Integrated Annual Report
2025/26

Our Value Creation Story

Holding true to our purpose



SINCE 1844
Cargills

The Cargills story has always been rooted in nurturing meaningful connections: between farmers and consumers, between local communities and opportunity, between everyday needs and long-term national progress.

Across Sri Lanka, these connections are lived out each day through our island-wide ecosystem that brings together agriculture, manufacturing, distribution, retail, and food service. From farmgate collection to family tables, from strengthened local livelihoods to dependable national food access, Cargills continues to play a role that is both practical and deeply human, helping keep food quality, availability, and affordability within reach for families across Sri Lanka.

This year, taking stock carries a deeper meaning. It reflects not only the scale of what Cargills has built, but the responsibility of sustaining it with care. Sustainability and climate-related considerations continue to take a more defined place as our integrated reporting journey continues to evolve, bringing sharper focus not only to this year's performance, but also our resilience, governance, impacts, and long-term value creation.

At its heart, this is a story of continuity and care: strengthening the systems that nourish Sri Lanka, while protecting these connections, resources, communities, and people that give Cargills its purpose.

Our Value Creation Story:
Holding true to our purpose

Cargills (Ceylon) PLC

Integrated Annual Report 2025/26

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Our Vision

To be a global corporate role model in community-friendly national development

Our Mission

Serve the rural community, our customers and all other stakeholders, through our core business – food with love – and other related businesses, based on the three main principles of:

– Reducing the cost of living

– Enhancing youth skills

– Bridging regional disparity

by enhancing local and global markets.



SINCE 1844 Cargills



Preamble

The Cargills Journey



From a traditional retailer to a leading food company serving the needs of the community, this is the story of our evolution over the years:

The Cargills business model evolved step by step, transforming it from a traditional retailer to a food company serving the needs of all communities across the country. Prior to 1983, the business was limited to four (4) upmarket department stores in Colombo, Nuwara Eliya, Kandy, and Bandarawela, catering to an urban demographic. At its inception in 1844, Cargills was a general warehouse, import, and wholesale business.



Cargills building in Kandy

Cargills Fort building in Colombo (Top)

1983



Today, Cargills is Sri Lanka's largest food company, renowned for its role in building communities and creating sustainable markets for local producers. This change in the business model started in 1983, when the first "Cargills Food City" supermarket was opened at Staple Street in Colombo.

First supermarket at Staple Street Colombo 02

While many in Sri Lanka regard Cargills as the pioneer of modern trade in the country, in reality, there were a handful of standalone supermarkets before us. However, recognising the opportunity in the market, Cargills entered the supermarket industry and more importantly, took on the mantle of taking supermarkets beyond the urban elite, introducing the concept to communities across the country. This milestone marked Cargills' first meaningful entry into the food industry. During the years that followed, we gradually expanded the supermarket business to different parts of the country.



Opening of the first supermarket at Staple Street Colombo 02, on the 26 of October 1983

1993



Going beyond retailing

In 1993, we ventured into the smallgoods processing industry, acquiring the "Goldi" brand and a processing facility to support our retail operation.

The Goldi Processing Facility (Top)

We had identified destination categories within our supermarkets. Fresh meat and processed meats were such destination categories, which had a loyal customer base. The acquisition helped us improve our destination category across the retail chain, by providing a better and larger offering. Over time, we expanded our brand to all parts of the country, making it a national brand serving all channels. More recently, we expanded capacity by setting up a new halal-certified plant, to cater to diverse market segments. A venture which started with the main focus of serving our own supermarkets has now developed to become the leading smallgoods processing business in the country, with our products also penetrating markets beyond Sri Lanka.



Aerial view of the Ja-Ela convenience food processing facility

1996



Today, over 90% of the raw materials used in our QSR business are sourced locally, building markets for local poultry farmers and raw material suppliers. KFC continues to lead the Sri Lankan QSR industry, cementing its position as the market leader, while contributing to the growth of the local economy.

When we entered the Quick Service Restaurants (QSR) business in 1996 with the introduction of the KFC franchise to Sri Lanka, we had a vision to develop the local poultry industry. However, our journey was not without challenges. A major roadblock came early on in 1997, when an island-wide power crisis caused substantial economic losses to our business. Despite these setbacks, we continued to learn from our experiences and innovate, maintaining our commitment to providing what the local consumer wanted – an international product with a local twist.

By customising our menu to cater to Sri Lankan taste preferences, we introduced new products such as KFC Biryani and KFC Kottu which became local favourites. This was the first time in KFC's history that a franchisee had introduced a rice dish – namely KFC Biryani, to the menu. These innovative products became instant hits and have been a key part of the success of KFC Sri Lanka.

KFC is the leading Quick Service Restaurant chain in Sri Lanka today (Top)



The turning point

The real turning point came in 1999. That year, a visit to Hanguranketha located in the central hills of Sri Lanka, by Ranjit Page – current CEO and Deputy Chairman, brought a transformative shift in Cargills' philosophy.

Beneficiary of the model stated in 1999 (Top)

During this encounter, we heard the cries of the farming community. The farmers' dependence on middlemen, lack of access to credit, and weak logistics that led to significant post-harvest losses were evident.

This pivotal encounter inspired us to address these issues directly and reimagine our approach. We shifted from primarily serving urban areas to engaging with and supporting the rural economy. By connecting small producers directly with the market and eliminating middlemen, we were able to offer farmers better prices and improve their livelihoods. This marked our transition from a traditional retailer to one that actively serves the community and creates shared value.

In 1999, we set up our first Fresh Collection Centre (FCC) in Hanguranketha, which was the beginning of an impactful and transformative journey. This encounter also inspired us to change the Company's vision and mission statement in 2007 to the ones that stands today, to reflect our new purpose and philosophy.



Farmer handing over the produce to a Cargills agriculture extension officer

As of 1999, Cargills had only 18 Food City stores, 1 processing facility, and 1 restaurant.

Energised by our new philosophy, the following years saw a rapid expansion of the retail network and marked an expansion in our FMCG presence.

What started out as a single truck of produce from Hanguranketha to Colombo quickly turned into several trucks, and in no time, we established several FCCs across the country to create markets for farmers all over the island. These strategically located FCCs in various agro-ecological zones allowed us to ensure the availability of fresh produce year-round, further enhancing our ability to serve both the farmers and customers. In the years that followed, we rapidly expanded our reach.

We invested in supply chain logistics, improved handling, and introduced refrigerated transport and storage to maintain freshness. These initiatives significantly minimised post-harvest losses. Taking a step further, we started our farmer extension services which to date provides technical inputs to farmers. Our innovative approach to building up the capacity and profitability of the farming community was recognised locally and internationally.



Our outgrower farmers engaged in climate smart agriculture practices

Our model was studied by the World Bank and the Gates Foundation, which highlighted the benefits arising from the supply chain, with a higher price for the farmer, lower prices for the consumer, and reduced wastage.

Many years later, we were invited to share our thoughts about this successful operating model at leading forums, including the Consumer Goods Forum, Cornell University, Michigan State University, and the Gates Foundation.



"We propose that a case study be developed about Cargills which highlights the information supply and technical support networks which have been developed to benefit smallholders, consumers, and Cargills alike. Special attention will be given to the multiplier impact that Cargills has had on the broader agricultural sector in Sri Lanka. Lessons will be drawn from this country-wide success story for the benefit of private and public sector initiatives in both South Asia and Sub-Saharan Africa".

WorldAgInfo Project Report

Bill and Melinda Gates Foundation
June 2007

This journey which commenced in 1999 with a single truck transporting produce from Hanguranketha to Colombo has evolved to become the largest agriculture-based supply chain in the country. Today, we are the single largest collector of fruits and vegetables in Sri Lanka.

"Another example of a leap-of-faith goal comes from Cargills (Ceylon) PLC, the biggest producer and retailer of food in Sri Lanka. Under the leadership of CEO Ranjit Page, Cargills has embarked over the last decade on an innovative approach to building up the capacity and profitability of the farming community in Sri Lanka".

Reinventing Management: Smarter Choices for Getting Work Done, Julian Birkinshaw, 2010

(Professor of Strategy and Entrepreneurship, London Business School)

The Cargills Journey >

2002



Two decades on, Cargills has become the leading milk collector in Sri Lanka. Our progress has been driven by continuous innovation and a steadfast focus on value addition, which in turn has broadened opportunities for dairy farmers across the island.

When a multinational company exited Sri Lanka in 2002, leaving behind its ice cream manufacturing facility, Cargills stepped in to acquire the plant. We viewed this not merely as a business opportunity but as a means to reduce the outflow of foreign exchange and strengthen local production capacity. The factory, which had previously relied on imported milk powder and vegetable fat, was transformed into a fresh milk-based ice cream operation by integrating it with Sri Lanka's network of smallholder dairy farmers. In doing so, we reinstated the factory's workforce – right down to the third and fourth tiers – safeguarding their livelihoods and preserving institutional knowledge.



Inside the Banduragoda Dairy Facility

Cargills Dairy Facility in Banduragoda (Top)

Inspired to build a truly inclusive dairy model, we looked to India, where a cooperative system centred around smallholder farmers had revolutionised the industry – turning the country from a milk-deficit nation into a milk exporter. During our visit, we met Dr Verghese Kurien, the architect of India's White Revolution, whose conviction and insight convinced us that Sri Lanka could follow a similar path. We invited his support, and upon his recommendation, a senior dairy expert from India came to lead our dairy business. This became the cornerstone of our long-term success in the dairy sector.

Beyond fresh milk, we pioneered the use of locally sourced fresh fruit in our ice cream, creating unique, homegrown offerings for Sri Lankan consumers. Through sustained investment in product development and value addition, we contributed to the transformation of the local ice cream industry. The national ice cream industry transformed from a 12-million litre market in 2002 to nearly 90 million litres annually today.

Where once a single legacy brand dominated, our ice cream products now hold over 40% market share, earning us leadership in the industry.

That same year, we acquired the KIST brand, then primarily focused on manufacturing jams, cordials, and sauces. While we continued to develop and strengthen these core product lines, the real turnaround came with the introduction of fruit nectars – a category we entered shortly after the acquisition. We focused on crafting fruit-based beverages made with fruits unique to Sri Lanka, leveraging local flavours to create differentiated offerings.

This innovation enabled us to expand beyond the traditional food segment and transform KIST into the country's leading fruit-based beverage company.



Magic ice cream freezer truck

In recent years, we have continued to diversify the portfolio by introducing energy drinks and carbonated beverages, positioning KIST as a complete and competitive beverage company.



KIST Processing Facility in Katana

2007



One of the key initiatives born from this reflection was the establishment of the Albert A Page Institute (AAPI)—a training academy launched in 2007 with the vision of equipping young people with skills and professionalism in the food and retail sectors.

An AAPI training session (Top)

Sri Lanka was struck by the devastating tsunami on 26 December 2004, which claimed countless lives and inflicted severe economic hardship. In the aftermath, we reflected deeply on how we could contribute meaningfully to the country's rebuilding efforts – particularly by empowering our youth.

It provided us with a platform to document our own learnings and share them with the next generation. Over time, the institute became our internal training hub, helping to professionalise the food retail workforce and upskill young Sri Lankans with competencies that make them employable both locally and globally.

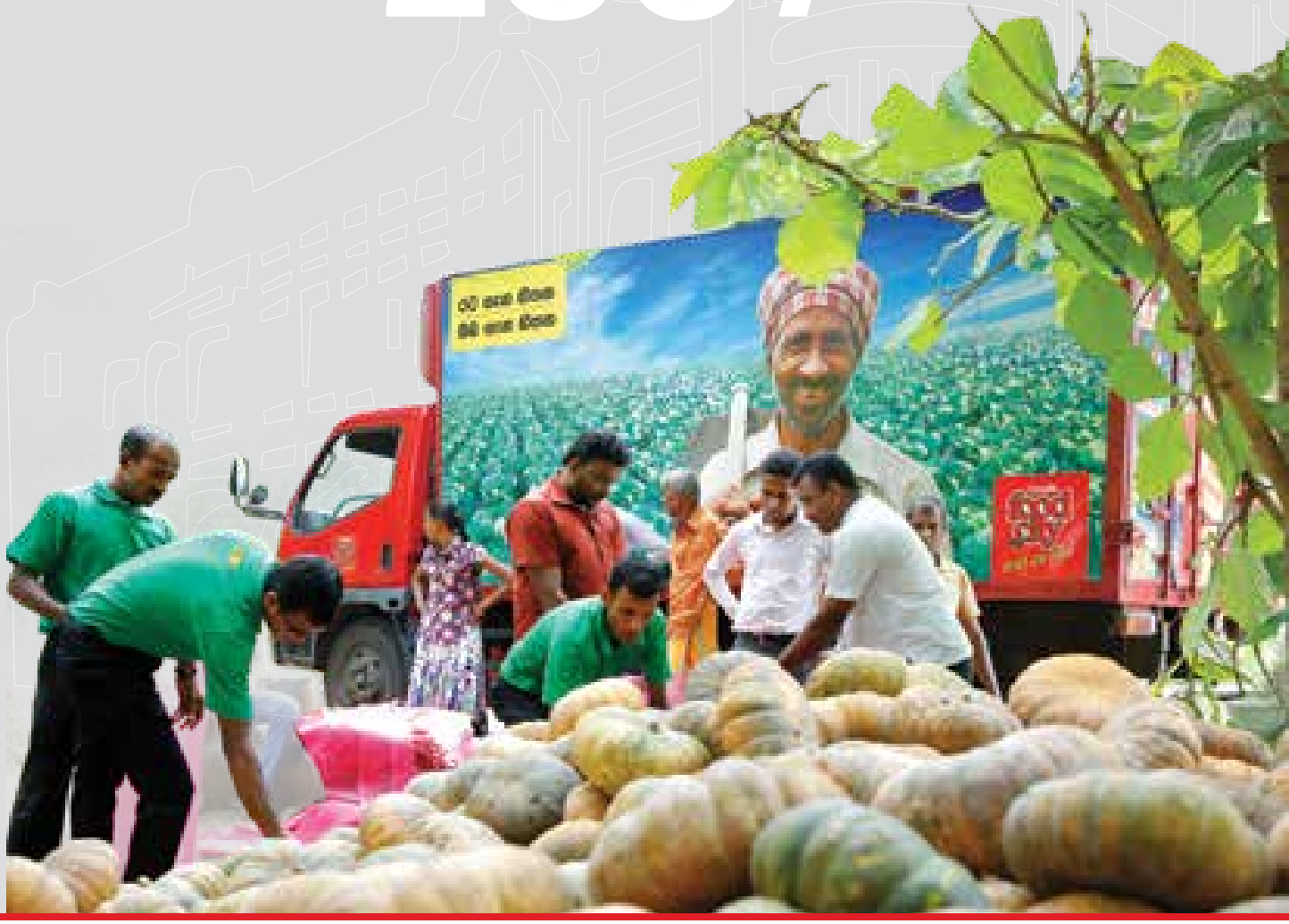
To further elevate training standards, we introduced structured learning programmes and global certifications through our partnership with the US-based Independent Grocers Alliance (IGA), exposing our team to international best practices.

In 2022, we took a bold step forward by fully digitalising the training academy – making all courses and learning materials accessible anytime, anywhere, via smart phones and computers.



Cargills team members accessing online training modules and certifications

2007



Following the end of the civil war in 2009, we accelerated our investments in both the North and the East, driven by a commitment to support the hard-won peace by fostering sustainable livelihoods and inclusive economic opportunities.

Collection of agri produce in the Northern Province (Top)

Cargills became the first private enterprise to establish operations in the Northern Province in 2004 with the opening of a Cargills Food City outlet in Vavuniya. In 2007, we extended our presence to the Eastern Province by opening our first store in Trincomalee – once again becoming the first leading blue-chip company to enter the region.

Our aim was not just to expand business, but to help rebuild communities that had long been marginalised by conflict.



Farmer in Northern Province

The Cargills Journey >

2008



In 2008, we launched the Sarubima Fund – a dedicated welfare initiative for our agriculture and dairy farmer network.

What began as a modest effort has since evolved into a broad-based empowerment platform. Through Sarubima, Cargills supports farming communities with educational scholarships for children, training resources for professional advancement, credit insurance, and strategic investments in local infrastructure development – all aimed at building a more resilient rural economy.



Rural school infrastructure upgraded with support from the Cargills *Sarubima* Farmer Welfare Fund

Scholarship distribution ceremony of the *Sarubima* Fund (Top)

2010



Since then, Kotmale has grown to become the largest value-added dairy company in Sri Lanka, reflecting our unwavering commitment to creating value across the entire supply chain—from farmer to consumer.

Kotmale Dairy Processing Facility (Top)

In 2010, we acquired Kotmale – a small value-added dairy company at the time – with the aim of deepening our engagement with the rural dairy farming community, a journey that had begun in 2002.

That same year, we expanded further in the FMCG sector by acquiring a confectionery plant in Matale. Our objective was not merely to enter the category, but to capitalise on a market opportunity by offering high-quality, value-added confectionery products at an affordable price—capable of standing alongside imported alternatives.

We also acquired a water bottling facility nestled in the scenic Knuckles Mountain Range. What made this facility unique was its natural spring source, yielding just 25,000 litres per day—a gentle reminder of both the beauty and scarcity of our natural resources. Bottled at source, the product embodies our philosophy of balancing commercial ambition with environmental sensitivity.



Matale Confectionery Plant acquired in 2010)

2013



That same year, we also opened Cargills Square Jaffna – the first shopping and entertainment complex in the Northern Province and, at the time, the largest private sector investment in the region.

In 2013, we launched the KIST Kilinochchi fruit processing facility with a vision to reinvigorate the region's agricultural economy and tap into previously unexplored markets. The project also played a vital social role – providing employment to war widows and helping transform their lives through meaningful, dignified work.

To further integrate the Northern and the Eastern regions into the national economy, we established vegetable and milk collection centres, and made significant investments in logistics infrastructure. These efforts created vital links between the region's agricultural communities and markets across the country.



KIST Kilinochchi Fruit Processing Facility

Team members engaged in primary food processing in Kilinochchi (Top)

2014



A customer making a banking transaction at a Cargills Food City outlet (Top)

One of the cries of the farmers we met in 1999 was the difficulty in accessing credit. In 2011 we saw the opportunity to address this issue, and hence the Cargills Bank was first conceptualised, and later launched in 2014, with a vision to be the most inclusive bank in the country by leveraging the distribution strength of Cargills and its trusted brand heritage.

With the opening of the Bank, our intention was to support the farmers and the micro, small, and medium-scale enterprise (MSME) entrepreneurs who face significant challenges in accessing credit. With access to the extensive Cargills Food City supermarkets through an Agency Banking arrangement, the Cargills Bank provides added convenience and banking hours to customers. The Bank benefits from the numerous partners and touchpoints across the Cargills Group ecosystem, and beyond.



Cargills Bank booth at a Cargills Food City outlet

2018



Since its inception, the programme has reached over 70,000 preschool children across 752 schools in 15 districts spanning 7 provinces. In parallel, we have trained and upskilled more than 4,066 preschool teachers and 363 divisional officers, building capacity while raising the quality of early education across the country.

In 2018, we established the Cargills Foundation to lead new community development initiatives that extend beyond our core businesses. The Foundation's first major undertaking was in early childhood education – a focus area we identified as crucial for Sri Lanka's long-term development.

Preschool children exposed to a blended learning models that develop English language skills from an early age (Top)



Cargills Foundation's Early Childhood Education programme for preschools

2020



When the pandemic struck in 2020, it brought with it an entirely new set of challenges. Our immediate priority was to safeguard and build the confidence of our team. At the same time, we rapidly re-engineered our operations to meet the urgent needs of our customers– launching our e-commerce platform, Cargills Online, to enable doorstep delivery of essential goods. To reach even more communities, we introduced Sri Lanka's first supermarket on wheels – a container stocked with essentials and mounted on a truck – bringing groceries directly to households during lockdowns and periods of restricted mobility.

The pandemic also severely disrupted market access for farmers and SMEs. But we stood by them. True to our philosophy, we continued collecting every ounce of milk, just as we had before, ensuring our farmers had a steady market and income during a time of great uncertainty. Our factories and distribution operations remained active throughout, operating under strict health and safety protocols to ensure uninterrupted access to food for families across the country.

In response to the challenges faced by small-scale entrepreneurs, we also launched **Cargills Village to Home** – an initiative designed to connect rural and home-based producers with urban markets by leveraging our Food City retail network and deep experience in product distribution. Since its inception, the programme has supported **over 1,200 SMEs,** helping them sustain their businesses and expand their customer reach during one of the most difficult periods in recent history.



Cargills 2 Home: Supermarket on Wheels

Cargills Online app and web platform (Top)

The Cargills Journey >

2022



In 2022, we celebrated a major milestone with the opening of our 500th retail store, marking 39 years since the launch of our very first outlet in 1983.

Throughout this journey, Cargills has remained committed to building sustainable markets for farmers and small entrepreneurs, providing affordable nutrition to consumers, and bridging regional disparities, taking its investments and modern retail experiences to all parts of the island.



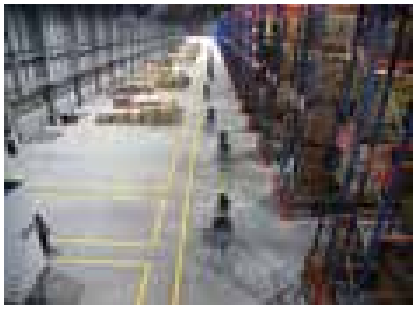
Cargills Food City team at the 500th outlet

Opening of the 500th Cargills Food City outlet (Top)

2023



In 2023, we opened a state-of-the-art distribution centre – designed to support our next phase of expansion and streamline logistics operations. This facility now serves hundreds of suppliers, including small and medium enterprises, helping them access markets throughout the country.



Inside the Katana Distribution Centre

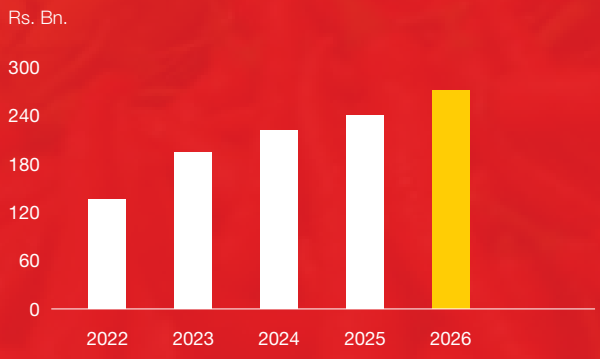
Our evolution – from a heritage department store serving an urban clientele to a leading food company serving people across the country – has touched communities across Sri Lanka in countless ways. And while the path forward will bring its own challenges, we remain steadfast in our purpose: to build people, uplift communities, and bring hope where it is needed most.

Aerial drone view of the Katana Distribution Centre is on (Top)

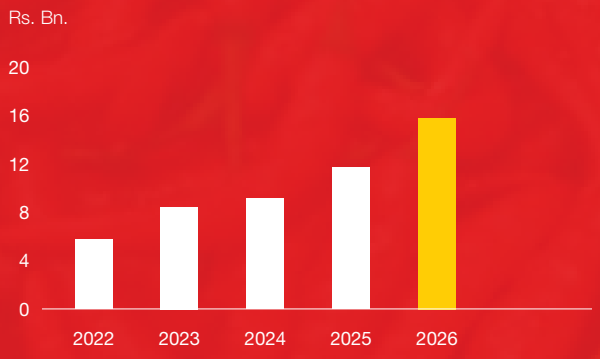
Financial Highlights



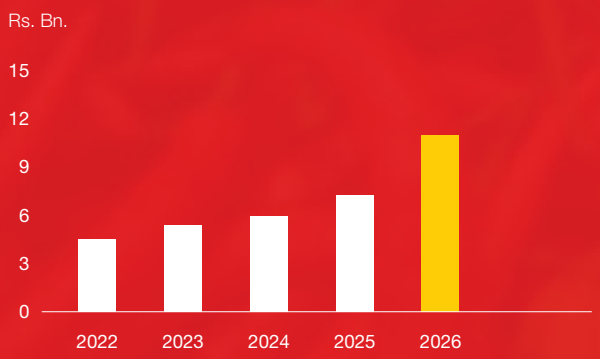
Revenue – Group



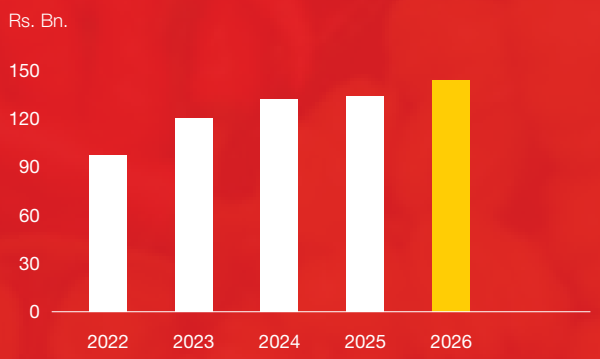
Profit Before Taxation – Group



Profit After Taxation – Group



Total Assets – Group





	Group			Company		
	2026 Rs. '000	2025 Rs. '000	Change %	2026 Rs. '000	2025 Rs. '000	Change %
Operations						
Continuing Operations						
Revenue	**272,661,701**	241,839,620	12.74	**22,869**	21,468	6.53
Profit from operations	**18,613,856**	15,212,461	22.36	**4,627,070**	4,269,638	8.37
Profit before taxation	**16,096,840**	11,829,244	36.08	**4,290,623**	4,034,674	6.34
Profit after taxation	**10,808,460**	7,270,295	48.67	**4,165,653**	3,871,752	7.59
Financial Position						
Non-current assets	**92,200,298**	86,948,193	6.04	**21,271,468**	20,587,962	3.32
Current assets	**52,706,464**	48,994,084	7.58	**2,513,404**	3,314,231	(24.16)
Current liabilities	**70,536,028**	70,201,311	0.48	**9,937,415**	9,844,620	0.94
Non-current liabilities	**28,878,792**	26,311,068	9.76	**2,601,775**	2,462,350	5.66
Capital and reserves, minority interest and other equity	**45,491,942**	39,429,898	15.37	**11,245,682**	11,595,223	(3.01)
Per Share Data (Rs.)						
Basic earnings per share	**40.85**	28.03	45.75	**16.17**	15.03	7.59
Dividends per share	**17.45**	15.30	14.05	**17.45**	15.30	14.05
Net assets per share	**160.17**	137.73	16.29	**43.64**	45.00	(3.01)
Market value per share	**688.75**	436.00	57.97	**688.75**	436.00	57.97
Cash Flow						
Net cash generated from/(used in)						
– Operating activities	**19,388,179**	13,920,469		**515,582**	324,514	
– Investing activities	**(6,850,932)**	(4,117,422)		**3,772,623**	4,056,820	
– Financing activities	**(14,228,803)**	(8,706,685)		**(4,694,423)**	(4,070,475)	

Value Creation and Impact Highlights

2025/26

Trusted Brand Legacy

Voted **People's Supermarket Brand of the Year** at the SLIM Kantar Awards 2026, marking the fifth consecutive year of recognition.

Kotmale launched the **"Nourishing Our Nation"** campaign, renewing focus on local dairy farmers, rural livelihoods and trusted dairy nutrition.

RIDE became the **Official Energy Drink Partner of Sri Lanka Cricket,** reinforcing its position as a leading locally made energy drink brand under its renewed "Real Energy" promise.

People Development

11,809 permanent team members.

51:49 female-to-male representation across the workforce.

150 additional opportunities created through internships and contract staffing.

Reducing the Cost of Living

15 new Cargills Food City stores opened, bringing the total to **556**.

Only supermarket chain present across **all 25 districts** in Sri Lanka.

Nearly **67,000** general trade outlets reached through Cargills FMCG brands beyond the supermarket network.

Island-wide single-price policy supporting fairness and accessibility for consumers regardless of location.

Enhancing Youth Skills

64% of the Cargills workforce is between **18-30 years of age**.

63,856 total training hours completed during the year.

Over 1,300 students benefited from Sarubima scholarships and vocational training, with **funding exceeding Rs. 51 Mn.**



Bridging Regional Disparity

Over **Rs. 18.9 Bn.** in direct income generated for agri and dairy farmers.

Rs. 100 Mn. contributed to national recovery and rebuilding efforts following Cyclone Ditwah.

Over Rs. 45 Mn. in food and essential supplies provided to more than 20,000 families affected by Cyclone Ditwah.

Over 10,000 dry ration packs dispatched to communities most severely affected by Cyclone Ditwah.

Over Rs. 115 Mn. allocated through the Sarubima Fund to support rural education, infrastructure and essential community services.

Over Rs. 140 Mn. mobilised for dairy farmer development, including loans, grants and farm productivity support.

Healthy, Safe, and Affordable Nutrition

60.93 million kilogrammes of fresh produce procured and delivered to the market.

60.91 million litres of fresh milk procured and delivered to the market.

Rs. 43.17 Mn. purchasing value of BeeSafe produce, supporting agrochemical-free farming.

Rs. 4.97 Mn. purchasing value of Good Harvest produce, supporting GAP-certified farming practices.

Rs. 21.99 Mn. purchasing value of organic rice crops.

38 new consumer products developed.

Playing Our Part for the Planet

987 kW of new solar capacity added across **12 retail** locations, expanding the solar footprint to **106 Cargills locations**.

Rs. 112 Mn. invested in renewable energy during the reporting period.

558,492 GJ of renewable energy generated through solar and biomass **161%** increase from last year.

62 megalitres of water recycled during the year.

Total quantity of used cooking oil diverted from disposal for conversion to biodiesel **195 MT.**

Total plastic waste diverted from landfill **261 MT.**

7 car parks paved with **3 MT** of waste plastic.

Total waste diverted from landfill through community initiatives **88 MT.**

Chairman's Message

Dear Shareholder,

I am pleased to present the Annual Report and Financial Statements of Cargills (Ceylon) PLC for the year ended 31 March 2026.

A Year of Recovery and Resilience

The year under review was marked by both recovery and disruption. Sri Lanka continued its gradual return towards economic stability, while also experiencing the impact of a severe cyclone that caused significant loss of life, displacement, and disruption across the country. On behalf of the Board, I extend my sincere sympathies to all those affected.

In times such as these, the response from communities across Sri Lanka has once again demonstrated resilience and solidarity. Across the country, individuals, organisations, and institutions came together to support those in need through relief efforts and recovery initiatives. We also acknowledge the efforts of the Government in initiating early reconstruction and support measures for affected communities.

Within this context, Cargills, together with its team members and partners, responded by supporting affected communities through a range of relief initiatives. The Group also contributed Rs. 100 Mn. to the Government's Rebuilding Sri Lanka Fund. Recovery within affected farming communities and small-scale businesses will take time, and we remain committed to supporting the gradual rebuilding of livelihoods and productive capacity across our Group's ecosystem partners.

Sri Lanka's Economic Transition

Sri Lanka's macroeconomic environment during much of the year reflected signs of stability and recovery. Inflation was largely in the low single digits during the year, while demand conditions showed steady improvement supported by improving consumer and business sentiment. External sector inflows from tourism and remittances were also encouraging, contributing to overall economic stability.

However, towards the latter part of the financial year, emerging external developments created renewed pressure on the economy. The escalation of geopolitical tensions in the Middle East from February 2026 onwards led to increases in global energy prices, upward pressure on domestic costs, and a depreciation of the currency. At the same time, tourism inflows were impacted, with visitor arrivals declining by an estimated 15–20% during the February and March period. These developments underscore the continued vulnerability of the Sri Lankan economy to external shocks and the importance of maintaining policy and structural resilience.

More importantly, Sri Lanka is entering a phase where stability alone will not define outcomes. With the economy now having crossed a per capita GDP of USD 5,000, the focus must increasingly shift towards sustaining higher levels of growth through productivity gains, investment, and private sector led development. This will require continued progress on structural reforms, policy consistency, and an environment that encourages domestic and foreign investment, while also gradually reducing the fiscal burden associated with a large and complex state sector. These priorities will be critical in ensuring that the benefits of growth are broad-based and sustainable over time.

Strengthening Our Competitive Advantage

As the economy expands from this base, we expect competition across most sectors to intensify further. In such an environment, success will be defined by relevance, agility, and execution. Cargills remains focused on strengthening the foundations that underpin long-term competitiveness, including our nationwide distribution network, integrated supply chains, partnerships with farmers and suppliers, trusted brands, and our people. Our continued focus is on ensuring that these strengths evolve in line with changing consumer expectations and a more competitive marketplace.

Over the past several years, the Group has continued to invest in strengthening these capabilities. These investments span the expansion of retail and food service networks, development of agricultural sourcing and dairy ecosystems, enhancement of manufacturing capacity, strengthening of cold chain and logistics infrastructure, support for entrepreneurship, and ongoing digital transformation initiatives. Collectively, these are intended to reinforce the Group's ability to operate efficiently and competitively in a changing environment, while continuing to serve consumers across the country.

Performance During the Year

During the year, the Group recorded revenue growth of 12.7%, alongside EBITDA growth of 22% and profit after tax growth of 49%. Performance was supported by operational efficiencies, disciplined execution, and continued focus on working capital management. The Group's balance sheet position also strengthened over the year, reflecting sustained financial discipline and resilience.

The Board declared an interim dividend of Rs. 5.75 per share during the year, compared to Rs. 4.80 per share in the previous financial year. Subsequent to the reporting period, the Board proposed a second interim dividend of Rs. 12.75 per share, compared to Rs. 11.70 per share in the previous year.

Looking Ahead

Looking ahead, we remain cautiously optimistic about Sri Lanka's medium-term economic trajectory. However, we are mindful that the operating environment will remain complex, shaped by cost pressures, global uncertainty, climate risks, and increasing competitive intensity. Against this backdrop, our focus will remain on strengthening operational efficiency, enhancing productivity across the value chain, investing selectively in strategic growth areas, and deepening our capabilities in distribution, sourcing, digital systems, and human capital development. The Group's approach will continue to be guided by disciplined execution and long-term thinking, with a clear emphasis on strengthening its competitive position in a growing but increasingly contested marketplace.

Appreciation

I extend my sincere appreciation to our team members across the country whose continued commitment enables Cargills to serve communities every day. I also thank our customers, partners, shareholders, and other stakeholders for their continued trust and confidence.

I take this opportunity to express my sincere appreciation to Mr Asite Talwatte for his invaluable guidance and contribution to the Board during his tenure as a Director. I also wish to thank Ms Tara Page for her valuable contributions to the Board. At the same time, I extend a warm welcome to Mr Suren De Silva, Mr Chulantha Wickramaratne, and Mr Zakir Mohamedally as they join the Board. I look forward to their insights and contributions as we continue to strengthen Cargills and build on its long-term vision. Finally, I express my gratitude to my fellow members of the Board for their continued guidance, counsel, and collaboration as we work together to strengthen Cargills for the future.

(Signed)

Louis Page
Chairman

30 July 2026

Group Managing Director's Message

Operating Environment

The financial year under review can be characterised as a year of two halves. The first half of the year was marked by improving macroeconomic conditions, strengthening consumer confidence, and relative stability across supply chains. Inflation remained low and stable, supporting improved purchasing power, while external sector inflows from tourism and remittances remained encouraging. The Central Bank of Sri Lanka adopted a relaxed monetary policy conducive towards growth, sustaining policy rates in the 7-8% corridor. Sri Lanka also recorded 5% GDP growth for the second consecutive year during the calendar year 2025.

The operating environment became considerably more challenging during the second half of the financial year, commencing from November onwards. Sri Lanka experienced one of its most severe natural disasters in recent history, with Cyclone Ditwah causing widespread flooding and landslides across the country, resulting in significant human and economic losses. The disaster is likely to place additional pressure on public finances, with greater resources required for reconstruction and support for affected communities.

The economic environment also became increasingly uncertain during the latter part of the financial year following the escalation of geopolitical tensions in the Middle East. The resulting increase in global energy prices, disruption to shipping routes, and increased logistics costs created additional inflationary pressures. The depreciation of the Sri Lankan Rupee and upward revisions to domestic energy tariffs further increased costs across industries. Tourism arrivals also moderated during February and March as the conflict impacted regional travel sentiment.

Cyclone Ditwah – Impact and Response

Cyclone Ditwah caused several operational challenges as the Group's operations and wider ecosystem experienced significant disruptions. A total of 60 Cargills Food City outlets, contributing approximately 9% of Retail sales, were affected to varying degrees, with approximately 15-20 stores experiencing severe flooding. A further 18 KFC restaurants, representing approximately 16% of the Restaurant's segment sales, were also impacted. Road closures and accessibility challenges disrupted logistics operations, while several manufacturing facilities, including the Kelanimulla dairy plant, the Ja-Ela processed meats facility, and the Knuckles water bottling facility, experienced temporary closures and production disruptions.

The impact extended across the Group's broader distribution and agricultural ecosystems. Disruptions to distributor points and general trade outlets affected product availability during the important festive sales period in December. Fresh produce collections fell to approximately 25% of normal levels, while milk collection declined by 20-25% during the peak of the disruption, due to both farm-level damage and accessibility constraints. Though fresh produce collections have returned to normal, milk collection volumes have been impacted by a decline in the number of cattle and disruptions to the lactating cycle of animals, causing an approximate 10% drop in milk collection volumes compared to pre-Ditwah levels.

Despite the scale of the disruption, the Group's emergency response and business continuity protocols enabled a swift and coordinated response. The safety and wellbeing of our employees remained the foremost priority, and importantly, no loss of life occurred among the team despite several high-risk situations, including emergency evacuations supported by the Armed Forces.

Teams across the Group worked tirelessly to restore operations, protect assets, support affected colleagues, and maintain the availability of essential goods. Alternative supply routes were established, critical inventories were secured, and affected factories and outlets were progressively restored to operation.

Through the Cargills Heart for the Nation initiative, the Group undertook extensive relief efforts, distributing more than 10,000 dry-ration packs across the most affected districts in coordination with District Secretariats and the Disaster Management Centre. Support programmes were also initiated for affected employees, farmers, suppliers, and small business partners, recognising that rebuilding livelihoods and restoring productive capacity would require a sustained effort over time.

The cyclone resulted in damage to Group assets, inventory, and infrastructure amounting to approximately Rs. 858 Mn. Insurance recoveries recognised during the financial year amounted to Rs. 650 Mn., with the balance expected to be recovered during FY 2026/27.

Group Performance

Despite the significant disruptions during the second half of the year, the Group delivered a resilient financial performance. For the year ending 31 March 2026, Group revenue increased by 12.7% to Rs. 272.7 Bn. Operating profit grew by 22.9% to Rs. 18.7 Bn., supported by volume growth, improved operating leverage, disciplined cost management, and stronger operational execution. Profit After Tax (PAT) increased by 48.7% to Rs. 10.8 Bn., representing the strongest profitability performance in the Group's history. Excluding fair value gains on investment property, profit after tax increased by 46.4%. The Group also strengthened its balance sheet during the year, with net debt reducing from Rs. 20 Bn. to Rs. 16 Bn., supported by improved working capital management and stronger cash generation.

During the year, the Group divested a 6.54% shareholding in Cargills Bank PLC in line with regulatory requirements relating to shareholder diversification, resulting in a loss on disposal of Rs. 328 Mn. Subsequently, the Group participated in the rights issue of Cargills Bank PLC in March 2026, maintaining a strategic shareholding of 30.55% in the Bank.

Retail

The Retail sector delivered a strong performance during the reporting period with revenue reaching Rs. 202 Bn., a growth of 10.5% year-on-year. Segment operating profits expanded by 18.3% to Rs. 8.8 Bn., while PAT recorded a growth of 47% to reach Rs. 4.7 Bn. Capital expenditure during the year amounted to Rs. 3.1 Bn., invested into new stores, solar rooftop installations, store renovations, improving processes, and towards strengthening supply chain and back-end infrastructure.

Revenue was driven primarily by growth in customer footfall and increased volumes. Same-store sales recorded growth of 8.5%. The improvement was predominantly volume-led, reflecting the gradual recovery in consumer demand and increased customer visits, while average basket value recorded only low single-digit growth in line with the low inflationary environment.

The first half of the year saw a gradual improvement in consumer sentiment, resulting in increased spending on discretionary categories and consumers trading up. However, the latter part of the financial year saw a shift towards greater value-seeking behaviour as rising cost pressures and increasing uncertainty began to impact household spending.

Against this backdrop, our strategy remained centred on delivering value, convenience, and a differentiated shopping experience. Through targeted promotions, competitive pricing initiatives, and the continued expansion of the C Rewards loyalty programme, we strengthened our ability to provide personalised offers and greater savings to our customers. By leveraging consumer insights and data analytics, C Rewards continues to enhance customer engagement, increase shopping frequency, and improve basket spend.

