4 - 5 Years	>5 Years	Total
Financial Assets						
Other Financial Assets	-	240,579,380	-	-	-	240,579,380
Trade and Other Receivables	234,374,084	1,153,035,529	-	-	-	1,387,409,613
Cash and Cash Equivalents	2,023,478,163	-	-	-	-	2,023,478,163
	2,257,852,247	1,393,614,909	-	-	-	3,651,467,156
Financial Liabilities						
Loans and Borrowings	364,068,958	942,893,889	884,336,030	657,787,877	426,638,056	3,275,724,810
Trade and Other Payables	635,694,546	-	-	-	-	635,694,546
Total	999,763,504	942,893,889	884,336,030	657,787,877	426,638,056	3,911,419,356

Company As at 31 March 2026	Less than 3 Months	4 to 12 Months	2 – 3 Years	4 – 5 Years	>5 Years	Total
Financial Assets						
Other Financial Assets	-	37,841,500	-	-	-	37,841,500
Trade and Other Receivables	643,853,956	-	-	-	-	643,853,956
Cash and Cash Equivalents	73,474,772	-	-	-	-	73,474,772
	717,328,728	37,841,500	-	-	-	755,170,228
Financial Liabilities						
Loans and Borrowings	27,484,909	684,558,191	110,965,409	582,924,873	-	1,405,933,381
Trade and Other Payables	319,681,014	-	-	-	-	319,681,014
Total	347,165,923	684,558,191	110,965,409	582,924,873	-	1,725,614,395

As at 31 March 2025	Less than 3 Months	4 to 12 Months	2 – 3 Years	4 – 5 Years	>5 Years	Total
Financial Assets						
Other Financial Assets	-	36,441,500	-	-	-	36,441,500
Trade and Other Receivables	448,092,721	-	-	-	-	448,092,721
Cash and Cash Equivalents	496,281,018	-	-	-	-	496,281,018
	944,373,739	36,441,500	-	-	-	980,815,239
Financial Liabilities						
Loans and Borrowings	250,707,117	515,869,315	117,459,112	-	-	884,035,544
Trade and Other Payables	377,067,473	-	-	-	-	377,067,473
Total	627,774,590	515,869,315	117,459,112	-	-	1,261,103,017

29.4. Capital Management

Capital includes equity attributable to the equity holders of the parent. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