The Sri Lankan grocery retail landscape continues to evolve, with increasing competition from both organised retail chains and a growing number of independent modern trade operators. As consumers become increasingly discerning, success will depend on the ability to consistently deliver value, convenience, and quality. In this environment, we remain focused on continuously strengthening our customer proposition through data-driven insights, enhanced product assortment, improved store formats, supply chain efficiency, and investments in digital capabilities.

During the year, Cargills Food City expanded its reach to 556 outlets with the addition of 15 new stores, primarily focused on smaller formats. Our multi-format strategy remains an important strategic capability, enabling us to rapidly expand into underserved locations, strengthen our presence in high- footfall urban areas through smaller and medium-sized formats, while also developing larger premium-format stores in affluent catchment areas.

Fresh categories, including fruits, vegetables, meat, seafood, and dairy, remain an important differentiator for the Retail business and a key driver of customer traffic. Continued investments in sourcing, cold chain capabilities, inventory management, and faster logistics supported improvements in freshness, availability, and quality. As a result, fresh category volumes recorded strong growth during the year, supported by stable market prices.

Profitability improved during the year despite higher overhead expenses. Improved product mix, stronger volumes, and operating leverage contributed positively to earnings, while disciplined working capital management helped reduce finance costs. Cost optimisation remained a key focus area, including the continued rollout of solar rooftop installations across stores to improve energy efficiency. However, overhead expenses have been on the ascendancy due to several revisions to the electricity tariffs and higher employee-related costs following revisions to the national minimum wage in April 2025 and January 2026.

Looking ahead, the Retail segment will continue its measured expansion strategy, with approximately 25 new stores planned during the coming year alongside renovations and upgrades to existing outlets. While modern grocery retail continues to expand in Sri Lanka, the market remains predominantly served by traditional general trade channels, and organised modern trade still represents a relatively small share of the overall grocery market. As a Group, we currently serve less than 10% of the total grocery market, presenting a significant opportunity for long-term expansion. Our continued investments in new locations, larger premium-format stores, smaller neighbourhood formats, supply chain capabilities, and digital platforms are therefore guided by our conviction that there remains substantial headroom for growth.

FMCG

The FMCG segment delivered a strong performance across most categories during the year, supported by continued investments behind brands, strengthening distribution capabilities, product innovation, and improvements in manufacturing and supply chain efficiency.

However, towards the latter part of the financial year and into the new financial year, the operating environment has become more challenging following the escalation of geopolitical tensions in the Middle East. The resulting increase in global energy prices, higher freight and logistics costs, and broader inflationary pressures have led to rising input and operating costs across several categories. While the Group remains focused on productivity improvements, cost optimisation, and efficient procurement, these developments are expected to place pressure on margins in the near term.

Total segment revenue reached Rs. 77.6 Bn., which was a 16.7% growth from the previous year. Operating profits rose 33.8% to Rs. 7.4 Bn., and PAT of the segment expanded by 46% to Rs. 4.7 Bn. Capital expenditure during the year was Rs. 2.5 Bn., directed towards expanding capacity, improving production processes, and strengthening our distribution reach.

Dairy

The Dairy business continued to strengthen its position as one of Sri Lanka's leading local dairy brands. During the year, the Kotmale brand launched the "Nourishing Our Nation" campaign, reinforcing its commitment to providing quality and affordable nutrition through locally sourced fresh milk, while creating sustainable livelihoods for Sri Lankan dairy farming communities.

The year also saw a comprehensive brand refresh across selected categories, including packaging enhancements to the UHT flavoured ready-to-drink range. The business also expanded its premium portfolio with the introduction of the Heavenly ice cream range, which has received strong consumer acceptance. Investments were further made to strengthen distribution capabilities, increase asset placements, and enhance manufacturing capacity to address bottlenecks in key strategic categories.

The Group continued its long-term commitment to dairy sector development through investments in farmer development initiatives aimed at improving milk yields, alongside the modernisation of milk collection infrastructure through automation of milk chilling centres and digitalisation of collection processes. These initiatives have improved efficiency, enhanced transparency, and reduced wastage across the supply chain.

The removal of VAT on UHT milk and yoghurt from April 2025 supported improved affordability and volume growth. The benefit of the tax reduction was fully passed on to consumers through lower prices, which contributed to increased demand. Other dairy categories also recorded healthy growth, resulting in overall double-digit volume growth for the Dairy business.

Food and Beverage

The Food and Beverage portfolio delivered a strong performance during the year, supported by continued brand investments, product innovation, and broad-based growth across key categories. The beverage segment recorded double-digit volume growth, supported by strong performance in the fruit nectar, pure fruit juice, and energy drink categories. During the year, the KIST pure fruit juice range was relaunched with refreshed packaging to enhance shelf appeal and reinforce its premium

quality positioning. The RIDE Energy Drink underwent a significant transformation during the year, including a comprehensive packaging refresh and renewed consumer engagement strategy. The brand further enhanced its visibility through its partnership as the Official Energy Drink Partner of the Sri Lanka National Cricket Team. The KIST culinary and cooking aids segment experienced slower market growth during the year amid softer consumer demand. Nevertheless, the business maintained its leadership position in the sauces category, supported by strong brand recognition, product quality, and extensive market reach.

Confectionery

The Confectionery segment continued its transformation during the year with the successful relaunch and consolidation of value-added products under the Magic brand. The improved packaging and new additions to the product portfolio generated positive market response and supported growth within the category.

Convenience Foods and Processed Meats

The Convenience Foods and Processed Meats business recorded encouraging volume-led growth during the year, supported by improved distribution, consumer confidence in the Group's brands, and favourable market dynamics. Higher poultry prices increased consumer preference for processed meats as a convenient and affordable protein alternative. However, the category also faced cost pressures due to shortages of key raw materials, including poultry and mechanically deboned meat (MDM). The Sara's Halal brand continued to gain strong consumer acceptance, while investments continued behind the Goldi brand to strengthen its market position.

Restaurants

The Restaurants segment recorded a revenue of Rs. 13.9 Bn., a 14.8% growth YoY. Operating profit of the segment expanded by 4% to Rs. 2.1 Bn., while PAT for the segment grew by 2.6% to Rs. 1.1 Bn. Capital expenditure for the year was Rs. 1.0 Bn., deployed towards the opening of 12 new locations and store renovations. KFC has now expanded its footprint to 91 restaurants. The expansion reflects the Group's continued confidence in the long-term potential of Sri Lanka's organised Quick Service Restaurant (QSR) market, while recognising the importance of maintaining affordability, convenience, and a compelling customer experience in an increasingly competitive landscape.

During the year, the business continued to focus on strengthening its value proposition through a range of affordable combo meals and promotional offerings, while also driving consumer excitement through continuous product innovation. New menu introductions, including the Korean flavour range and a premium burger portfolio, were well received and contributed positively to customer engagement and brand relevance.

The business implemented a price revision in June 2025 following a period of maintaining stable pricing for nearly two years. While transaction volumes experienced a temporary decline immediately following the price increase, customer demand gradually recovered and stabilised over subsequent months. Growth for the year was supported by both higher transaction volumes and an increase in average ticket size.

The segment also invested in improving the customer experience through renovations at key restaurants, including Majestic City, Jaffna Square, and other strategic locations. Temporary closures during renovation periods impacted sales, but these upgrades are expected to support improved customer engagement and long-term performance.

Gross margins improved during most of the year, supported by stable input costs and improved operating leverage from higher sales volumes. However, profitability came under pressure towards the latter part of the year due to rising overhead expenses.

The Group discontinued the TGI Fridays restaurant with effect from 31 January 2026. This decision is not expected to have a material impact on the performance of the Restaurants segment going forward and will enable greater focus on strengthening the KFC business. The modest profitability growth of the segment was partly attributable to the impairment of the investment made in the TGI Fridays franchise.

Real Estate

The Group's Real Estate portfolio, comprising five Cargills Square shopping malls, continued to strengthen its operational performance during the year. All properties recorded positive EBITDA performance, with rentable areas substantially occupied.

While financing costs associated with the more recently developed properties in Katubedda and Bandarawela continue to impact segment profitability, the strategic contribution of the portfolio extends beyond direct rental income. The properties provide high-quality locations for Group brands, including Cargills Food City and KFC, creating valuable synergies through increased customer traffic, stronger brand visibility, and enhanced consumer accessibility.

During the year, the segment's reported profitability also benefited from non-cash fair value gains arising from the revaluation of investment properties.

Other Businesses

The Agri Solutions business remains a key component of the Group's integrated supply chain strategy. Through the management of Fresh Collection Centres and extensive farmer networks, the business supports the consistent sourcing of agricultural produce for the Group's retail and food manufacturing operations. The segment also manages livestock farms that supply raw materials to the processed meat business, strengthening supply chain reliability and quality assurance.

Sustainability

We continued to advance our environmental stewardship efforts during the year, focusing on reducing our ecological footprint and promoting responsible practices across our value chain. Key initiatives included supporting our outgrower farmer network in adopting sustainable agricultural methods, expanding solar energy capacity across our operations, reducing reliance on single-use plastics, promoting recyclable packaging, and implementing recycling programs in line with extended producer responsibility and plastic collect-back initiatives.

We have actively collaborated with government bodies, non-governmental organisations, and private sector partners to scale and enhance the impact of our sustainability agenda. Further details can be found in the Playing Our Part for the Planet section of this Annual Report.

As a proud signatory to the United Nations Global Compact (UNGC), we remain committed to upholding its principles throughout our operations. Our approach is aligned with the UN Sustainable Development Goals (SDGs), ensuring our sustainability strategy supports broader global efforts for a more inclusive and sustainable future.

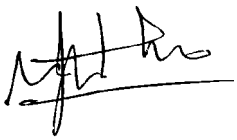
Governance

We continued to strengthen governance, processes, and internal controls across the Group through a series of structured initiatives. A core enabler of this progress has been our continued investment in technology to digitalise key operational processes, thereby enhancing oversight, accountability, and efficiency. We remain firmly committed to upholding the highest ethical standards across all aspects of our business. We have a strict policy against bribery and corruption, supported by robust internal controls and regular awareness initiatives to reinforce compliance. As one of the country's largest employers, we are equally dedicated to cultivating an inclusive and equitable workplace that provides equal opportunities for all team members—regardless of gender, ability, background, or belief.

Outlook

The operating environment in the year ahead is expected to remain dynamic and volatile. Rising energy prices, inflationary pressures, climate-related risks, and heightened competitive intensity are likely to continue influencing consumer behaviour and business costs. At the time of writing, the full extent and duration of the Middle East conflict remain uncertain. Any easing of tensions would support greater stability in global energy markets and supply chains, although the near-term outlook continues to warrant caution. Nevertheless, Sri Lanka's long-term growth prospects remain positive, supported by continued economic reforms, private sector investment, and productivity improvements.

Against this backdrop, the Group will remain focused on enhancing productivity and operational efficiency across its businesses, carefully managing costs, and minimising the impact of inflation on consumers wherever possible. We will continue to pursue selective investments to strengthen our retail footprint, expand distribution capabilities, enhance manufacturing efficiency, accelerate digital transformation, and build stronger brands and supply chains.



Imtiaz Abdul Wahid
Group Managing Director
30 July 2026



Taking Stock

Operational Review

Operating Segments

Overview

From sourcing fresh produce at farm level to delivering finished products to households across Sri Lanka, Cargills has, over decades, built an integrated business that connects agriculture, manufacturing, distribution, retail, and food service into a seamless value chain. This interconnected model enables the Group to move products efficiently from farm to consumer, ensuring consistency in quality, availability, and affordability.

With a strong island-wide presence, Cargills combines scale with local reach, elevated by capabilities in replenishment and sourcing, inventory optimisation, and end-to-end logistics and delivery, enabling the efficient flow of goods, services, and value across the Group's operations. The Group has also expanded into complementary sectors such as banking and leisure, addressing evolving consumer needs and broader market gaps in Sri Lanka.



556

Cargills Food City stores across all 25 districts in Sri Lanka

24-hour

logistics with comprehensive cold chain

Retail

With a presence spanning all 25 districts in Sri Lanka, Cargills Food City is Sri Lanka's most extensive modern retail network, comprising 556 stores that connect communities across the island. Managed by Cargills Retail (Pvt) Ltd., the operation is supported by a supply chain that integrates 14 fresh produce collection centres, 5 dedicated distribution centres for fresh produce, seafood, and bulk commodities, and a state-of-the-art central distribution centre for packaged goods.

This network is further strengthened by 24-hour delivery logistics and a comprehensive cold chain, enabling the seamless movement of goods from source to shelf across an integrated supply chain while maintaining product quality and availability across locations.



Collection/Processing Centres for Fresh Produce

No.	Collection/Processing Unit	Province
1.	Wattala	Western
2.	Nuwara Eliya	Central
3.	Tispane	Central
4.	Dambulla	Central
5.	Hanguranketha	Central
6.	Thambuttegama	North Central
7.	Norochcholai	North Western
8.	Bandarawela	Uva
9.	Boralanda	Uva
10.	Thanamalvila	Uva
11.	Ruwalwella	Uva
12.	Kilinochchi	Northern
13.	Alaveddy	Northern
14.	Nedunkerny	Northern

No.	Distribution Centres
1.	Katana – Central Distribution Centre for Packaged Goods
2.	Wattala – Central Distribution Centre for Vegetables and Fruits
3.	Ambatale – Bulk Distribution Centre for Commodities
4.	Kurunegala – Secondary Distribution Centre for Commodities
5.	Negombo – Processing Unit and Distribution Centre for Seafood

14 fresh produce collection centres

5 distribution centres, and

1 state-of-the-art central distribution centre for packaged goods

E-Commerce

Launched in 2020 to address mobility restrictions and lockdowns during the pandemic, “Cargills Online” has since evolved into a key extension of the Group’s retail offering. Supported by continuous enhancements to its web and mobile platforms, the service caters to growing consumer demand through a streamlined digital shopping experience.

Orders are fulfilled through three dark stores located in the Colombo District, with delivery services extended to surrounding urban areas. Leveraging customer insights and data analytics, the platform enables targeted promotions and personalised engagement, while delivery schedules are tailored to maximise convenience. Ongoing customer research, including focus group discussions and in-depth interviews, continue to inform improvements to the overall user experience.

The platform also supports philanthropic giving by enabling customers to send care packages and gift cards to vulnerable communities, including children’s homes, elderly care facilities, and those affected by natural disasters. Orders can be fulfilled through delivery or collected from over 100 Cargills store locations, ensuring accessibility and convenience.



Cargills Gifting Platform

Building on its digital capabilities, Cargills launched its Online Gifting Platform in December 2024, offering a convenient way for individuals both locally and overseas to send hampers and gift vouchers across Sri Lanka. Initially introduced with festive offerings, the platform is designed for year-round gifting, catering to a wide range of occasions.

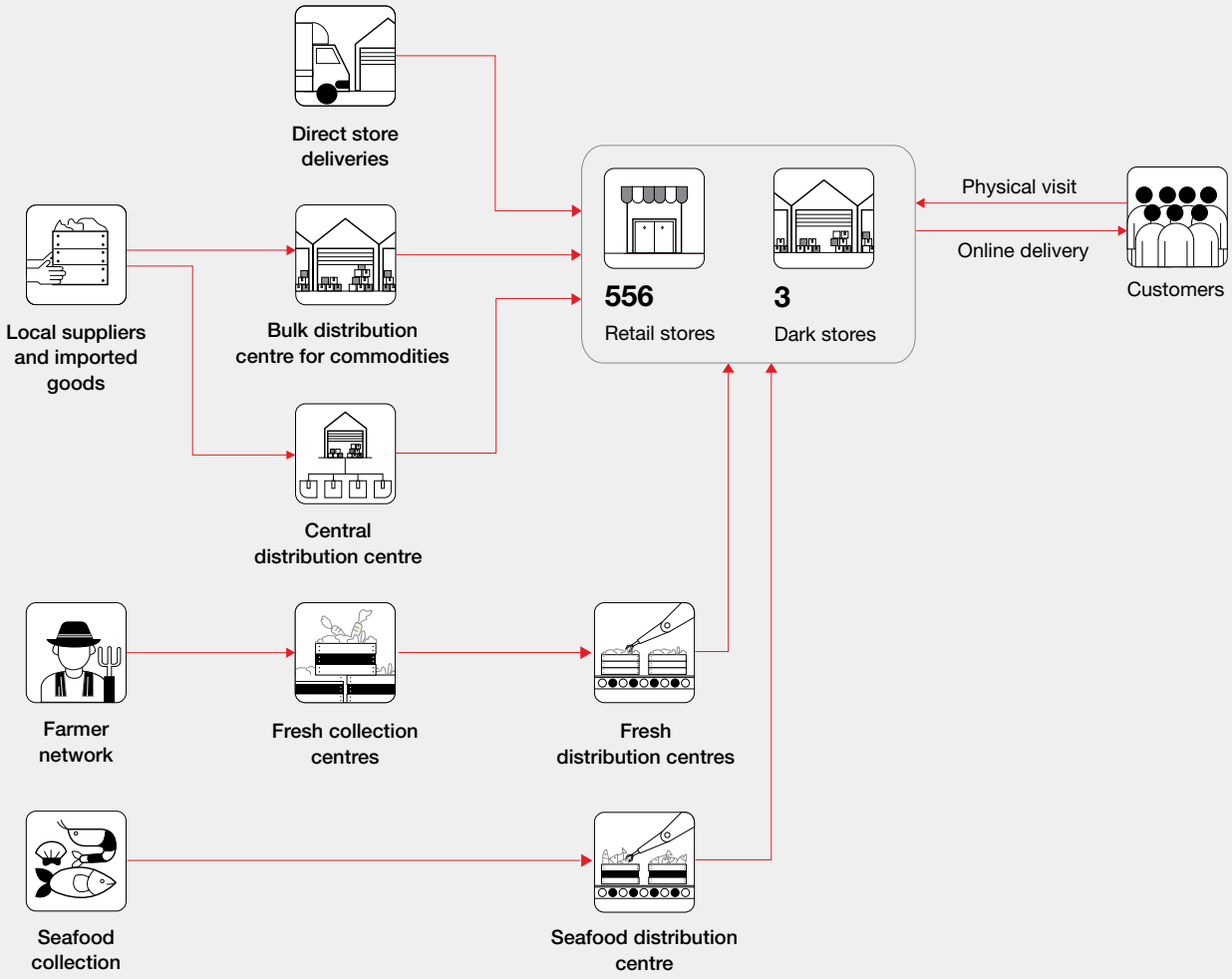


Online orders fulfilled through **3** dark stores in Colombo

2025/26 Update

Format/Channel	Description
Cargills Food City	Modern retailing experience providing consumers access to a wide range of high-quality products at affordable prices through a network of 556 stores, including packaged goods, fresh produce, meat, seafood, dairy, frozen food, bakery, pharmacy products, personal care, household care, liquor, stationery, and general merchandise.
Cargills Online	The e-commerce platform which provides doorstep delivery of groceries to consumers operates via three dark stores (fulfilment centres).

Retail



FMCG

Cargills' FMCG segment delivers a portfolio of well-established food and beverage brands across dairy, convenience foods, condiments, culinary products, and beverages, catering to diverse consumer needs across Sri Lanka. Products are distributed through modern trade, nearly 67,000 general trade outlets, and the HORECA channel (Hotels, Restaurants and Catering). The Group also maintains a limited export presence across the United States, Europe, the Middle East and Africa (EMEA), and parts of Asia.

Our Manufacturing Facilities

Cargills operates 10 state-of-the-art food and beverage manufacturing facilities that comply with industry-recognised standards and applicable Government regulations:

Dairy	Beverages, Confectioneries, and Culinary	Convenience Food
Three manufacturing plants in Banduragoda, Kelanimulla, and Bogahawatta	Five manufacturing plants in Katana, Kilinochchi, Matale (Confectioneries), Kandy (Knuckles Water), and Katana (Spices)	Two manufacturing plants in Ja-Ela



Beyond supermarkets, Cargills FMCG brands reach consumers through

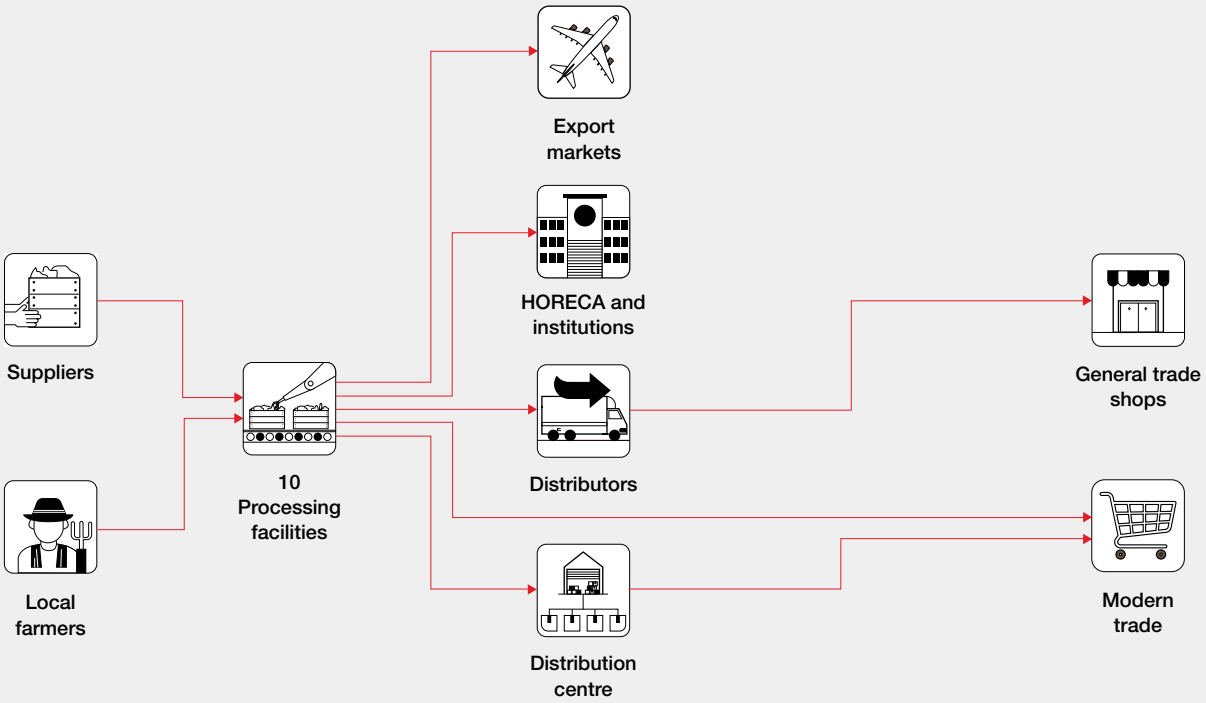
67,000

general trade stores across Sri Lanka

10

state-of-the-art manufacturing facilities complying with industry-recognised standards

FMCG



Facilities	Standards	Brands	Products
Dairy			
Cargills Dairies (Private) Limited	• Good Manufacturing Practices System (GMP) • Hazard Analysis and Critical Control Points System (HACCP) • ISO 9001:2015 Quality Management System • ISO 22000:2018 Food Safety Management System • ISO 14001:2015 Environment Management System • FSSC 22000 (Version 5.1) Food Safety System • Environment Protection License • Greenhouse Gas Verification • Halal Accreditation Council (HAC) Sri Lanka	**Magic, Kotmale, Heavenly –** most widely consumed dairy brands with market leading positions in the ice cream and value-added dairy sectors	• Ice Cream • Fresh and Flavoured Milk • Yoghurt and Yoghurt Drinks • Curd • Cheese • Butter
Kotmale Dairy Products (Private) Limited	• ISO 22000:2018 Food Safety Management System (This certification incorporates regulatory and legal elements covered by HACCP and GMP certifications) • ISO 9001:2015 Quality Management System • FSSC 22000 Food Safety System • Environment Protection License • Greenhouse Gas Verification • Halal Accreditation Council (HAC) Sri Lanka Certification		

Facilities	Standards	Brands	Products
Beverage and Culinary			

Cargills Food & Beverage Limited	• ISO 22000:2018 Food Safety Management System
	• ISO 9001:2015 Quality Management system
	• Good Manufacturing Practices System (GMP)
	• Hazard Analysis and Critical Control Points System (HACCP)
	• SLS Mark Product Certification by the Sri Lanka Standards (SLS) Institute for:
	  ◦ SLS265 – Jams
	  ◦ SLS214 – Fruit cordials
	  ◦ SLS221 – Artificial cordials and flavoured drinks
	  ◦ SLS730 – Squash concentrates
	  ◦ SLS260 – Tomato sauce and Tomato ketchup
	  ◦ SLS835 – Chilli sauce and Hot chilli sauce
	  ◦ SLS729 – Ready to drink fruit beverages
	• Environment Protection License
	• Greenhouse Gas Verification
	• Halal Certification for entire product portfolio
	• FSSC 22000 Food Safety System
		KIST – one of the most loved, trusted, and long-established food brands in the country.
		RIDE – the latest beverage brand introduced by Cargills.
			• Jams
			• Sauces
			• Cordials
			• Fruit-based Nectars
			• Fresh Juices
			• Energy Drinks
			• Condiments

CPC (Lanka) Limited (Water Bottling Plant)	• SLS894 Product Certification by the Sri Lanka Standards (SLS) Institute for Bottled Drinking Water • ISO 9001:2015 Quality Management System • Good Manufacturing Practices System (GMP) • Greenhouse Gas Verification • ISO 22000:2018 Food Safety Management System • Hazard Analysis and Critical Control Points System (HACCP) • Environment Protection Licence	**Knuckles Water –** trusted bottled water brand, providing high quality hydration to consumers	• Bottled Drinking Water
CPC (Lanka) Limited (Spice Unit)	• FSSC 22000 Food Safety System (This certification incorporates regulatory and legal elements covered by ISO 22000-2018 Food Safety Management System) • Environment Protection License • Greenhouse gas verification • Halal Certification for chicken flavoured seasoning powder	**My Choice –** trusted spice brand delivering authentic flavours	• Spices
Processed Meats			
Cargills Convenient Foods Limited	• ISO 22000:2018 Food Safety Management System • ISO 9001:2015 Quality Management System • ISO 14001:2015 Environment Management System • Good Manufacturing Practices System (GMP) • Hazard Analysis and Critical Control Points System (HACCP) • SLS1218 Product Certifications by the Sri Lanka Standards (SLS) Institute for Goldi Chicken Sausages (Skinless), Goldi Chicken Meat Balls, Goldi Supreme Chicken Sausages (Skinless) • FSSC 22000 Food Safety System • Halal Accreditation Council (HAC) Sri Lanka Certification • Environment Protection License • Greenhouse Gas Verification	**Goldi, Sara's –** Leading brands in processed meats and ready-to-eat products	• Fresh and Processed Meats • Ready to Eat Convenience Foods

Facilities	Standards	Brands	Products
Confectionery			
Cargills Confectioneries (Private) Limited	• ISO 22000:2018 Food Safety Management System • Hazard Analysis and Critical Control Points System (HACCP) • Good Manufacturing Practices System (GMP) • Environment Protection Licence. • Halal Certification for entire product portfolio • Greenhouse Gas Verification	**KIST, Magic –** Prominent Cargills brands diversifying into biscuits and confectionery products	• Biscuits and Confectionery

Restaurants

As the exclusive local franchisee of Kentucky Fried Chicken (KFC) since 1996, the Group has built the largest quick service restaurant chain in the country in terms of revenue and volume, with a presence spanning all provinces of the country.

Beyond expansion, the Cargills restaurant operation plays a key role in strengthening local supply chains, with over 90% of raw materials sourced domestically. This has supported the growth of the local poultry industry and supplier networks, while enabling the introduction of locally inspired menu offerings that resonate with Sri Lankan consumers and have been adopted into regional product portfolios.



91

KFC locations, including 12 new restaurants

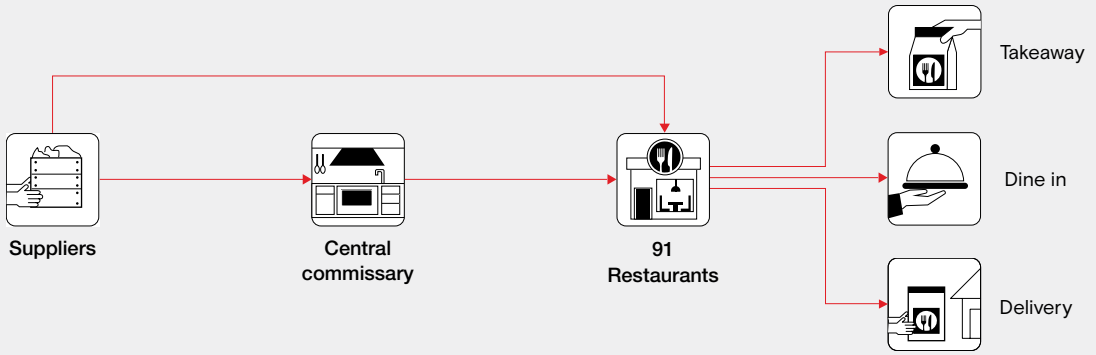
90%

of restaurant raw material is sourced domestically

2025/26 Update

During the year, the KFC expanded to 91 locations with the addition of 12 new restaurants.

Restaurants



Facilities	Standards	Brands	Products
Restaurants			
Cargills Restaurants (Private) Limited	• FSSC 22000 (Version 6) for Central Commissary • FSSC 22000 (Version 6) for Central Warehouse • Environment Protection Licence for KFC Restaurants and the Central Commissary • Trade License for KFC Restaurants and the Central Commissary	**KFC –** popular and much-loved fast-food brand in Sri Lanka with strong customer base	• Crispy Chicken • Burgers • Rice – biryani • Kottu • Beverages

Banking – Cargills Bank PLC (Associate)

Established as an associate of Cargills (Ceylon) PLC in 2014 with the aim of advancing financial inclusion, Cargills Bank was created to serve Sri Lanka's farming communities and micro to small businesses, segments that historically had limited access to formal financial services. By providing access to credit, financial advice, and tailored banking solutions, the Bank has played a key role in enabling these communities to participate more actively in the country's economic growth, with a continued focus on supporting farming communities through dedicated agri-lending and rural banking solutions.

Over time, Cargills Bank has evolved into a full-service commercial bank, offering a comprehensive portfolio across retail, SME, corporate, and digital banking. Leveraging the strength of the Cargills ecosystem, the Bank continues to enhance accessibility through a combination of branch banking, digital platforms, and supermarket banking, bringing financial services closer to customers across the island.

2025/26 Update

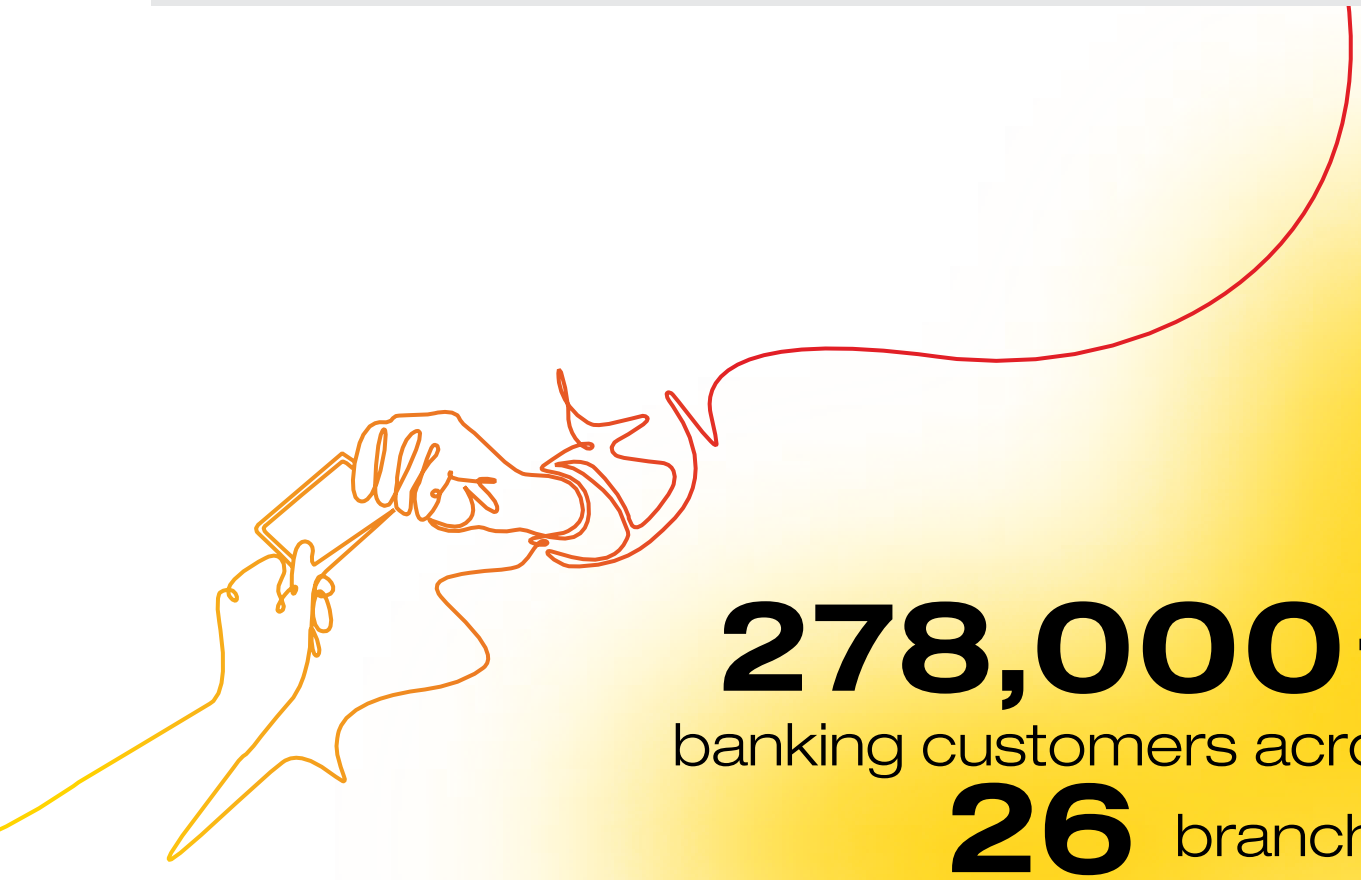
Cargills Bank continued its growth trajectory in 2025, maintaining steady performance across its core business segments while navigating a more challenging operating environment. Profit Before Tax (PBT) stood at Rs. 1,033 Mn., compared to Rs. 1,150 Mn. in 2024, while Profit After Tax (PAT) reached Rs. 542 Mn., compared to Rs. 651 Mn. in the previous year, reflecting a marginal decline primarily due to higher operating expenses, increased taxation, and reduced contributions from high yielding government securities.

Despite this moderation, the Bank sustained a strong profitability trajectory relative to prior years, supported by improved core business performance and strengthened credit quality. The Bank's total asset base grew to Rs. 91.7 Bn., with gross loans reaching Rs. 68.3 Bn., reflecting continued expansion in lending activities.

During the year, Cargills Bank served over 278,000 customers through a network of 26 branches, supported by a team of 715, while continuing to extend access through supermarket banking and digital platforms. Strategic priorities included expanding SME and agri lending portfolios, improving asset quality, and enhancing operational efficiency.

Digital transformation remained a key focus, with ongoing enhancements to mobile and internet banking platforms, alongside strengthened cybersecurity and onboarding capabilities. In parallel, the Bank continued to embed ESG considerations into its operations and lending practices, aligning with its long-term strategy of delivering inclusive, resilient, and sustainable growth.

Please scan this QR Code to access the Cargills Bank Annual Report 2025 for more detailed information.



278,000+
banking customers across
26 branches

Other Businesses

Agribusiness

The Agribusiness unit serves as a key enabler of the Group's core operations, strengthening backward integration and ensuring consistency in the supply of high-quality raw materials. Managed by Cargills Agri Solutions Company (Pvt) Ltd, the unit operates two livestock farms that directly supply to both the Retail and FMCG segments.

In addition, the unit oversees a network of agri collection centres that connect smallholder farmers to the Group's value chain, facilitating efficient sourcing and market access. It also manages several paddy and vegetable cultivation projects, further enhancing supply chain security while promoting sustainable agricultural practices and rural livelihoods.

Through these initiatives, the Agribusiness unit plays a vital role in building a resilient, integrated supply chain while creating shared value for farmers, communities, and the wider economy.



Cargills Agribusiness operates

2

livestock farms and

a network of agri collection centres, connecting smallholder farmers to the Group's value chain

Cargills' Property and Entertainment portfolio includes

5

Cargills Squares

7

active Regal Cinema locations

33

room Bandarawela Hotel property

Property and Entertainment

Real Estate

Cargills' real estate portfolio is centred around the development of mini malls designed to deliver family entertainment and modern shopping experiences beyond Colombo. First introduced in 2013 with the opening of Cargills Square in Jaffna, the concept brings together retail, dining, and entertainment within accessible, community-focused spaces.

Subsequent developments in Gampaha (2017), Dematagoda (2020), and more recently Katubedda and Bandarawela (2024) followed strong public reception. These mini malls typically feature Cargills Food City, KFC, and Regal Cinemas as anchor tenants, alongside a mix of complementary retail outlets. Rentable space at each of the five locations has been fully utilised, reflecting strong demand for integrated family entertainment and retail destinations.



Cinema

Cargills continues to play a key role in Sri Lanka's entertainment sector through its 31% stake in Ceylon Theatres, a long-established industry leader operating Regal Cinemas, and offering a wide range of movie experiences to audiences across the country.

Regal Cinemas are a key component of the Group's mini mall concept, enhancing accessibility to modern cinematic experiences beyond major urban centres. Equipped with state-of-the-art 2D and 3D screening capabilities, these theatres contribute to expanding the reach of quality entertainment while complementing the Group's broader family entertainment offering.

During the year in review, Regal Cinemas expanded its footprint with the opening of Regal Polonnaruwa, enhancing access to modern cinematic experiences across regional hubs.



Leisure

The Bandarawela Hotel represents Cargills' presence in Sri Lanka's hospitality sector, combining heritage with contemporary relevance. Established in the early 20th century during British colonial rule, the hotel retains its distinctive architectural character, with high ceilings, wooden floors, and vintage interiors reflecting its historical legacy.

Located over 4,000 feet above sea level and in close proximity to tea estates and the Bandarawela Railway Station, the 33-room property is recognised as Sri Lanka's first mountain resort. Under Cargills' management, the hotel has continued to see a steady increase in occupancy levels, supported by the recovery of Sri Lanka's tourism sector.



Shared Services and Core Systems

As the Cargills Group grew across a more diverse operating footprint during the reporting period, our Shared Services continued to support the day-to-day functioning of the business, bringing consistency across retail, manufacturing, distribution, and restaurant operations. Integrated core systems continued to streamline processes, reduce manual effort, and improve service delivery in 2025. They also enabled more consistent visibility and structured data capture across Cargills, strengthening the reliability of operational data used across the Group.

Human Resources

The Cargills Human Resource function supports a workforce of over 11,800 Sri Lankans across retail outlets, manufacturing facilities, distribution centres, and restaurant operations, bringing consistency to workforce management at scale while responding to the differing needs of each environment.

During the year in review, the full deployment of our cloud-based Human Resource Information System brought payroll, attendance, and employee data into a single platform, improving accuracy, reducing manual processes, while strengthening coordination across locations, and supporting more consistent workforce data management.

Across all Cargills sites, biometric attendance systems continued to support reliable attendance verification for payroll processing, reinforcing operational discipline across the network.

While these HR systems and streamlined processes form the foundation of workforce management at Cargills as a shared service, the broader approach to people development, inclusion, training, and governance is explored throughout this Report in Building Diversity, Equity and Inclusion (page 86), Enhancing Youth Skills (page 80), and HR Governance and Policies (page 92).

Agri Supply Chain

In agriculture, where timing, quality, and coordination determine value, we further strengthened the digital integration of our supply chain, improving visibility, traceability, and alignment between production and consumer demand. The Cargills fresh produce supply chain, now fully digitised, connects farmgate collection points to Fresh Collection Centres (FCCs), and onward to the Fresh Distribution Centre (FDC), enabling greater transparency across procurement and dispatch.

This improved coordination between collection, storage, and distribution, while real-time data strengthened land logistics and decision-making. Through this, we were better able to monitor supply and demand, improving the utilisation of infrastructure while reducing waste and supporting food safety across operations.

During the reporting period, 30 out of a total of 42 Milk Chilling Centres (MCCs) in the dairy supply chain reached full digitisation.

Automation of milk collection, supported by the installation of required hardware, has strengthened consistency, traceability, and quality monitoring across the network, while improving transparency and efficiency in payments to dairy farmers supplying milk to Cargills.

Digitisation of the Seafood Distribution Centre and Fresh Distribution Centre also progressed during the reporting period, improving handling efficiencies and supporting more effective demand management across the seafood category.

Sales

Across the expanding Cargills sales and distribution network, we continued to strengthen how our teams operate in the field, placing greater emphasis on coordination, responsiveness, and a clearer view of market demand. With the Sales Force Automation (SFA) system now fully embedded across operations, teams are better able to manage their activities in the field, reducing manual, non-revenue generating tasks and allowing greater focus on execution.

This is supported by the Distributor Management System (DMS), with all distributors now operating on the robust Accenture DMS platform. Together, these systems improved oversight across the distributor network while enhancing the accuracy and consistency of sales data.

With improved access to on-field information, we were able to manage sales operations across the island more effectively. The availability of more timely and detailed insights strengthened performance tracking and supported more informed decision-making, while also contributing to greater engagement across the sales team.

Cybersecurity

As digital systems continued to play a larger role across the Cargills Group during the year in review, we strengthened our approach to safeguarding IT infrastructure and our data assets, ensuring that systems remain secure, reliable, and resilient in supporting business operations.

Working closely with our cybersecurity partners, we continued to enhance our security measures during the year, maintaining a strong security posture across the Group. As a result, no major security breaches were recorded during the reporting period.

Community Friendly National Development

Our Approach to Sustainability

Sustainability at Cargills is shaped by the role we play within Sri Lanka's economy, and the responsibility that comes with operating across an interconnected value chain. From agriculture and food production to retail and distribution, our operations are linked to the lives and livelihoods of farmers, communities, and consumers across the country.

Our approach brings together economic, social, and environmental priorities, recognising that long-term business performance is tied to the resilience of the ecosystems in which we operate. We focus on areas where we can create meaningful impact while strengthening the foundations that support sustained growth.

This approach is reflected across six focus areas that guide how we respond to national priorities:



Reducing the Cost of Living



Bridging Regional Disparity



Healthy, Safe, and Affordable Nutrition



Enhancing Youth Skills



Building Equality, Diversity, and Inclusivity



Playing our Part for the Planet

Across these areas, our efforts are linked to how value is created within the business. By strengthening supply chains, expanding market access, investing in people, and improving resource efficiency, we align operations with broader economic and social outcomes. Each of these focus areas reflects how the Group translates its priorities into action across the value chain, and are explored in greater detail in the sections that follow.

While the Group has not assessed the percentage of operations with implemented local community engagement, impact assessments, and development programmes, we are qualitatively reporting these initiatives across the value chain with quantified impacts where possible. **LA 413-1**

Sustainability at Cargills is supported by established governance structures, with oversight at Group level and integration across business segments. This ensures that key priorities, risks, and opportunities are considered in decision-making and implemented consistently across operations.

Over time, this has enabled a model where purpose and performance are closely connected. As we continue to grow, we remain focused on investments that support long-term resilience, strengthen communities, and contribute to national development.

This approach also supports the Group's first-year sustainability and climate-related financial disclosures prepared with reference to SLFRS S1 and SLFRS S2, which are presented in the Sustainability and Climate-related Financial Disclosures section of this Annual Report (pages 151 to 192).

Contribution to SDGs

Cargills continues to align its sustainability efforts with the United Nations Sustainable Development Goals (SDGs), contributing to national priorities while strengthening long-term business relevance.

As a member of the United Nations Global Compact (UNGC), we align our operations with internationally recognised principles on human rights, labour, environment, and anti-corruption. These principles are reflected in our policies, governance frameworks, and day-to-day operations, ensuring that responsible business practices remain embedded across the Group.





Reducing the Cost of Living

The Sri Lankan economy continued to stabilise in 2025 as recent reforms began to show more sustained impact across key sectors. Headline inflation remained low for most of the year, recording 2.1%[1] by December 2025. Food inflation rose during the middle of the year in line with seasonal supply trends, and recorded a notable increase towards the end of 2025, reaching 4.4% in December due to price increases in vegetables, fruit, fish, poultry and eggs.[2] Both the Colombo Consumer Price Index (CCPI) and the National Consumer Price Index (NCPI) reflected this modest headline inflation alongside rising food prices, which indicated that households continued to experience pressure from essential food items, despite broader price stability.

Outside the food basket, Sri Lankan households continued to face higher living costs driven by utilities, transport, and the indirect impact of tax adjustments introduced under Sri Lanka's fiscal consolidation programme. Rising education and healthcare costs placed additional pressure on family budgets. These conditions were clearly reflected in national poverty line trends, which surpassed Rs. 16,700[3] per person per month by early 2026, with urban districts such as Colombo recording higher thresholds. For many Sri Lankans, managing monthly budgets required ongoing adjustments to consumption patterns, with food remaining one of the most significant components of household expenditure.

Against this backdrop, the role of accessible, reliable, and affordable food supply chains remained central to the resilience of Sri Lankan households. The following section provides more details on how Cargills supports national affordability by easing cost of living pressures for Sri Lankans.

Commitment to Food Security and Affordable Nutrition by Cargills

As Sri Lanka's largest food company and largest consumer retailer, Cargills remains committed to providing the Sri Lankan consumer with access to affordable, healthy, and nutritious food products, backed by nutrition-centric sourcing and responsible pricing. We continued our commitment during the reporting period, strengthening our retail presence across all 25 districts, expanding into semi-urban and rural areas to bridge accessibility gaps, thereby ensuring communities across the country benefit from reliable and convenient access to modern trade.

The role of accessible, reliable, and affordable food supply chains remain central to the resilience of Sri Lankan Households, and Cargills is committed to making safe, nutritious, and affordable food accessible to all.

Contribution to SDGs





[1] https://www.newsfirst.lk/2026/01/01/ccpi-based-headline-inflation-remains-unchanged-in-december-2025

[2] https://www.statistics.gov.lk/qlink/PressReleases/NCPI_20260121E

[3] https://www.dailymirror.lk/breaking-news/Sri-Lankas-poverty-line-hits-Rs-16-730-Colombo-most-expensive-district/108-333972

Responsible Pricing

As Cargills continued to evolve in 2025, our approach to pricing remained closely linked to the development of the communities we serve. By creating stable markets for farmers and strengthening local enterprise, we continued to support community upliftment while ensuring access to essential food at affordable prices. Throughout the reporting period, Cargills maintained a disciplined pricing approach, conducting regular market assessments and working closely with farmers to manage fluctuations in input costs. We also minimised unnecessary cost escalations by reinforcing efficiencies across our value chain.

Cargills prioritises three focus areas that inform our responsible pricing approach, which supports our broader role in enhancing national food security:

1. Initiatives at farmgate
2. Initiatives across the supply chain
3. Initiatives at retail level

1. Initiatives at Farmgate

While key agricultural inputs remained available in 2025, farmers continued to experience high and fluctuating production costs, with many expressing concerns over the rising cost of fertiliser, seed and fuel.[4] To help mitigate these pressures and protect farmer income, Cargills Agri-Extension Teams continued to work closely with outgrower farmers, providing practical guidance and technical support to improve yields and manage production costs. Access to a reliable marketplace with fair and transparent prices was provided through the Cargills Retail chain and our FMCG operations, ensuring stable demand for farmer produce throughout the year.

Under Bridging Regional Disparity (refer pages 54 to 71), we outline how Cargills continues to modernise Sri Lanka's agriculture sector through precision agriculture and dairy production technologies, thereby reducing costs, supporting higher production volumes, and helping manage pricing for end consumers.



We work closely with outgrower farmers, providing practical guidance and technical support to improve yields and manage production costs

[4] https://island.lk/many-quit-farming-due-to-escalating-cost-of-production-farmers-association/

2. Initiatives Across the Supply Chain

Cargills continued to enhance its supply chain operations during the year in review, to reinforce efficiencies that support our responsible pricing approach, ensuring long-term affordability for consumers. Cargills prioritises local sourcing, engaging closely with farmers, and suppliers to secure fresh produce, raw material, and inputs required for local consumption as well as food production across Cargills manufacturing plants. By strengthening our local supplier network, we safeguard supply continuity, reduce exposure to import cost fluctuations, and support national efforts to enhance local production capacity. This focus on local sourcing remained integral to ensuring more stable pricing for consumers. Across the Cargills supply chain, we focus on the following areas to ensure more stable pricing for consumers:

Strengthening Digital Integration

Cargills continued to advance the digital integration of its fresh value chain operations during the year in review. The agriculture supply chain, now fully digitised, continued to provide real-time visibility across procurement and dispatch, enabling better planning between production and consumer demand. The dairy supply chain also progressed on its digitalisation journey during the reporting period, with significant improvements achieved in traceability, collection, and quality monitoring. Digitisation of the Seafood Distribution Centre also continued during the year, improving handling efficiencies and managing demand across the seafood category.

Reducing Waste and Improving Supply Chain Performance

Cargills continued to focus on reducing waste across the supply chain through improved supply chain management, stock rotation, and strengthened cold-chain logistics. These efforts reduced avoidable product-related losses and associated costs, and contributed to reducing costs associated with land logistics and overall operations, enabling us to offer more stable and affordable prices to consumers. Further details on traceability and digitisation enhancements are discussed under Supply Chain Traceability (refer page 74). LA 203-2



Built with an investment of

Rs. 4.4 Bn.

our Katana Distribution Centre is one of the largest distribution facilities operated by a food company in Sri Lanka

Enhancing Warehouse and Distribution Efficiency

The Katana Distribution Centre (DC) remained central to our island-wide distribution network, ensuring timely movement of goods across our expanding retail network. As one of the largest distribution facilities operated by a food company in Sri Lanka with an investment of Rs. 4.4 Bn., the DC supported more efficient inventory management, streamlined processing, and improved coordination across a growing supplier network. These efficiencies helped maintain consistent availability of essential products across Sri Lanka. Our advanced warehouse management system enabled better planning and faster stock movement, while the DC's 1 MW solar installation continued to offset electricity consumption, helping manage operating expenses and reduce spillovers to consumers. An extensive distribution fleet delivered goods across the Cargills island-wide retail network each day, supporting timely delivery and strengthening our overall supply reliability. LA 203-2

3. Initiatives at Retail Level:

Providing Affordable Choices through Effective Price Management

Cargills remained committed to easing the financial burden on consumers through a range of initiatives focused on affordability, value, and operational efficiency.

Throughout the reporting period, Cargills Food City continued to deliver everyday savings across a wide range of food and non-food products through regular price reductions, promotional campaigns, and value-driven offers. These savings are made possible by decades-long investments in strengthening our supply chain, improving operational efficiencies, and fostering long-standing partnerships with suppliers and farming communities.

To ensure customers consistently receive the best value, we conduct regular price comparisons across both the modern trade and general trade channels to benchmark our pricing against the market. These efforts help reinforce our commitment to offering competitive prices while providing customers with confidence in the value they receive. Customers are kept informed of these savings and promotional offers through both traditional and digital communication channels.



Cargills remains committed to easing consumers' financial burdens, delivering everyday savings through competitive pricing, and long-standing supply chain efficiencies

Minimising Operating and Overhead Costs

Cargills Retail continued to drive disciplined cost optimisation initiatives across its operations during the year in review, with a particular focus on energy management, given the nature of retail operations and cold-chain requirements. As arguably the largest cold chain in the country, Cargills Food City stores are heavily reliant on refrigeration as well as air conditioning and lighting, which translates into energy costs being a significant operating expense. The Retail chain uses a hybrid model to source electricity, and combines grid-tied electricity with extensive on-site solar power generation across many supermarket outlets. This enables us to brace against electricity tariff volatility, which has been a major contributor to increased operating costs in recent years. LA 203-2

Alternative Channels

By leveraging the long-standing partnership with Lanka IOC for Cargills Food City outlets, Cargills Retail ventured into fuel retail in 2023, setting up Lanka IOC fuel stations at two major Cargills Retail stores, a natural extension of the Retail channel. This collaboration continued to offer greater convenience to customers through a one-stop-shop for essentials while refuelling their vehicles, enabling more efficient daily budgeting for households.

Additionally, EV charging facilities were installed in nine locations.

2025/26 Update

During the reporting period, the Public Utilities Commission of Sri Lanka (PUCSL) approved adjustments to electricity tariffs, including an effective 15% increase from June 2025.[5] While this revision resulted in an increase in our energy bills, Cargills ensured that none of these operating expenses were passed down to consumers. Solar installations continued to contribute towards offsetting utility costs, with 102 Cargills Food City Stores, the Distribution Centre in Katana, and 3 FMCG facilities installed with solar energy systems during the reporting period. Efforts to expand solar coverage across the Retail network remain underway.



[5] https://island.lk/many-quit-farming-due-to-escalating-cost-of-production-farmers-association/

Supporting Vulnerable Communities

Cargills continued to support vulnerable households during the year in review by partnering with local and global organisations focused on improving food security and access to nutrition. The School Meals Programme (refer page 60) launched in 2022, continued to provide balanced and nutritious meals to schoolchildren in selected schools, offering meaningful relief to low-income families. LA 413-1

The programme was extended in 2024 through a second project at a deserving school in Katugastota, Kandy, adopted by Food City Katugastota 2. This expansion was inspired by the moving story of a young student whose single mother, despite her best efforts, was unable to provide her daughter with a daily meal before school. Her story brought into sharp focus the quiet struggles faced by many families in the area, where the absence of a regular meal can affect a child's wellbeing, and ability to learn. Cargills responded quickly by stepping in to support the school with freshly cooked lunches, helping ensure that children in vulnerable circumstances could continue their education with nourishment, care, and a greater sense of security. This support continued during the reporting period, providing the schoolchildren with a consistent source of care and stability beyond the classroom.

Cargills remains committed to ensuring all Sri Lankans have reliable and undisrupted access to healthy, nutritious, and sufficient food. By leveraging our island-wide retail and distribution network, we continue to ease household expenses and support national efforts to reduce the cost of living. LA 413-1



Our school meals programme continued to provide nutritional support to children in vulnerable communities

Bridging Regional Disparity

Regional disparities continued to influence how Sri Lankans experienced daily life throughout 2025, ranging from access to economic opportunity to the stability of household income. While national stabilisation has progressed, the Sri Lanka Development Update 2025 published by the World Bank notes that recovery remains "uneven and incomplete",[1] with some districts seeing improvement faster than others as they rebuild livelihoods and local economies. Recent analysis[2] shows that the Western Province continues to dominate the country's economic activity, while regions such as the Northern, North Central, and Uva Provinces account for significantly smaller shares, which highlights persistent gaps in opportunity, connectivity, and market access across the island.

These disparities shape how Sri Lankans experience the country's economic recovery. Urban centres benefit from stronger infrastructure and more diverse income pathways, while many rural as well as estate communities continue to rely on seasonal work, limited employment, and constrained access to markets. As a result, progress continues to be felt unevenly across all districts, closely tied to the opportunities available within the region.

Cargills actively engages with local communities through a range of development and livelihood enhancement programmes. However, no formal social or environmental impact assessments were conducted during the reporting period.

In late November 2025, Cyclone Ditwah brought widespread flooding and landslides that disrupted daily life across several regions, with agriculture-dependent communities among the hardest hit. For many smallholder farmers, dairy producers, and vendors, the damage was immediate, affecting crops, livestock, and already fragile sources of income, further widening existing regional disparities. Natural disasters such as these highlight how vulnerable Sri Lanka's regional economies still remain to external shocks, particularly where livelihoods are closely tied to agriculture. These events also reinforce the importance of building systems that can support communities not only in recovery, but in sustaining more stable income and economic participation over time.

Over the years, Cargills has taken a steady and intentional approach to bridging these regional disparities by strengthening rural supply chains, expanding reliable market access, and investing in opportunities for economic participation, and more stable employment and income within the communities we serve.

The following section offers deeper insight into our decades-long programmes and partnerships that continue to guide our efforts to bridge regional disparities in Sri Lanka.

Value Delivered in 2025/26:

Contribution towards national recovery and rebuilding efforts post Ditwah

Rs. 100 Mn.

Total value of food and essential supplies provided to Ditwah-affected communities

Rs. 45 Mn. reaching over 20,000 families

Direct income to local agri and dairy farmers during the year

Rs. 18.9 Bn

Total incentives to farmers

Rs. 242 Mn.*

* This figure includes relief assistance provided to farmers on account of Ditwah.

Total invested in school meals programmes

Rs. 13 Mn.

Contribution to SDGs



From 500kg of vegetables in 1999 to approximately

167,000kg

of fresh produce handled daily



[1] https://www.developmentaid.org/news-stream/post/200793/sri-lanka-economic-recovery-world-bank-poverty-report

[2] https://srilankabrief.org/urban-rural-divide-in-sri-lankas-provincial-economy-western-42-northern-4-4/

The Evolution of Sri Lanka's Agriculture Supply Chain

More than 25 years ago, Cargills began the journey to transform Sri Lanka's agriculture supply chain by establishing our first fresh produce collection centre in Hanguranketha. What started with a single truck collecting 500kg of vegetables from farmers in 1999 has grown into a national, integrated farm-to-market model that continues to evolve each year. Today, this network spans 14 collection centres across the island, handling approximately 167,000kg of fresh produce daily, and eliminating intermediary layers that restricted farmer income and bargaining power.

These collection centres form the backbone of our sourcing ecosystem. Each facility is managed by qualified agriculture officers and graduates who work closely with farming communities, providing field supervision, technical support, and essential extension services. Their ongoing guidance strengthens cultivation practices, improves yields and post-harvest handling, and helps farmers adapt to rapidly changing environmental conditions. Over time, this system has matured into a comprehensive supply chain solution that includes credit for agricultural inputs, year-round produce collection, modern storage and logistics infrastructure, and guaranteed market access, thereby enabling farmers to secure more stable income and fairer profit margins.

As the supply chain continues to expand and adapt, our focus remains on preserving the relationships and trust built over decades. Our commitment is to ensure that rural communities across districts have equitable access to dependable markets, improved livelihoods and meaningful economic participation within Sri Lanka's growing agriculture sector. **LA 413-1**

2025/26 Update

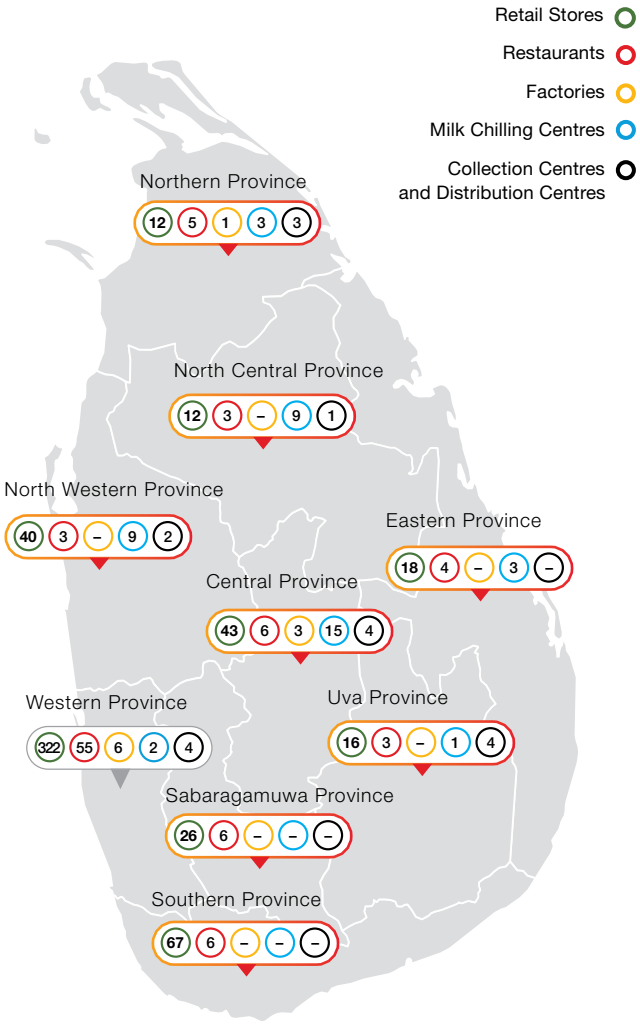
Sri Lanka's agriculture sector recorded continued growth in 2025, with national accounts indicating a 3.6%[3] expansion in agricultural activity during the third quarter, followed by a more moderate 2.1%[4] increase in the fourth quarter of the year. Overall GDP growth stood at 4.8% YoY in Q4, contributing to an estimated 5.0% for the full year, with agriculture contributing positively to national output. During the reporting period, we sourced 60.93 million kilogrammes of agricultural crops and 60.91 million litres of fresh milk.

More importantly, our direct sourcing from local agriculture and dairy farmers generated direct income of Rs. 18.9 Bn. to smallholder farming communities across Sri Lanka. This continued redirection of capital supports rural livelihoods while ensuring a reliable supply of fresh, nutritious products for consumers.

The Cargills Ecosystem

As the Cargills Retail footprint expands across the island, it continues to serve as a direct sales channel for smallholder agriculture and dairy farmers, as well as the micro, small, and medium enterprises that supply to the Cargills Group. During the reporting year, the fresh produce network comprised 14 collection centres located outside the Western Province, while the dairy network continued to collect fresh milk through 42 Milk Chilling Centres across the island.

Cargills Island-Wide Reach and Connectivity



[3] https://www.statistics.gov.lk/qlink/PressReleases/GDPSummaryIndicatorsQ32025_En

[4] https://tradingeconomics.com/sri-lanka/gdp-growth-annual

The Agriculture Modernisation Project

Launched in: 2019

Purpose: *To tackle the challenge of rural youth stepping away from family-run farming and traditional-agricultural livelihoods, a trend driven by declining profitability and increasing expenses in the sector, resulting in a shift toward higher-income service sector jobs in urban areas.*

Description: *Cargills Agri Solutions (CAS) initiated the Agriculture Modernisation Project to introduce local farmers to modern precision agriculture techniques practiced in India. The strategic application of these methods across select farms led to notable reductions in water and agrochemical consumption since their introduction. This demonstrated effectiveness and increased year-round yields have appealed to rural youth who are returning to their farming roots.* **LA 413-1**

Local and Global Partnerships

Partnerships with local and international organisations have helped Cargills integrate new ideas, skills, and technologies across farming communities in Sri Lanka. Over the years, by working side-by-side with partners who contribute their own strengths and expertise, Cargills has been able to introduce progressive farming practices, and give farmers the confidence of market access through purchase commitments. These collaborations help local agricultural communities improve their incomes, and create more equal opportunities for those who have long been left on the margins.

2025/26 Update

The North, East, and Deep-South (NEDS) Community Development Project

Cargills launched the NEDS Community Development Project to strengthen economic inclusion in Sri Lanka's North, East, and deep South by linking farming communities into our expanding value chain. The initiative supports rural producers with inputs, training and direct market access, helping stabilise purchasing prices and generate employment, while increasing produce collection and purchase volumes from smallholder farmers in these regions.

2025/26 Update

During the year in review, purchases of fresh produce, dairy, and goods sourced from Northern SMEs amounted to approximately Rs. 1.1 Bn., reflecting the continued integration of regional producers into the Cargills value chain. In the deep South, Cargills purchased 20 MT of green gram from farmers in Lunugamvehera, Hambanthota, providing direct market access alternative to intermediaries who purchased harvests at unfairly low prices.

Restoring Opportunity and Hope in the North

For more than two decades, communities in Sri Lanka's North lived through conflict that disrupted daily life, fractured livelihoods, and placed generations of farmers at a great disadvantage. When peace returned in 2009, many farming families were left with land but limited means to rebuild their agricultural income. It was during this moment of transition that Cargills began working closely with these farming communities, helping them reconnect with markets and regain confidence in an agriculture-based livelihood.

Cargills first focused on the essentials: access to seeds, inputs, training, and fair prices. By establishing produce collection centres across the region, farmers no longer had to rely on unpredictable intermediaries. They could sell directly, earn a stable income and see value in cultivating their land again. The opening of the KIST Kilinochchi processing unit in 2013 created steady employment for local families, including a strong female representation that became central to the factory's daily operations.

Over time, the relationship continues to deepen. Cargills expanded purchases from northern SMEs and introduced programmes like Village to Home, giving small producers a platform to reach consumers across the island. Shoppers in the South were able to enjoy authentic northern products, while entrepreneurs from Jaffna, Batticaloa, and Trincomalee found new opportunities to grow. What began as post-war recovery evolved into a relationship built on dignity, trust and shared progress, as the North reconnects with the wider Sri Lankan economy, one farming family at a time.

Tilapia Farming Partnership with ILO, Norway and Local Cooperatives

During the reporting period, Cargills joined hands with the International Labour Organisation (ILO), the Government of Norway and the Iranamadu Freshwater Fishers Cooperative Society, with support from the National Aquaculture Development Authority of Sri Lanka (NAQDA), to introduce cage culture tilapia farming in the Iranamadu tank in Kilinochchi. The project was formally launched on 27 May 2025 in the presence of Norwegian and ILO leadership, marking a significant step in strengthening inland fisheries and rural livelihoods.

The initiative is designed to offer Sri Lankan consumers a reliable and affordable protein source while creating stable, year-round income for fishing communities. By transitioning to controlled freshwater cage farming, the project helps buffer producers against volatile saltwater fish prices arising from weather and fuel constraints. Cargills will support product development, processing and island-wide distribution, ensuring market access and long-term commercial viability. Co-funded and technically supported by the ILO, and operationally led by local cooperatives, the project demonstrates the power of community-driven development and international collaboration.





3. Climate-Resilient Aloe Vera Cultivation Partnership

Cargills partnered with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) during the year in review to introduce a climate-resilient aloe vera cultivation initiative in Kilinochchi. The project supports female smallholder farmers through training, inputs, and forward purchase arrangements, while enabling local value addition through processing at the KIST Kilinochchi facility (refer page 66).

Case Study: Scaling up Sustainable Land Management Models

Citation: FAO. 2022. Terminal evaluation of the project "Rehabilitation of Degraded Agricultural Lands (RDAL) in Kandy, Badulla and Nuwara Eliya Districts in the Central Highlands" Project Evaluation Series, 10/2022. Rome.

Cargills and the Sri Lanka Department of Agriculture (DoA) collaborated with the Food and Agriculture Organisation of the United Nations (FAO) to successfully implement sustainable production practices for smallholder farmers in the country's central highlands in line with Good Agricultural Practices (GAP) principles. This partnership combines private sector strengths and public sector expertise, with Cargills providing technology, value addition, market access and finance, and the DoA along with the Provincial DoAs of Uva and Central provinces offering training and technology transfer.

A range of technologies was introduced, including plastic mulch to reduce water evaporation, micro-irrigation systems, and mechanical and systemic land improvements. Chemical usage was significantly reduced through insect-proof nets and integrated pest management. This farming model addresses growing consumer demand for certified and (chemically) safe food, as well as an assured market and better price for farmers.

This sustainable approach to agriculture, combined with modern technology and improved agronomy, led to an increase of farmer incomes and certification, which allowed farmers access to niche markets and sell produce at above-market rates.



Cage culture tilapia farming introduced by Cargills in Kilinochchi is creating stable, year-round income for fishing communities

Social/economic benefits:

- 50-60% reduction in water usage compared to manual watering
- 70-80% reduction of chemical fertiliser use
- 30-40% reduction of agrochemical usage from insect proof nets and integrated pest management
- 30-40% reduction of labour requirement (both family labour and hired labour) mainly due to minimum tillage, reduced weeding, watering and fertiliser application
- 10-20% yield increment through quality seeds and planting materials, integrated nutrient and pest management, and improved irrigation
- Additional co-benefits such as reduced labour and fertiliser cost, improved water efficiency, better soil conditions, and enhanced fertiliser efficiency
- Noticeable improvements in produce quality, enabling farmers to secure premium prices

Following the proven success of this private-public collaboration, the FAO expanded GAP adoption among smallholder farmers through the provision of modern agricultural tools and guaranteed market access through the Cargills Retail chain. The programme continues to evolve and contribute towards improving farmer income and resilience, while narrowing regional disparities across Sri Lanka's agricultural communities.

Driving the Steady Growth of the Domestic Dairy Industry

Sri Lanka's dairy sector has steadily evolved over recent decades, shaped in part by economic reforms that followed the adoption of open economic policies from the late 1970s onward. The country's dairy consumption has risen with changing diets and urbanisation, and the sector has been recognised for its potential to contribute more substantially to national production and nutrition. Despite this, local milk output remains insufficient, meeting only about 40% of domestic demand, with the remainder supplied through imports of milk and milk products.

Within this broader context, livestock and dairy farming have become an important source of income in many rural communities. Cargills diversified into the dairy business in 2002, drawing from the experience of our agricultural supply chains to create links between smallholder producers and consumer markets. For more than 20 years, this model has helped farmers improve returns on milk sales, supporting livelihoods and contributing to reduced regional income disparities.

The Group's dairy sector consists of Cargills Dairies Pvt Ltd. and Kotmale Holdings PLC, which have played a catalytic role in shaping year-on-year growth in milk procurement and production volumes in Sri Lanka. Through an ongoing collaboration with the Department of Animal Production and Health (DAPH), technical guidance is provided to farmers and other stakeholders. Cargills' digitised milk procurement network now spans the Central, North Western (Wayamba), and North Central provinces, strengthening market access for producers and supporting more reliable household income for dairy farming families.

The Dairy Enterprise Development Initiative (DEDI)

Launched in: 2021

Purpose: *A 5-year programme led by Kotmale Dairy Products (Pvt) Ltd, with the aim of supporting national efforts to expand domestic milk production, with a targeted increase of 80 million litres annually by the year 2026.*

Description: *To support Sri Lanka's progress toward greater self-sufficiency in fresh milk production by working to optimise the processing capacity of the Group's dairy facilities and lessen the country's dependence on imported dairy products. In order to enhance herd productivity, genetically improved animals introduced through artificial insemination have been made available to farmers. A commercial-scale fodder and silage unit provides consistent access to higher quality feeding materials. Farmers also receive financial support and planning guidance covering farm management, dairy development and extension activities, helping strengthen on-farm efficiency over time.* LA 413-1



Over

Rs. 140 Mn.

mobilised for dairy farmer development, including loans, grants, and farm productivity supports

2025/26 Update

Dairy development interventions were implemented with the support of the **Smallholder Agribusiness Partnership Project (SAPP)**, supporting the establishment of Model Dairy Farm Units across the Cargills milk collection network.

Despite implementation challenges arising from adverse weather conditions, including Cyclone Ditwah, the programme successfully completed interventions with 351 dairy farmers across all 42 Milk Collection Centres. Through a combination of grants and credit facilities, the programme mobilized investments exceeding **Rs. 140 Mn., including Rs. 90 Mn. in farmer loans Rs. 47.54 Mn. in grant assistance and Rs. 5 Mn. in community infrastructure development.**

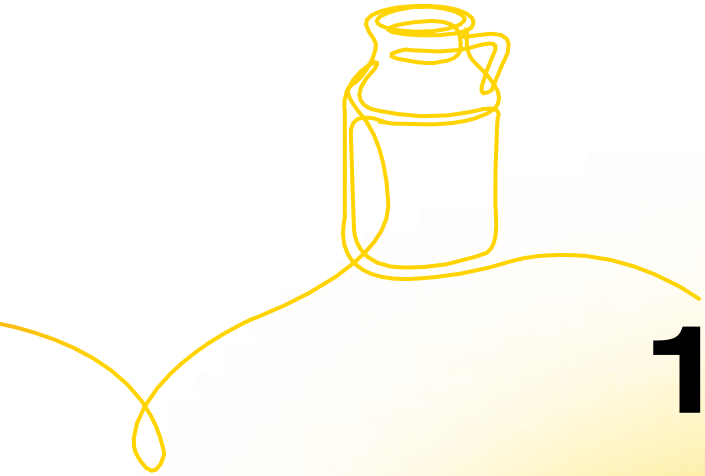
Key achievements during the year included the establishment of 118 acres of improved fodder cultivation, generating an estimated annual production of 5,767 MT of quality fodder, completion of 138 loose barn cattle sheds, construction of an additional 63 sheds, and provision of 157 chaff cutters to improve feed management and farm productivity. Furthermore, over 300 farmers participated in dairy awareness programmes, while over 900 farmers benefited from technical training and extension services.

In addition to the SAPP interventions, Cargills Dairies continued to promote financial inclusion through strategic partnerships. In collaboration with Cargills Bank, 26 dairy farmers received development loans amounting to **Rs. 31 Mn.** to support farm expansion, productivity enhancement, and infrastructure development.

The programme also contributed to rural community development. Responding to requests from dairy farming communities linked to the Thisogama and Hettipola Milk Collection Centres, two village access roads were rehabilitated and cemented under the SAPP Community Development Programme at an investment of approximately **Rs. 5 Mn.,** improving accessibility and facilitating milk collection and transportation.

As part of its ongoing dairy extension services, Cargills facilitated an average of 647 artificial insemination services per month to support genetic improvement and herd productivity. To strengthen feed security, the programme continued to facilitate year-round silage supply through a network of four dairy silage entrepreneurs.

Additionally, 445 farmers were integrated into the evening milk collection network, while the introduction of a Milk Incentive Slab Scheme encouraged the supply of higher volumes of quality milk and rewarded progressive dairy farmers.



Over 1,200 dairy farmers benefited from dairy awareness sessions, technical training, and extension services during the year

Nourishing Our Nation

During the year in review, Kotmale launched a new brand campaign with the tagline "Nourishing Our Nation", aiming to bring national attention to the importance of strengthening Sri Lanka's domestic dairy industry, highlighting the role of locally sourced milk in supporting both rural livelihoods and everyday nutrition.

As Sri Lanka continues to build greater self-sufficiency in fresh milk production, fostering consumer confidence in local dairy remains equally important. The campaign focused on increasing awareness of the value of locally produced milk, encouraging consumers to make informed choices that directly support farming communities. By bringing visibility to the journey of milk from farm to household, Kotmale reinforced the importance of quality, safety, and traceability in locally produced dairy. In doing so, the campaign strengthened the connection between producers and consumers, while supporting broader efforts to promote responsible consumption patterns and reinforce trust in Sri Lanka's dairy industry. **LA 413-1**

Community Development

Regional disparities have shaped economic and social outcomes in Sri Lanka for many years, influencing the opportunities available to communities across the island. Responding to these differences requires steady, long-term attention to local needs and conditions. With this understanding, Cargills (Ceylon) PLC has focused on initiatives that strengthen participation in economic activity and support improvements in daily life, particularly within rural and semi-urban regions where such efforts can make a meaningful difference.

1. School Meals Programme

Cargills (Ceylon) PLC introduced the Community Meals Programme in 2022 in response to the economic challenges that left many families with limited access to daily nutrition. The initiative has continued to support underprivileged communities, providing regular meals to groups identified through local engagement.

Kotmale's "Nourishing Our Nation" campaign brought renewed attention on the farmers, families, and communities that form the backbone of Sri Lanka's domestic dairy industry



2025/26 Update

During the reporting period, the programme invested Rs. 13 Mn. to sustain these efforts and offer practical assistance to children facing ongoing food insecurity.

2. Strengthening Communities Through Shared Cultural Traditions

Cargills marked the Sinhala and Tamil New Year through a series of public celebrations that brought communities together across the island. In Colombo, *Rasawath Avurudda* was held at Viharamahadevi Park, where families and children engaged in traditional games, food experiences, and seasonal activities that celebrated the cultural spirit of Avurudu. Complementing this, *Seethala Wasanthaya* was held at Gregory Lake in Nuwara Eliya over several days, with both residents and visitors attending.

The events featured the active presence of Cargills Food City and key brands including KIST, Kotmale, and Magic. In line with its focus on community engagement, Cargills Bank also promoted financial literacy at the events, offering parents the opportunity to open savings accounts for their children and encourage long-term financial planning. These initiatives reflect Cargills' continued focus on community development, creating shared spaces that strengthen social connection while supporting more inclusive and resilient communities.







Sarubima Fund

Launched in: 2008

Purpose: To uplift the lives of farming communities by contributing 50 cents for every kilogramme of fresh produce, or every litre of fresh milk sourced from local farmers.

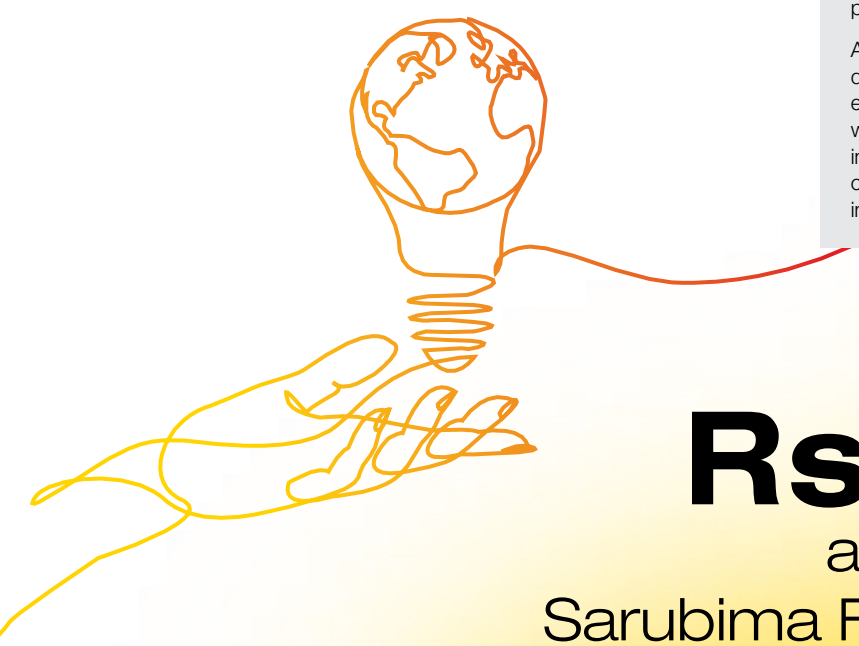
Description: *The fund has evolved into a wider platform that advances the lives of our farming communities by offering educational scholarships, upgrading community facilities, and restoring and supporting essential local infrastructure improvements. These interventions help strengthen rural wellbeing and create the conditions for more stable and inclusive growth within the agricultural communities connected to the Cargills value chain.* LA 413-1

2025/26 Update

Across Sri Lanka's farming communities, the aspirations of children are closely tied to the strength and stability of their households. During the year in review, the Sarubima Fund continued to support these communities through a combination of educational and community-focused investments, reinforcing its long-standing commitment to rural development.

The Group allocated over Rs. 115 Mn. through the Sarubima Fund this year, with the fund being directed towards both student scholarships and community infrastructure and essential services. Of this, more than Rs. 51 Mn. was dedicated to education, benefiting over 1,300 students through Grade 5 and G.C.E. A/L scholarships, vocational training opportunities, and the provision of laptops for university students .

A further Rs. 64 Mn. was allocated to support community development initiatives, including the upgrading of libraries, establishment of smart classrooms, improvements to clean water and sanitation facilities, and enhancements to preschool infrastructure. Through these combined efforts, Sarubima continues to strengthen rural communities while investing in the next generation of Sri Lanka.



Over

Rs. 115 Mn.

allocated through the Sarubima Fund to support rural education, infrastructure, and essential community services

Other Key Initiatives

RIDE Joins Sri Lanka Cricket as Official Energy Drink Partner

Cricket is one of Sri Lanka's strongest unifying forces, bringing people together across generations, regions and communities. During the reporting period, RIDE, the energy drink produced and marketed by Cargills Food & Beverage Ltd., became the Official Energy Drink Partner of Sri Lanka Cricket, marking an important milestone in the brand's journey and its connection to a sport that continues to unite the nation.

Aligned with RIDE's renewed brand promise of Real Energy, the partnership reflects Cargills' continued commitment to building locally rooted brands that connect with the aspirations, passions and everyday lifestyles of Sri Lankan consumers. Through this collaboration, RIDE strengthens its association with energy, performance and national pride, while supporting the country's most loved and widely followed sport.