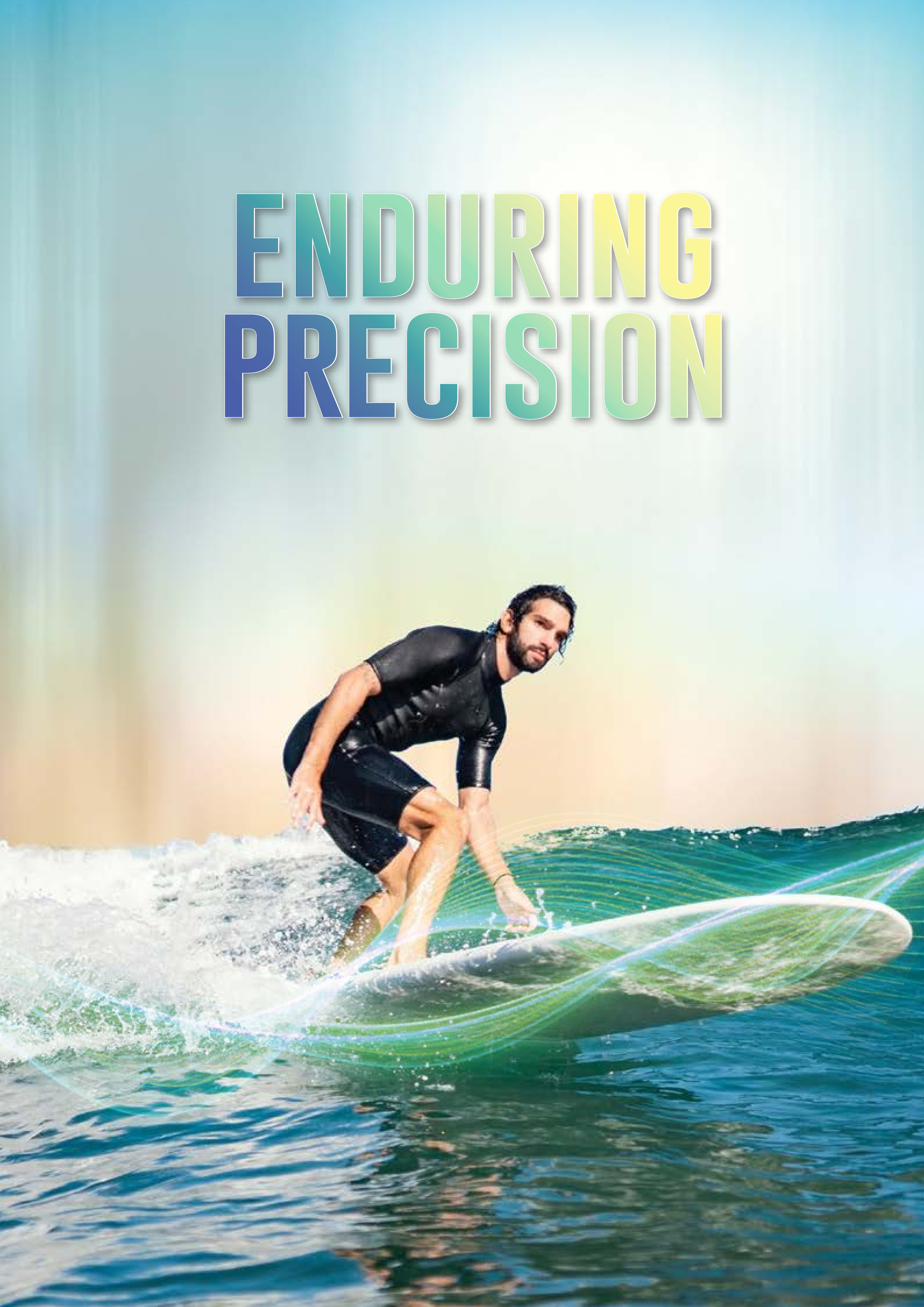
The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2026 and 31 March 2025.

The Group monitors capital using a gearing ratio, which is Interest – Bearing Loans and Borrowings divided by total Equity plus Interest-Bearing Loans and Borrowing .

	Group		Company	
Year ended 31 March	**2026**	**2025**	**2026**	**2025**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Interest – Bearing Loans and Borrowings	**4,976,076,648**	2,641,353,301	**1,209,789,219**	780,348,500
Equity	**9,655,574,948**	8,491,565,054	**3,999,438,659**	3,650,320,117
Equity & Interest – Bearing Loans and Borrowings	**14,631,651,596**	11,132,918,355	**5,209,227,878**	4,430,668,617
Gearing Ratio	**34.0%**	23.7%	**23.2%**	17.6%

ENDURING PRECISION



MARKET CAPITALIZATION

The market capitalisation of the Company remained at Rs. 21,193,713,472/- as of 31st March 2026 compared to Rs. 13,538,653,914/- as of 31st March 2025.

DIVIDEND PAYOUT RATIO

The company declared two interim dividends of Rs 0.35 and Rs. 0.30 represents a total distribution to the shareholders amounting to Rs. 669,578,203/-. This represents a dividend payout of 45% during financial year 2025/26 compared to dividend payout of 108% during the previous financial year.

PRICE TO BOOK VALUE

The price to book value ratio of the group as follows

	Voting Share	Non-Voting
As of 31 March 2026	2.28	1.88
As of 31 March 2025	1.69	1.19
As of 31 March 2024	0.94	0.73

HIGHEST AND LOWEST SHARE PRICES FOR LAST FIVE FINANCIAL YEARS

Ordinary Voting Share

Financial Year	Highest price per share (Rs.)	Lowest price per share (Rs.)	Closing price per share (Rs.)
FY 2025/26	31.00	12.90	20.80
FY 2024/25	14.90	7.00	13.50
FY 2023/24	7.20	5.10	7.20
FY 2022/23	7.40	5.70	5.90
FY 2021/22	9.20	5.40	7.10