Standing with the Nation in Times of Crisis

The devastating floods following Cyclone Ditwah in late November 2025 brought widespread disruption across Sri Lanka, affecting communities, livelihoods, and access to basic necessities. In the immediate aftermath, Cargills responded swiftly through our ***Heart for the Nation*** *initiative, mobilising our island-wide network to deliver essential support to those most in need.*

As an urgent relief measure, the Group dispatched over 10,000 dry ration packs to the most severely affected areas, working closely with government authorities to ensure timely distribution. As the scale of the crisis became clearer, these efforts were further expanded through the provision of food and essential supplies valued at over Rs. 45 Mn., reaching more than 20,000 families across the country.

Complementing this on-ground response, Cargills contributed Rs. 100 Mn. to the Government's Rebuilding Sri Lanka National Fund, supporting longer-term recovery and rebuilding efforts. Together, these initiatives reflect the Group's enduring commitment to stand alongside the nation in times of hardship, extending support not only to affected families, but also to the communities and livelihoods that form the backbone of Sri Lanka. **LA 413-1**





Creating Magical Memories on World Children's Day

Childhood is shaped by moments of joy, creativity, and shared experience. On 1 October 2025, Cargills celebrated World Children's Day at *Sathutu Uyana*, Viharamahadevi Park, bringing together children and families for a day centred on play, expression, and togetherness.

Children from preschools across Colombo, Gampaha, and Kalutara took part in a variety of performances and activities, creating a lively and engaging atmosphere. The event also welcomed children from the School for the Deaf, Ratmalana and the Sunera Foundation in Dehiwala, who participated alongside their peers, highlighting the importance of ensuring that such shared experiences are accessible to all children.

Cargills brands, including Food City, Kotmale, Magic, KIST, RIDE, Knuckles, KFC, and Goldi contributed a range of interactive experiences, creating an engaging environment for children to participate and enjoy. Through this initiative, Cargills continues to celebrate the spirit of childhood by providing opportunities for every child to feel seen, included, and valued.





Honouring Traditions that Bring a Nation Together

Each year, Vesak offers a moment of quiet reflection for communities across Sri Lanka, as streets and public spaces are transformed to celebrate values of compassion, generosity, and unity. During the season, Cargills contributed to this shared national observance by illuminating the Bauddhaloka Mawatha Vesak Kalapaya for the second consecutive year, in collaboration with the All Ceylon Buddhist Congress (ACBC). As one of Colombo's most recognised Vesak zones, the Kalapaya welcomed thousands of visitors, creating a space where families and individuals could gather, reflect, and take part in long-standing traditions.

During February 2026, we also extended our support towards the exposition of the sacred Devnimori Relics of Lord Buddha at the Gangaramaya Temple in Colombo, a rare and historic event that drew over one million devotees from across the country. Displayed outside India for the first time, the relics offered a once-in-a-lifetime opportunity for spiritual reflection and reverence. Cargills' support contributed towards facilitating access and participation, helping ensure that this significant national event remained accessible to communities travelling from across the island. Cargills also donated 200 litres of ice cream to the University of Peradeniya for distribution during the Vesak Dansala.

Through initiatives such as these, Cargills continues to play a role in preserving the cultural and spiritual fabric of Sri Lankan life, ensuring these shared experiences remain accessible to communities throughout the country.



Advancing Regional Growth in the North through Strategic Investment Dialogue

As part of our continued engagement in strengthening regional economies, Cargills served as the Corporate Partner for the ***Northern Investment Summit 2026,*** *held at the Thiruvalluvar Cultural Centre in Jaffna. The two-day summit brought together policymakers, investors, business leaders, and community stakeholders to explore opportunities for investment and long-term economic development in the Northern Province.*

Through this participation, Cargills contributed to discussions on agriculture-led growth, highlighting the role of integrated value chains, farmer-centric models, and value addition in building commercially viable and export-oriented sectors. The summit served as an important platform for connecting regional potential with investment, reinforcing the importance of private sector participation in supporting balanced national development, and unlocking new opportunities across underserved regions. **LA 413-1**





Restoring Educational Infrastructure for Future Food Innovators

During the year, Cargills Dairies (Pvt) Ltd., through its Magic ice cream brand, supported the Faculty of Agriculture of the University of Peradeniya following flood-related damage to its learning infrastructure. The Company donated an ice-cream machine and laptops to help restore essential research and learning facilities, enabling students to continue practical education in dairy technology, product development, and food innovation.
This contribution reflects Cargills' commitment to supporting educational institutions that nurture future talent in Sri Lanka's agriculture and food sectors. By investing in spaces of learning, Cargills continues to strengthen the foundations for knowledge, skills development, and long-term industry progress.

KIST and Kilinochchi – A Journey towards Progress

Post-war Rebuilding and Revival Through Sustainable Agriculture

Kilinochchi was once a thriving agricultural hub in Sri Lanka's Northern Province, home to more than 100,000 people, sustained by fertile land and a strong farming tradition. Yet decades of conflict left deep scars across the region. By the time the civil war ended in 2009, much of the town's infrastructure and agricultural economy was destroyed. As families gradually returned to rebuild their homes and livelihoods, the region faced the challenge of restoring both its agricultural productivity and economic stability.

Recognising both the challenges and the potential of the region, Cargills began engaging with farming communities in Kilinochchi soon after the conflict ended. A Cargills team visited the region in 2009 with the intention of extending our agricultural value chain model to the Northern Province and supporting the revival of the local horticulture sector. To better understand the needs of farmers, we conducted a large-scale needs assessment covering approximately 2,500 smallholder farmers, combining face-to-face discussions with farming communities and field studies conducted with students from the University of Jaffna.

Drawing on these insights, Cargills launched a three-year initiative to rebuild the region's horticulture value chain. *Local field officers were recruited to work closely with farmers and facilitate the formation of farmer groups, while training was provided on improved cultivation practices and loss-free post-harvest handling. Produce collection centres were established across the region, enabling Cargills to purchase fresh produce directly from farmers while eliminating intermediaries from the supply chain.* LA 203-1

In 2013, Cargills commenced operations at the KIST Fruit Processing Plant in Kilinochchi, processing up to 7MT of fruits and vegetables per day. The facility created regular employment opportunities in the region, particularly for women, while also contributing to greater price stability for locally grown produce. Over time, the plant became an important link between farmers and consumer markets, enabling value addition while strengthening the local agricultural economy. LA 413-1

During the COVID-19 pandemic in 2020, the Kilinochchi facility extended additional support to farmers in the region by purchasing surplus fruit crops, including harvests from farmers who were not previously part of the Cargills network. These crops were transported to the KIST processing facility in Katana for the production of KIST beverages, ensuring that farmers could continue to earn an income during a period of severe market disruption.

Today, the KIST facility forms part of Kilinochchi's growing industrial landscape, supporting farmers, generating employment, empowering women, and contributing to the steady revival of the region's agricultural economy. As Kilinochchi continues its journey toward progress, we remain committed to working alongside our farming communities, strengthening livelihoods, and unlocking the region's agricultural potential.



From post-war recovery to renewed opportunity, Cargills KIST continues to walk alongside Kilinochchi's farming communities

2025/26 Update

In August 2025, Cargills introduced a climate-resilient aloe vera cultivation project in Kilinochchi[1] in collaboration with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), aimed at strengthening rural livelihoods. The project directly supports 100 female farmers, providing high-quality planting material, cultivation equipment, and training in modern agricultural practices such as micro-irrigation, sustainable crop management, and post-harvest handling.

The initiative also introduces a forward contract farming model, ensuring that farmers benefit from guaranteed purchase agreements for their harvests. Aloe vera cultivated through the project is processed at the Kilinochchi facility and used in the production of KIST Aloe Vera beverages, creating local value addition while strengthening income opportunities for the female farmers participating in the project. LA 413-1





The project directly supports **100** female farmers in Kilinochchi through climate-resilient aloevera cultivation, capacity building, and forward contract farming

[1] https://www.dailymirror.lk/business-news/KIST-GIZ-boost-sustainable-aloe-vera-cultivation-in-Kilinochchi/273-317051

Cargills
Village to Home

Expanding Market Access for Small and Medium Enterprises

Cargills Village to Home was launched in 2020 at a time when many small enterprises and home-based producers across Sri Lanka were struggling to access markets that sustained their livelihoods during the COVID-19 pandemic. Through this initiative, these enterprises were given an opportunity to reconnect with consumers through the Cargills Food City retail network.



SMEs contribute over 52% of Sri Lanka's GDP and play a critical role in employment generation. Yet many micro and small enterprises were among those most affected during the pandemic, particularly during periods of restricted movement. With Cargills Village to Home, selected Cargills Food City car parks are used to host pop-up sales events where enterprising SME owners are provided with the opportunity to showcase traditional Sri Lankan products, from food items and Ayurvedic herbal remedies to handloom textiles, artisanal handicrafts, and cane and reed craft products.

Cargills provides the required infrastructure, including demarcated stalls, water, electricity, and other essential facilities free of cost for these Village to Home events. Participating SMEs receive guidance on packaging, labelling, marketing communication, social media engagement, quality assurance, and product standards, helping strengthen each brand and improve readiness for the retail market. Participants are also given the opportunity to open a Cargills Bank account and are provided with QR codes to enable convenient digital transactions. LA 413-1

In March 2022, Cargills further strengthened the initiative with the introduction of the Village to Home "Gondola" programme. Selected products are now displayed on dedicated Village to Home Bays or Gondola shelves within Cargills Retail outlets, providing greater visibility and continuous market access.

Village to Home continues to work with several governmental and non-governmental institutions to identify and support promising SMEs. Through these partnerships, Cargills is able to connect with entrepreneurs across different regions while drawing on institutional networks and sector expertise in rural industries and small enterprise development. This collaboration helps ensure that the programme reaches a wider pool of producers while supporting the continued growth of emerging SMEs. Collaborators included the Small Enterprises Development Division (SED) of the Ministry of Sports and Youth Affairs, the National Enterprise Development Authority (NEDA) of the Ministry of Industries and Commerce, the Ministry of Cane, Brass, Clay, Furniture, and Rural Industry Promotion, and the Provincial Department of Agriculture (Western Province).

2025/26 Update

During the year in review, Cargills continued to strengthen the Village to Home programme by expanding both market access opportunities and capacity-building initiatives for small and micro entrepreneurs across the country.

Number of Village to Home events held during the year:

Village to Home Events	Total to-date since 2020	2025/26	2024/25
Cargills Village to Home Events	84 (35 main events and 49 mini events)	**20 (03 main events and 17 mini events)**	22
Number of events held in Jaffna	16	0	04

The number of directly registered SMEs reached 407 during the reporting period, with the total number of SMEs including village societies and worker societies reaching 1,242. During the reporting period, 190 new products were introduced through Village to Home events by registered SMEs. Since Village to Home was launched in 2020, more than 4,070 unique products have entered the local market through the programme.

A total of **20** Cargills Village to Home events were held during the year

Total number of SMEs registered under the programme reached **1,242**

More than **4,070** unique products have entered the local market through the programme since 2020



Total number of SMEs (directly and indirectly linked):

Village to Home Events	Number of SMEs
Total to-date since 2020	1,242*

* Including village societies + Jaffna SMEs + worker societies

Village to Home Events	Total to date since 2020	2025/26	2024/25
Directly registered SMEs	407	**19**	41
Products introduced	4,070	**190**	400

During the reporting period, 12 unique products from Village to Home SMEs were featured across 16 Cargills Retail outlets through dedicated Bay and Gondola displays, with each product and the respective SME listed at the relevant Food City locations to enhance brand visibility. In addition to these dedicated displays, Village to Home products were also listed across 499 Food City outlets island-wide, bringing the total number of locations carrying products from the programme to 515.

	Total to-date since 2020	2025/26
Listed SMEs	17	**03**
Listed Products (SKUs)	60	**12**
Total revenue earned by SMEs from Cargills Food City stores	Rs. 131.5 Mn.	**Rs. 71.9 Mn.**

Training and Capacity Building

Cargills conducted its fourth annual Village to Home capacity building programme during the reporting period, bringing together 58 small business owners, including participants from the Northern Province. Conducted by senior Cargills officials, the sessions covered essential topics such as quality assurance, food regulations, packaging and labelling, and strategies for listing products in modern retail, enabling participants to better position their products within organised retail environments and engage more confidently with a wider consumer market. **LA 413-1**

Participants also gained insights into sustainable business practices, while guidance on accessing financial products through Cargills Bank supported improved financial management and business growth. Entrepreneurs shared their success stories, fostering inspiration and practical knowledge exchange, while the sessions also created meaningful connections between SMEs, key stakeholders, and Cargills representatives. These focused efforts reflect continued commitment to not only creating access to markets, but also strengthening the long-term resilience and growth potential of small enterprises across Sri Lanka.



Opportunities for the Differently-Abled

Village to Home also supports opportunities for individuals with disabilities by working with organisations dedicated to promoting inclusion and livelihoods within these communities. Through these collaborations, members of partner organisations are given the opportunity to showcase and sell products at Village to Home events, enabling access to consumer markets and creating avenues for income generation.

The programme works closely with:

- Kalutara District Organisation of Disabled – Adults
- Cocoon Foundation – Children
- EASE Foundation

Through these partnerships, persons with disabilities are able to participate in the programme and connect with consumers through the Village to Home marketplace, helping expand economic opportunities for a segment of society that often remains under-represented in the local market.

Through these initiatives, Cargills continues to support inclusive economic participation and strengthen community-based enterprise development across Sri Lanka.



Our 4th annual Village to Home Capacity Building Programme empowered **58** small business owners, including those from the Northern Province

Case Studies/Success Stories

Eheli Seda: Empowering Women-led Enterprises in Eheliyagoda

Mrs Asha Niranjanee from Eheliyagoda began her entrepreneurial journey with a vision to support and uplift women in her community. As a Fabric Sourcing Specialist, she recognised that many women possessed skills but lacked opportunities to translate them into sustainable income. With guidance from the village temple monk, she brought together a group of women to form the "Eheli Seda" society, organising basic training in handicrafts, clothing, and food processing to help women begin small home-based enterprises.

At the same time, Mrs Asha started her own dehydrated food business at home using a 15kg dehydrator machine. With just 2 products and the support of her husband and 2 daughters, she earned around Rs. 25,000 per month, serving a limited customer base.

The Cargills Village to Home programme identified the enterprising nature of the Eheli Seda society and provided access to Village to Home events, along with training and ongoing guidance. Backed by this support, Mrs Asha strengthened her business across product development, labelling, certifications, and customer engagement. A key milestone was the successful listing of 2 of her products within the Cargills Food City retail network, significantly expanding her market reach.



Today, Mrs Asha earns approximately Rs. 500,000 per month and operates her own factory with 5 large-scale machines. Her product range has expanded to 12, supported by a supplier network of 25 to 30 individuals, while creating employment for 7 individuals.

Her business has also reached international markets, with export orders to Japan and the UK.

In rural Sri Lankan communities, income generated by women supports household stability and contributes to children's education and daily wellbeing. The opportunities created for one entrepreneur through Cargills Village to Home extended to many others through the Eheli Seda society, strengthening local economic participation while enriching the lives and livelihoods of a rural community.

From Kuppilan to Switzerland

Mr Gnanamoorthy Vigneswaramoorthy, a 58-year-old entrepreneur from Kuppilan in Jaffna, began his small home-based food processing business producing value-added products such as soursop powder, drumstick leaf powder, bitter gourd powder, nelli cordial, and moru miris. Despite the quality of his products, his operations remained limited. With 2 employees, 5 suppliers, and 2 machines, his monthly income came to around Rs. 80,000 due to limited access to wider markets.



The Cargills Village to Home programme identified his potential and provided Mr Vigneswaramoorthy opportunities to participate in Village to Home events, attend SME training programmes, and receive continuous guidance. Through this support, he strengthened his product development, labelling, certification standards, and overall market readiness. Soon, his moru miris product was listed within the Cargills Food City retail network, and made available across more than 550 outlets.

With increased market access and growing demand, Mr Vigneswaramoorthy's business expanded significantly. Today, his monthly income has grown to approximately Rs. 1.5 Mn. His workforce has increased to 4 employees, while his supplier base has expanded from 5 to 10. He has also upgraded his operations from 2 machines to 12 and moved from a home-based setup to a dedicated 1,400 square foot factory.

His products have reached international markets, with exports to the Maldives, Canada, and Switzerland, with plans to expand into the UK. Mr Vigneswaramoorthy's journey reflects how sustained market access and practical guidance can support enterprise growth in the Northern region, strengthening value-added food production while creating more stable income opportunities.

Healthy, Safe, and Affordable Nutrition

Across Sri Lanka, the conversation around food is increasingly shaped not only by its availability, but also by its nutritional quality. While access to food remains a pressing concern for many households, maintaining a balanced and nutritious diet has become a growing challenge in the face of economic uncertainty. Poor dietary habits have contributed to the rising prevalence of non-communicable diseases (NCDs), which account for a significant proportion of Sri Lanka's mortality. In this environment, ensuring that nutritious, safe, and affordable food reaches consumers has become a shared responsibility across local food value chains.

Cargills continues to play a central role in strengthening Sri Lanka's nutrition-sensitive food supply chain. By connecting farmers, manufacturers, and consumers through an integrated network, we ensure that healthy food options remain accessible to the Sri Lankan mass market. Through responsible sourcing, product innovation, and rigorous food safety standards, Cargills continues to translate advances in nutrition science into practical consumer choices while maintaining affordability, accountability, and trust.

This chapter provides an insight on multiple initiatives Cargills has pioneered over the years to ensure Sri Lankan consumers are presented with better, healthier, and more nutritious food choices through a trusted and responsible food value chain.

Value Delivered in 2025/26:

Purchasing value of Good Harvest produce

Rs. 4.9 Mn.

Purchasing value of BeeSafe produce

Rs. 43.1 Mn.

Purchasing value of Organic Rice crops

Rs. 21.9 Mn.

Purchasing value of Traditional Rice Flour

Rs. 2.5 Mn.

Number of new products introduced to the market

38

Contribution to SDGs





BeeSafe

(Agrochemical Free Farming)

Launched in 2019

Purpose To address growing health concerns related to pesticide exposure while responding to increasing demand for safer, chemical-free fresh produce at affordable prices.

Description Cargills promotes agrochemical-free cultivation through toxin-free ecological zones where farmers apply a scientifically balanced combination of microorganisms, natural herbicides, and biopesticides. By reducing dependence on synthetic chemicals, the programme supports safer farming environments while maintaining crop productivity, all the while being safe for sensitive pollinators such as bees, from which the initiative derives its name.



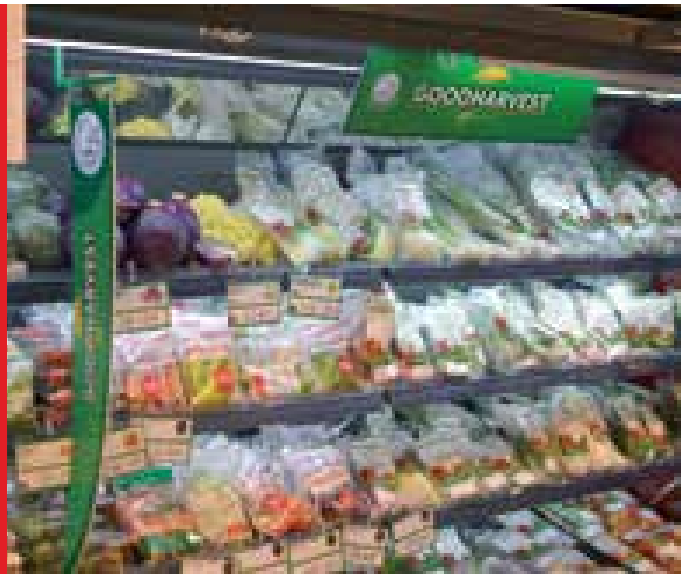
Good Harvest

(Sri Lanka's First GAP-certified Produce)

Launched in 2019

Purpose To promote Good Agricultural Practices (GAP) that ensure farm produce meets strict quality standards while remaining environmentally responsible, socially acceptable, and economically viable for farmers.

Description Building on years of GAP-aligned cultivation, Cargills partnered with the Department of Agriculture to introduce Sri Lanka's SL-GAP certification. Fresh produce marketed under the Good Harvest label follows GAP-regulated fertiliser and pesticide use within safe residue limits. Continuous monitoring of farmers' crop records and QR-based traceability on Good Harvest packaging strengthens food safety, transparency, and accountability across the supply chain.



Cargills Rice

(Traditional Organic Rice)

Launched in 2019

Purpose To cultivate and supply traditional rice varieties that offer high nutritional value, a low glycaemic index, and are grown without agrochemicals.

Description Rooted in Sri Lanka's longstanding rice cultivation heritage, Cargills collaborates with the Parabowa Farmers Association to produce several traditional rice varieties rich in antioxidants. These varieties are cultivated under carefully managed conditions to preserve their nutritional qualities. The programme has also expanded to include red and white traditional rice flour, offering a gluten-free alternative for cooking and baking.



Food Safety, Traceability, and Quality Assurance

Ensuring that food remains safe as it moves from farm to shelf continues to be an important part of the Cargills value chain. Over the years, we have strengthened our quality assurance systems while gradually introducing digital tools that improve traceability and visibility across our supply chain.

During the reporting period, health and safety impacts were assessed for improvement across 100% of our significant product categories, including fresh produce, dairy, seafood, and other food products.

Following the end-to-end digitalisation and automation of the Cargills fresh produce supply chain, QR codes capture key details such as crop type, production volumes, packing and expiry dates, farmer identification, and quality controller information. By scanning the code, additional cultivation data can be accessed through the Department of Agriculture's information systems, providing greater transparency from farm to market.

Progress also continued in strengthening traceability across other parts of the supply chain. The Cargills dairy value chain continued to move towards full digitisation, improving visibility across milk collection, quality monitoring, and payment processes at collection centres. Digitisation efforts also continued at the Cargills seafood distribution centre, improving handling practices and supply management across the seafood category.

These evolving systems enable us to monitor the movement of products across our supply chain more closely, supporting quicker responses to potential food safety risks while improving planning, storage management, and accountability along the way. LA 416-1

Fostering a Strong Regulatory Environment

Food safety and product quality are carefully managed across the Cargills food value chain, shaping how products are manufactured, stored, and delivered to consumers. Over time, we have strengthened a regulatory framework ensuring every product reaching the market meets clearly defined standards in nutritional value, safety, quality, and affordability. Across Cargills, product development and manufacturing teams remain uncompromising in upholding these requirements, embedding regulatory discipline throughout the supply chain.

Manufacturing operations take place within controlled production environments designed to safeguard product integrity. Automated processing systems operate within sterile facilities equipped with anti-bacterial cold rooms, specialised cold storage, and modern processing infrastructure, ensuring raw materials and finished products are handled under carefully monitored conditions.

All Cargills production facilities operate under ISO 22000:2018 Food Safety Management Systems (refer pages 38 to 41), providing a structured framework for identifying and managing food safety hazards throughout the manufacturing process. Facilities undergo regular audits, inspections, and product testing to maintain compliance. The framework incorporates Good Manufacturing Practices (GMP), guiding hygiene and operational discipline across production facilities. Several key dairy and agricultural processing facilities also maintain certification under Hazard Analysis and Critical Control Points (HACCP) and ISO 9001:2015 for Quality Management.

Benefits of Supply Chain Traceability

1. **Food Safety and Quality Standards:** Tracking produce from their source allows for rapid identification of path and swift action and effective recalls in case of an issue.
2. **Consumer Trust and Confidence:** Transparency and traceability across the supply chain enables consumers to verify origin and quality of produce, building consumer trust in the food they consume as well as the in Cargills' commitment to food safety.
3. **Efficient Logistics and Storage:** Traceability helps to optimise logistics across the supply chain as well as storage at collection centres, mapping the most efficient paths and minimising spoilage and wastage of produce.
4. **Risk Mitigation:** Visibility and traceability across the supply chain helps identify potential risks and implement preventive measures.
5. **Accountability:** Traceability ensures accountability at every stage of the supply chain, holding each stakeholder responsible for food safety and quality.

Manufacturing operations take place within controlled production environments designed to safeguard product integrity

The Company's Convenience Food production facility holds Halal certification from the Halal Accreditation Council (HAC) of Sri Lanka, while Halal accreditation under the Gulf Standard (GSO) applies to selected dairies, confectioneries, and food and beverage products, supporting Cargills' export presence in regional markets. Specialised product lines not eligible for Halal certification are produced separately in dedicated facilities.

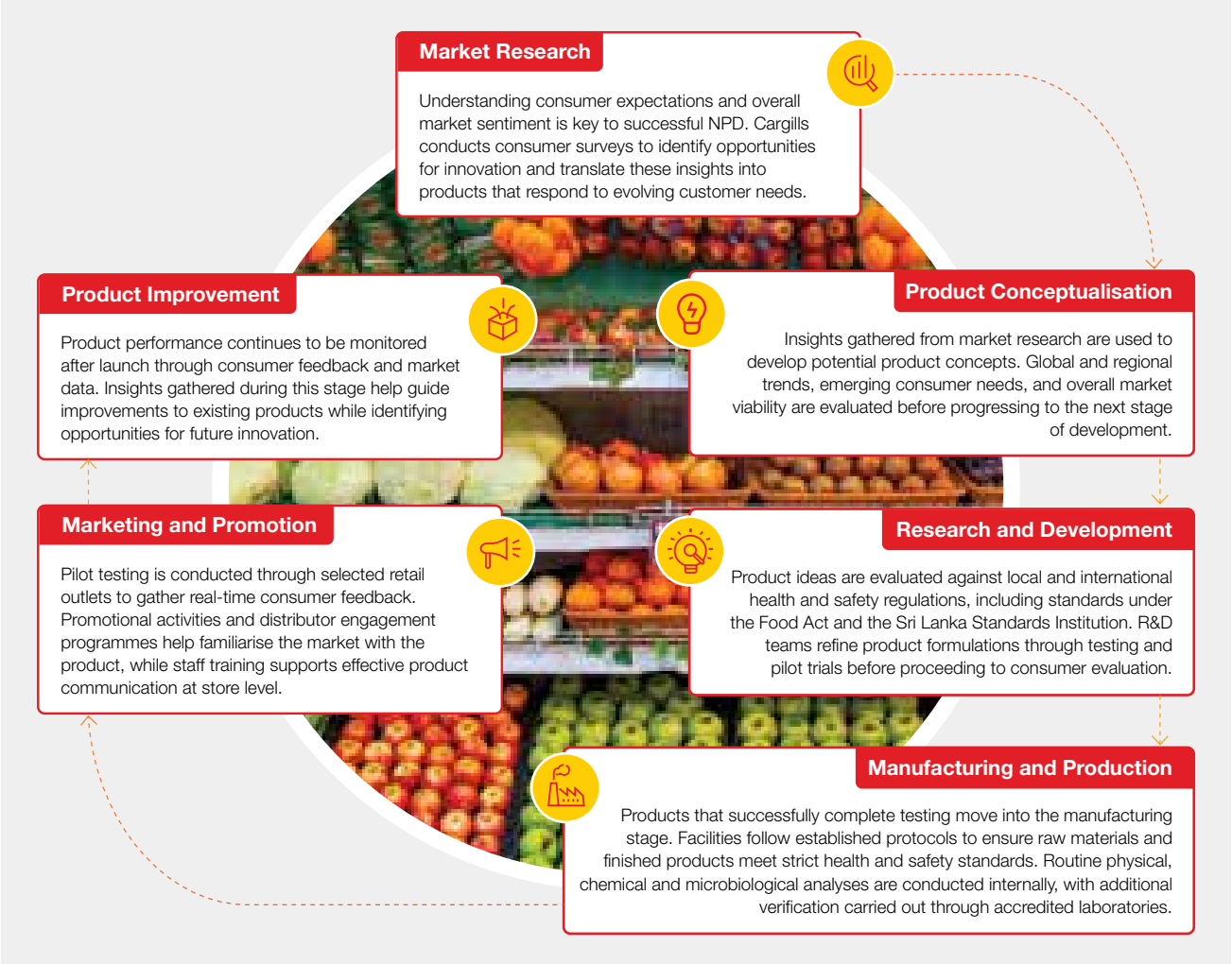
Food safety controls extend into storage and distribution operations. Warehouses are designated for specific product categories, batch picking systems improve order fulfilment efficiency, and Supply Chain QR codes enable product traceability. Temperature monitoring across warehouses storing dairy and other sensitive products is supported by 24 thermos loggers, while GPS-enabled systems in distribution vehicles monitor temperature and logistics conditions in real time. Quality Assurance teams conduct monthly visits to retail outlets to inspect storage conditions and verify expiry dates, while distributors are kept up to date on how to uphold food safety and quality standards in products through annual training sessions.

Enriched Nutrition and Product Innovation

We continue to enhance the nutritional value and quality of our product portfolio through structured product innovation, responsible marketing and labelling, and collaborative research partnerships. Through disciplined New Product Development processes, transparent product communication, and engagement with universities and research institutions, we advance healthier food choices while strengthening product integrity, regulatory compliance, and consumer trust across our food value chain.

New Product Development (NPD) at Cargills

Product innovation at Cargills follows a structured development process designed to translate consumer insights into safe, high-quality food products. Guided by strict regulatory and food safety standards, dedicated research and development teams continuously refine product formulations, managing levels of sugar, salt, and fat while maintaining the taste and quality expected by consumers. From early market research to manufacturing and post-launch evaluation, each product moves through a six-step development cycle.

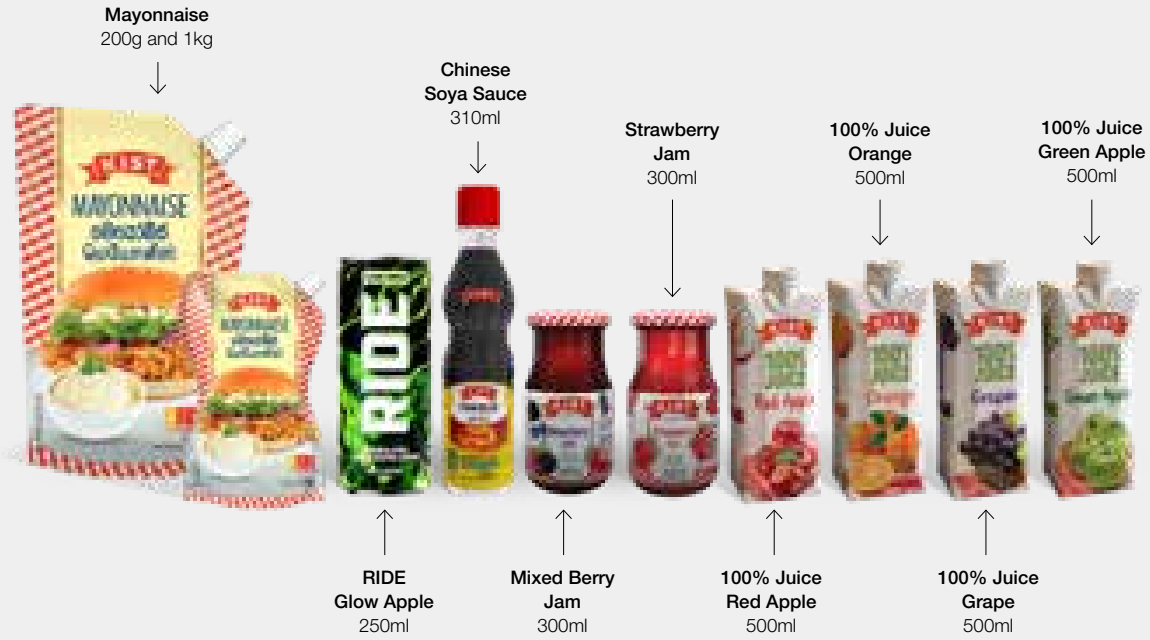


2025/26 Update

During the year under review, we introduced 38 new consumer products to the market:

New Consumer Products Developed by Cargills

New Consumer Products by Cargills Food & Beverage Ltd.



New Consumer Products by Kotmale Dairy Products



New Consumer Products by Cargills Dairies (Pvt) Ltd.



New Consumer Products by Cargills Convenient Foods Ltd.



New Consumer Products by Cargills Confectioneries (Pvt) Ltd.



Responsible Marketing and Labelling

Providing clear and accurate product information is a key responsibility across the Cargills food value chain. To support informed consumer decision-making, all Cargills FMCG products carry a Nutritional Information Table on their packaging, providing details on energy, protein, total fat, saturated fat, carbohydrates, sugar, and salt per serving as well as per 100g or 100ml.

In addition to nutritional disclosures, all product ingredients, labels, and marketing claims are verified to ensure they are factually accurate, supported by scientific evidence, and consistent with the requirements of the Sri Lanka Food Act. Oversight of these processes is carried out by the Cargills Quality Assurance Department, with oversight by the Food Safety and Nutrition department at the Corporate Office, which benchmarks internal practices against internationally recognised standards such as the Codex Alimentarius guidelines developed by the World Health Organisation (WHO) and the Food and Agriculture Organisation (FAO).

During the reporting period, we also continued to strengthen regulatory oversight across programmes associated with our food network.

Cargills upholds high standards of integrity in product information, labelling, and marketing communications. During the year under review, the Group recorded 0 incidents of non-compliance concerning product and service information and labelling, and zero incidents of non-compliance with voluntary codes relating to marketing communications. **LA 417-2a, 417-3b**

2025/26 Update

For the year in review, all Cargills FMCG brands achieved 100% compliance with regulatory labelling requirements, reinforcing our continued focus on responsible marketing and transparency in product communication.

Company/Facility	Percentage of regulatory requirements met with respect to labelling (%)*
Cargills Dairies (Pvt) Ltd.	100
Cargills Convenient Foods Ltd.	100
Cargills Food & Beverage Ltd.	100
Cargills Confectioneries (Pvt) Ltd.	100
Kotmale Dairy Products (Pvt) Ltd.	100
Cargills Retail (Pvt) Ltd.	100
Total	100

*Total number of labels – 567

Partnerships and Research Collaboration

Cargills continued to collaborate with research institutions, regulatory bodies, and other relevant organisations, recognising that shared knowledge plays an important role in strengthening access to healthy, safe, and affordable nutrition across Sri Lanka. Through these partnerships, we contribute to the development of improved practices that support both consumer wellbeing and the wider food ecosystem.

Among these collaborations are partnerships with several of Sri Lanka's state universities. Through New Product Development (NPD) initiatives, Cargills provides students with opportunities to translate advanced academic research into practical applications. By working alongside industry teams and accessing Cargills' development resources, students are able to explore innovative ideas that contribute to the development of healthier and more nutritious products under the Cargills brand.

Ceylon Since 1844

Launched in: 2022

Purpose: To develop a premium range of locally sourced products that showcase Sri Lanka's rich cultural and agricultural heritage, catering to the growing tourism market for souvenir/gifting purposes.

Description: Ceylon Since 1844 was created to highlight authentic Sri Lankan heritage through carefully curated food products made using natural ingredients. To date, 18 products have been introduced under the range, all produced without artificial additives, colours, flavours, or preservatives. These products are available at select Cargills Food City outlets in Colombo and key tourist destinations. Customers are also made aware of how the initiative supports the livelihoods of smallholder farmers from whom many of these ingredients are sourced.

Ceylon Since 1844 Product Range

This premium range includes 100% pure organic Ceylon tea, artisanal coffee, organic coconut-based products, organic spices, and other heritage items. Among the unique offerings is Ceylon Cinnamon Leaf Tea, a patented product developed through research conducted by the Faculty of Agricultural Sciences of Sabaragamuwa University. Through a licensing agreement with the University, Cargills introduced the product under the Ceylon Since 1844 brand, bringing a research-led innovation to the consumer market.

2025/26 Update

During the year in review, Ceylon Cinnamon Leaf Tea was presented the Gold Medal in the Food Technology category at the Presidential Inventor Awards 2025. This recognition reflects the strength of the product's research foundation and its successful transition from academic innovation to a commercially viable offering.

Ceylon Cinnamon Leaf Tea represents a distinctive example of how locally developed knowledge can be translated into value-added products for both domestic and international markets. As a naturally derived, plant-based infusion, it aligns with growing consumer preferences for healthier, functional beverages, while contributing to the availability of safe, high-quality, and nutritionally relevant products within the Cargills product portfolio.



18 products have been introduced under the Ceylon Since 1844 range to date, all produced without artificial additives, colours, flavours, or preservatives

Enhancing Youth Skills

Sri Lanka's youth population represents a significant share of the country's demographic profile, and plays a critical role in shaping the island's economic and social progress. The most recent statistics recorded by Sri Lanka's Department of Census indicate that the country's youth demographic, comprising individuals aged 15-29, numbers approximately 5.1 million individuals, and represents 23.6% of the total population. As the country continues to navigate economic recovery and structural transformation, strengthening youth skills and employability has become increasingly important in supporting long-term national development, innovation, and productivity.

Over the past few decades, Cargills has actively invested in Sri Lanka's youth as one of Sri Lanka's largest private sector employers, fully understanding their fundamental role in building a resilient and inclusive economy. Through employment opportunities, structured training programmes, professional development, and pathways for career progression, we continue to support the development of skills that enable young Sri Lankans to participate actively in the workforce while also contributing to the progress of their communities.

At present, the youth demographic represents 90% of the Cargills workforce, reflecting the organisation's long-standing commitment to creating opportunities for the next generation of professionals. By strengthening access to training, mentorship, and professional development opportunities, we remain focused on nurturing future leaders who will contribute to the continued growth of both the organisation and the wider Sri Lankan economy.

The following section highlights several initiatives through which Cargills continues to strengthen youth skills, support education, and empower young people to realise their full potential.

Value Delivered in 2025/26:

63,856

Total training hours
LA 404-1

Over 85%

of all Cargills team members utilising the Cargills AAPI eLearning Platform

Over 50 youth

including children from Cargills farming communities empowered through the ELEVATE training programme in Jaffna

Over 20,000

new preschool students reached through the ECE programme

Over 1,300 students

through grade 5, O/L, and A/L scholarships and vocational training programmes benefitting from Sarubima scholarships, with total funding exceeding Rs. 51 Mn.

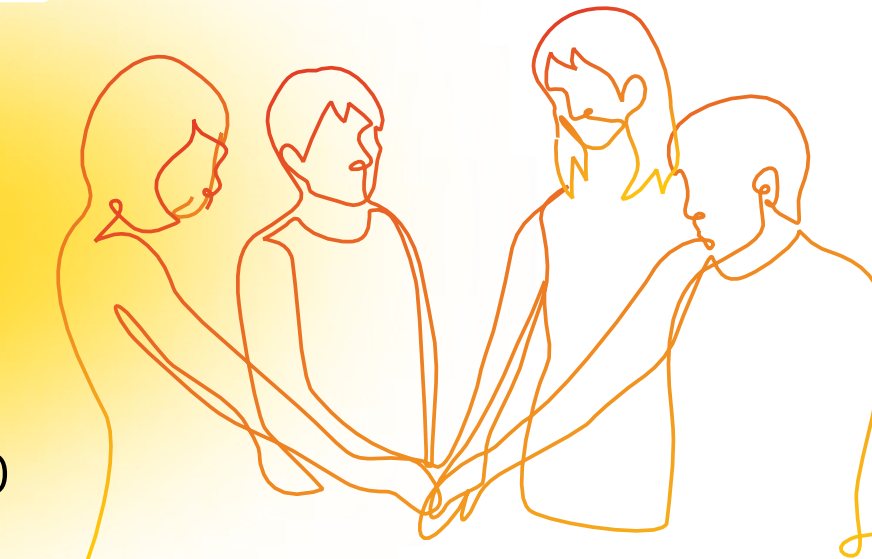
5

smart boards donated to classrooms, benefitting

776 students

Contribution to SDGs





64%

of our workforce is below the age of 30

Albert A. Page Institute

The Albert A. Page Institute (AAPI) is Cargills' dedicated training and professional development institute. Established in 2007 to address youth unemployment in Sri Lanka, the Institute operates as a non-profit entity that delivers vocational training and professional development programmes for Cargills team members across the island.

Key Features of the Cargills AAPI Learning Framework: LA 404-2

Professional Training and Certification

AAPI offers 62 courses covering retail operations, manufacturing, food services, support services, sales, leadership development, technical competencies, and soft skills, supporting continuous professional development across the organisation.

Digital Learning Platform

The Cargills AAPI eLearning Platform, launched in January 2022, provides anytime anywhere access to digitised training content, enabling team members to participate in courses remotely. The platform also functions as an internal communication channel that encourages idea sharing, networking, and collaboration across the organisation.

Industry-Relevant Curriculum

Course content is regularly updated by internal experts to ensure programmes remain aligned with operational requirements, evolving industry practices, and emerging workplace skill requirements.

Practical Training Exposure

In addition to digital learning, practical training sessions are conducted at retail outlets and manufacturing facilities to ensure participants develop hands-on operational experience.

International Accreditation

AAPI is registered with the IGA Institute in the United States, a non-profit educational foundation developed by the Independent Grocers Alliance (IGA), enabling participants to obtain internationally recognised certification.

Leadership Development

The Institute conducts a structured year-long Management Trainee Programme that provides university graduates with mentorship, guidance, and exposure across multiple business verticals within the Group.

Encouraging Continuous Learning

A competitive ranking system on the eLearning platform encourages team members to actively participate in courses and pursue continuous professional development.

Strengthening the Talent Pipeline

AAPI also contributes to rebuilding Sri Lanka's talent pool by helping bridge skill gaps that have emerged due to the migration of skilled professionals, while strengthening career prospects for young people entering the workforce.

	Average Training Hours per Employee
Gender Category	
Male	*5.80*
Female	*5.03*
Employee Category	
Executive	*30.89*
Non-Executive	*1.06*

Senior management employees are excluded from this analysis. All other employees are classified into two categories: Executive and Non-Executive. LA 404-1



63,856
training hours completed during the year

A total of 242 Cargills team members participated in 61 hours of training on the IGA training platform. The HR team also implemented more focused practical training sessions at select locations during this reporting period, to improve outlet performance, customer service, and retention.

The Cargills Manager Development Programme continued during the reporting period, with a series of strategic training sessions designed to identify, train, monitor and empower team members with leadership potential, supporting their continuous development, and enabling them to realise their full potential. LA 404-2

Cargills continued efforts to maintain service standards across our Restaurant business vertical, with 989 KFC team members completing 16,822 hours of training during the reporting period.

In addition to the above, online portal programmes delivered through the "Vault" e-Learning platform for KFC, including "Customer Mania" training sessions, were conducted across KFC outlets as part of the programme's global implementation. The initiative focuses on equipping KFC team members with the skills to enhance customer service and deliver exceptional customer experiences, becoming "Customer Maniacs" in going above and beyond to meet customer needs. LA 404-2

"Elevating" the Youth of the North

Across the Northern Province, many young people face the challenge of transitioning from education into meaningful employment, often without access to the practical skills required by today's rapidly evolving workplace. During the reporting period, Cargills conducted a soft skills development programme in Jaffna – "ELEVATE", bringing together young job seekers between the ages of 18 and 30 to strengthen their readiness for employment. The programme was held at the Jaffna Cargills Square Mall, providing a familiar and accessible setting for participants.

The initiative was coordinated with the support of the Jaffna Kachcheri, with the event being graced by distinguished guests including the hon. Governor of the Northern Province. Sessions focused on developing essential workplace capabilities such as communication, professionalism, and personal effectiveness. Over 50 participants, including children from Cargills' very own farmer communities in the North took part in the programme, with sessions led by expert in-house trainers. Through this programme, participants were supported in building the confidence and foundational skills needed to navigate the early stages of employment.

ELEVATE – a soft skills development programme was held for

over 50

youth in Jaffna



Inspiring the Next Generation of Future Leaders

Recognising the importance of youth leadership in shaping the future of the country, Cargills Food & Beverage Ltd., together with its brands KIST and RIDE, partnered as the Official Gold Partner of the AIESEC Sri Lanka Infinity 2025 National Conference.

The event provided a platform for young leaders to connect, collaborate, and develop leadership capabilities through interactive sessions and experiential activities. Cargills engaged directly with participants through sessions centred on its core values, creating opportunities to inspire and guide emerging talent. Cargills continues to support the development of future leaders through similar collaborations, contributing to building a more dynamic and capable workforce across Sri Lanka.



Strengthening Workplace Readiness

In a dynamic and evolving working environment such as Cargills, where roles and responsibilities continue to expand, we recognise the importance of sharing practical knowledge and real-world perspectives with the future workforce, supporting their readiness to navigate the demands of professional life.

During the year in review, Cargills engaged with business undergraduates at Edith Cowan University (ECU) Sri Lanka through a session focused on strengthening workplace readiness. Conducted by an internal panel, the session addressed the transition from academic learning to professional environments, with emphasis on core employer competencies, employability skills, and career planning. An interactive component titled the “Workplace Ready Puzzle” demonstrated how technical skills, mindset, and behavioural competencies combine to shape career success, providing students with practical insight into workplace expectations.

The Cargills Foundation

Established in 2018 with the objective of enhancing economic and social prosperity within the communities in which we operate, the Cargills Foundation reflects the Group’s deep-rooted commitment to supporting these communities beyond our core business activities. We believe in strengthening the nation through community development, while investing in their future by supporting the education and development of Sri Lanka’s younger generations.

1. The Early Childhood Education Programme

The Early Childhood Education (ECE) Programme was the Foundation’s inaugural initiative, introduced in recognition of the critical role early childhood development plays in shaping an individual’s future. The programme introduces English as a Second Language (ESL) to preschool-aged children while also incorporating the basic concepts of STEAM (Science, Technology, Engineering, Arts, and Mathematics).

Through a blended learning approach, the programme supports the development of preschoolers’ social, emotional, cognitive, and physical capabilities, laying a strong foundation for lifelong learning and well-being. The curriculum was developed in alignment with local early childhood education guidelines.

The pilot programme, which commenced in May 2019, reached 737 students aged 3–5 years across 48 preschools in the Western Province, and has since been endorsed by the National Institute of Education as a supplementary programme to Sri Lanka’s preschool curriculum. In addition, the Foundation conducts regular capacity-building programmes for preschool teachers, providing training and mentorship to support the effective delivery of the programme while strengthening their English literacy. **LA 413-1**

2025/26 Update

During the year in review, over 20,000 new preschool students were reached through the programme. Since its inception, the programme has successfully engaged a total of over 70,000 students from over 700 preschools island-wide.



2. Cargills English as a Second Language (ESL) Storybooks

Building on the ECE Programme's focus on strengthening early language and communication skills through English as a Second Language (ESL), the Cargills Foundation makes printed editions of ESL storybooks available at all Cargills Retail outlets. At present, the ESL storybook collection comprises 16 titles, offering engaging learning material designed to support English language learning among preschool-aged children. **LA 413-1**

Expanding Access to Education

Beyond the initiatives carried out by the Cargills Foundation, we also continued to invest in education through the Sarubima Fund during the year in review, supporting students from farming communities through scholarships, while strengthening school infrastructure through smart classroom facilities. As part of this effort, five smart boards were installed across selected schools, enhancing access to digital learning tools and creating more interactive classroom environments for students. These efforts complement Cargills' broader investment in education, supporting improved learning outcomes while expanding access to quality education in rural communities. The smart boards and related educational resources were provided through direct community investments made under the Sarubima Fund as part of Cargills' commitment to rural development. (More details can be found under the Sarubima Fund on page 61). By strengthening educational infrastructure and access to technology, these initiatives contribute to the long-term development of rural communities by enhancing learning opportunities, supporting future skills development among students, and improving workforce readiness. **LA 203-1**

The Cargills ECE programme introduces English as a Second Language to preschool-aged children



ECE Programme Testimonials

A New Language of Hope in Andakanni

Ms Nadeeka Weerasuriya

Lourdu Matha Preschool, Andakanni
North Western Province

The introduction of the Cargills Foundation's Early Childhood Education (ECE) Programme at Lourdu Matha Preschool in Andakanni in 2025 marked an important milestone for the school and its community. Located in the Kalpitiya Education Division of the Puttalam District, 21km from Palaviya, the school serves children from families engaged mainly in fishing, farming and daily wage work, many of whom belong to low-income households.

For Ms Nadeeka Weerasuriya and her team, the programme opened a new pathway to introduce English learning in a preschool environment that had previously followed a more traditional local curriculum. With guidance from the Cargills ECE team, she and her assistant teachers gradually built confidence in using English in the classroom, while incorporating play-based activities, songs, vocabulary exercises and practical learning tools into the daily teaching process. Ms Nadeeka continues to maintain close contact with the ECE team for lesson support and content clarifications, while also pursuing an online English course to further strengthen her own skills.

The impact of the programme has been visible among the children, who have begun picking up English words naturally through play and using them beyond the classroom. Parents have shared stories of children using English at home, in marketplaces and at family gatherings, creating excitement and pride within the wider community. Encouraged by this progress, parents have also supported the school by providing materials needed for classroom activities, with one parent donating a television to help the children learn through songs.

The programme has strengthened the school's standing in the community. Student numbers have doubled over two years, increasing from fewer than 25 prior to 2023, to 40 in 2025 and 50 in 2026. Parents from Kalpitiya and neighbouring divisions have begun enrolling their children at Lourdu Matha Preschool, including families seeking early exposure to English-medium learning.

Overall, the ECE Programme has not only introduced English as a new learning opportunity in the school's history, but has also enriched the quality of early childhood education in Andakanni, giving children, teachers, and parents renewed confidence in the possibilities ahead.



Building Diversity, Equity, and Inclusion (DEI)

Operating across diverse regions and communities in Sri Lanka, Cargills continues to strengthen workplace practices that promote diversity, equity, and inclusion (DEI), recognising that equitable economic participation remains an important foundation for social and economic progress across our country. Through our operations across farming, manufacturing, distribution and retail, we engage with a wide cross section of society, creating opportunities for individuals from different backgrounds to participate in productive employment and entrepreneurial activity.

Over the decades, Cargills has nurtured a workplace culture where individuals are respected and supported regardless of gender, ethnicity, religion, disability, or other personal characteristics. We maintain a strict zero tolerance approach towards discrimination while promoting a professional environment that encourages mutual respect, dignity, and equal opportunity. These principles continue to shape recruitment practices, career development pathways, and workplace engagement across the organisation.

The scale and geographic reach of the Cargills value chain has also enabled these practices to extend beyond the workplace. Through our supply chain network and ground level engagement, we continue to support broader participation in economic activity, particularly among groups that have historically faced barriers to employment and entrepreneurship. This has been particularly evident in the steadily growing participation of women in agriculture, food production, and small-scale enterprise development connected to the Cargills ecosystem.

We remain committed to inclusive employment practices that create opportunities for individuals with diverse abilities to participate meaningfully in the workforce. Differently-abled team members are engaged across both customer-facing and operational roles, supported by workplace awareness programmes and ongoing engagement with families and guardians where appropriate. These efforts reflect a broader commitment to ensuring that employment opportunities remain accessible, safe, and supportive for all Sri Lankans.

This section of the report outlines how Cargills continues to advance diversity, equity, and inclusion practices across its workforce, supply chain, and community engagement initiatives during the reporting period.

Contribution to SDGs



Promoting Gender Equality

Workplace	Supply Chain	Community
Cargills continues to promote equal opportunity across its workforce, recognising that inclusive employment practices contribute to a balanced and productive organisation. During the year under review, we maintained overall gender parity across the Group, reflecting a long-standing commitment to impartial recruitment, remuneration, and career advancement opportunities based on merit and performance. Across the organisation, we continue to foster a workplace where team members feel respected and supported irrespective of gender. Cargills is also a member of the Target Gender Equality Programme working group of the United Nations Global Compact, an accelerator initiative that supports companies in setting and achieving meaningful targets to advance gender equality in the workplace.	Cargills continues to create opportunities for women to participate in Sri Lanka's agriculture supply chain and retail sector through farming, food production, and direct market engagement. Recognising the important role women play in strengthening household livelihoods and community resilience, we continue to support their participation across the Cargills agriculture value chain and related entrepreneurial food production initiatives. These efforts have contributed to improved household incomes and living standards within farming communities, while also supporting better access to nutrition and education for their families. Microfinancing opportunities continue to be promoted among female farmers, encouraging greater ownership and participation in agricultural enterprises. In Aug 2025, Cargills launched a **climate-resilient aloe vera project in Kilinochchi** (page 66) with GIZ, supporting female farmers through inputs, training, and forward contract farming, greatly improving income stability.	Cargills continues to support women in strengthening their livelihoods by expanding access to markets, skills development, and entrepreneurial opportunities. Through these initiatives, women are able to participate more actively in economic activity while contributing to the wellbeing of their families and communities. **Cargills Village to Home** (refer pages 67 to 71) supports women-owned small and medium enterprises by providing access to consumer markets through the Cargills retail network. **Cargills Lak Bojun** (refer pages 90 to 91) provides women with opportunities to generate steady income by producing locally sourced nutritious food items. **The Early Childhood Education (ECE) Programme** of the Cargills Foundation (refer pages 83 to 85) continues to support preschool teachers by strengthening English literacy skills.

2025/26 Update

Gender parity across the Group

Total number of employees
11,809

Female employees
6,051

Percentage
51%

Cargills leadership representation

Female supervisors and above
887

Percentage
7.5%

Building financial independence of
100 female farmers
in Kilinochchi through the aloe vera project

Agriculture farming community

Total number of farmers
6,655

Female ownership
1,043

Percentage
15.7%

Village to Home

225
female-owned SMEs registered with the Programme LA 203-1

Lak Bojun

44
female-run SMEs surpassing LA 203-1

Rs. 30.8 Mn.
in income



Over 15%
of farm ownership within Cargills' agriculture farming community is held by women, representing

1,043
female farmers

Inclusion by Design

Cargills (Ceylon) PLC is committed to providing clear, accurate, and accessible product information through compliant labelling that includes ingredients, nutritional values, allergens, usage instructions, and storage guidance. The Company ensures that its product labelling and packaging practices comply with all applicable regulatory requirements and relevant industry standards while continuously enhancing transparency, consumer safety, and informed decision-making. Demonstrating its commitment to accessibility, Knuckles Water became the first brand in Sri Lanka to feature Braille inscriptions on its glass bottles, enabling visually impaired consumers to identify the product independently. The Braille line reading "Water You Can Trust" was validated for accuracy by the Ceylon School for the Deaf and Blind. This initiative reinforces Cargills' dedication to inclusivity, consumer trust, and responsible engagement. **LA 417-1**

An Engaging Workplace Culture

With a growing network of retail outlets, restaurants, operating segments, and support services, Cargills continues to prioritise meaningful engagement across its workforce. We strengthen relationships and promote teamwork through a combination of inter-department initiatives, employee-centric activities, and internal platforms for dialogue and collaboration, and foster a workplace culture where each team member feels connected, supported and valued.

Internal engagement continues to be supported through digital platforms and dedicated communication channels that enable collaboration across locations, helping teams remain connected as the organisation continues to grow. These platforms also provide opportunities for team members to exchange ideas, share experiences, and contribute to the broader organisational culture. Across the Group, we continue to encourage team members to grow both personally and professionally while recognising their contributions to Cargills' continued progress.

The HR Division will continue to focus on organising impactful engagement initiatives including sporting events, cultural activities, and CSR programmes that bring teams together while nurturing a workplace culture that remains inclusive and supportive for all.



Celebrating Women in the Workforce

Cargills marked International Women's Day 2026 by recognising the contributions of women across its operations, including offices, manufacturing facilities, retail outlets, restaurants, and supply chain activities. The occasion provided an opportunity to acknowledge the dedication and resilience of women who contribute to the organisation's operations across Sri Lanka. Celebrations held across locations created a platform to appreciate the achievements of women working across the Group while reinforcing the importance of gender equality in the workplace. These engagements also encouraged dialogue on physical and mental wellbeing, professional growth, and the evolving role of women in the workforce. By recognising the contributions of women across different roles and regions, the initiative reinforced Cargills' commitment to fostering an inclusive and supportive work environment.



Voice of Cargills

Following the success of its inaugural edition last year, Cargills continued the Voice of Cargills initiative as a platform for engagement between team members and senior leadership. Held at the Cargills Head Office, the programme created opportunities for open dialogue across different levels of the organisation. The session featured a panel discussion where senior leaders reflected on their personal career journeys, sharing insights into the challenges they encountered and the resilience required to succeed. An interactive question and answer segment also enabled team members to engage directly with leadership, strengthening transparency, communication, and connection across the organisation, while encouraging participants to continue pursuing learning and professional growth.

Enhancing Team Cohesion and Wellbeing

The company conducted the annual gathering bringing together team members from across the organisation to strengthen connections and foster a sense of unity.

Throughout the year, small-scale engagement activities continued to be organised across Cargills locations, providing team members with opportunities to step away briefly from their daily routines while reconnecting with colleagues. These internally organised initiatives helped promote wellbeing, teamwork, and collaboration, while recognising the efforts of teams across the organisation.

By encouraging participation in creative and recreational activities, these engagements supported a positive workplace environment and enabled team members to re-energise while bonding with their teams. These programmes continued to contribute to a workplace culture where motivation, collaboration, and shared experiences remain an important part of everyday working life.

Caring Beyond the Workplace

CSR activities and volunteerism continued to be encouraged among Cargills teams during the year in review as meaningful engagement opportunities that strengthened our relationship with the communities in which we operate. Through these initiatives, team members have been able to contribute their time and effort to causes that support vulnerable groups and community wellbeing.

Cargills Cares, the Group's team volunteering initiative, reflects its commitment to supporting communities through structured employee engagement programmes. During the year, these initiatives were guided by the values of Love, Green, and Serve the Nation, with team members actively participating in a range of volunteering programmes across the country. These efforts not only supported communities in need, but also fostered empathy, compassion, and a shared sense of purpose among employees.

Child Action Lanka Volunteering Programmes

Cargills teams partnered with Child Action Lanka to engage with children from vulnerable backgrounds across two programmes conducted in May and September 2025, with a total of 52 volunteers. These sessions brought together children from Grades 1 to 11, as well as preschool children aged 2 to 5, creating a supportive and engaging environment through activities such as friendship bracelet making, paper puppet creation, colouring, and interactive games. The programmes also included the distribution of refreshments and gifts, contributing to a meaningful and uplifting experience for the children.

Navodaya School Volunteering Programme

In November 2025, 25 volunteers engaged with children with special needs aged 5 to 13 at Navodaya School, creating an inclusive and supportive environment through creative activities such as crafting, dancing, and interactive sessions. The programme also included the provision of refreshments and gifts, contributing to a positive and memorable experience for the children.

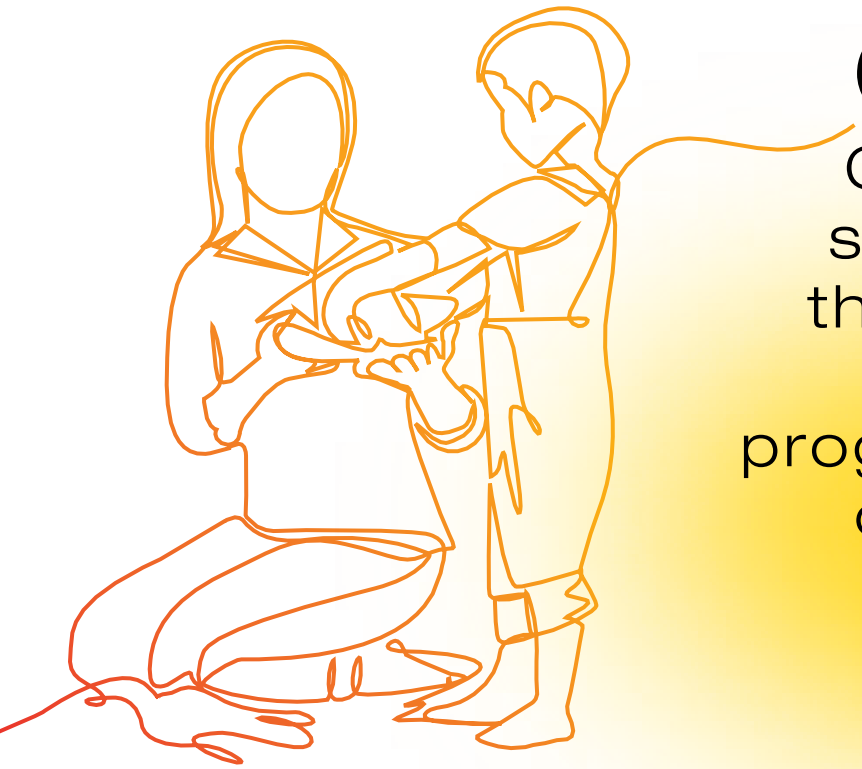
Indira Cancer Trust Volunteering Programme

In February 2026, a team of 10 volunteers from Cargills Dairies spent time with children undergoing cancer treatment and their caregivers at the Indira Cancer Trust. Through simple activities such as crafting and colouring, alongside the distribution of small gifts, the programme aimed to provide comfort, emotional support, and moments of joy for the children, while also deepening the sense of empathy among participating team members.

Coastal Clean-Up Initiatives

During the year in review, Cargills teams also participated in several coastal clean-up initiatives, including programmes at Lunawa, Poruthota, and Crow Island beaches, with over 150 volunteers contributing to these efforts. These initiatives focused on removing waste and protecting marine ecosystems, while also supporting longer-term environmental outcomes through partnerships with organisations such as Biodiversity Sri Lanka, the Marine Environment Protection Authority, and Clean Ocean Force. Further details on these initiatives are provided in the "Playing our Part for the Planet" chapter (refer pages 102 to 112).





Over 80

Cargills volunteers supported children through community engagement programmes focused on care, inclusion, and wellbeing

Cargills
Lak Bojun

Championing Women-owned Micro, Small, and Medium Enterprises (WMSMEs)

Across many parts of Sri Lanka, access to stable income opportunities remains limited for female-led and owned micro and small enterprises. Launched in May 2022 in collaboration with Hela Bojun (the Women's Agriculture Extension Programme of Sri Lanka's Department of Agriculture), Cargills Lak Bojun creates dedicated selling spaces at selected Cargills Food City outlets as well as selected office premises, where female entrepreneurs are able to prepare and sell home-cooked meals and other locally produced food items, enabling them to earn a steady and independent income. LA 203-1

Rooted in traditional Sri Lankan cuisine as its name implies, the initiative promotes the consumption of fresh, locally prepared food while strengthening the livelihoods of participating women and their families. The programme is fully owned by Cargills and is an extension of the Cargills Village to Home initiative (refer pages 67 to 71).

Participants are identified through the Cargills Village to Home database as well as through government-supported initiatives such as Vidatha, NEDA, and the Women's Bureau, based on defined selection criteria. Following this process, Cargills facilitates structured training, with technical guidance provided by the Hela Bojun team, and by extension, the Ministry of Agriculture, enabling participants to improve product quality, maintain food safety standards, and operate their businesses more effectively.

The initiative expanded beyond Colombo for the first time in 2024 with a Lak Bojun cart established at the Karapitiya Cargills Food City outlet in Galle, which received a positive response from customers. Several carts have also transitioned into action stations over the years, enabling the preparation of freshly cooked food on-site and strengthening customer engagement. Cargills bears all operational costs of the programme, while all income generated is retained by the entrepreneurs, ensuring that the benefits of their efforts flow directly to them. LA 203-1

Meeting Compliance and Quality Benchmarks

A structured quality and compliance framework supports the programme. The Cargills team monitors food safety and operational standards in line with Hela Bojun guidelines, including restrictions on wheat flour-based products. Weekly audits are conducted to ensure consistency in quality, while sustainable packaging options continue to be encouraged. Quality Assurance oversight has also been extended to strengthen standards across hygiene, safety, and nutrition.

2025/26 Update

During the year under review, Cargills conducted the fourth annual Lak Bojun SME training programme, continuing its focus on strengthening the capabilities of female entrepreneurs within the initiative. The training programme covered practical aspects of operating a food-based enterprise, including maintaining food quality, ensuring hygienic preparation practices, managing cart cleanliness, and building consistent customer relationships.

The programme also placed emphasis on financial management and saving practices, with support from Cargills Bank to help participants better manage their income and strengthen financial stability. Alongside technical and operational guidance, these sessions continue to support women in building the confidence and discipline required to sustain and gradually develop their enterprises.

At the close of the financial year in review, the number of SMEs directly linked to and registered with Lak Bojun were 21, with 23 SMEs indirectly linked to the programme, across 11 Cargills locations, recording an income of approximately Rs. 30.8 Mn. for the reporting period, a significant 69% year-on-year increase.

Performance Summary

	2025/26	2024/25
Number of SMEs	**44 (21 directly linked and 23 indirectly linked)**	21
Number of carts/locations	**11**	11
Total income	**Approximately Rs. 30.8 Mn.**	Approximately Rs. 18.2 Mn.
Training sessions	**Main Training sessions – 01** **Practical training sessions – 04**	Main training sessions – 01 Practical training sessions – 01
External engagements	**Participation by invitation at special events due to positive brand recognition, i.e. SUN Business Network, Singer, Commercial Bank events** **69 catering orders**	Participation by invitation at special events due to positive brand recognition, i.e. UN Day, The Fruit Festival organised by the SUN Business Network 53 catering orders

Cargills
Lak Bojun Success Stories

A Life Rebuilt with Determination

Pushparani's Story of Resilience

At 54, Mrs Bashkaran Pushparani's life took an unexpected turn when she found herself navigating the challenges of single parenthood following her divorce. Living in a rented home in Panchikawatte, she became the sole provider for her son, carrying the full weight of household responsibilities while striving to secure a better future for him, as he prepared for his A/L examinations. Determined to make ends meet, she undertook multiple income streams, working in housekeeping while also selling clothes on a small scale. Despite her efforts, earning around Rs. 3,000 per day was not sufficient to meet the growing demands of daily life and household expenses.

Recognising her resilience and potential, the Cargills Lak Bojun team provided her with an opportunity to sell her homemade food during dinner time at a cart located at the Cargills Food City car park on Bauddhaloka Mawatha. This marked a turning point in her journey, enabling her to transform her cooking skills into a stable and sustainable livelihood.

Today, Mrs Pushparani earns approximately Rs. 15,000 per day, and applies the financial management guidance received from Cargills by developing a disciplined savings habit, setting aside Rs. 2,000 daily in her Cargills Bank savings account. With her improved income, she has invested in essential kitchen equipment, including a grinder, enhancing both her production capacity and operational efficiency.

Beyond financial stability, the Lak Bojun programme has instilled in her a renewed sense of confidence, independence, and purpose, supported by continuous guidance and both practical and theoretical training. Mrs Pushparani now dreams of building her own home and ensuring her son receives a quality education. Her journey stands as a powerful reflection of how timely support and opportunity can transform not only livelihoods, but also provide dignity, confidence, and hope for the future.



The Turning Point

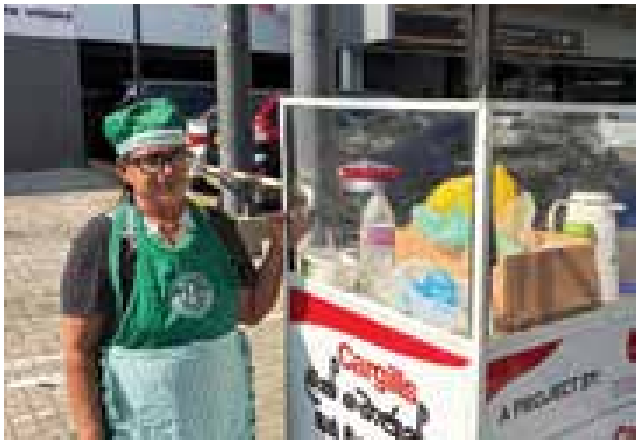
Chandrika's tale of triumph

Mrs Chandrika, a 54-year-old mother of three from Dehiwala, faced a period of profound hardship following the loss of her husband during the COVID-19 outbreak. As the sole breadwinner of her family, she struggled to sustain daily life, earning only around Rs. 6,000 per month through a small-scale clothing business, without the stability of a consistent income.

Her journey began to change when she joined the Cargills Lak Bojun programme. With no prior experience in running a structured food business, she relied heavily on the continuous guidance, encouragement, and support provided by the Lak Bojun team. Through a combination of practical and theoretical training, Mrs Chandrika gradually developed her skills, improved her confidence, and strengthened her ability to operate independently. She began selling healthy homemade meals from the Lak Bojun cart located at Cargills Food City Bauddhaloka Mawatha during breakfast hours.

As her confidence grew alongside her customer base, she expanded into external catering orders, leveraging the connections and exposure gained through the Lak Bojun cart. Today, she earns approximately Rs. 5,000 per day and sets aside Rs. 1,000 daily in her Cargills Bank account, managing her household expenses while setting a strong foundation for a brighter future for her children.

The consistent mentoring and skill development provided by Cargills has played a central role in her transformation. Today, Mrs Chandrika looks ahead with renewed confidence, aspiring to educate her children, build her own home, and gradually clear her financial debts. Her journey reflects not only financial progress, but also the strength, resilience, and determination that define many women entrepreneurs supported through the Cargills Lak Bojun programme.



HR Governance and Policies

The Cargills human resource function continues to operate within a structured governance framework supported by Group-wide policies and procedures that guide the team member journey from recruitment to retirement. Through these policies, we continue to ensure that our workplaces remain safe, equitable, and progressive across offices, facilities, outlets, and operational networks.

Cargills remains committed to maintaining responsible employment practices while complying with applicable labour regulations and employment standards. The Company also continues to maintain publicly available governance, which can be accessed through the "Investors" section of the Cargills (Ceylon) PLC website (https://www.cargillsceylon.com/cargills-ceylon-plc/). These policies (available for all employees) promote transparency and accountability while reinforcing the Company's commitment to ethical conduct, fair labour practices, and responsible business operations. LA 2-23

These governance practices are supported by ongoing monitoring of key workforce indicators including recruitment, employee turnover, compensation practices, and workplace safety across the Group.

1 Workforce Management

Recruitment and Retention

The Recruitment Policy continues to guide the fair and transparent acquisition of talent across the Group, ensuring that vacant positions are filled with suitably qualified individuals through equitable processes. Recruitment is carried out without discrimination on the basis of age, gender, ethnicity, religion, language, civil status, or other personal characteristics. The Company also monitors workforce movement and retention trends to support long-term workforce planning and organisational stability.

Multiple recruitment tools, such as skills assessments, are used to support fairness and objectivity throughout the recruitment process. Induction and onboarding programmes, mentoring, and development initiatives are also in place to familiarise new recruits with the Company's processes, systems, and culture.

Cargills continues to prioritise recruitment from the communities in which we operate, particularly across retail, restaurant, FMCG sectors, and supply chain functions. Through this approach, we support regional employment generation while strengthening economic participation across the island.

2025/26 Update

New recruitment during the reporting period by age group, gender, and region.

New Hires for the Reporting Period LA 401-1

Region	Male					Female						
By Province	**Under 30 Years Old**	**30-50 Years Old**	**Over 50 Years Old**	**Total**	**%**	**Under 30 Years Old**	**30-50 Years Old**	**Over 50 Years Old**	**Total**	**%**	**Grand Total**	**%**
Central	447	45	1	493	15	602	41	0	643	16	1,136	16
Eastern	229	18	0	247	7	147	14	1	162	4	409	6
North	141	10	0	151	5	89	7	0	96	2	247	3
North Central	192	14	0	206	6	224	17	0	241	6	447	6
North Western	259	31	2	292	9	303	37	1	341	9	633	9
Sabaragamuwa	341	32	0	373	11	448	32	0	480	12	853	12
Southern	364	30	1	395	12	522	61	3	586	15	981	14
Uva	323	26	1	350	11	409	37	1	447	1	797	11
Western	696	106	7	809	24	744	152	9	905	23	1,714	24
Total	2,992	312	12	3,316	100	3,488	398	15	3,901	100	7,217	100

During this reporting period, Cargills also created additional employment opportunities for 150 individuals through internships and contract staffing arrangements, supporting skills development and providing early career exposure within the organisation.

New Opportunities Throughout the Year 2025/26

	Number
Internships	95
Contract staffing	55
Total	150

As Sri Lanka's economic recovery continued during the year under review, the labour market also showed signs of increased mobility and competition for talent. The gradual stabilisation of the economy, alongside the continued recovery of sectors such as tourism and export-oriented industries, contributed to renewed employment opportunities across the country. In this evolving environment, organisations across several sectors continued to strengthen their recruitment efforts and offer competitive remuneration to attract and retain skilled employees.

In response to these developments, Cargills continued to strategically strengthen its team member value proposition, including competitive compensation aligned with evolving market standards, localised employment opportunities, the financial stability associated with fixed income, and the recognition earned by being employed at a long-established and respected Sri Lankan corporate entity.

Of the new recruits during the reporting period, 54% were female, reflecting our continued commitment to empower women within the communities in which we operate by providing equal opportunities to participate in economic activity. Notably, 62% of executive-level recruits were female, demonstrating Cargills' continued reputation as an equal opportunity employer and our efforts to strengthen gender diversity within leadership pipelines.

During the year, one Senior Management appointment was made from a local community, reflecting the Group's continued practice of identifying leadership talent from within the regions in which it operates. Senior Management is defined as employees at the level of Head of Department and above, who hold responsibility for strategic decision-making and oversight of the Group's operations. The Group continues to hire 100% its Senior Management employees locally, with "local" referring to Sri Lankan communities.

Continuous island-wide recruitment was also carried out to address emerging skills requirements across the Cargills retail and restaurant networks, with priority given to recruiting talent from within local communities. Given the geographically dispersed nature of the Group's retail and restaurant footprint, all locations in which the Group operates across Sri Lanka are regarded as significant locations of operation. LA 202-2

Employment opportunities for

150

interns and contract staff

62%

of new executive-level recruits were female



Performance Management

The performance of Cargills team members continues to be measured annually against established Key Performance Indicators (KPIs). These indicators include work ethics, competencies, and day-to-day performance and productivity requirements. Overall Company performance and achievements are also taken into consideration when determining recognition and rewards. Through this structured evaluation process, we continue to support a performance culture that recognises individual contribution while aligning team member performance with broader organisational objectives.

2025/26 Update

The Organisation maintains a continuous focus on monitoring performance and delivering targeted training initiatives. As a result, during the year 85% of the team members participated in career development training both internally and externally, resulting in 2.2% of the total workforce being advanced to the next stage of their careers. Among those promoted 35% were female team members. Of the total promoted, 47% were elevations to the executive category or within the same category to different levels, while the remaining 53% were within the different levels of the non-executive category.

Remuneration and Benefits

The Cargills Remuneration and Benefits Policy continues to support the creation of a transparent workplace culture by clearly outlining competitive compensation and benefits that are applied consistently and fairly across the organisation. The policy ensures that salaries are paid promptly on the last working day of each month, regardless of any business or operational challenges faced by the Company.

In addition to salaries, the Company continues to award bonus and ex-gratia payments based on overall Company performance, providing an additional layer of financial security to our team members. Auxiliary benefits including medical insurance and claims, purchase discounts at our retail stores and restaurants, staff transport, duty meals, and a death benefit fund are also provided.

A healthy work-life balance is promoted through family-friendly benefits such as annual and casual leave entitlement, maternity leave, and dedicated feeding hours for new mothers. Preferential morning shifts are also provided for mothers during the child's first year. These benefits continue to support the wellbeing of working parents while strengthening team engagement across the organisation. Cargills also continued to further improve facilities and support systems for new and expectant mothers, providing feeding hours and preferential work arrangements. As a result, 86% female team members who availed maternity leave returned to work following their leave period during.



85%

of the team underwent career development training during the year

This comprehensive compensation and benefits framework offered to full-time team members at Cargills continues to enhance motivation and engagement, while also strengthening the Company's reputation as a trusted and sought-after employer in Sri Lanka. LA 401-2

The Company also continues to monitor wage levels and employment conditions across the organisation to ensure alignment with statutory requirements and responsible labour practices.

2025/26 Update

During the year under review, Cargills ensured full compliance with the National Minimum Wage of Workers (Amendment) Act, No. 11 of 2025, which introduced revisions to Sri Lanka's statutory minimum wage framework during the financial year. In accordance with the provisions of the Act, the Group implemented the required salary adjustments across its operations following the effective dates of 1 April 2025 and 1 January 2026, ensuring that all eligible team members remained aligned with the updated national wage requirements.

This continues Cargills' consistent alignment with national minimum wage revisions in recent years, reflecting the organisation's ongoing commitment to responsible employment practices and fair compensation.

Parental Leave LA 401-3

Indicator	Total
Number of employees entitled to maternity leave	6,051
Number of team members who took parental leave and are due to return during 25/26	126
Number of team members who returned to work after parental leave during 25/26	108
Retention rate (%)	77
Return to work rate (%)	86
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	115

Benefits LA 401-2

Benefit	Number Availed
Death claims	279
Medical claims	3,944
Wedding allowances	15
Newborn baby vouchers	126

2 Workplace Conduct and Reporting Channels

Cargills maintains formal mechanisms that enable team members and stakeholders to raise concerns, report misconduct, and seek resolution through transparent and accountable processes.

Grievance Handling

Transparency and open communication continue to be encouraged across all levels of the organisation, with Cargills maintaining an open-door policy that enables team members to raise concerns directly with management. We continue to educate team members across Cargills offices, facilities, and outlets on the grievance handling procedures and communication channels established by the HR Department to ensure that concerns are addressed in a fair and sensitive manner.

All grievances, including those reported through the 24-hour hotline, are monitored and recorded while they are investigated and resolved within stipulated timelines. The grievance module introduced through the Group's cloud-based HR Information System (HRIS) during the preceding financial year continues to support accessibility, enabling team members to channel grievances to their line management or directly to the HR function through a formal digital platform.

Cargills continues to facilitate team member clinics island-wide, with particular attention given to locations that report higher attrition rates, enabling the organisation to gain deeper insight into team member sentiment and better understand the concerns they wish to raise. Exit interviews are also conducted to identify areas for improvement within the HR function, strengthen retention practices, and enrich the overall team member experience. LA 2-25

2025/26 Update

Total grievances recorded during the year: 30

Grievances resolved at year end: 30

Sexual Harassment

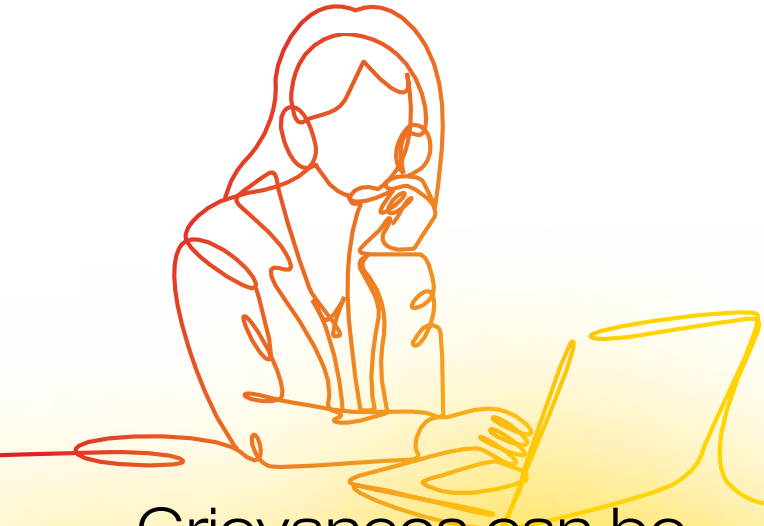
At Cargills, there is a zero-tolerance policy towards sexual harassment, intimidation, or victimisation in the workplace. The Sexual Harassment Policy defines conduct that may be classified as harassment when behaviour is unwanted, inappropriate, or offensive, or when it creates an environment in which the recipient feels humiliated, intimidated, or threatened. Bullying in all forms, including cyberbullying, is also addressed within this policy.

Team members are encouraged to report any such incidents to their Line Manager or to the Human Resources Department. Should a team member feel uncomfortable doing so, the policy provides the option of filing a formal complaint through the line manager to the Group Head of HR. LA 2-25

All complaints lodged are thoroughly investigated in accordance with the Company's Disciplinary Policy and Procedure, following which appropriate corrective action is taken where necessary. Through continued awareness and communication of these policies, Cargills remains committed to maintaining a workplace environment that is safe, respectful, and supportive for all team members.

2025/26 Update

Zero sexual harassment complaints were received during the year in review.



Whistleblowing Policy

Cargills has implemented a comprehensive Whistleblowing Policy across the Group to promote transparency, accountability, and ethical business practices. The policy encourages all stakeholders to make good faith reports of any suspected fraud, corruption, or other improper activity or misconduct related to the business.

The policy assures confidentiality, anonymity, and protection for whistleblowers, enabling team members and other stakeholders to report suspicious or unethical activities without fear of reprisal. Complaints received through the established channels are critically reviewed, and where necessary, two-way communication is facilitated to obtain additional information or clarification. LA 2-26

The online whistleblowing portal introduced during the previous reporting period continues to support accessibility and discretion, enabling team members and other stakeholders to report concerns through a secure digital platform.