Ordinary Non-Voting Share

Financial Year	Highest price per share (Rs.)	Lowest price per share (Rs.)	Closing price per share (Rs.)
FY 2025/26	23.50	9.20	17.10
FY 2024/25	9.70	5.70	9.50
FY 2023/24	5.90	4.10	5.60
FY 2022/23	5.50	3.90	4.60
FY 2021/22	7.50	4.20	5.50

TWENTY LARGEST SHAREHOLDERS OF VIDULLANKA PLC AS OF 31 MARCH 2026

Ordinary Voting Share

	Name	2026 Shares	%	2025 Shares	%
1	Amana Bank PLC /Mr. Osman Kassim	**137,751,552**	**14.5%**	137,751,552	14.6%
2	Mr. C.F Fuhrer	**119,357,674**	**12.5%**	119,357,674	12.6%
3	Mr. Riyaz M. Sangani	**113,356,140**	**11.9%**	90,513,823	9.6%
4	Mr. Sattar Kassim / Ms. S. S. Kassim	**102,093,327**	**10.7%**		
5	Mr. Ranjan Mather	**100,000,000**	**10.5%**	100,000,000	10.6%
6	Amana Bank PLC / Riyaz M. Sangani	**87,107,527**	**9.2%**	107,107,527	11.3%
7	Ms. R. L. Mather / Mr. Sujendra Mather	**50,897,579**	**5.3%**	50,897,579	5.4%
8	Mr. Sidath Fernando	**41,746,349**	**4.4%**	41,746,349	4.4%
9	Ms. Yumna Kunimoto	**27,415,217**	**2.9%**	27,415,217	2.9%
10	Mr. Mohamed Shafee Mohideen	**23,824,486**	**2.5%**	23,727,868	2.5%
11	Mr. Sujendra Mather	**22,372,420**	**2.4%**	22,372,420	2.4%
12	National Development Bank PLC / Riyaz M. Sangani	**21,693,158**	**2.3%**	21,693,158	2.3%
13	Mr. Ranjeet Bhanwarlal Barmecha	**12,133,909**	**1.3%**	12,133,909	1.3%
14	Amana Bank PLC /Dynawash Ltd	**9,289,953**	**1.0%**	15,046,662	1.6%
15	Amana Bank PLC / Shahid M Sangani	**6,887,029**	**0.7%**	4,664,029	0.5%
16	Hatton National Bank PLC-Senfin Growth Fund	**4,338,632**	**0.5%**	4,338,632	0.5%
17	Esanjo Capital Ltd	**4,018,576**	**0.4%**	11,388,908	1.2%
18	Ms. N. R. Mather	**3,513,228**	**0.4%**	3,513,228	0.4%
19	Mr. Shahid M Sangani	**2,986,486**	**0.3%**	3,378,136	0.4%
20	Ms. S. S. Sangani	**2,977,337**	**0.3%**	2,977,337	0.3%
-	Mr. Sattar Kassim			102,105,204	10.8%
	Top 20 Shareholders	**893,760,579**	**93.9%**	902,129,212	95.5%

Ordinary Non-Voting Share

	Name	2026 Shares	%	2025 Shares	%
1	Ms. N. R. Mather	**24,377,055**	**29.7%**	23,017,839	28.0%
2	Amana Bank PLC/Mr. Osman Kassim	**8,145,585**	**9.9%**	8,145,585	9.9%
3	Ms. R. L. Mather / Mr. Sujendra Mather	**4,541,389**	**5.5%**	4,541,389	5.5%
4	Mr. Osman Kassim/ Ms. K. Kassim / Mr. A. O. Kassim	**2,563,433**	**3.1%**	2,563,433	3.1%
5	Mr. Ranjan Mather	**2,480,487**	**3.0%**	1,724,872	2.1%
6	Ms. Yumna Kunimoto	**2,446,151**	**3.0%**	2,446,151	3.0%
7	Mr. Mohamed Shafee Mohideen	**2,072,909**	**2.5%**	2,072,909	2.5%
8	Mr. Gerald D. Michael Ranasinghe / Mrs. O. R. K. Ranasinghe	**1,693,730**	**2.1%**	1,701,388	2.1%
9	Mr. Damian Amal Cabraal	**1,500,000**	**1.8%**	1,446,179	1.8%
10	DFCC Bank PLC /Mr. P. Pranavan	**1,300,000**	**1.6%**	1,300,000	1.6%
11	Mr. Mohomed Zuraish Hifaz Hashim / Mr. N. R. M. Hashim	**989,756**	**1.2%**	1,852,434	2.3%
12	Malship Ceylon Ltd	**960,819**	**1.2%**	-	-
13	Ms. S. Haroon Admani	**952,260**	**1.2%**	952,260	1.2%
14	Mr. Asanka Ubhaya De Alwis Goonewardena	**818,474**	**1.0%**	850,694	1.0%
15	Mr. Buddhika Pathmalal Singhage	**700,000**	**0.9%**	700,000	0.9%
16	Vanguard Industries (Pvt) Ltd	**647,464**	**0.8%**	736,109	0.9%
17	Mr. Anthony Ranjit Gunasekara/ Mrs. S. R. Gunasekara	**638,015**	**0.8%**		
18	Mr. K. D. Senaka De Silva	**623,842**	**0.8%**		
19	Mr. U. D. Wickremesooriya / Ms. S. F. Wickremesooriya	**603,583**	**0.7%**		
20	Mr. Pradeep Dilshan Rajeeva Hettiaratchi	**600,000**	**0.7%**	652,199	0.8%
-	Macksons Paint Industries (Pvt) Ltd			1,361,110	1.7%
-	Ms. Farhat Farook Kassim			754,602	0.9%
-	Mr. Riyaz M. Sangani			750,615	0.9%
-	Mr. Liaqat Ally Mohamed Hisham			623,842	0.8%
	Top 20 Shareholders	**58,654,952**	**71.4%**	58,193,610	70.9%

SHAREHOLDING CLASSIFICATION : LOCAL & FOREIGN

Ordinary Voting Share

Range	Local Shareholders			Foreign Shareholders			Total Shareholders		
	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
1 to 1,000 shares	2234	618,624	0.1%	8	3,314	0.0%	2,242	621,938	0.1%
1,001 to 10,000 shares	1238	4,846,779	0.5%	9	37,811	0.0%	1,247	4,884,590	0.5%
10,001 to 100,000 shares	489	14,697,478	1.5%	5	175,551	0.1%	494	14,873,029	1.6%
100,001 to 1,000,000 shares	66	18,312,560	1.9%	4	932,605	0.1%	70	19,245,165	2.0%
Over 1,000,000 shares	27	747,071,601	78.5%	5	164,725,376	17.3%	32	911,796,977	95.8%
Total	**4,054**	**785,547,042**	**82.6%**	**31**	**165,874,657**	**17.4%**	**4,085**	**951,421,699**	**100.0%**

Ordinary Non-Voting Share

Range	Local Shareholders			Foreign Shareholders			Total Shareholders		
	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
1 to 1,000 shares	636	176,049	0.2%	4	636	0.0%	640	176,685	0.2%
1,001 to 10,000 shares	341	1,284,080	1.5%	3	20,899	0.0%	344	1,304,979	1.5%
10,001 to 100,000 shares	187	6,226,660	7.6%	4	176,708	0.2%	191	6,403,368	7.8%
100,001 to 1,000,000 shares	64	21,553,406	26.3%	4	1,554,398	1.9%	68	23,107,804	28.2%
Over 1,000,000 shares	9	48,674,588	59.3%	1	2,446,151	3.0%	10	51,120,739	62.3%
Total	**1,237**	**77,914,783**	**94.9%**	**16**	**4,198,792**	**5.1%**	**1,253**	**82,113,575**	**100.0%**