Grievances can be reported through a 24-hour hotline among other channels

100%

recorded grievance resolution rate



Complaints that are determined to be credible are investigated, and detailed reports are submitted to the relevant Directors, who take appropriate action based on the findings. Through these processes, Cargills continues to reinforce a culture of ethical conduct and accountability across the organisation.

2025/26 Update

Total whistleblowing reports recorded during the year: 5

Note: Employee-related issues were not recorded through this platform but were reported through various other channels.

3 Responsible Labour and Ethical Practices

Occupational Health and Safety (OHS)

Cargills is committed to providing a safe, healthy, and productive working environment for all team members across its offices, manufacturing facilities, distribution centres, and retail locations. The Group continuously implements and monitors robust occupational health and safety (OHS) measures to minimse workplace risks, prevent accidents and injuries, and foster employee well-being and morale. Regular reviews of internal controls and safety procedures ensure ongoing compliance with applicable legal requirements and operational needs. Team members who operate machinery and equipment are provided with the necessary training and supervision to perform their duties safely and effectively.

Workplace health and safety performance is monitored through established indicators, enabling the Group to identify areas for improvement and strengthen its overall safety culture.

The Group's Occupational Health and Safety Management System (OHSMS) is aligned with the Factories Ordinance, Shop and Office Employees Act, relevant Safety Regulations, and Labour Department requirements. The system applies to all permanent team members, outsourced personnel, suppliers, and contractors operating within Cargills-controlled workplaces. LA 403-1

Cargills has established processes for hazard identification, risk assessment, and incident investigation across its operations. Workplace hazards are identified through routine inspections, employee reporting mechanisms, and safety audits. All incidents and near misses are investigated using root-cause analysis, with corrective and preventive actions documented, implemented, and communicated to relevant teams. LA 403-2

Team members are encouraged to report hazards and unsafe conditions and are empowered to refuse unsafe work without fear of retaliation, in accordance with national occupational health and safety legislation and the Factories Ordinance. These rights and responsibilities are communicated during induction programmes and reinforced through regular awareness and training initiatives. Comprehensive training records are maintained to support compliance and continuous improvement. LA 403-2

Risk assessments for routine operations are currently conducted by OHS managers and maintenance engineers. To further strengthen the Group's risk management framework, arrangements are underway to engage independent professionals to conduct comprehensive occupational health and safety audits across key operations. LA 403-2

Occupational health services are provided through on-site first aid facilities, visits by in-house medical practitioners, and external healthcare providers. These services contribute to hazard identification, risk assessment, incident management, and the overall reduction of occupational health risks. Service quality is maintained through compliance with relevant legislation, regulations, and audit requirements. LA 403-3

Team members have access to first aid facilities, medical consultations, and formal reporting channels for workplace health concerns. In addition, the Group is exploring opportunities to introduce counselling and mental well-being support services to further enhance team members' welfare. LA 403-3

Occupational health and safety awareness is promoted through training programmes, internal communications, awareness campaigns, and workplace engagement initiatives. These efforts encourage active participation by team members in maintaining safe work environments and contribute to the continuous improvement of workplace safety practices throughout the organisation. LA 403-4, 403-5

Currently, the Group does not maintain formal agreements with healthcare institutions beyond arrangements with approved medical service providers that support employee health and workplace medical needs. LA 403-6

Cargills manages occupational health and safety risks associated with contractors, outsourced service providers, and other business partners by requiring compliance with applicable OHS legislation, regulations, and company safety standards. The Group's contractor management framework includes safety guidelines, work permit systems, mandatory inductions, personal protective equipment (PPE) requirements, regular audits, incident investigation procedures, and emergency preparedness measures. These controls help ensure that all personnel engaged through third-party relationships operate in safe working environments and are empowered to report accidents, hazards, and unsafe conditions without fear of retaliation. LA 403-7

The Group's OHSMS covers all permanent team members, outsourced personnel, and contractors working under its operational control. Compliance with occupational health and safety requirements is monitored through established management processes, while workforce and contractor data are maintained through HR systems, contractor agreements, and operational reporting mechanisms. The system is managed in alignment with the principles of ISO 45001, supporting a consistent and structured approach to occupational health and safety across the organisation. LA 403-8

2025/26 Update

Work-Related Incidents **LA 403-9**

Description	*Number of Incidents*
Cases of recordable work-related injuries	*69*
Cases of recordable work-related ill-health	*N/A*

Anti-Corruption and Anti-Bribery Policies

Cargills is a member of the United Nations Global Compact (UNGC) and has pledged to act in accordance with its Principles, including Principle 10 on Anti-Corruption, which calls on businesses to work against corruption in all its forms. The Company exercises a zero-tolerance policy towards corruption and bribery in all dealings and transactions, striving to nurture a culture of transparency, honesty, and accountability across its operations.

Cargills remains compliant with all local laws relating to anti-corruption and continues to keep abreast of evolving regulatory requirements. The Group complies with the provisions of the Anti-Corruption Act, No. 9 of 2023, including in its interactions with third parties. The Company's position on anti-corruption and anti-bribery continues to be reflected in its audited financial reporting and corporate reporting practices.

The Group HR Policy places strong emphasis on preventing, reporting, and managing cases of corruption and bribery. Acceptance of corporate gifts, hospitality, or entertainment is permitted only in line with established protocols and in strict compliance with internal policy guidelines.

Cargills also continues to strengthen transparency and disclosure relating to anti-corruption and anti-bribery practices in its corporate reporting, maintaining a leading position among Sri Lanka's top corporates in Transparency in Corporate Reporting (TRAC) assessments.

Cargills maintains a

zero

tolerance stance towards unlawful labour practices



The Cargills Anti-Corruption and Anti-Bribery Policy applies to all team members and Directors across the Group. Any breach of the policy may result in disciplinary action, ranging from formal warning to dismissal depending on the severity of the misconduct. Anti-corruption and anti-bribery programmes are reviewed regularly to ensure their suitability, adequacy, and effectiveness, with improvements implemented where necessary. LA 205-1

Anti-corruption policies and procedures have been communicated to all governance body members, employees, and relevant business partners through established channels. However, no dedicated anti-corruption training was conducted during FY2025/26. LA 205-2

During the year under review, there were no legal actions pending or completed in relation to anti-competitive behaviour, anti-trust, or monopoly practices, with improvements implemented where necessary. LA 206-1

Confirmed incidents of corruption and actions taken LA 205-3

Indicator	Total
Total number and nature of confirmed incidents of corruption	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	0
Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases.	0

2025/26 Update

During the year in review, Sri Lanka strengthened its national anti-corruption framework with the launch of the National Anti-Corruption Action Plan (NACAP) 2025–2029.[1] In line with these national efforts to strengthen governance and transparency, Cargills continues to operate in accordance with the evolving national regulatory framework and remains committed to aligning its internal policies, controls, and employee awareness programmes with the principles underpinning the national anti-corruption agenda.

There were no confirmed incidents of corruption recorded during the year in review.

Taking a Stand on Child Labour and Forced Labour

Cargills confirms its long-standing commitment to eradicating child labour and forced labour and maintains a zero-tolerance stance towards such unlawful labour practices across its operations and supply chain. *The Company does not employ individuals below the legal working age of 16, in accordance with the Employment of Women, Young Persons and Children Act No. 2 of 2021 of Sri Lanka, and expects all suppliers, subcontractors, and business partners (collectively referred to as "Suppliers") to uphold this commitment by not employing or utilising child labour or forced labour in any manner.* LA 408-1

Cargills also continues to reduce the vulnerability of children to child labour by supporting farming communities through initiatives that strengthen household income generation, improve access to education, and create employment opportunities within rural communities.

Workforce Profile

	Number	%
Total male team members	5,758	49
Total female team members	6,051	51
Permanent team members LA 2-7	*11,809*	
Non-permanent team members	188	

Diversity of Workforce by Grade, Age, and Gender

LA 405-1

	Male					Female						
	Under 30 Years Old	30-50 Years Old	Over 50 Years Old	Total	%	Under 30 Years Old	30-50 Years Old	Over 50 Years Old	Total	%	Grand Total	%
Management	0	19	22	41	1	0	8	6	14	0	55	0
Executive	104	772	112	988	17	249	441	45	735	12	1,723	15
Supervisory	141	158	39	338	6	85	44	9	138	2	476	4
Junior	3,007	1,263	121	4,391	76	3,977	1,116	71	5,164	85	9,555	81
Total	3,252	2,212	294	5,758	100	4,311	1,609	131	6,051	100	11,809	100

Workforce by Province and Gender LA 2-27

Province	Male	Female	Total
Central	1,005	1,073	2,078
Eastern	246	234	480
North	201	161	362
North Central	284	275	559
North Western	441	471	912
Sabaragamuwa	509	661	1,170
Southern	631	955	1,586
Uva	657	670	1,327
Western	1,784	1,551	3,335
	5,758	6,051	11,809

Service Analysis of Workforce

Employee numbers are reported using the headcount method, reflecting the total number of employees as at the end of the reporting period. LA 2-7 (c)

The group's total workforce as at 31 March 2026 amounted to 11,809 employees, compared to 10,667 employees in the previous year. The increase was primarily driven by the creation of new opportunities across the group during the year, supporting business growth, operational expansion and evolving workforce requirements. LA 2-7 (e)

Service	Male	Female	Total
00-05 Years	3,574	4,641	8,215
06-10 Years	754	693	1,447
11-15 Years	620	395	1,015
16-20 Years	433	177	610
21-25 Years	257	110	367
26-30 Years	78	27	105
30+ more	42	8	50
Total	5,758	6,051	11,809

Playing Our Part for the Planet

Cargills recognises that environmental sustainability is closely linked to the long-term wellbeing of the communities we serve, particularly the farming communities that form the foundation of our value chain. The Group continues to integrate environmentally responsible practices across its operations, ensuring that natural resources are used efficiently while being preserved for future generations.

Alongside sustainable farming initiatives that promote responsible agrochemical use and improved soil health, Cargills has also strengthened environmental management practices across its manufacturing facilities, distribution centres, retail outlets, and restaurants. These efforts focus on responsible energy use, water stewardship, waste management, and circular resource use, while collaborating with stakeholders to address broader environmental challenges and support the sustainability of Sri Lanka's ecosystems.

Value Delivered in 2025/26:

Energy consumed from renewable sources

Solar: 48,359 GJ

Biomass: 510,133 GJ LA 302-1

Increase year on year in renewable energy generation

161%

Total investments in renewable energy

Rs.112 Mn.

Total quantity of water recycled

62 Megalitres

LA 303-4

Total quantity of used cooking oil diverted from disposal for conversion to biodiesel

195 MT

Total quantity of carbon emissions saved from used cooking oil conversion to biodiesel

615 MT

Total plastic waste diverted from landfill

261 MT

Total waste diverted from landfil

1,246 MT

Total waste diverted from landfill through community initiatives

88 MT

Contribution to SDGs



Environmental Protection

Cargills demonstrates its commitment to environmental protection through strict compliance with applicable environmental laws, regulations, licences, and regulatory standards across its manufacturing facilities, retail outlets, and other business operations.

We maintain recognised environmental and operational management frameworks across the Group to guide responsible resource use, pollution prevention, and sustainable manufacturing practices. These systems support Cargills in maintaining high environmental standards while ensuring compliance with national regulatory requirements. The certifications and regulatory licences maintained across the Group's facilities are summarised below.

Facility	EMS	EPL	GMP	HACCP
Cargills Dairies (Pvt) Ltd.	✓	✓	✓	✓
Kotmale Dairy Products (Pvt) Ltd. (IDH + Bogahawatta facilities)		✓	✓	✓
Cargills Convenient Foods Ltd.	✓	✓	✓	✓
Cargills Confectioneries (Pvt) Ltd.		✓	✓	✓
Cargills Food and Beverage Ltd.		✓	✓	✓
CPC Lanka Ltd.	✓	✓	✓	✓

- EMS: ISO 14001-2015 Environmental Management System
- EPL: Environment Protection License
- GMP: Good Manufacturing Practices System (contributes indirectly to environmental sustainability through reduced waste and better resource management)
- HACCP: Hazard Analysis and Critical Control Points System (contributes indirectly to environmental sustainability by promoting efficient and sustainable food production practices)

Sustainable Development in the Built Environment

Cargills Square Bandarawela was awarded the PLATINUM Rating at the Annual Green Building Awards (AGBA) 2025, recognising its approach to environmentally responsible development while preserving a site of historical significance. The project transformed a historic department store, preserving elements of the original heritage building while reimagining the space into a modern retail and lifestyle destination.

This careful integration of past and present reflects a development approach that values both cultural continuity and environmental responsibility. Designed to work with the natural landscape of Bandarawela, the site minimises structural disruption while creating a space that serves the surrounding community.

Through this project, Cargills demonstrates how sustainability extends beyond operations into the built environment, where development decisions can shape long-term environmental outcomes. By integrating heritage preservation with responsible design and construction, the Group continues to apply its sustainability approach in practical ways, creating built environments that are efficient, and designed to maintain harmony with its surrounding ecosystems.

Emissions

Reducing Emissions at Farm Level

Agriculture remains central to the Cargills value chain, and the Group continues to promote farming practices that reduce environmental impact while improving soil health and long-term productivity. In Sri Lanka, Chronic Kidney Disease (CKD) has become a growing concern among agricultural communities, particularly in the North Central Province, where prolonged exposure to excessive agrochemicals has been identified as a contributing factor.

To address this, Cargills introduced the "Save Our Soil" programme in 2014, a soil test-based fertiliser application initiative designed to prevent excessive agrochemical use while improving soil health.

These efforts were further strengthened in 2019 with GAP-certified produce under the "Good Harvest" brand, together with agrochemical-free farming practices through the "BeeSafe" range, supporting safer and more sustainable agricultural practices.

Reducing Emissions at Organisation Level

Cargills continues to strengthen the monitoring and management of greenhouse gas (GHG) emissions across its operations. In 2020, the Group became the first company in Sri Lanka's dairy sector to conduct a voluntary GHG audit with the Sri Lanka Climate Fund, initially covering Cargills Dairies (Pvt) Ltd. and Kotmale Dairy Products (Pvt) Ltd., before expanding to other FMCG facilities and retail operations.

In line with recognised greenhouse gas accounting practices, the Group monitors direct emissions (Scope 1) arising mainly from fuel used in generators and vehicle fleets, and indirect emissions (Scope 2) associated with purchased electricity across its facilities, using standard emission factors and recognised accounting methodologies. The Group is also progressively compiling data relating to other indirect emissions across its value chain.

2025/26 Update

During the year under review, Cargills continued greenhouse gas monitoring across key facilities to further strengthen its understanding of the Group's carbon footprint and support the development of targeted emission reduction initiatives. For more information refer the Carbon Footprint by Scope and Category Table on page 165.

Energy Management

Energy consumption remains a key contributor to the Group's indirect greenhouse gas emissions, particularly through electricity purchased from the national grid. As such, Cargills continues to track, measure and consolidate energy consumption across its operations systematically to support consistent monitoring and reporting of energy use across the organisation, thereby improving efficiency and reducing environmental impact.

The retail network accounts for the largest share of overall energy consumption within the Group.

While the national grid remains the primary source of electricity across operations, we continue to expand the use of renewable energy sources while strengthening energy monitoring and management practices across the Group.

Cargills Square Bandarawela received the PLATINUM Rating at AGBA 2025 for environmentally responsible development and heritage preservation

2025/26 Update

Energy Source	25/26 (GJ)	24/25 (GJ)	Year-on-Year Comparison
Non-Renewable Energy Sources LA 302-1			
Electricity from National Grid	**609,142**	552,562	
Diesel	**34,806**	37,738	
Gas	**42,331**	45,614	
Furnace Oil	**45,325**	47,487	
	731,604	683,401	7%
Renewable Energy Sources			
Solar	**48,359**	41,501	
Biomass	**510,133**	172,704	
	558,492	214,205	161%

While the total energy consumption increased compared to the previous year due to expanded operations and increased production, the Group remains committed to enhancing energy efficiency through operational improvements. *The energy consumption has been calculated using utility bills, meter readings and fuel consumption records, and the quantities were converted to GJ using IPCC default net calorific values.* LA 302-1 (f), 302-1 (g)

During the year under review, total energy consumption increased in line with the growing scale and intensity of Cargills' island-wide operations. As we continued to expand and strengthen our retail, manufacturing, distribution and food service operations, energy demand rose accordingly. We remain focused on improving energy efficiency and increasing the contribution of renewable energy within our overall energy mix.

Renewable Energy

Cargills integrates renewable energy into its operational energy mix through solar and biomass sources to reduce greenhouse gas emissions while improving long-term energy efficiency across the Group. The gradual expansion of renewable energy sources supports the reduction of emissions associated with grid electricity and fossil fuel consumption. During the previous financial year, our strategic investments resulted in a significant increase in renewable energy generation across Cargills facilities, nearly doubling output and further strengthening our commitment to reducing operational emissions.

1. Solar Installations

Cargills contributes to Sri Lanka's national renewable energy goals by generating solar power across multiple Group locations and supplying the energy generated to the national grid. The income generated helps offset energy costs while supporting the country's transition towards cleaner energy sources.

2025/26 Update

During the year in review, we added approximately 987kW of new capacity across 12 retail locations, taking the total count of Cargills locations with solar installations up to 106. The continued expansion reflects a structured and phased approach to integrating renewable energy into operations, building on proven implementation to progressively increase on-site generation. As solar capacity scales across locations, it supports a more stable and cost-efficient energy mix, reduces reliance on grid electricity, and contributes to lowering emissions intensity across the Group's operations.

Facility	Annual Generation of Renewable Energy (kWh) 2025/26	2024/25
Cargills Dairies	**1,128,866**	1,309,770
Cargills Food & Beverage	**418,397**	590,351
Cargills Convenient Foods	**211,321**	–
Cargills Retail	**11,674,398**	9,282,470
Total	**13,432,982**	11,182,591
Year-on-Year Increase 20%		

2. Biomass Boilers

Cargills continues to utilise biomass energy as part of its renewable energy strategy to reduce reliance on fossil fuels across its manufacturing operations. In 2023, the Cargills Dairies facility at Banduragoda completed the installation of a state-of-the-art biomass boiler at an investment of Rs. 274 Mn., significantly reducing the facility's consumption of furnace oil while supporting the Group's broader efforts to lower carbon emissions and improve energy efficiency.

Water Management

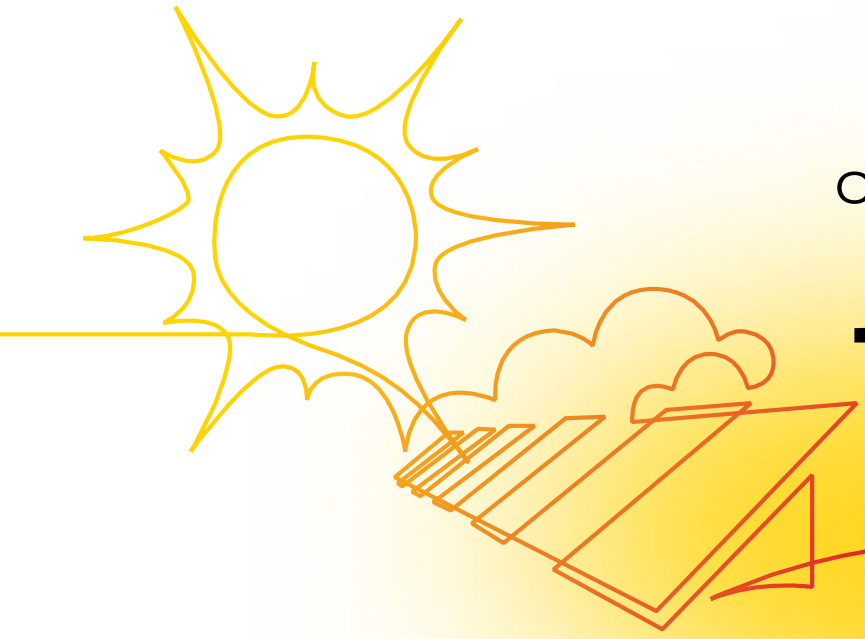
Water used across Cargills operations is primarily sourced from the National Water Supply and Drainage Board (NWSDB), while the balance requirement is fulfilled through approved suppliers and groundwater sources. Cargills strives to optimise water use across production processes and day-to-day operations, while monitoring and reporting consumption across the Group to support responsible resource management and improve overall water efficiency.

2025/26 Update

Water Source LA 303-3 a	2025/26 (Megalitres)	2024/25 (Megalitres)
Groundwater	***103***	*110*
Acquired from NWSDB	***650***	*725*
Acquired from a registered supplier	***271***	*216*
Total water withdrawn for the year	***1,025***	*1,051*
Total water recycled for the year	**62**	61

Wastewater

Cargills considers responsible wastewater management at its manufacturing facilities to be a critical aspect of its commitment to environmental protection and pollution prevention. Effluent water is treated through wastewater treatment plants at Cargills facilities in accordance with the treated water quality standards stipulated by the Central Environmental Authority (CEA) of Sri Lanka, before being discharged or reused within the premises for purposes such as irrigation.



987 kW
of new solar capacity added across
12 retail locations, expanding our solar footprint to
106
Group locations

2025/26 Update

Facility	Average daily effluent water discharge 2025/26 (Megalitres/day)	Average daily effluent water discharge 2024/25 (Megalitres/day)
Cargills Dairies (Pvt) Ltd.	**0.615**	0.510
Kotmale Dairy Products (Pvt) Ltd.	**0.173**	0.162
Cargills Food and Beverage Ltd.	**0.223**	0.211
Cargills Convenient Foods Ltd.	**0.472**	0.213
Cargills Confectioneries (Pvt) Ltd.	**0.019**	0.015
Total	**1.502**	1.111

Waste Management

Cargills continues to implement sustainable and efficient solid waste management practices in line with Environmental Protection Laws (EPL) regulated by the Central Environmental Authority (CEA) of Sri Lanka. All solid waste generated at Cargills facilities is treated and disposed of according to the required standards for each waste type under these regulations.

We continue to identify opportunities to reduce waste generation and increase the diversion of waste from landfill through responsible disposal and resource recovery practices, including waste-to-energy initiatives, enabling the conversion of selected waste streams into electricity.

Cargills also monitors and manages food waste generated across its retail, restaurant, and FMCG operations through appropriate handling, disposal, and recovery practices, supporting the reduction of waste across the value chain.

2025/26 Update

Out of the total waste managed, 1,156 MT of internally generated waste and 89 MT from community initiatives were successfully diverted from landfills, while a further 246 MT was utilised for energy recovery.

Plastic Reduction and Circularity

Building on its waste management practices, Cargills continues to reduce plastic use at source while promoting the circular use of materials across its operations and value chain.

Packaging across selected product lines has been redesigned to reduce reliance on plastic, with alternatives such as paper-based and glass packaging introduced where feasible, while other formats are developed to support recyclability after end-use. These efforts are supported by initiatives that encourage responsible consumption and improved post-use recovery of plastic waste.

Equity LA 306-5	2025/26	2024/25
Plastic diverted from landfill (MT)	**261**	168
Year-on-year increase (%)	**55**	

1. Reducing Plastic at Source LA 306-1

Knuckles Water in Glass Bottles

Cargills Food & Beverage Ltd. introduced Knuckles Water in glass bottles, reinforcing the Group's approach to sustainable packaging. Glass provides a recyclable and reusable alternative to single-use plastic, supporting efforts to reduce plastic waste across the product lifecycle.

Sourced from a natural spring in the Knuckles Mountain range, the water is bottled at source without added chemicals, retaining its natural mineral composition while meeting stringent food safety and quality standards.

Heavenly Ice Cream in Cardboard Packaging

Cargills Magic introduced eco-friendly cardboard packaging for their **Heavenly** ice cream range offering a more sustainable option for their premium flavours.



100%

recyclable, reusable, or compostable packaging targeted across the portfolio to minimise single-use plastics

2. *Circular Initiatives* LA 306-1

Go Green Bags

Cargills launched its redesigned "Go Green" bag in 2024, promoting the use of reusable shopping bags across its retail outlets and encouraging customers to reduce dependence on single-use plastic while supporting more sustainable consumption practices.

2025/26 Update

During the year under review, Cargills sold 1,788,900 Go Green bags, recording a 59% year-on-year increase and reflecting growing customer adoption of reusable shopping bags. In parallel, Cargills reduced plastic bag sourcing by 27.54% year-on-year, with a 79.38% reduction recorded following the gazette issued on 1 November 2025 requiring a charge for medium and large shopping bags.

Plastic Collection Bins

In 2021, Cargills commenced a collaboration with selected FMCG brands to place waste plastic collection bins at Cargills Food City locations. The initiative is intended to build the habit of responsible plastic waste disposal among customers by providing convenient plastic drop-off points across the retail network. These collection bins continue to support the recovery of post-consumer plastic waste, strengthening recycling efforts while reducing the volume of plastic sent to landfill.

2025/26 Update

During the year under review, 153 plastic collection bins were available across selected Cargills Food City locations, providing customers with convenient drop-off points for post-consumer plastic waste. A total 29 MTkg of plastic waste was collected through the initiative and directed to dedicated material recovery facilities for sorting and recycling.



59% YoY
increase in Go Green bag sales, with

1,788,900
reusable bags sold during the year

Paving with Plastics

In 2021, Cargills became the first company in Sri Lanka to pave a car park using Plastic Modified Asphalt Concrete (PMAC), in partnership with AGC Innovate (Pvt) Ltd. The initiative repurposes selected non-recyclable plastic waste generated from Cargills FMCG operations into a durable road construction material, improving the strength and longevity of conventional asphalt. The process involves incorporating plastic into asphalt mixtures to enhance durability, while ensuring the material remains safely bound within the structure.

2025/26 Update

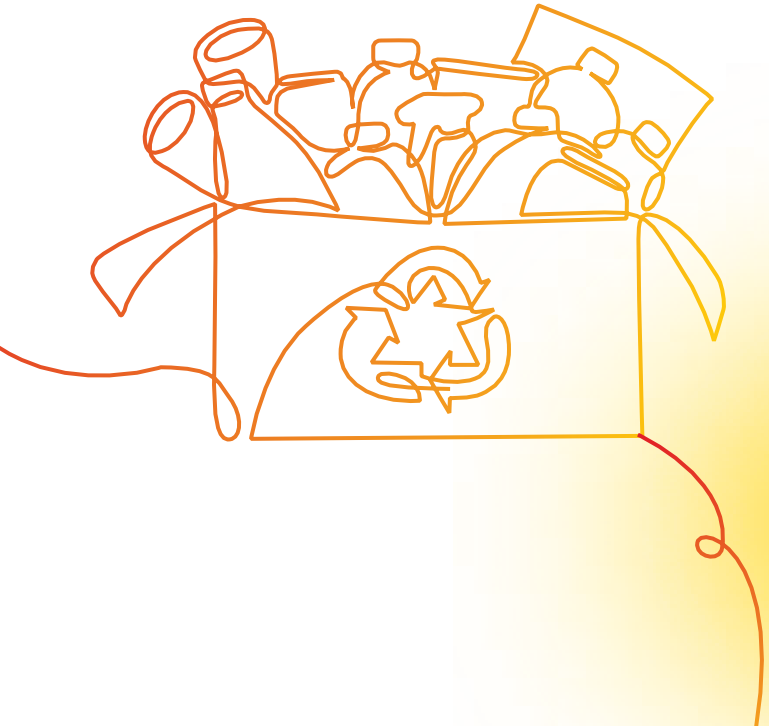
During the year under review, Cargills expanded its Plastic Modified Asphalt Concrete initiative across seven additional locations, including selected retail car parks and the Banduragoda Truck Yard. Together, these projects covered 956.67 sq. ft. and repurposed 3 MT of LDPE and BOPP plastic waste into durable surfacing material. Since inception, the initiative has repurposed 15 MT of plastic waste, supporting circular material use while reducing waste directed to landfill.

The new PMACs added in 2025/26:

Location	Average Square Feet	Average Plastic Quantity Used (kg)	Type of Plastic
Cargills Food City Wellawatte	73.75	236.0	LDPE + BOPP
Cargills Food City Bellanthota	200.13	640.4	LDPE + BOPP
Banduragoda Dairy Factory – Truck Yard	279.57	894.6	LDPE + BOPP
Cargills Food City Maharagama	166.37	532.4	LDPE + BOPP
Cargills Food City Battaramulla	24.93	79.8	LDPE + BOPP
Cargills Food City Elvitigala	146.95	470.2	LDPE + BOPP
Cargills Food City Bulathsinghala	64.97	207.9	LDPE + BOPP
Total	956.67	3,061.3	

LDPE*: Low Density Polyethylene (LDPE) is a flexible, odourless, transparent, 100% recyclable thermoplastic polymer popular in products like grocery/ garbage bags, juice containers, and cling wrap.

BOPP:** Biaxially Oriented Polypropylene (BOPP) is a thermoplastic polymer that has many similar properties to Polyethylene Terephthalate (PET Plastic). It is commonly used in sticker and label printing, food packaging, bottle caps, and other applications.



3 MT
of plastic waste repurposed across

7 new
PMAC locations

Community Environmental Initiatives

Cargills continues to partner with like-minded organisations to strengthen the reach and impact of environmental initiatives implemented across Sri Lanka, on account of Extended Producer Responsibility (EPR).

1. Ocean Strainer Project

Cargills Food and Beverage Ltd., together with its brands KIST and KNUCKLES, partnered with MAS Foundation for Change to reduce plastic pollution in inland water bodies through the Ocean Strainer Project. The initiative involves installing strainers to trap and remove plastic waste from waterways, supporting responsible waste recovery while preventing plastic leakage into marine ecosystems. The first Ocean Strainer under this partnership was installed at Boralesgamuwa Lake in 2024.

2025/26 Update

During the year, we continued this initiative with the installation of a second Ocean Strainer in Wanathamulla, in collaboration with the MAS Foundation for Change. Introduced in line with World Environment Day, the project reflects a continued focus on addressing plastic pollution, particularly within urban areas where waste accumulation is more visible. By extending the project to a second location, we are able to build on the success of the initial phase while supporting cleaner waterways and reducing the flow of plastic waste into the environment.

Total waste collected

52 MT

2. Life to Our Beaches Project

In partnership with Biodiversity Sri Lanka, Cargills Dairies together with its brands MAGIC and KOTMALE continues to support the “Life to Our Beaches” project, focused on maintaining coastal cleanliness and promoting responsible waste disposal. Following the initial beach caretaker initiative at Preethipura Beach in Wattala, the project has since expanded to Poruthota Beach in Negombo, where efforts continue to support responsible waste management practices within surrounding communities. Voluntary clean-ups have been facilitated by Cargills to engage team members in removing waste and supporting coastal restoration efforts through activities such as planting coconut saplings.

2025/26 Update

During the year, we continued our activities at Poruthota Beach in Negombo, where a coastal clean-up was carried out in July 2025 in collaboration with Biodiversity Sri Lanka, the Negombo Municipal Council, and the Marine Environment Protection Authority (MEPA). The initiative brought together Cargills team members and partners of Cargills to support the upkeep of the beach, with a focus on the collection and responsible disposal of plastic and other waste along the coastline, contributing to the preservation of marine biodiversity.





Total waste collected

3 MT

3. Crow Island Beach Adoption

Marking World Recycling Day, Cargills Food and Beverage Ltd., together with its brands KIST and KNUCKLES, extended its beach adoption efforts through the adoption of Crow Island Beach, in partnership with Clean Ocean Force Lanka and the Marine Environment Protection Authority (MEPA). Formalised through a Memorandum of Understanding, the initiative builds on the beach caretaker model (from the Life to Our Beaches initiative) that supports the regular upkeep and monitoring of coastal environments. A clean-up was carried out on the same day to mark the occasion, with the voluntary participation of Cargills team, partner organisations, and community groups, supporting the immediate improvement of the beach and surrounding coastal area.

The event also marked the introduction of the Knuckles tethered bottle cap, designed to remain attached to the bottle after opening, reducing the likelihood of caps being discarded separately and improving collection and recycling outcomes. Through this approach, the initiative brings together on-the-ground action, sustained site management, and product-level innovation, contributing to broader efforts to reduce plastic pollution and maintain cleaner coastal environments.





Total waste collected

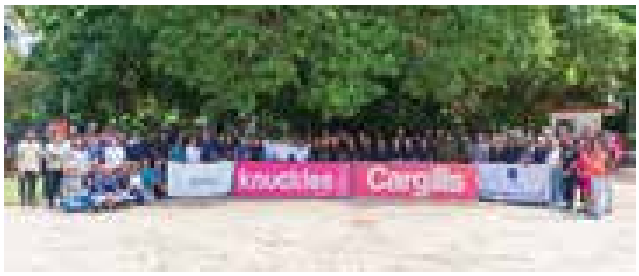
2 MT

4. Marking World Environment Day Through Action

Each year, Cargills marks World Environment Day through initiatives that create meaningful environmental impact across the communities in which we operate. In 2025, aligned with the global theme of "Beat Plastic Pollution", we carried out a clean-up at Lunawa Lagoon in Moratuwa in collaboration with the MAS Foundation for Change. The initiative focused on clearing plastic and other accumulated waste from the lagoon and its surrounding areas. By extending our efforts beyond coastal environments to inland waterways, we continue to support the protection of interconnected ecosystems while promoting responsible waste management practices.







Total waste collected

2 MT

Used Cooking Oil

Cargills partnered with Novateq, an eco-friendly engineering solutions specialist, to responsibly collect and dispose of used cooking oil generated across KFC outlets and Cargills Convenient Foods facilities.

The collected oil is filtered and treated in compliance with European Union Waste Oil Collection Standards before being exported and converted into biodiesel. Through this process, Cargills continues to support the responsible disposal of liquid waste while recovering value from used cooking oil and reducing the environmental impact associated with improper disposal.

2025/26 Update

	Carbon Emissions Saved (MT)		Waste Oil (MT)	
Sources	**2025/26**	**2024/25**	**2025/26**	**2024/25**
Cargills Restaurants (Pvt) Ltd. (KFC)	**591.14**	627.27	**187.67**	200.04
Cargills Convenient Foods Ltd.	**23.78**	29.51	**7.55**	9.41
Total	**614.92**	656.78	**195.22**	209.44
Year-on-year increase/(decrease)	**(6.8%)**		**(7.3%)**	

Net Zero Factory Blueprint

Cargills Dairies Banduragoda

The largest integrated dairy processing facility in Sri Lanka, Cargills Dairies Banduragoda serves as the blueprint for Cargills manufacturing facilities in their transition towards net zero emissions. These integrated initiatives contribute to reducing Scope 1 and Scope 2 emissions across the facility.

- Undertakes annual carbon footprint verifications, together with its subsidiary Kotmale Dairy Products.
- A 1.4 MW solar installation contributes to offsetting around 35 MT emissions annually.
- A biomass boiler contributes to reducing emissions by over 4,500 MT annually.
- Maintains an ecosystem of over 2,000 trees, predominantly fruit trees.
- Ammonia is used as the primary refrigerant, offering high energy efficiency with zero Ozone Depletion Potential and negligible Global Warming Potential.
- Operates one of the largest industrial Reverse Osmosis (RO) plants in Sri Lanka, producing over 0.163 megalitres of treated water daily.
- Harvests more than 3.0 megalitres of rainwater annually for operational use.
- All wastewater discharge is compliant with standards approved by the Central Environmental Authority (CEA).
- Approximately 97% of waste is recycled, with the balance treated through controlled processes, with minimal waste directed to landfill.
- Non-recyclable waste generated by the factory is handed over to the Kerawalapitiya Power Plant, for conversion to energy.
- The factory fence and internal roads are illuminated using solar-powered lights, ensuring sustainable and energy-efficient lighting throughout the premises.





Stewardship

Board of Directors

Louis Page

Nature of the Directorship
Chairman, Non-Executive Director

Date of Appointment
1 April 1982

Expertise and Qualifications
Louis Page is a distinguished corporate leader with extensive experience in accounting, management, and corporate strategy. He is a Fellow Member of The Institute of Chartered Accountants of Sri Lanka and a Fellow member of the Chartered Institute of Management Accountants (UK). He serves as the Chairman of CT Holdings PLC, the parent company of Cargills (Ceylon) PLC. Over the course of his career, he has held a number of senior leadership and Board positions in prominent overseas public companies and public institutions.

Current Appointments
He also serves as Chairman of CT Land Development PLC, Ceylon Theatres (Pvt) Ltd, and Odeon Holdings (Ceylon) (Pvt) Ltd. He also serves as a Director of C T Properties Ltd, C T Property Management Company (Pvt) Ltd, C T Real Estate (Pvt) Ltd, C T Properties Lakeside (Pvt) Ltd, and CT Properties GS (Pvt) Ltd.

Ranjit Page

Nature of the Directorship
Deputy Chairman, Group Chief Executive Officer

Date of Appointment
1 August 1989

Expertise and Qualifications
Ranjit Page has been with the Group for over four decades, having joined the Company in May 1982. He was appointed to the Board in August 1989 and took on the role of Managing Director in April 1992, serving in that capacity for 8+ years before assuming his current position as Deputy Chairman/Group CEO in December 2000. He has been a pivotal figure in the transformation of Cargills, playing a crucial role in evolving the Company from a small-scale operation to a leading Sri Lankan corporate that meets the diverse needs of communities across Sri Lanka. His visionary leadership and strategic acumen were key in establishing the Cargills business model, which facilitated the Company's expansion into various sectors including food retailing, food manufacturing, restaurants, and banking. Under his guidance, Cargills has become a household name in Sri Lanka, known as a socially responsible and community-focused organisation demonstrating that a socially driven mission can be both impactful and financially sustainable. Beyond driving business growth, he has been committed in identifying and nurturing talent, shaping teams that uphold the Company's values, and fostering the next generation of business leaders.

Current Appointments
He currently serves as Deputy Chairman/Managing Director of CT Holdings PLC, Chairman of Cargills Convenient Foods Ltd, CT Properties Ltd, CT Real Estate (Pvt) Ltd, CT Property Management Company (Pvt) Ltd, CT Properties Lakeside (Pvt) Ltd, and as a Director of Kotmale Holdings PLC, CT Land Development PLC, Cargills Retail (Pvt) Ltd, Odeon Holdings (Ceylon) (Pvt) Ltd, Cargills Enterprise Solutions (Pvt) Ltd, The Empire Investments Company (Pvt) Ltd, Ceylon Theatres (Pvt) Ltd, CT Smith Holdings and Cargills Foundation.

Imtiaz A Wahid

Nature of the Directorship
Group Managing Director/Deputy Chief Executive Officer

Date of Appointment
21 May 2010

Expertise and Qualifications
Imtiaz Abdul Wahid is a senior business leader with over 30 years of experience in finance, operations, and corporate management, both in Sri Lanka and internationally. He is an Associate Member of The Institute of Chartered Accountants of Sri Lanka and a Fellow Member of the Chartered Institute of Management Accountants (UK). He first joined the Cargills Group in 1987 as Chief Internal Auditor and progressed through several senior executive roles across the business. He was appointed to the Board of Cargills (Ceylon) PLC in 1997 and served as Deputy Managing Director from 2001. During his career, he has also gained valuable international exposure through senior leadership roles held in overseas companies. He rejoined the Group and was appointed to the Board of Cargills (Ceylon) PLC on 21 May 2010. His deep understanding of the business and extensive leadership experience have been instrumental in shaping the Group's strategic direction and operational excellence.

Current Appointments
He serves as a Non-Executive Director of CT Holdings PLC and also serves as Chairman of several key subsidiaries within the Group, including Cargills Retail (Private) Limited, Cargills Dairies (Private) Limited, Cargills Food & Beverage Limited, Millers Limited, CPC (Lanka) Limited, Cargills Agri Solutions Company (Private) Limited, Cargills Confectioneries (Private) Limited, Cargills Restaurants (Private) Limited and Kotmale Holdings PLC, and serves as the Deputy Chairman of Cargills Convenient Foods Limited. He is also the Managing Director of Cargills Distributors (Private) Limited, Cargills Frozen Products (Private) Limited, and Kotmale Products Limited. In addition, he serves on the Boards of Cargills Enterprise Solutions (Private) Limited, Dawson Office Complex (Private) Limited, Cargills Foundation, the Albert A Page Institute of Food Business, Ceylon Theatres (Private) Limited, C T Properties Limited, C T Properties GS (Private) Limited, C T Real Estate (Private) Limited, C T Property Management Company (Private) Limited, and C T Properties Lakeside (Private) Limited.

Dushni Weerakoon

Nature or Directorship
Independent, Non-Executive Director

Date of Appointment
1 January 2024

Expertise and Qualifications
Dr Dushni Weerakoon is a prominent Sri Lankan economist engaged in public policy with expertise in macroeconomic policy and international economics. She holds a BSc in Economics with First Class Honours from Queen's University of Belfast, UK, and an MA and PhD in Economics from the University of Manchester, UK. Throughout her career, she has served on policy formulation committees of the Government of Sri Lanka in various capacities and has also been a consultant to the World Bank, Asian Development Bank, and World Trade Organization. Dr Weerakoon has published widely on topics such as macroeconomic management, regional trade integration, and international economics.

Current Appointments
Dr Weerakoon is the Executive Director of the Institute of Policy Studies of Sri Lanka (IPS). She serves as an appointed Member of the Monetary Policy Board of the Central Bank of Sri Lanka and is the Senior Independent Director of Kotmale Holdings PLC.

Priyan Edirisinghe

Nature of the Directorship
Senior Independent Director

Date of Appointment
10 December 2024

Expertise and Qualifications
Priyan Edirisinghe is a Chartered Accountant with over 20 years of experience in audit, tax, and business consulting, serving both the private sector and professional practice. He is a Fellow Member of The Institute of Chartered Accountants of Sri Lanka (FCA), an Associate Member of the Chartered Institute of Marketing (UK) (ACIM), and holds a Master of Business Administration from the University of Southern Queensland, Australia. He currently serves as the Managing Partner of Baker Tilly Edirisinghe & Co., Chartered Accountants.

Current Appointments
He also serves as the Senior Independent Director of C T Holdings PLC, and as an Independent Non-Executive Director of Kotmale Holdings PLC, CT Land Development PLC. He previously served as an Independent Director of Dialog Finance PLC.

Joseph Page

Nature or Directorship
Non-Independent, Non-Executive Director

Date of Appointment
1 December 2000

Expertise and Qualifications
Joseph Page counts over 40 years of management experience in the private sector, having held several leadership roles across entities within the CT Holdings Group. He is part-qualified with the Chartered Institute of Management Accountants (CIMA), UK.

Current Appointments
He currently serves as the Deputy Chairman of C T Land Development PLC. He is also a Director of C T Holdings PLC and Kotmale Holdings PLC. In addition, he serves as a Director of Ceylon Theatres (Private) Limited, C T Properties Limited, C T Properties GS (Private) Limited, C T Properties Lakeside (Private) Limited, C T Real Estate (Private) Limited and C T Smith Asset Management (Private) Limited.

Indira Malwatte

Nature of Directorship
Independent, Non-Executive Director

Date of Appointment
1 February 2020

Expertise and Qualifications
Indira Malwatte is a distinguished professional with over 40 years of experience in export promotion, international marketing, and public sector leadership. She holds a combined degree in Economics and Geography from the University of Peradeniya, Sri Lanka, and was the first woman to serve as Chairperson of the Sri Lanka Export Development Board (EDB). Her extensive expertise spans across industrial, agricultural, services, and SME sectors, as well as supply chain management and women's empowerment.

She has served as a key resource person and focal point for international development projects supported by organisations such as the World Bank, International Trade Centre (ITC), GIZ, CBI, and JETRO. Recognised both locally and internationally for her contributions, she was awarded the Wifts Foundation Lifetime Achievement Award in Business (London, 2016), becoming the first Sri Lankan recipient of the honour. She has also been recognised by Zonta Sri Lanka in 2017 and Women in Management in 2018 for her leadership and achievements in the government and development sectors, and in 2025, by the SLBC as a Sri Lankan Iconic Woman.

Current Appointments
She currently serves as Chairman and Non-Executive Director of Samson International PLC and as an Independent Non-Executive Director of Kotmale Holdings PLC and Lanka Shipping and Logistics (Pvt) Ltd. She is also a Director at the Sri Lanka Handicraft Board and was more recently appointed as an Independent Non-Executive Director at C T Holdings PLC.

Dilantha Jayawardhana

Nature of the Directorship
Executive Director

Date of Appointment
1 July 2021

Expertise and Qualifications
Dilantha Jayawardhana is a highly experienced finance and management professional with over 25 years of post qualifying experience in accounting, finance, and corporate leadership. He is a Fellow Member of The Institute of Chartered Accountants of Sri Lanka and an Associate Member of the Institute of Certified Management Accountants of Sri Lanka. He also holds a Master of Business Administration from the University of Lincoln, UK. He joined Cargills in 1999 as an Accountant and rose through the ranks to serve as Group CFO prior to his appointment to the Board. In his current role, he continues to provide strategic leadership across the Group's finance, treasury, information technology, and human resource development functions. His deep institutional knowledge and multidisciplinary expertise contribute significantly to driving the Group's operational effectiveness and long-term growth.

Current Appointments
He serves as an Executive Director of Kotmale Holdings PLC and holds directorships across several subsidiaries of the Cargills Group including Cargills Retail (Private) Limited, Cargills Dairies (Private) Limited, Cargills Food & Beverage Limited, Cargills Convenient Foods Limited, Cargills Restaurants (Private) Limited, Cargills Distributors (Private) Limited, and Millers Limited. He also serves as a Director of the Cargills Foundation and other group entities.

Ganesan Ampalavanar

Nature of the Directorship
Non-Independent, Non-Executive Director

Date of Appointment
1 January 2024

Expertise and Qualifications
Ganesan Ampalavanar is a seasoned multinational business leader with over three decades of experience in the consumer good sector, having served the Nestle group for 32 years. He is a graduate in Management (Accounting & Finance) from the University of Science, Malaysia. And has completed executive education programs at the London School of Business (United Kingdom) and the International Institute for Management Development (IMD) (Switzerland). Ganesan, during his career with Nestle, held senior leadership positions in Malaysia and India, and was the Managing Director of Nestle Lanka, Managing Director of Nestle Vietnam and President Director of Nestle Indonesia.

Current Appointments
Ganesan currently sits on the Board of Sime Darby Oil (a Malaysian GLC) and is the Regional Managing Director of Mayora ASEAN.

Suren de Silva

Nature of Directorship
Independent, Non-Executive Director

Date of Appointment
30 May 2025

Expertise and Qualifications
Suren de Silva is a senior legal professional with over 29 years of experience specialising in commercial and corporate litigation, arbitration, intellectual property, shipping and admiralty law, and customs-related matters. He is an Attorney-at-Law of the Supreme Court of Sri Lanka and a Barrister-at-Law of Gray's Inn, England and Wales.

He holds an LLB (Hons.) from the University of Wales, College of Cardiff, and a Master of Laws (LLM) from University College London, with a focus on the regulation of financial markets, foreign investment in emerging economies, and privatisation. Mr de Silva currently serves as an Independent Counsel and Consultant (Special Projects) at D L & F De Saram, Attorneys-at-Law, and has advised on a range of legal and regulatory issues in both domestic and international contexts.

Current Appointments
He serves as an Independent Non-Executive Director of C T Holdings PLC. He is also a Non-Executive Director of the Colombo Stock Exchange and CSE Clear (Private) Limited.

Chulantha Wickramaratne

Nature or Directorship
Independent, Non-Executive Director

Date of Appointment
14 July 2025

Expertise and Qualifications
Chulantha Wickramaratne is an accomplished senior professional with over 30 years of leadership in public sector finance, audit, governance, and institutional reform. Most recently serving as the Auditor General of the Democratic Socialist Republic of Sri Lanka from 2019 to 2025.

He is a Fellow Member of The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) a qualified accountant with CIPFA, UK, an Associate Member of the Institute of Certified Management Accountants of Sri Lanka, and holds a Bachelor of Commerce (Special) degree with Second Class Upper Division honours from the University of Kelaniya, Sri Lanka, awarded in 1991.

As the Auditor General, he has overseen complex audits of government ministries and departments, public corporations, and SOEs, and has also functioned as a principal advisor to Parliamentary Oversight Committees, including COPA and COPE. He has extensive international exposure in governmental and private sector assignments.

He played critical roles in legislative reform and Public Sector Capacity Building (to introduce advanced audit methodologies and digital audit management systems in Sri Lanka). He designed and implemented a Code of Ethics and spearheaded HR reforms within the National Audit Office. He also served as a Council Member of CA Sri Lanka, a member of the Public Sector Accounting Standards Committee, and a member of the Board of Management of the Association of Public Finance Accountants of Sri Lanka (APFASL).

Current Appointments
He serves as Independent Non-Executive Director of C T Holdings PLC and C T Land Development PLC.

Zakir Mohamedally

Nature or Directorship
Non-Independent, Non-Executive Director

Date of Appointment
15 December 2025

Expertise and Qualifications
Zakir Mohamedally is a Fellow Member of the Association of Chartered Certified Accountants (ACCA), UK. He is also an Associate Member of the Chartered Institute of Management Accountants (CIMA), UK, and the Institute of Certified Management Accountants of Sri Lanka. Additionally, he holds a Postgraduate Diploma in Marketing from the Chartered Institute of Marketing (CIM), UK.

He possesses over two decades of experience spanning audit, assurance, and capital market sectors of Sri Lanka. He began his career in 2005 within the Audit & Assurance Division of PricewaterhouseCoopers Sri Lanka.

Current Appointments
In 2007, he joined the CT Smith Holdings Group, where he currently holds the position of Group Managing Director and Head of Investment Banking. He has led significant transactions across Equity Capital Markets, Debt Capital Markets, and Mergers and Acquisitions in Sri Lanka, including cross-border deals. He also serves as Managing Director of Odeon Holdings (Ceylon) (Pvt) Ltd, the parent company of CT Holdings PLC, since August 2025.

Corporate Governance

1 Corporate Governance at Cargills

The Board of Cargills (Ceylon) PLC is committed to the highest standards of corporate governance, integrity, and ethics, which it views as essential to the Group's success and to deliver on its promises to stakeholders in a credible and transparent manner.

Cargills' overarching governance objective is to ensure that an adequate and effective process of corporate governance is established and maintained, consistent with the nature, size, complexity, and risk inherent in the Group's activities, and which is responsive to changes in the Group's operating environment. We believe that sound corporate governance practices are essential to create sustainable value and to safeguard the interest of all stakeholders.

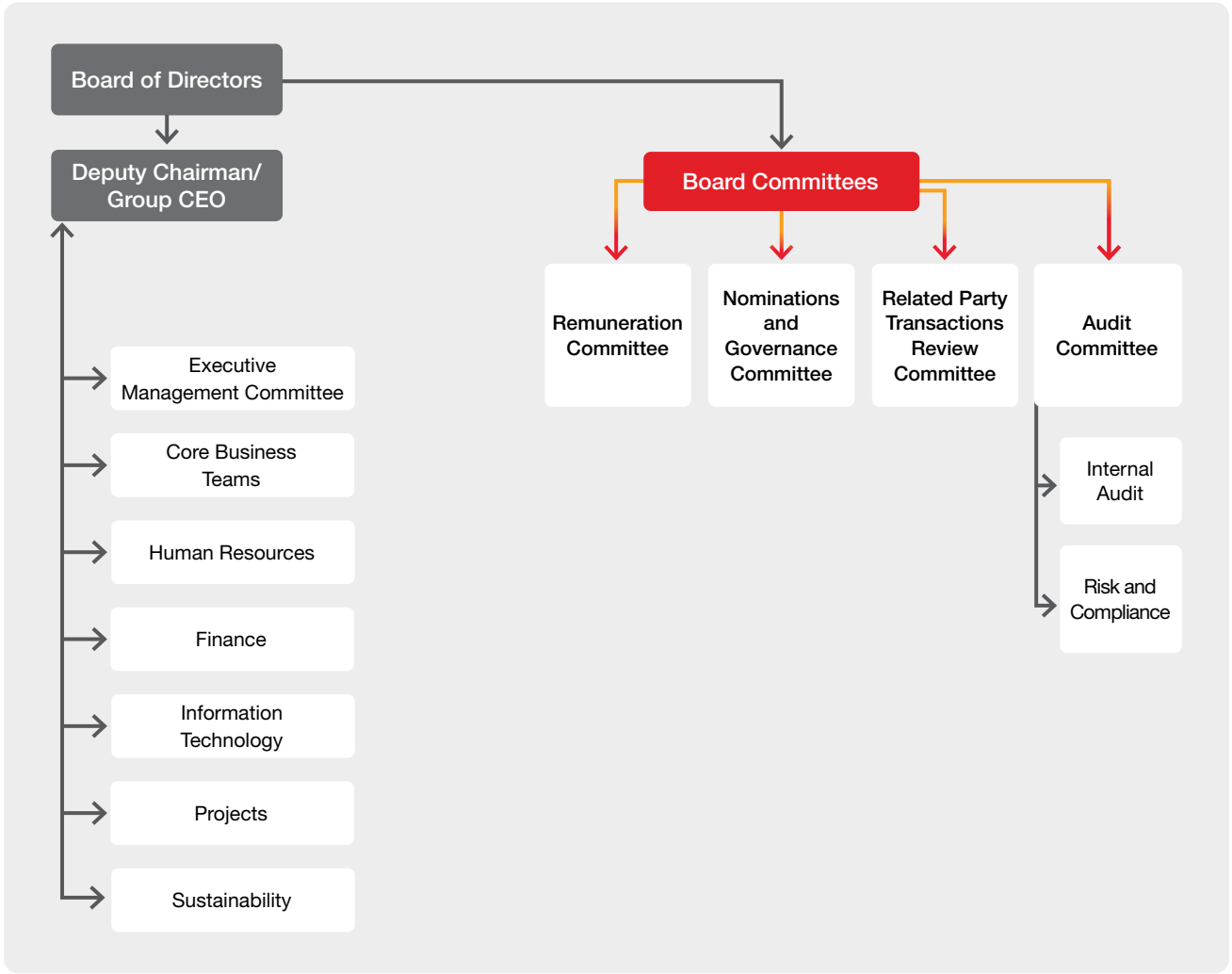
2 The Corporate Governance Framework

Our Corporate Governance Framework is illustrated in the following diagram:



3 Governance Structure

The Board of Directors appointed by the shareholders is primarily responsible for good governance. The Board delegates some of its responsibilities to the Board Committees to discharge its responsibilities in an effective manner.



3.1 The Board of Directors

3.1.1 Board Composition

The Company currently has 12 Directors on the Board comprising 9 Non-Executive Directors (of whom 5 are independent) and 3 Executive Directors. The Board consists of a mix of Independent, Executive, and Non-Executive Directors to maintain the Board independence.

3.2 Board Committees

The Group has the following Board Committees.

1. Audit Committee
2. Nominations and Governance Committee
3. Remuneration Committee
4. Related Party Transactions Review Committee (RPTRC)

All committees have written charters detailing their responsibilities and the extent to which they have been delegated powers of the Board of Directors.

Report of the Senior Independent Director

This report is presented in accordance with Rule 9.6.3(e) of Section 9 of the Listing Rules of the Colombo Stock Exchange.

The appointment of a Senior Independent Director of Cargills (Ceylon) PLC is made in accordance with Rule 9.6.3(a)(iii) of the CSE Listing Rules, as the Chairman and the Group Chief Executive Officer are close family members. The Senior Independent Director serves as an additional and independent channel of communication for the Independent and Non-Executive Directors and supports the effective functioning of the Board.

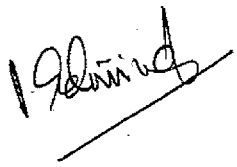
The role of the Senior Independent Director includes facilitating discussion among the Independent and Non-Executive Directors on matters relating to Board effectiveness, governance, and other matters requiring independent consideration. The Senior Independent Director also facilitates the appraisal of the Chairman's performance by the Non-Executive Directors.

The Senior Independent Director facilitated discussions among the Independent and Non-Executive Directors on matters relating to Board effectiveness, the quality and timeliness of Board information, governance practices, the functioning of Board Committees, and matters requiring independent director consideration.

A meeting of the Independent Directors was held under the Chairmanship of the Senior Independent Director without the presence of the other Directors, in accordance with Rule 9.6.3(b) of the CSE Listing Rules. Observations arising from that discussion were communicated to the Chairman and, where appropriate, to the Board.

A meeting of the Non-Executive Directors was also held without the presence of the Chairman to appraise the performance and effectiveness of the Chairman, in accordance with Rule 9.6.3(c) of the CSE Listing Rules. The outcome of that review was communicated appropriately.

Based on the activities carried out during the year, I am satisfied that the Senior Independent Director function operated effectively in supporting independent oversight, facilitating open communication among the Independent and Non-Executive Directors and strengthening the overall governance processes of the Company.



P P Edirisinghe
Senior Independent Director
30 July 2026

3.2.1 Audit Committee Report

The Audit Committee is appointed by the Board of Directors of the Company and reports directly to the Board. The Audit Committee functions within the overall governance process established by the Board of Directors of the Company and functions within the requirements of the Listing Rules of the Colombo Stock Exchange. The Committee operates in accordance with a formal Charter approved by the Board of Directors, which was revised during the year to incorporate enhanced regulatory requirements and governance practices relating to financial reporting oversight, risk management, internal audit, external auditor independence, and Board accountability.

Composition of the Audit Committee

As at 31 March 2026, the Audit Committee comprises four Independent, Non-Executive Directors. Changes in membership during the year are set out below. The Chairman of the Audit Committee is a Fellow member of The Institute of Chartered Accountants of Sri Lanka. The composition of the members of the Audit Committee satisfies the criteria as specified in the standards on corporate governance for listed companies. The Company Secretary Serves as the Secretary to the Committee.

Committee Membership During the Year

Name	Directorship Status	Membership Status	Date of Appointment	Attendance (Attended/ Eligible to Attend)
Mr W P C Wickramaratne	Independent, Non-Executive Director	Chairman	23 July 2025	6/6
Mr P P Edirisinghe	Senior Independent Director	Member (Chairman – 20 May 2025 to 22 July 2025)	11 February 2025	9/9
Mrs C I Malwatte	Independent, Non-Executive Director	Member	9 February 2024	7/9
Dr D N Weerakoon	Independent, Non-Executive Director	Member	9 February 2024	6/9
Mr A D B Talwatte	Non-Independent, Non-Executive Director	Member (up to 23 October 2025) (Chairman – 14 December 2020 to 19 May 2025)	14 December 2020	4/5

Policy Framework

The policy framework for the functioning of the Audit Committee of the Company and its subsidiaries are set out in the Group policies adopted across the Group.

In addition to the Audit Committee of the holding company, one listed subsidiary within the Cargills Group has a separate Audit Committee. The Audit Committee of the listed holding company functions as the Audit Committee of its non-listed subsidiary companies.

Procedure

In terms of the Group policy, the Audit Committee should meet at least once in every quarter, two of which should be attended by the Company Auditors. The procedure in place is for the Group Managing Director/Deputy CEO, Executive Director, Group Chief Financial Officer (GCFO), Group Chief Internal Audit Officer (GCIAO), Group Chief Risk Officer (GCRO) and Heads of Finance of the business sectors, to attend all meetings when scheduled and for the Deputy Chairman/Group CEO and Sector Managing Directors to attend Audit Committee meetings as and when requested to do so by the Audit Committee. Besides this, procedure is in place to circulate comprehensive Board papers and supporting documentation sufficiently in advance to enable informed deliberations. Where necessary, approvals may also be given by circular resolutions.

Meetings

The Audit Committee met nine times during the year, three of which were with the participation of the Company's External Auditors.

Scope

The functions of the Audit Committee, as set out in the Audit Committee Charter include the following:

- Oversight of the preparation, presentation, and adequacy of disclosures in the Financial Statements in accordance with SLFRS/LKAS.
- Oversight of the Company's compliance with financial reporting requirements, information requirements of the Companies Act, SEC, and other related regulatory bodies.
- Oversight of the processes to ensure that the Company's internal controls and risk management procedures are adequate to ensure that the various risk exposures are mitigated.
- Oversight of the Internal Audit function, including approval of audit plans and evaluation of audit effectiveness.
- Overseeing the effectiveness of sustainability and climate related governance processes, controls, and reporting.
- Assessment of the performance and independence of the External Auditors and make recommendations to the Board pertaining to appointment/reappointment and removal of External Auditors and approval of the remuneration and terms of engagement.

- Develop and implement policy on the engagement of the External Auditor to supply non-audit services, considering relevant ethical guidance regarding the provision of non-audit services by the External Auditors.
- Review the Company's annual audited Financial Statements and quarterly Financial Statements to ensure compliance with the Sri Lanka Accounting Standards and other relevant laws and regulations.
- Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations.
- Report regularly to the Board with respect to the Committee's activities and make recommendations as appropriate.

Financial Reporting

The Audit Committee reviewed the quarterly and annual Financial Statements of the Group prior to publication to assure that the published Financial Statements fairly present the state of affairs of the Group. The Audit Committee had discussions with the management and the External Auditors on the annual Financial Statements. In all instances, the Audit Committee obtained a declaration from the GCFO stating that the respective Financial Statements are in conformity with the applicable accounting standards, company law and other statutes including corporate governance rules and that the presentation of such Financial Statements are consistent with those of the previous quarter or year as the case may be, and further states any departures from financial reporting, statutory requirements and Group policies, (if any).

Quarterly Compliance Certificates were also obtained from the finance, legal, and secretarial divisions of the Company on a standardised exception reporting format perfected by the Audit Committee, stating any instances (where applicable) of, and reasons for, non-compliance. Audit Committee reviewed the Internal Audit report presented by GCIAO quarterly and Risk Management reports presented by Sector Managing Directors biannually.

Internal Audit, Controls, and Risk Management

The Audit Committee reviewed the Internal Audit Reports containing details of the audit coverage, compliance to the laws, regulations, established policies and procedures. The Risk Management Report containing detailed risk assessments and risk mitigation actions pertaining to different business units were reviewed by the Audit Committee to give assurance that the risk management process is carried out in an effective manner.

Conclusion

Based on its work, the Audit Committee is of the opinion that the control procedures and environment within the Group provide reasonable assurance regarding monitoring of the operations, accuracy of the Financial Statements and safeguarding of assets of the Company.

Audit and Auditors' Independence

The Audit Committee assessed the independence and performance of the Company's External Auditors and made recommendations to the Board pertaining to appointment/reappointment. The Audit Committee also reviewed the audit fees and approved the remuneration and terms of engagement of the External Auditors and made recommendations to the Board. When doing so, the Audit Committee reviewed the type and quantum of non-audit services provided by the External Auditors to the Company to ensure that their independence as Auditors has not been impaired.

Details of audit and non-audit fees paid/payable to Messrs. KPMG are disclosed in Note 8 to the Financial Statements. The Committee reviewed the nature and extent of non-audit services, including the safeguards applied, and was satisfied that such services did not impair the independence and objectivity of the External Auditors.

The Audit Committee obtains an "Auditor's Statement" from Messrs KPMG confirming independence as required by Section 163 (3) of the Companies Act No. 07 of 2007 on the audit of the Statement of Financial Position and the related Statements of Profit or Loss and Other Comprehensive Income, Changes in Equity, and Statement of Cash Flows of the Company and the Cargills Group. The Audit Committee has recommended to the Board that Messrs KPMG, Chartered Accountants, be continued as External Auditors of the Company for the financial year ending 31 March 2027.



W P C Wickramaratne
Chairman – Audit Committee
30 July 2026

3.2.2 Nominations and Governance Committee

Composition of the Nominations and Governance Committee

Nominations and Governance Committee was constituted on 5 August 2024. Prior to this date the Nominations Committee of the parent company functioned as the Nominations Committee for the Company.

The Nominations and Governance Committee comprises four Non-Executive Directors of which three are Independent.

Meetings

The Committee meets once each year or as required.

Committee Membership During the Year

Name	Directorship Status	Membership Status	Date of Appointment	Attendance (Attended/ Eligible to Attend)
Mr P P Edirisinghe	Senior Independent Director	Chairman	20 May 2025	1/1
Mrs C I Malwatte	Independent, Non-Executive Director	Member	5 August 2024	1/1
Mr S C De Silva	Independent, Non-Executive Director	Member	28 October 2025	1/1
Mr L R Page	Non-Independent, Non-Executive Director	Member	5 August 2024	2/2
Mr A D B Talwatte	Non-Independent, Non-Executive Director	Member (up to 23 October 2025) (Chairman – 5 August 2024 to 19 May 2025)	5 August 2024	1/1

The functions of the Nominations and Governance Committee are given below:

- Establish and maintain a formal and transparent procedure to evaluate, select, and appoint/re-appoint Directors.
- Establish and maintain a set of criteria for the selection of Directors.
- Evaluate and make recommendations for the appointment/ re-election of Directors to the Board and Board Committees.
- Establish a framework for evaluating the performance of the Board of Directors and the CEO.
- Develop a succession plan for the Board of Directors and Key Management Personnel of the Company.
- Review the structure, size, and composition of the Board and Board Committees.
- Review and recommend the overall corporate governance framework.
- Review reports from the Management on compliance with the corporate governance framework, the SEC Act, Listing Rules of the Stock Exchange, and other applicable laws.

Appointment of Directors

The Nominations and Governance Committee evaluates and recommends suitable persons to be Directors either to fill casual vacancies or as additional Directors, subject to the provisions in the Articles of Association of the Company. In considering candidates for Directorship, the Nominations and Governance Committee considers all relevant criteria including breadth of experience in business and industry, financial acumen, integrity, leadership as well as the diversity of the Board.

Any Director so appointed shall hold office until the next Annual General Meeting and shall then be eligible for election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such Meeting. Details of new Directors are disclosed to the shareholders at the time of their appointment by public announcement as well as in the Annual Report.

A structured framework has been established to assess the performance of the Board of Directors and to provide knowledge based training with identified needs and responsibilities of the Board.

Board Tenure, Retirement, and Re-election of Directors

The Executive Directors are appointed and recommended for re-election subject to their prescribed retirement age whilst Non-Executive Directors are appointed and recommended for re-election subject to the age limit as per statutory provisions at the time of reappointment. At each Annual General Meeting (AGM) one third of the Directors retire by rotation on the basis prescribed in the Articles of Association of the Company and are eligible for re-election. The Directors who retire are those who have been longest in the office since their appointment or reappointment. In addition, any new Director appointed to the Board during the year is required to stand for election at the next AGM.

The details of the re-election and re-appointment of retiring Directors are given in the Annual Report of the Board of Directors.

Board Independence

The Board is well represented by the Independent Directors who support the Executive Directors in governance and strategic management. Independence of the Directors has been determined in accordance with the criteria of the CSE Listing Rules. Accordingly, the present composition of Independent Non-Executive Directors is in line with the requirements of the CSE Listing Rules. The five Independent Non-Executive Directors have submitted signed confirmations of their independence.

Mrs C I Malwatte (Independent, Non-Executive Director) attained the age of 70 years in July 2025. Under Section 9.8.3 (ix) of the listing rules, the Nominations Committee reviewed her credentials and recommended to the Board that Mrs Malwatte may nevertheless be designated as an Independent Non-Executive Director. Further, on 18 June 2026 the Board of Directors resolved to confirm the recommendation made by the Nominations and Governance Committee. The basis of the determination of Mrs Malwatte as an Independent Non-Executive Director is set out below.

1. Professional Credentials and Industry Reputation

- Mrs C I Malwatte is a distinguished figure in the field of Management with a longstanding career in Board governance, and public accountability. Her tenure includes experience with regulatory bodies and multilateral institutions.

2. Independence from Management and Shareholders

- Does not have any present or recent (within the last three years) employment or material business relationship with the Company or any of its subsidiaries.
- Does not hold significant shareholdings nor represent any shareholder group.
- Is not related to any current Board member, senior executive, or controlling shareholder.

These factors affirm her ability to exercise objective, unfettered judgement, thus satisfying the independence criteria as defined by the CSE Listing Rules.

3. Demonstrated Contribution to Board Effectiveness

Despite being over the age of 70, she:

- Maintains active professional engagements, including directorships and advisory roles in public interest organisations;
- Exhibits strong cognitive and decision-making capabilities, evidenced by her participation in recent Board evaluations, and published commentary on governance trends; and
- Provides a distinct multigenerational perspective, helping bridge generational gaps in strategy, ESG governance, and stakeholder management.

4. Corporate Governance and Risk Oversight Expertise

Her experience strengthens the Company's ability to:

- Oversee risk and audit functions with seasoned judgement.
- Drive boardroom accountability and ethical behaviour.
- Mentor younger Board members and executives in alignment with long-term governance succession planning.

5. Public Shareholder Confidence

Profile and proven independence are expected to instill confidence among minority shareholders and reinforce the Company's commitment to robust, diverse, and experienced board oversight.

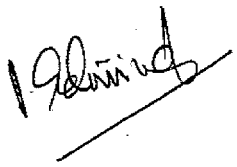
Conflict of Interest

Where the personal or business relationships or interests of Directors and Executive Officers may conflict with the interests of Cargills, they are required to disclose in writing the nature and extent of any interest they have in a material contract or material transaction with the Group.

Other Board Memberships

The Group, in assessing the performance of the individual Director, considers whether sufficient time and attention has been given by the Director to the affairs of the Group while holding Board membership in other companies. The Group expects Directors to devote sufficient time to the affairs of the Company though it does not impose a limit on the number of Board representations which a Director may hold in other companies.

Directors have demonstrated their commitment and effectiveness in discharging their duties and responsibilities and avoiding actual or potential conflicts of interest caused by serving on other Boards.



P P Edirisinghe
Chairman – Nominations and Governance Committee

30 July 2026

3.2.3 Remuneration Committee Report

As at 31 March 2026, the Remunaration Committee consists of four Independent, Non-Executive Directors. Changes in membership during the year are set out below:

Remuneration Policy

The Executive Directors, Senior Management, and Senior Executives play a pivotal role in achieving Company objectives as such they need to be compensated adequately and fairly in line with market conditions applicable to the respective sectors.

The Committee studies and recommends the remuneration and perquisites applicable to the respective category of Executive Directors, Senior Management, and Senior Executives of the Company and makes appropriate recommendations to the Board of Directors of the Company for approval. The Committee also carries out periodic reviews to ensure that the remunerations are in line with market conditions.

Committee Membership During the Year

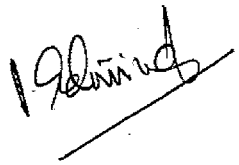
Name	Directorship Status	Membership Status	Date of Appointment	Attendance (Attended/ Eligible to Attend)
Mr P P Edirisinghe	Senior Independent Director	Chairman	20 May 2025	2/2
Mrs C I Malwatte	Independent, Non-Executive Director	Member	9 February 2024	2/2
Dr D N Weerakoon	Independent, Non-Executive Director	Member	9 February 2024	2/2
Mr W P C Wickramaratne	Independent, Non-Executive Director	Member	28 October 2025	2/2
Mr A D B Talwatte	Non-Independent, Non-Executive Director	Member (up to 23 October 2025) (Chairman – 14 December 2020 to 19 May 2025)	14 December 2020	0/0

Disclosures

The aggregate details of the Directors' remuneration are given in Note 33.1 in Financial Statements

Meetings

The Committee met twice during the year under review.



P P Edirisinghe
Chairman – Remuneration Committee
30 July 2026

3.2.4 Related Party Transactions Review Committee Report

As at 31 March 2026, the Related Party Transaction Review Committee comprises four Independent, Non-Executive Directors. Changes in membership during the year are set out below. The Committee functions within the overall governance process established by the Board of Directors of the Company and assists the Board in effectively discharging its responsibilities.

Composition of the RPTRC

The RPTRC comprises four Independent, Non-Executive Directors. The Chairman of the RPTRC is a Fellow member of The Institute of Chartered Accountants of Sri Lanka. The composition of the members of the RPTRC satisfies the criteria as specified in the standards on corporate governance for listed companies. The Company Secretary acts as the Secretary to the Committee

Committee Membership During the Year

Name	Directorship Status	Membership Status	Date of Appointment	Attendance (Attended/ Eligible to Attend)
Mr W P C Wickramaratne	Independent, Non-Executive Director	Chairman	23 July 2025	3/3
Mr P P Edirisinghe	Senior Independent Director	Member (Chairman – 20 May 2025 to 22 July 2025)	11 February 2025	4/4
Mrs C I Malwatte	Independent, Non-Executive Director	Member	9 February 2024	4/4
Dr D N Weerakoon	Independent, Non-Executive Director	Member	9 February 2024	2/4
Mr A D B Talwatte	Non-Independent, Non-Executive Director	Member (up to 23 October 2025) (Chairman – 14 December 2020 to 19 May 2025)	14 December 2020	2/2

Policy Framework

The policy framework for the functioning of the RPTRC of the Company and its subsidiaries is set out in the Group policies adopted across the Group. In addition to the RPTRC of the holding company, Kotmale Holdings PLC, a listed subsidiary of the Cargills (Ceylon) PLC, has a separate RPTRC. The RPTRC of its listed holding company functions as the RPTRC of the non-listed subsidiary companies.

Scope

The RPTRC assists the Board in reviewing all related party transactions (RPT) carried out by the Company.

The functions of the RPTRC include the following:

- Developing a related party transactions policy consistent with that proposed by the applicable provisions of Section 9.14 of the CSE Listing Rules, applicable SEC requirements, LKAS 24, the Committee Charter, and the Company's Related Party Transactions Policy, and recommending for adoption by the Board of Directors of the Company and its listed subsidiaries.
- Reviewing and recommending improvements to the control procedures to ensure that all recurrent and non-recurrent related party transactions are identified, adequately captured, and reported in a timely manner in accordance with the applicable rules.
- Establishing procedures to ensure that related party transactions that are captured within the system are reviewed in a systematic manner and certified by Key Management Personnel with appropriate level of authority.
- Reviewing all related party transactions as reported by Management for compliance with the RPT Code.
- Ensuring that appropriate disclosures are made as applicable to the Colombo Stock Exchange (CSE) where immediate market disclosures are required, and in the Annual Report.

Procedures are also in place for the RPTRC to obtain and have obtained:

- Quarterly declarations of related party transactions from Directors and Senior Management of all Group companies on recurrent and non-recurrent transactions undertaken by them or by their close family members.
- Quarterly declarations of Directors and Senior Management of all Group companies who have a significant shareholding/ownership in a company or partnership or proprietorship which is outside the Group companies and/or of the subsidiaries and associate companies of Group companies.
- Quarterly declarations of the Group Chief Financial Officer or equivalent position in Group companies on recurrent and/ or non-recurrent transactions within the Group companies.

Procedures are also in place for the assessment of the need to obtain shareholder approval for specified transactions and to inform the SEC/CSE on the applicable non-recurrent transactions.

Related Party Transactions

Companies within the Group regularly engage in transactions with other companies within the Group. The Committee receives and reviews details of all related party transactions from the Group Chief Financial Officer of the Company and disposes of the same in accordance with the mandate set out above.

In respect of non-recurrent transactions, if any, the Committee is empowered to seek independent expert advice on valuation or any other related matters that the Committee deems to be significant.

Meetings

RPTRC met four times during the year. The meetings were also attended by the Group Managing Director of the Company, Executive Director, GCFO, GCIAO, GCRO, and Head of Finance of the business sectors.

The Committee adopted policies and procedures for (a) reviewing the related party transactions at each quarterly meeting, (b) identifying and reporting on recurrent and non-recurrent transactions to be in line with the applicable CSE Rules.

The Committee noted that there were no changes to practices followed over the years and general terms and conditions applicable to all lease agreements entered into with related parties are similar to those entered into with non-related parties taking to into account, if any, due consideration of factors such as the long-term nature of the leases and the extent of the area occupied, etc.

The Committee also noted the enhanced disclosures made in the Financial Statements in relation to Cargills Foundation and related party balances, following the review carried out during the year.

Conclusion

Based on its review, the RPTRC confirms that there were no non-recurrent transactions with related parties during the year that warranted prior shareholder approval. It is also noted that in respect of recurrent transactions, the transactions were in the ordinary course of business, there were no changes to terms or practices over the previous year and general terms and conditions applicable to such transactions with related parties are similar to those entered into with non-related parties taking into account, if any, due consideration of factors such as volume, cost and any other special benefits which form part and parcel of such transactions. The observations of the Committee have been communicated to the Board of Directors and the Board in turn has made a declaration to the effect that the Company has complied with the requirements of the rules pertaining to related party transactions as contained in Section 9 of the Listing Rules of the CSE.

The details of the recurrent transactions entered into with related parties are disclosed in Note 33 to the Financial Statements.



W P C Wickramaratne
Chairman – Related Party Transactions Review Committee
30 July 2026

4 Leadership

4.1 Board Leadership

The Board has a clear governance framework with defined responsibilities and accountability.

Our Board at present comprises Directors with diverse skills and vast experience in the field of business who are capable of steering the business towards achieving the Company goals and good governance. While the Board plays an oversight role over the Group, the Group CEO and his Executive Management are empowered to manage and lead the business on a day-to-day basis.

4.1.1 Role of Group Chairman and Group CEO

Whilst the Group Chairman and the Group Chief Executive Officer are collectively responsible for the leadership of the Group, there is a clear and effective division of accountability and responsibility between the Group Chairman and the Group Chief Executive Officer. Each plays a distinctive role but complementing each other to ensure that there is a balance of power and authority and no individual has unfettered powers of decision and control.

A Senior Independent Director (SID) was appointed to the Company since 14 December 2023.

4.1.2 Board Responsibilities

The Board oversees the affairs of the Company and provides leadership and guidance to the Senior Management Team. The key functions and responsibilities of the Board are:

	Roles and Responsibilities
Corporate Governance	• Establishing appropriate standards and encouraging ethical behaviour and compliance with the Group's policies. • Monitoring the Company's compliance with Corporate Governance standards. • Overseeing the process and framework for evaluating the adequacy of internal controls, risk-management, financial reporting, and compliance.
Strategic Management	• Providing direction, guidelines, and approval of the Group's strategic direction and business plans as developed by Management. • Directing, monitoring, and assessing the Group's performance against strategic and business plans. • Approving and monitoring major capital expenditure, acquisitions, and divestments. • Reviewing and approving the annual operating plans, and financial budgets.
Talent Management	• Appointing and recommending terms of engagement of the senior management staff to ensure that a process is in place such that the remuneration and conditions of service of Executives are appropriate. • Ensuring that a process is in place for Executive succession plan.
Performance Review	• Evaluating the performance of the Board Committees and individual Directors. • Establishing and reviewing succession plans for Board membership. • Reviewing the performance of Senior Management and the compensation framework for Executive Directors and Senior Management. • Monitoring corporate performance and evaluating results compared to the strategic and annual plans.
Risk Management	• Ensuring processes are in place to identify the principal risks of the Group's business. • Reviewing, and ratifying the integrity of the Group's systems of risk management, internal controls and compliance.
Sustainability	• Ensuring that appropriate structures, controls, systems, and internal capabilities are in place to manage sustainability related risks and opportunities effectively. • Overseeing all material sustainability topics and climate related considerations, including their impact on strategy, capital allocation, and organisational resilience.
Reporting and Disclosure	• Approving and monitoring financial, and other reporting, including reporting to shareholders and other stakeholders. • Establishing procedures to ensure adherence to the Company's continuous reporting policy.

4.1.3 Board Meetings

The Board met nine times in the year under review, and the following table shows the attendance record for the same.

Attendance at Board Meetings During the Year

Name of the Director	Attended/ Eligible to Attend
Mr L R Page	9/9
Mr V R Page	8/9
Mr M I Abdul Wahid	8/9
Mr P P Edirisinghe	9/9
Mr J C Page	9/9
Mrs C I Malwatte	9/9
Dr D N Weerakoon	7/9
Mr D S Jayawardhana	9/9
Mr G R Ampalavanar	7/9
Mr S C De Silva (w.e.f. 30 May 2025)	8/8
Ms T L M Page (up to 11 July 2025)	1/1
Mr W P C Wickramaratne (w.e.f. 14 July 2025)	7/7
Mr A D B Talwatte (up to 23 October 2025)	4/4
Mr Z H Mohamedally (w.e.f. 15 December 2025)	3/3

5 Business Practices and Ethics

The essence of corporate governance lies in promoting and maintaining integrity, transparency, and accountability across the Organisation. Good governance is embedded in the Group's culture creating an enabling environment for growth in a structured, predictable, and sustainable manner.

The Board continued to strive to ensure that ethics are the foundation of how the Company operates. Accordingly, the Directors recognise their responsibility to set the tone from the top, by avoiding instances of conflict of interest and having the interests of the Company at the forefront of all decision-making.

The corporate governance system at Cargills demands that our team members to enhance their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics.