SHAREHOLDING CLASSIFICATION : ENTITIES & INDIVIDUALS

Ordinary Voting Share

Range	Individuals			Entities			Total Shareholders		
	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
1 to 1,000 shares	2,215	612,780	0.1%	27	9,158	0.0%	2,242	621,938	0.1%
1,001 to 10,000 shares	1,198	4,645,094	0.5%	49	239,496	0.0%	1,247	4,884,590	0.5%
10,001 to 100,000 shares	447	13,066,913	1.4%	47	1,806,116	0.2%	494	14,873,029	1.6%
100,001 to 1,000,000 shares	51	13,431,116	1.4%	19	5,814,049	0.6%	70	19,245,165	2.0%
Over 1,000,000 shares	21	634,893,842	66.7%	11	276,903,135	29.1%	32	911,796,977	95.8%
Total	**3,932**	**666,649,745**	**70.1%**	**153**	**284,771,954**	**29.9%**	**4,085**	**951,421,699**	**100.0%**

Ordinary Non-Voting Share

Range	Individuals			Entities			Total Shareholders		
	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
1 to 1,000 shares	632	175,046	0.2%	8	1,639	0.0%	640	176,685	0.2%
1,001 to 10,000 shares	327	1,230,732	1.5%	17	74,247	0.1%	344	1,304,979	1.6%
10,001 to 100,000 shares	168	5,427,710	6.6%	23	975,658	1.2%	191	6,403,368	7.8%
100,001 to 1,000,000 shares	49	16,554,554	20.2%	19	6,553,250	8.0%	68	23,107,804	28.2%
Over 1,000,000 shares	8	41,675,154	50.7%	2	9,445,585	11.5%	10	51,120,739	62.2%
Total	**1,184**	**65,063,196**	**79.2%**	**69**	**17,050,379**	**20.8%**	**1,253**	**82,113,575**	**100.0%**

Public Shareholding as of 31 March 2026

	Ordinary Voting Share	Ordinary Non-Voting Share
Issued No of shares	951,421,699	82,113,575
Public Shareholding	260,810,190	62,848,504
Public Holding	27.4%	76.5%
Public Holding - No of Shareholders	4,070	1,242
Non-Public Shareholding	690,611,509	19,265,071
Non-Public Shareholding	72.6%	23.5%
Non-Public Holding - No of Shareholders	15	11
Existing Floated adjusted Market Capitalisation (Rs.)	5,424,851,952	1,074,709,418
Option for Compliance	Option 2 of 7.13.1 (b) of the Listing Rules	

(in '000 otherwise stated)	2026	2025	2024	2023
	Rs.	Rs.	Rs.	Rs.
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	**9,994,185**	7,417,463	7,775,877	8,282,246
Right of Use Assets	**168,063**	142,127	189,995	197,503
Investment in Joint Ventures	**2,255,332**	1,512,589	1,127,498	772,120
Other Project Investments	**253,643**	62,700	49,807	76,378
Goodwill	**141,853**	143,336	204,818	206,883
Other assets	**363,074**	24,378	50,814	80,925
	13,176,150	9,302,593	9,398,810	9,616,055
Current Assets	**3,973,923**	3,892,840	3,620,655	3,407,723
Total Assets	**17,150,073**	13,195,434	13,019,465	13,023,778
Equity & Liabilities				
Total Equity	**9,655,575**	8,491,565	7,528,840	6,889,285
Total Loans and Borrowings	**4,976,077**	2,641,353	3,157,856	3,975,948
Total Capital Employed	**14,631,652**	11,132,918	10,686,697	10,865,233
Other Liabilities	**2,518,421**	2,062,515	2,332,768	2,158,545
Total Equity & Liabilities	**17,150,073**	13,195,434	13,019,465	13,023,778
Operating Results				
Group Revenue	**3,827,141**	5,424,848	5,692,546	3,836,435
Gross Profits	**2,800,749**	2,949,195	3,191,325	2,720,321
Operating Profits	**2,429,284**	2,826,155	2,714,335	2,248,750
Profit Before Tax	**2,070,918**	2,539,043	2,242,006	1,649,743
Profit After Tax	**1,551,158**	1,577,471	1,353,186	1,023,010
Cash generated from Operating Activities	**2,638,157**	3,715,667	2,913,009	2,618,993
Cash utilized in Investing Activities	**3,327,845**	275,809	431,198	986,281
New Capacity Added (MW)	**25.0**	-	2.0	10.0
Generation (GWh)	**229.4**	198.7	215.2	183.2
Emission Reduction (in tonnes of CO_2 equivalent)	**116,047**	149,949	142,294	106,727
Key Indicators				
Net Profit Margin (%)	**40.5**	29.1	23.8	26.7
ROE (%)	**16.1**	18.6	18.0	14.8
ROA (%)	**14.2**	21.4	20.8	17.3
Earning per Share (Rs.)	**1.45**	1.56	1.35	1.02
Dividend per Share (Rs.)	**0.65**	1.70*	0.36	0.20
Net Asset Value Share (Rs.)	**9.11**	7.99	7.69	7.07
Current Ratio (No. of times)	**1.69**	2.10	1.61	1.54
Equity Asset Ratio (No. of times)	**1.78**	1.55	1.73	1.89
Asset Turnover Ratio (No. of times)	**0.22**	0.41	0.44	0.29
Gearing Ratio (%)	**34.0**	23.7	29.5	36.6

* includes a Rs.1.20 script dividend

2022	2021	2020	2019	2018	2017
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
7,521,971	5,677,115	4,932,209	4,116,382	4,057,474	3,519,594
186,827	172,118	169,148	-	-	-
623,833	629,673	572,995	537,798	319,172	327,305
81,566	79,879	91,991	92,716	112,929	134,519
259,355	275,692	277,175	249,000	215,879	215,879
48,317	47,084	26,150	26,045	10,008	3,541
8,721,868	6,881,561	6,069,668	5,021,941	4,715,463	4,200,838
2,784,024	1,410,193	1,312,820	767,337	587,862	504,205
11,505,892	8,291,754	7,382,488	5,789,278	5,303,325	4,705,043
5,725,127	3,644,926	3,000,797	2,753,369	2,212,155	1,807,590
4,357,951	3,846,807	3,397,825	2,672,769	2,629,451	2,604,609
10,083,077	7,491,733	6,398,622	5,426,138	4,841,606	4,412,199
1,422,814	800,021	983,866	363,140	461,719	292,844
11,505,892	8,291,754	7,382,488	5,789,278	5,303,325	4,705,043
2,567,672	1,797,070	1,440,380	1,281,956	974,838	534,754
1,879,819	1,205,147	1,062,483	980,401	726,369	391,062
1,654,858	1,125,011	899,346	917,576	908,559	199,934
1,357,075	814,920	582,099	624,212	649,490	40,715
865,877	594,951	361,662	527,318	509,220	41,677
1,664,361	1,161,248	899,154	729,590	866,127	465,004
311,010	735,787	916,675	60,370	431,244	1,392,648
1.9	7.3	3.3	-	1.4	8.5
185.9	139.6	114.9	108.0	92.6	48.5
108,300	81,355	66,578	68,040	58,338	30,555
33.7	33.1	25.1	41.1	52.2	7.8
15.1	16.3	12.1	19.2	23.0	2.3
14.4	13.6	12.2	15.8	17.1	4.2
0.93	0.68	0.41	0.62	0.60	0.05
0.30	0.10	0.23	0.15	0.20	0.10
5.99	4.21	3.51	3.24	2.66	2.41
1.61	0.99	0.81	1.11	0.48	0.53
2.01	2.27	2.46	2.10	2.40	2.60
0.22	0.22	0.20	0.22	0.18	0.11
43.2	51.3	53.1	49.3	54.3	59.0

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the 30th Annual General Meeting of Vidullanka PLC will be held on 24th September 2026 at 9.30 am via audio visual technology at the registered office of the Company, Level 4, Access Tower, No. 278, Union Place, Colombo 02 for the following purposes:

1. Consider and adopt the Audited Financial Statements for the year ended 31st March 2026 together with the Annual Report of the Directors thereon.
2. Re-elect following Directors by Rotation in terms of Article 20.5 of the Articles of Association of the Company.
   a). Ms. Deepthie Wickramasuriya
   b). Mr. Sujendra Mather
3. Re-appointment of Directors in terms of Section 211 of the Companies Act No.07 of 2007 and following resolutions to be passed for this purpose, if thought fit;

   a). Mr. Osman Kassim

   IT IS HEREBY RESOLVED:

   That Mr. Osman Kassim, who is over 70 years of age, being eligible and offers himself for re-appointment, be and is hereby re-appointed as a Director in terms of Section 211 of the Companies Act and it is specially declared that the age limit referred to in Section 210 of the Companies Act shall not apply to the said Mr. Osman Kassim.

   b). Mr. Ranjan Mather

   IT IS HEREBY RESOLVED:

   That Mr. Ranjan Mather, who is over 70 years of age, being eligible and offers himself for re-appointment, be and is hereby re-appointed as a Director in terms of Section 211 of the Companies Act and it is specially declared that the age limit referred to in Section 210 of the Companies Act shall not apply to the said Mr. Ranjan Mather.

   c). Mr. Rizvi Zaheed

   IT IS HEREBY RESOLVED:

   That Mr. Rizvi Zaheed, who is over 70 years of age, being eligible and offers himself for re-appointment, be and is hereby re-appointed as a Director in terms of Section 211 of the Companies Act and it is specially declared that the age limit referred to in Section 210 of the Companies Act shall not apply to the said Mr. Rizvi Zaheed.

4. Pursuant to the provisions of Section 211 of the Companies Act, No. 7 of 2007 and in accordance with Section 9.8.3 of the Listing Rules of the CSE, as recommended by the Board of Directors, **IT IS HEREBY RESOLVED** that Mr. Rizvi Zaheed continue to hold office as a Director of the Company, notwithstanding the provisions of Section 210 of the companies Act No. 7 of 2007 and be classified as an Independent Director in terms of Section 9.8.3 of the Listing Rules of the CSE.
5. Re-appoint the retiring Auditors M/s Ernst & Young, Chartered Accountants for the ensuing year and authorize the Directors to determine their remuneration.
6. Authorize the Directors to determine contributions to charities for the financial year 2026/2027.

By order of the Board VIDULLANKA PLC

(Sgd.)
Mrs. C. Salgado
MANAGERS & SECRETARIES (PVT) LTD
Secretaries

25 August 2026

Note:

1. A member entitled to attend and vote at the above meeting is required to complete and submit a pre-registration form in order to ensure participation at the AGM of the Company.
2. Only members of Vidullanka PLC are entitled to take part at the AGM of Vidullanka PLC.
3. A pre-registration form is enclosed for this purpose to be completed by Vidullanka PLC Shareholders only. Alternatively, the registration could be completed via the company web site www.vidullanka.com
4. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his/her behalf. A proxy need not be a member of the Company. A form of proxy is enclosed for this purpose.
5. The instruments for pre-registration and appointing a proxy must be completed and deposited at the Registered Office of the Company, Vidullanka PLC, Level 04, Access Tower, No. 278, Union Place, Colombo 02, or e-mailed to agm@vidullanka.com and samanga@msl.lk not less than Forty Eight hours prior to the time appointed for holding the meeting.

FORM OF PROXY

NIC/P.P/Co. Reg. Number*

I/We, the undersigned ....bearing NIC ....

of .... being a member/s of Vidullanka PLC, do hereby appoint

- Full name of proxy - ....
- NIC of Proxy - ....
- Address of Proxy - ....
- Contact Numbers - Land ...., Mobile .... Email address ....

or failing him / her

Mr. Osman Kassim	or failing him
Mr. Riyaz M. Sangani	or failing him
Mr. Shahid M. Sangani	or failing him
Mr. Ranjan Mather	or failing him
Mr. Sidath Fernando	or failing him
Mr. Sattar Kassim	or failing him
Mr. M. Rizvi Zaheed	or failing him
Ms. Deepthie Wickramasuriya	or failing her
Mr. Sujendra Mather	or failing him
Prof. Anura Wijayapala	

as my/our Proxy to represent me/us, vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 24th September 2026 at 9.30 am via Audio/Video (virtual AGM) and at any adjournment thereof and at every poll which may be taken in consequence thereof.

Please mark your preference with "X".

Ordinary Resolution	For	Against	Abstained
1. Re-election of Directors in terms of Article 20.5 of Articles of Association of the Company.			
a). Mr. Deepthie Wickramasuriya			
b). Mr. Sujendra Mather			
2. Re-election of Directors in terms of Section 211 of the Companies Act No. 7 of 2007.			
a). Mr. Osman Kassim			
b). Mr. Ranjan Mather			
c). Mr. Rizvi Zaheed			
3. Continuation as an Independent Director in terms of Section 9.8.3 of the Listing Rules of the CSE.			
a). Mr. Rizvi Zaheed			
4. Re-appointment of the retiring Auditors M/s Ernst & Young, Chartered Accountants for the ensuing year and authorize the Directors to determine their remuneration.			
5. Authorize the Directors to determine contributions to charities for the financial year 2026/2027.			

Signed this .... day of .... 2026 Signature

Please see overleaf for Instructions for completion.

Notes:

* Please indicate your NIC / Passport No. /Co. Reg. No. on the top of the form of Proxy.

** Please indicate with an "x" in the space provided, how your Proxy is to vote on the Resolutions.

If no indication is given, the Proxy in his discretion will vote as he thinks fit.

INSTRUCTIONS FOR COMPLETION OF PROXY

1. In order to appoint a proxy, this form shall in the case of an individual be signed by the shareholder or by his/her Attorney and in the case of a company/corporation, the form of proxy must be under its Common Seal, which should be affixed and attested in the manner prescribed by its Articles of Association.
2. The full name, NIC No. and address of the Proxy holder and of the Shareholder appointing the Proxy holder should be entered legibly in the form of proxy.
3. The duly completed form of proxy must be deposited at the Registered Office of the Company at "Vidullanka PLC, Level 4, Access Tower, No. 278, Union Place, Colombo 02", or e-mailed to agm@vidullanka.com or samanga@msl.lk not later than 48 hours prior to the time appointed for holding of the meeting.
4. In the case of a proxy signed by an Attorney, the relevant Power-of-Attorney or a certified copy thereof should also accompanied the completed form of proxy and must be deposited at the Registered Office of the Company or email as above noted.

NOTES

CORPORATE INFORMATION

COMPANY STATUS

Public Limited Liability Company Listed in the Colombo Stock Exchange on 10th June 2005.

RE-REGISTRATION DATE & NUMBER

27th September 2007

PQ 83

COMPANY SECRETARY

Managers & Secretaries (Pvt) Ltd

No 10, Gothami Road

Colombo 08.

STATED CAPITAL

Rs. 3,031,341,896/-

ISSUED NUMBER OF SHARES

Voting Shares	– 951,421,699 Nos
Non-Voting Shares	– 82,113,575 Nos

REGISTERED OFFICE

Level 04, Access Towers
No 278, Union Place
Colombo 02.

Telephone	– 011 4760000
Fax	– 011 4760076
Email	– info@vidullanka.com
Web	– www.vidullanka.com

AUDITORS

M/s. Ernst & Young, Chartered Accountants
Rotunda Towers, No. 109, Galle Road
P.O. Box 101,
Colombo 03, Sri Lanka

INVESTOR RELATIONS OFFICER

Email	– parthipans@vidullanka.com

BANKERS

Amana Bank PLC

Hatton National Bank PLC

Commercial Bank of Ceylon PLC

Bank of Ceylon

NDB Bank PLC

Seylan Bank PLC

DFCC Bank PLC

MCB Bank Limited

Stanbic Bank Uganda Limited

Diamond Trust Bank Uganda Limited

Bank of Nova Scotia (Guyana)

OCBC Bank (Singapore)

WEBSITE

www.vidullanka.com

Designed & Produced by
mediaWIZE®
Annual Reports

VIDULLANKA PLC

Level 04, Access Towers,
No. 278, Union Place, Colombo 02,
Sri Lanka.

www.vidullanka.com