The Group is committed to the interests of our team members, customers, suppliers, and the community whilst focusing on providing value to our shareholders. The Group's Code of Conduct aims to promote and strengthen the reputation of Cargills by establishing a standard of performance, behaviour and professionalism for its people and stakeholders with respect to their professional and personal conduct.

All team members at Cargills are committed to responsible behaviour refraining from any direct, solicited, monetary or non-monetary bribes, entertainment, unlawful gifts, payments or political contributions while adhering to the related provisions of the Group HR Policy. The whistleblower protection policy encourages the team members and other stakeholders to bring any concerns regarding fraud, misconducts and any unethical behaviour to the notice of the Senior Management and the Board of Directors.

All Executives are bound by a signed code of conduct which prohibits them from accepting or offering any form of gift or emolument that may be construed as a bribe. Executives are also issued official memorandums to remind them of this obligation during festive seasons when the occurrence of such dealings is more probable.

Cargills (Ceylon) PLC is a signatory of the United Nations Global Compact (UNGC); and has zero tolerance towards bribery and corruption. The Company actively monitors any changes to anti-corruption or other related laws and ensures full compliance. This ethical and transparent corporate behaviour of Cargills extends to all the stakeholders in the value chain. All partners and third parties are advised to comply with the guidelines set out.

6 Strategic and Performance Management

The Group has a robust strategic management process which involves all key internal stakeholders and is led by the Group CEO. The strategic planning process aims at optimal utilisation of resources of the Organisation and maximum welfare of all relevant stakeholders. The developments in the external and internal environment are continuously and extensively scrutinised in developing effective strategies.

Cargills operates with a comprehensive performance management system which aims to uphold efficient and effective results as well as knowledge and skills of team members. The budgeting exercise at Cargills is carried out at an integrated cross functional level and reviews are carried out on a frequent basis to take corrective action as appropriate.

7 Controls, Assurance, and Risk Management

The Group has adequate systems of internal controls in place to ensure the orderly and efficient conduct of its business.

The Internal Auditors independently evaluate the adequacy of internal controls and compliance and concurrently audit the transactions as required depending on the risk profile and materiality. The Group's internal audit and risk management functions report to the Board directly through the Audit Committee assuring independence.

The Group engages the services of independent External Auditors to conduct an audit and obtain reasonable assurance on whether the Financial Statements and relevant disclosures are free from material misstatements. The Independent Auditors directly report their findings to the Audit Committee, which has the oversight responsibility for the integrity of Financial Statements and the reporting process.

The Group has an enterprise risk management framework through which it manages the risks facing the Group. Risk Committees for all business sectors were established to manage the risks stemming from the external environment, strategy and business operations. The risk management section and the notes to the financial statements of the Annual Report carry a detailed discussion of the Group's Enterprise Risk Management Process.

The Information Technology Policy of the Group establishes an overall framework for the governance and management of the processes and actions relating to Information Technology within the Group. The framework is made up of processes designed to ensure effective and efficient use of Information Technology to enable the Company to achieve its objectives.

8 Legal and Regulatory Compliance

The Group is fully compliant with all the mandatory provisions of the Companies Act No. 07 of 2007, Listing Rules of the CSE, and rules of the Securities and Exchange Commission of Sri Lanka (SEC). The Group practices are in line with the Code of Best Practices on Corporate Governance issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

The Company actively monitors the changes in the regulatory environment and acknowledges its compliance with all other financial, legal, and regulatory requirements.

9 Disclosure and Transparency

The Group has policies and procedures that govern the provision of timely, accurate, and complete information to stakeholders, in a manner which gives all stakeholders equal access to information. The Board of Directors, in conjunction with the Audit Committee where applicable, is responsible for ensuring the accuracy and timeliness of published information and in presenting an honest and balanced assessment of results in the quarterly and annual Financial Statements.

10 Stakeholder Engagement

The Board values the Company's stakeholders and strives to take their concerns and interests into account when making business decisions. This not only enables it to anticipate and manage risk effectively but also helps it identify new business opportunities and improve the Group's relationship with its stakeholders.

The shareholders are given the opportunity at the AGM to get updates from the Chairman and the Group CEO on the Group's performance, to ask questions, and to express views and vote on the various matters of Company business on the agenda. Shareholders may also ask questions from the Company's External Auditors at the Meeting. The Company encourages its shareholders to attend its AGM and is committed to dealing with shareholder queries in a respectful and timely manner whenever they are received by the Company.

Company's adherence to the Corporate Governance Rules as required by Section 9 of the Listing Rules of the CSE:

	CSE Rule	Status of Compliance	Details/Reference
9.1	**Applicability of Corporate Governance Rules**		
9.1.3	A statement confirming compliance with Corporate Governance Rules	Compliant	Section 8. Legal and Regulatory Compliance of Corporate Governance Report
9.2	**Policies**		
9.2.1/ 9.2.2/ 9.2.3/ 9.2.4	Requirement pertaining to establishment and disclosure of policies set out in the Listing Rules	Compliant	Policies are available at the corporate website
9.3	**Board Committees**		
9.3.1	Ensuring that the following Board Committees are established and are functioning effectively: (a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee	Compliant	
9.3.2	Comply with the composition, responsibilities, and disclosures required in respect of the above Board Committees as set out in CSE Rules.	Compliant	
9.3.3	The Chairperson of the Board of Directors shall not be the Chairperson of the Board Committees referred to in Rule 9.3.1 above.	Compliant	

	CSE Rule	Status of Compliance	Details/Reference
9.4	**Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with shareholders**		
9.4.1	Maintain records of all resolutions and specified information pertaining to the resolutions considered at any General Meetings	Compliant	Please refer to 9.2 above
9.4.2 (a)/(b)/(c)/(d)	Communication and relations with shareholders and investors	Compliant	
9.5	**Policy on matters relating to the Board of Directors**		
9.5.1	Establish and maintain a formal policy governing matters relating to the Board of Directors	Compliant	
9.5.2	Confirm compliance with the requirements of the policy referred to in Rule 9.5.1 in the Annual Report	Compliant	Statement of Directors' Responsibilities on page 144
9.6	**Chairperson and CEO**		
9.6.1	The Chairperson shall be a Non-Executive Director and the positions of the Chairperson and CEO shall not be held by the same individual, unless otherwise a SID is appointed by such entity	Compliant	Position of the Chairperson and CEO is not held by the same person and Chairman is a NED
9.6.2	Where the Chairperson of a Listed Entity is an Executive Director and/or the positions of the Chairperson and CEO are held by the same individual, such entity shall make a market announcement	N/A	
9.6.3 (a)/(b)/(c)/(d)	Requirement pertaining to Senior Independent Director (SID)	Compliant	Dr D N Weerakoon was appointed as SID w.e.f. 20 May 2025 Mr P P Edirisinghe was appointed as SID w.e.f. 5 January 2026
9.6.3 (e)	A signed explanatory disclosure by SID demonstrating the effectiveness of duties of the SID	Compliant	Report from SID on page number 120
9.6.4	Rationale for appointment of SID	Compliant	Please refer Report of SID
9.7	**Fitness of Directors and CEOs**		
9.7.1/ 9.7.2/ 9.7.3/ 9.7.4/ 9.7.5	Requirement to meet the fit and proper criteria stipulated by the CSE Listing Rules and disclosure in Annual Report	Compliant	Annual Report of the Board of Directors on pages 141 to 143
9.8	**Board Composition**		
9.8.1 9.8.2	Requirement pertaining to the minimum number of Directors and Independent Directors	Compliant	As at the date of the Report
9.8.3	Conformity to the criteria set by CSE on determining the independence of the Directors	Compliant	
9.8.5 (a)/(b)/(c)	Requirement pertaining to self-declarations annual determination of independence and market announcement in the event of the impairment of independence	Compliant	
9.9	**Alternate Directors**		
(a)/(b)/(c)/(d)/(e)	Non-Executive Directors shall be appointed as alternate directors in exceptional circumstances and for a maximum period of one (1) year from the date of appointment	N/A	

	CSE Rule	Status of Compliance	Details/Reference
9.10	**Disclosures relating to Directors**		
9.10.1 9.10.2 9.10.3	Requirement pertaining to the disclosure of the Directors	Compliant	
9.10.4	Disclosure of details pertaining to Directors in the Annual Report	Compliant	Directors' Profile on pages 114 to 117
9.11	**Nominations and Governance Committee**		
9.11.1/ 9.11.2/ 9.11.3	Existence of Nominations and Governance Committee, formal procedure for appointment and re-election of new Directors and written Terms of Reference of Nominations and Governance Committee	Compliant	
9.11.4	Composition of Nominations and Governance Committee members and appointment of its Chairperson	Compliant	
9.11.5	The Committee functions are in accordance with the set criteria as per the CSE Listing Rules	Compliant	
9.11.6	Annual Report contains a report of the Nominations and Governance Committee signed by its Chairperson	Compliant	Nominations and Governance Committee report on page 123
9.12	**Remuneration Committee**		
9.12.2	A Remuneration Committee shall be established that conforms to the requirements	Compliant	
9.12.3/ 9.12.4	CSE Listing requirement pertaining to remuneration of the Directors	Compliant	
9.12.5	Remuneration Committee shall have a written Terms of Reference	Compliant	
9.12.6 (1)	Composition of the Remuneration Committee	Compliant	3.2.3 Remuneration Committee Report on page 125
9.12.6 (2)	Remuneration Committee chaired by an Independent Director	Compliant	3.2.3 Remuneration Committee Report on page 125
9.12.7	Recommendation to the Board of Directors regarding remuneration	Compliant	3.2.3 Remuneration Committee Report on page 125
9.12.8 (a)	Disclosure of Chairperson and members of the Remuneration Committee in the Annual Report	Compliant	3.2.3 Remuneration Committee Report on page 125
9.12.8 (b)	A statement regarding the remuneration policy	Compliant	3.2.3 Remuneration Committee Report on page 125
9.12.8 (c)	Disclosure of the aggregate remuneration of the Executive and Non-Executive Directors	Compliant	Note 33.1 of Notes to the Financial Statements on page 258
9.13	**Audit Committee**		
9.13.1	Entities who do not maintain separate Committee to perform the Audit and Risk Functions, the Audit Committee (AC) shall additionally perform the Risk Functions	Compliant	Audit Committee Report on page 121
9.13.2	The AC shall have a written Terms of Reference	Compliant	

	CSE Rule	Status of Compliance	Details/Reference
9.13.3	**Composition of the Audit Committee**		
(1)	Composition of the Independent Directors of the Audit Committee	Compliant	
(2)	Quorum comprising majority of Independent Directors	Compliant	
(3)	Minimum number of meetings and quarterly meetings prior to releasing the quarterly Financial Statements	Compliant	
(4)	The Chairperson being Independent Director of the Audit Committee	Compliant	Audit Committee Report on page 121
(5)	Attendance of CEO and CFO at the Audit Committee meetings by invitation	Compliant	Audit Committee Report on page 121
(6)	The Chairperson of the AC shall be a Member of a recognised professional accounting body	Compliant	Audit Committee Report on page 121
9.13.4	**Functions of the Audit Committee**		
(1)	Functions of the Audit Committee as set out in CSE Listing Rules	Compliant	Audit Committee Report on page 121
9.13.5	**Disclosures (AC) in the Annual Report**		
	Disclosure of stipulated information in the Audit Committee Report included in the Annual Report	Compliant	Audit Committee Report on page 121
9.14	**Related Party Transaction Review Committee (RPTRC)**		
9.14.1	Listed Entities shall have a Related Party Transactions Review Committee	Compliant	
9.14.2	**Composition of RPTRC**		
(1)	Composition of the Independent Directors and Chairperson being Independent	Compliant	RPTRC report on page 126
(2)	If both parent and subsidiary are Listed Entities, the RPTRC of the parent company may function as the RPTRC of the subsidiary	N/A	
9.14.3	**Functions of RPTRC**		
	Functions of the RPTRC as set out in CSE Listing Rules	Compliant	RPTRC report on page 126
9.14.4	**General Requirements of RPTRC**		
(1)	General requirement stipulated in CSE Listing Rules (1) to (4)	Compliant	
9.14.5	**Review of RPTs by the RPTRC**		
	Requirement pertaining to review of related party transaction by RPTRC set out by CSE Listing Rules	Compliant	
9.14.6	**Shareholder Approval**		
	Requirement pertaining to shareholder approval set out by CSE Listing Rules	N/A	There were no Related Party Transactions requiring shareholder approval
9.14.7	**Immediate Disclosures**		
	Immediate market announcement to the Exchange as set out by CSE Listing Rules	N/A	There were no Related Party Transactions requiring immediate market announcement

	CSE Rule	Status of Compliance	Details/Reference
9.14.8	**Disclosures in the Annual Report**		
(1)	Disclosure pertaining to non recurrent RPTs	N/A	There were no Related Party Transactions exceeding 10% Equity or 5% Total Assets in aggregate.
(2)	Disclosure pertaining to recurrent RPTs	Compliant	Notes to the Financial Statements Note 33.4
(3)	Related Party Transactions Review Committee Report on the Annual Report	Compliant	RPTRC Report on page 126
(4)	A declaration by the Board of Directors in the Annual Report confirming that RPT Rules are complied with	Compliant	Annual Report of the Directors on the Affairs of the Company on pages 141 to 143
9.14.9	Shareholder approval and Competent independent advice on acquisition and disposal of assets from/to related parties	N/A	
9.17	**Additional Disclosures**		
	Additional Disclosures by the Board of Directors in the Annual Report	Compliant	Statement of Directors' Responsibilities on page 144

The Company is compliant with the identified principles of the Code of Best Practice on Corporate Governance (2023) issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

Principle	Details/Reference
A. Directors	
The Company is led by experienced Directors coming from different disciplines, with sound business acumen and leadership skills	Board of Directors pages 114 to 117
The role of Chairman and Chief Executive Officer (CEO) has been separated and held by different persons. There is a clear division of role and responsibilities between the Chairman and the CEO	Section 4.1.1 Role of Group Chairman and Group CEO on page 128
The Board balance is maintained as specified by the CSE Listing Rules Section 9	Section 3.1 The Board of Directors on page 119
Appointment and re-election of the Directors are in line with the Section 9 of the CSE Listing Rules	Nominations and Governance Committee Report on page 123
Company follows the rules and guidelines pertaining to independence and conflict of interest of the Directors	Nominations and Governance Committee Report on page 123
Disclosures of information in respect of Directors are made in accordance with the CSE Listing Rules	Board of Directors on pages 114 to 117
B. Directors' Remuneration	
The Company has a transparent policy on the Director's remuneration which ensures no conflict of interest in deciding the individual director's remuneration	Section 3.2.3 Remuneration Committee Report page 125
The Company has a Remuneration Committee comprising solely Non-Executive Directors. The Committee follows the Listing Rules guidelines and recommended Code of Best Practices in deciding Director's remuneration	

Principle	Details/Reference
The Board decides the remuneration of Non-Executive Directors and follows the guidelines stipulated in CSE Listing Rules and Code of Best Practices in deciding the remuneration of the Non-Executive Directors	Section 3.2.3 Remuneration Committee Report page 125
The Company follows disclosure requirement pertaining to Remuneration Committee and Directors' remuneration	Note 33.4 Transactions with Key Management Personnel (KMP) on page 260
C. Relations with shareholders	
The Company communicates and engages with the shareholders in a constructive manner through AGM and Investors Forums. Shareholders are encouraged to contact the corporate office anytime to obtain information or for any clarification about the business affairs	Section 10. Stakeholder Engagement on pages 271 to 273
D. Accountability and Audit	
Interim, other price-sensitive public reports, reports to regulators, and information required for statutory purposes are provided	
The Company presents balanced and understandable assessment of the Company's financial position, performance, business model, governance structure, risk management, internal controls and challenges, opportunities and prospects in the Annual Report, Interim Financial Statements, and public reports	
The Annual Report contains directors' report giving declaration on Company's adherence to principles laid down in the Company's Act and CSE Listing Rules and assuring going concern	Statement of Directors' Responsibilities page 144
The Annual Report contains a Statement of Directors' Responsibilities with required information	
The Annual Report contains Management Discussion and Analysis, Corporate Governance Report, and Risk Management Report providing assurance related to business performance, internal controls, and risk management	
The Annual Report contains Audit Committee Report, and Related Party Transaction Review Committee Report providing independent assurance on governance, internal controls, and financial reporting	Section 3.2.1 Audit Committee Report pages 121 to 122 and Section 3.2.4 RPTRC Report pages 126 to 127
E. / F. Investors	
The shareholders are engaged through AGM and Investor's Forum	Section 10. Stakeholder Engagement on pages 271 to 273
G. Internet of Things and Cybersecurity	
The Company considers that cybersecurity critical for uninterrupted business operations and information security. Adequate measures are in place to protect the information and IT infrastructure from any cyber threats	
H. Sustainability: ESG Risks and Opportunities	
ESG factors are considered when decisions are made. The business processes and operations are continuously improved with investments to minimise negative impact on the environment and society	
ESG initiatives are disclosed through integrated reporting in the Annual Report	
I. Establishment and Maintenance of Policies	
Company has established policies applicable as per the CSE Listing Rules	

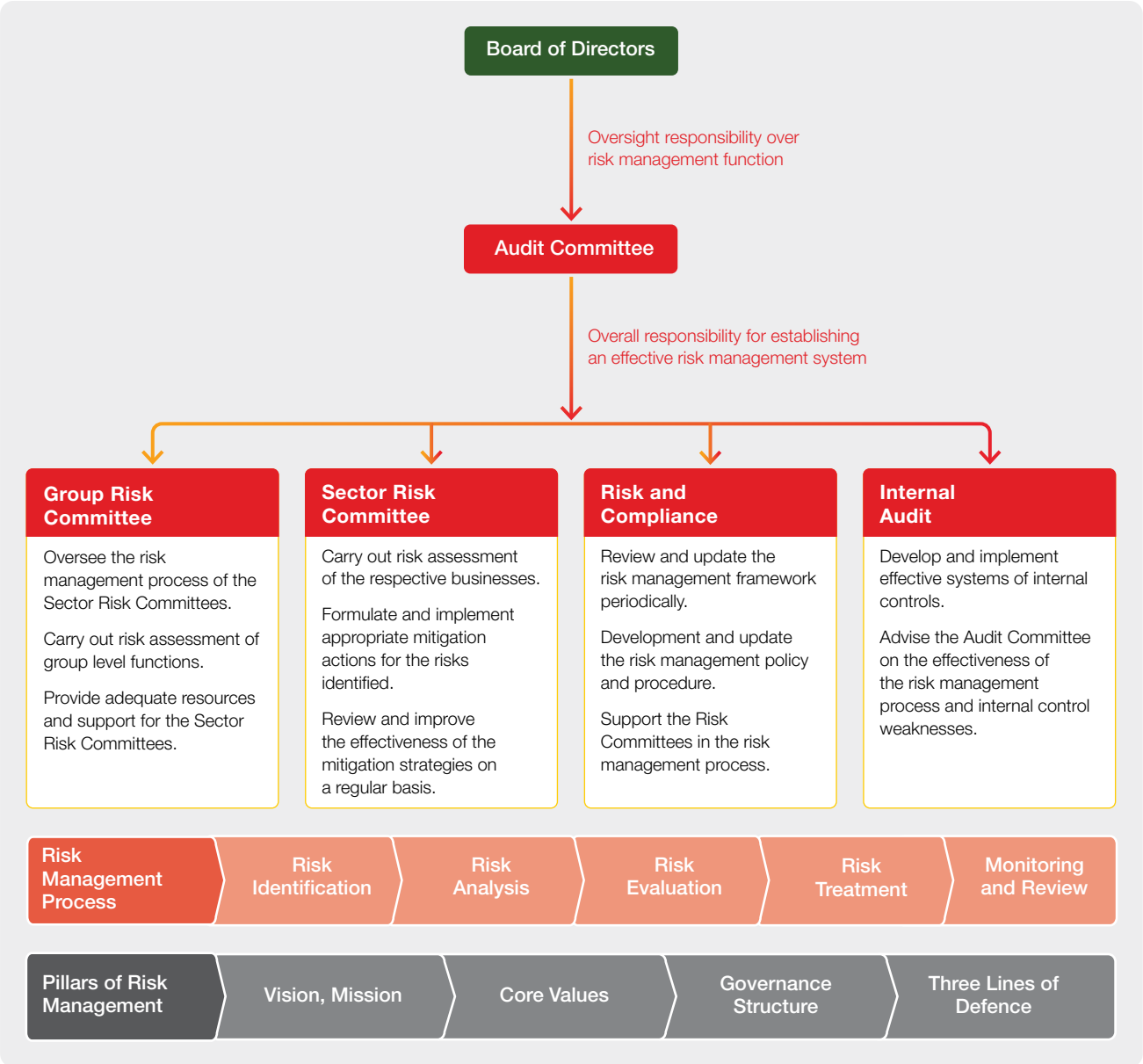
Enterprise Risk Management

The Group operates across a diverse range of businesses with a significant national footprint, serving a broad portfolio of products, customers, suppliers, and employees. This scale and diversity expose the Group to a wide spectrum of risks. Globalisation, trade tensions, climate change, natural disasters, pandemics, rising cyber threats, and geopolitical conflicts further contribute to an increasingly complex and uncertain risk environment.

Recognising this broadening risk landscape, the Group has adopted a structured and comprehensive risk management framework that continues to evolve. This framework is designed not only to mitigate strategic, operational, and other risks but also to enable the Group to seize opportunities as they arise.

Risk management initiatives are spearheaded by the Board of Directors, supported by the Audit Committee and Risk Committees. These efforts ensure that risks are effectively managed while aligning with the Group's strategic objectives. By embedding risk management into decision-making, the Group seeks to minimise adverse impacts and safeguard value creation for all stakeholders.

Risk Management Framework



Overview of Key Risks Affecting the Business

The Group's diverse operations across multiple sectors and regions expose it to a wide range of risks. The degree of impact of each risk varies depending on the nature of the business and the environment in which it operates. As the Group continues to expand and evolve, understanding and managing these risks remain critical to sustaining performance and achieving strategic objectives.

Decline in consumer buying power due to macro and micro economic factors

All business sectors within the Group are highly sensitive to changes in consumer prices and disposable income. Recent external shocks — including cyclone Ditwah and the escalation of war in West Asia — have significantly impacted consumer purchasing power. These events have driven up the cost of goods, with further increases expected in fuel and essential commodities. The crisis has also disrupted foreign currency remittances and exports to affected regions. Further, fertiliser shortages and rising input costs may lead to lower agricultural yields, increased production costs which in turn will result in higher vegetable prices.

Risk Mitigation Actions – To address the decline in consumer buying power, the Group has focused on delivering value for money through competitive pricing, affordable pack sizes, and economic packs under private labels. Deep discounts and targeted promotions have been introduced to ease the burden on consumers, while driving operational efficiencies across the supply chain helps keeping product prices at accessible levels. At the same time, the Group ensures that these measures are implemented in a way that maintains sustainable margins, thereby balancing affordability with long-term business resilience.

Risk	2025/26	2024/25	2023/24
Decline in consumer buying power due to macro and micro economic factors	!	!	!

! High ! Medium ! Low

Reputational Risk

Given the Group's extensive portfolio of consumer brands, reputational risk is assessed to be high. Factors such as product quality, customer service, employee behaviour, adherence to sustainable practices, and compliance with regulations play a critical role in shaping the reputation of both the brands and the businesses.

Risk Mitigation Actions

The Group rigorously monitors quality and service levels across the value chain to ensure that consumers consistently receive products and services of the highest standard. All manufacturing companies are ISO certified and equipped with modern machinery and technology, while periodic internal and third-party audits reinforce compliance with quality and safety regulations. Staff at all levels undergo regular on-the-job and classroom training on quality and safety practices.

Customer complaints and feedback are continuously tracked, assessed, and addressed, with corrective actions taken to resolve root causes. Importantly, customers are engaged throughout the process and informed of the measures implemented in response to their concerns.

The Group enforces a strict Code of Conduct across all sectors, ensuring employees uphold responsible behaviour and refrain from soliciting or accepting bribes, unlawful gifts, entertainment, payments, or political contributions. Violations are met with strict disciplinary action.

Sustainability is integrated into the value chain, reflecting the Group's accountability toward social and environmental practices and reinforcing its commitment to long-term reputational strength.

Risk	2025/26	2024/25	2023/24
Reputational Risk	!	!	!

! High ! Medium ! Low

Supply Chain Interruptions

An uninterrupted supply chain is critical to ensure the continuous availability of goods and services in the market. The Group's supply of milk and produce remains highly vulnerable to climate change, natural disasters, and disease outbreaks. In addition, reliance on imported raw materials and goods for the Retail and FMCG sectors exposes the Group to global disruptions. During the latter part of the year under review, supply chain interruptions intensified due to the war in West Asia, leading to shipment delays, extended lead times, and shortages of goods caused by export controls. Rising energy prices further compounded costs across the supply chain, creating additional challenges to continuity and affordability.

Risk Mitigation Actions

To ensure resilience, the Group prepares annual procurement plans and shares quarterly forecasts with suppliers for better coordination and advance preparation. Multiple suppliers and sourcing channels are maintained to avoid over-dependence on a single source, with supplier performance regularly monitored in terms of fill rates, quality, and service delivery. Raw materials vulnerable to weather and climate conditions are sourced through collection centres across the country, minimising the impact of seasonality and short supply. Initiatives have also been taken to source certain imported materials locally, reducing exposure to global supply chain interruptions.

Long-term partnerships with suppliers, farmers, and SMEs help to stabilise prices and ensure continuity of supply. In response to the instability in West Asia, the Group has enhanced buffer stocks, improved inventory planning, and broadened its supplier base to mitigate risks and safeguard supply chain continuity.

Risk	2025/26	2024/25	2023/24
Supply chain interruptions	!	!	!

! High ! Medium ! Low

High Operating Cost

The steep rise in fuel and energy costs, driven by the war in West Asia and the depreciation of the Sri Lankan Rupee, has significantly increased the operating costs of the Group. These pressures have created challenges in maintaining profitability while ensuring affordability for consumers.

Risk Mitigation Actions

To manage these rising costs, the Group has introduced a range of measures. Energy-saving initiatives have been implemented across operations to optimise consumption and reduce expenses. Delivery frequencies to outlets and distributors have been rationalised to minimise transportation costs without compromising service levels. In addition, the Group continues to invest in renewable energy initiatives, reinforcing its long-term commitment to sustainable and cost-efficient operations.

Risk	2025/26	2024/25	2023/24
High operating cost	High	Low	Medium

High Medium Low

Staff Turnover

The retail and restaurant sectors are naturally susceptible to relatively high staff turnover due to the nature of the business and the age profile of employees. In recent times, the Group has also experienced the departure of professional and highly skilled employees seeking overseas employment, driven by the country's economic situation.

Risk Mitigation Actions

To minimise turnover, the Group has implemented comprehensive recruitment, training, and career development programmes across all business sectors. In-house training is facilitated by the Albert A. Page Institute (AAPI), ensuring employees receive continuous skill development. A clear career succession plan is in place and communicated to staff, motivating them to work toward career progression. The Group's philosophy of contributing towards national development is instilled among employees, fostering pride in being part of initiatives that support the nation.

Compensation schemes are reviewed annually to remain competitive with market rates, while hostel facilities are provided in areas with high accommodation costs, along with meals and other fringe benefits to support retention. These measures collectively strengthen employee engagement, reduce turnover, and ensure the Group retains the talent necessary to drive long-term success.

Risk	2025/26	2024/25	2023/24
Staff turnover	Medium	Medium	Medium

High Medium Low

Political Instability

Political stability is critical for the businesses to achive the strategic objectives in a sustainable manner. Potential civil unrest, reduced economic growth, lower tourist arrivals, declining foreign direct investment, and challenges in implementing fiscal and monetary policies can negatively affect business performance and long-term sustainability.

Risk Mitigation Actions

The Group considers political stability a key factor when determining the level of investment across its businesses. Operations and cost structures are critically analysed to identify areas for improvement, with measures taken to enhance productivity and reduce wastage. These actions ensure that each business remains agile, resilient, and sustainable, even in adverse political and economic environments. By maintaining operational discipline and focusing on efficiency, the Group strengthens its ability to withstand uncertainty and protect stakeholder value.

Risk	2025/26	2024/25	2023/24
Political instability	Low	Low	Medium

High Medium Low

Interruptions to Business Operations

Interruptions to business operations caused by fire, natural disasters, pandemics, or strikes can significantly affect the Group's revenue and profitability. Manufacturing facilities, distribution centres, and information system infrastructure are critical elements of the supply chain and must remain safeguarded and fully functional. During the year under review, cyclone Ditwah impacted several retail outlets, with some sustaining physical damage, highlighting the vulnerability of operations to external shocks.

Risk Mitigation Actions

The Group has implemented comprehensive fire and safety measures across all locations, with regular inspections and fire drills conducted to ensure preparedness. Contingency plans are in place at major sites to minimise business interruption and protect both property and people in the event of fire or natural disasters. In addition, properties and assets are adequately insured to reduce the financial impact of such events. These measures collectively strengthen operational resilience and safeguard continuity of business operations.

Risk	2025/26	2024/25	2023/24
Interruptions to business operations	Medium	Medium	Medium

High Medium Low

Competition

The Group's business sectors face varying levels of competition, primarily from local players. However, improvements in economic and political stability, coupled with increased investor confidence, may attract foreign competitors in the future. Despite this, the Group's brands continue to perform strongly, with many holding leading market positions achieved through effective market positioning and innovation.

Risk Mitigation Actions

The competitive landscape of each business sector is continuously assessed, enabling the Group to implement strategies that keep its businesses ahead of rivals. These strategies focus on innovation, right pricing, superior quality, and strong market positioning. The Group strives to deliver high-quality products and services at affordable prices, while driving productivity and efficiency across operations. This ensures margins and profitability are maintained, even as consumers continue to receive value.

Risk	2025/26	2024/25	2023/24
Competition	Low	Low	Low

High Medium Low

Information Security and Personal Data Protection

With a large IT infrastructure and application systems network spanning multiple locations, the Group is highly vulnerable to cyber-attacks. The growing use of digital and online platforms, coupled with heightened concerns over personal data protection, necessitates stringent safeguards. The increasing sophistication of hackers, particularly through the use of AI and advanced technologies, further elevates the risk profile. Cyber-attacks on application systems, networks, and IT infrastructure can result in significant economic costs, reputational damage, legal consequences, data breaches, theft of stakeholders' personal information, and business interruptions.

Risk Mitigation Actions

The Group has developed comprehensive cyber risk mitigation strategies aligned with its Information Security Policy. Continuous monitoring is carried out across the Group to enable early detection of threats and minimise their impact on operations. Strict access controls are enforced to protect sensitive data and application systems, while investments in the latest technologies ensure IT assets and software remain updated with current security controls.

Regular training and awareness programs are conducted to educate employees on cyber threats, their potential impact, and preventive measures. Periodic internal and external audits provide assurance on the effectiveness of information security controls. In compliance with the Personal Data Protection Act, the Group ensures that personal data is processed, stored, and shared securely.

Considering the rapid advancement of technology, especially AI tools that can be exploited by cybercriminals, the risk rating has been assessed as medium.

Risk	2025/26	2024/25	2023/24
Information security and personal data protection	Medium	Medium	Low

High Medium Low

Credit Risk

Credit risk has become increasingly important with the significant growth of the FMCG sector, where a large portion of revenue is generated through sales to distributors on credit. The risk of default may arise if distributors go out of business or if there are delays in collecting dues. However, the overall credit risk is rated low, as the bulk of credit exposure is secured by bank guarantees, and the history of bad debt write-offs remains minimal compared to total sales.

Risk Mitigation Actions

The Group appoints new distributors only after a comprehensive evaluation of their financial strength and ability to manage distributorships effectively. Bank guarantees are obtained from all distributors based on their sales volumes and credit periods, with values enhanced as sales increase. Rigorous credit control measures are in place to ensure exposure remains at minimal levels. These practices safeguard the Group's financial stability while supporting sustainable growth in the FMCG sector.

Risk	2025/26	2024/25	2023/24
Credit risk	Low	Low	Low

High Medium Low

Funding, Liquidity, and Interest Rate Risks

The Group relies on both long- and short-term borrowings to partly fund its investments and working capital requirements, exposing it to funding, liquidity, and interest rate risks. Inability to secure adequate funds could negatively impact the Group's ability to achieve its objectives, while excessive gearing may lead to liquidity concerns, particularly during periods of reduced profitability. High gearing also increases exposure to interest rate fluctuations, especially in the event of upward movements.

During 2025/26, interest rates remained steady and relatively low; however, rates are expected to rise in 2026/27 if the Central Bank tightens monetary policy to curb inflation. Despite these challenges, the Group's risk rating for funding, liquidity, and interest rate exposure is assessed as low, supported by an improving debt-to-equity ratio and favourable interest rate trends.

Risk Mitigation Actions

The Group prioritises the use of cash generated from operations to fund investments and working capital wherever possible. Its loan portfolio is structured with a balanced mix of long- and short-term borrowings, enabling flexibility to optimise funding decisions based on prevailing interest rates. Banking facilities have been established with all major banks and financial institutions, ensuring access to funds at short notice. A centralised treasury function continuously monitors lending rates and market liquidity, allowing the Group to make timely and informed decisions regarding funding.

Risk	2025/26	2024/25	2023/24
Funding, liquidity, and interest rate risk	Low	Low	Low

High Medium Low

Foreign Currency Risk

The Group is vulnerable to fluctuations in foreign exchange rates as certain raw materials, packaging materials, and machinery are sourced internationally. While exchange rates remained relatively stable during 2025/26, the Sri Lankan Rupee is expected to depreciate due to the ongoing war in West Asia, increasing exposure to foreign currency risk.

Risk Mitigation Actions

To reduce dependency on imports, the Group has initiated programmes to replace imported raw materials with locally sourced alternatives, ensuring product quality is not compromised. In the long term, the Group is focused on strengthening exports to generate income in multiple currencies, which can then be utilised for importing essential raw materials, packaging, and equipment. Wherever feasible, forward contracts are entered with suppliers to hedge against currency fluctuations. These measures collectively enhance resilience against exchange rate volatility while supporting sustainable growth.

Risk	2025/26	2024/25	2023/24
Foreign currency risk	Medium	Low	Low

High Medium Low

Misappropriation and Fraud

The Group is exposed to fraud risks due to its multiple decentralised locations that operate independently, handling cash collections, raw material procurement, and large inventories. Daily procurement of perishable items such as vegetables, fruits, meats, seafood, and milk further increases vulnerability to financial fraud.

Risk Mitigation Actions

To safeguard against these risks, the Group reviews and updates its standard operating procedures annually, ensuring that operational and financial controls remain aligned with emerging challenges and process changes. Internal Audit conducts regular reviews of internal controls and substantive testing to confirm that sufficient strategies are in place to mitigate fraud and misappropriation.

Strong disciplinary and legal actions are taken against employees found guilty of fraudulent activities, reinforcing a culture of accountability. The Group also maintains an open-door policy and a whistleblowing mechanism, enabling employees to raise concerns without fear of reprisal. These measures collectively strengthen transparency, integrity, and trust across the organisation.

Risk	2025/26	2024/25	2023/24
Misappropriation and fraud risk	Low	Low	Low

High Medium Low

Cold Chain Failure

The Group's operations rely heavily on temperature-controlled storage and logistics systems to preserve the quality and integrity of perishable goods across its geographically dispersed distribution network. Any inefficiencies or disruptions in these systems can result in spoilage, increased operating costs, and reduced effectiveness across sourcing, distribution, and retail activities. Frequent breakdowns and power cuts, particularly due to fuel shortages affecting thermal power generation, pose serious risks to maintaining cold chain continuity

Risk Mitigation Actions

Preventive maintenance programmes are carried out regularly to ensure uninterrupted operations and minimise the risk of equipment failure. Adequate stocks of spare parts are maintained to reduce downtime in the event of breakdowns. Additionally, all business premises are equipped with generators to provide backup power during outages, safeguarding the cold chain and ensuring the consistent quality of perishable goods. These measures collectively strengthen resilience and protect the Group's supply chain integrity.

Risk	2025/26	2024/25	2023/24
Cold chain failure	Low	Low	Low

High Medium Low

Annual Report of the Board of Directors of the Company

The Directors are pleased to present the Integrated Annual Report of Cargills (Ceylon) PLC for the year ended 31 March 2026.

Activities

The Group's principal activities are set out on pages 34 to 45 of the Annual Report. There were no significant changes to the business activities of the Group during the year.

The important events during the year are discussed in detail in the Chairman's and Group Managing Director's messages set out on pages 28 to 32.

Financial Statements

The Audited Financial Statements of the Company and the Group for the year ended 31 March 2026, set out on pages 193 to 268, form an integral part of this Annual Report.

Independent Auditor's Report

The Independent Auditor's Report is set out on pages 194 to 196.

Accounting Policies

The accounting policies adopted in the preparation of the Financial Statements are given in pages 204 to 211 to the Financial Statements.

Property, Plant, and Equipment, and Investment Property

The movement of property, plant, and equipment, and investment property during the year is given in pages 218 and 227 to the Financial Statements. The Group's outlay on property, plant, and equipment during the year amounted to Rs. 7.4 Bn. (2025 – Rs. 4.5 Bn.), while the capital outlay on property, plant, and equipment at the Company level during the year amounted to Rs. 732 Mn. (2025 – Rs. 172 Mn.).

The Directors are of the opinion that the carrying amounts of properties stated in page 227 to the Financial Statements reasonably reflect their fair values. Extents, locations, and values of the Group's property holdings and investment properties are disclosed in pages 228 and 229 to the Financial Statements.

Stated Capital

The stated capital of the Company at the reporting date amounted to Rs. 6.8 Bn. (2025 – Rs. 6.8 Bn.), comprising 257,677,731 ordinary (voting) shares (2025 – 257,677,731).

Reserves

The total reserves of the Group at the reporting date amounted to Rs. 34.4 Bn. (2025 – Rs. 28.6 Bn.), while the total reserves of the Company amounted to Rs. 4.4 Bn. (2025 – Rs. 4.8 Bn.).

Dividends

The Company paid an interim dividend of Rs. 5.75 per share in December 2025 for the year ending 31 March 2026 (2025 – Rs. 4.80). The Company paid a second interim dividend of Rs. 12.75 per share in May 2026 for the year ended 31 March 2026 (2025 – Rs. 11.70).

Employment

The number of persons employed by the Group and the Company as at 31 March 2026 was 11,809 (2025 – 10,667) and 2,731 (2025 – 2,475), respectively. The Directors confirm that the Company has not granted any funding to employees to exercise any share options.

Donations

During the year, donations amounting to Rs. 100 Mn. were made by the Company (2025 – Rs. 14 Mn.). In addition, the Group made investments amounting to Rs. 60.9 Mn. for various community projects during the financial year (2025 – Rs. 15.1 Mn.).

Directorate

Brief profiles of the Directors of the Company as at the reporting date are given on pages 114 to 117, including their Executive/ Non-Executive status and determination of independence, as appropriate. Details of the Directors of Group companies are given on pages 114 to 117 of this report.

The Directors listed in the corporate information have been Directors of the Company throughout the year under review, except for the Directors against whose names indicate dates of cessation and appointment.

Mr G R Ampalavanar and Dr D N Weerakoon retire by rotation in terms of the Company's Articles of Association and, being eligible, offer themselves for re-election.

Mr W P C Wickramaratne, who was appointed on 14 July 2025, and Mr Z H Mohamedally, who was appointed on 15 December 2025, retire in terms of the Company's Articles of Association and, being eligible, offer themselves for reappointment at the Annual General Meeting.

Mr L R Page and Mrs C I Malwatte, who retire having surpassed seventy years of age, are due to retire in terms of Section 210 (2) (b) of the Companies Act No. 07 of 2007 at the conclusion of the Annual General Meeting and offer themselves for reappointment in terms of Section 211 (1) and (2) of the Companies Act No. 07 of 2007.

Mr J C Page, who retires having surpassed seventy years of age, is due to retire in terms of Section 210 (2) (a) of the Companies Act No. 07 of 2007 at the conclusion of the Annual General Meeting and offers himself for reappointment in terms of Section 211 (1) and (2) of the Companies Act No. 07 of 2007.

The re-election and the reappointment of the retiring Directors have the unanimous support of the other Directors.

Mrs C I Malwatte (Independent Non-Executive Director) reached the age of 70 years in July 2025. Under Section 9.8.3 (ix) of the Listing Rules of the Colombo Stock Exchange, the Nominations and Governance Committee reviewed her credentials and recommended to the Board that Mrs Malwatte may nevertheless be designated an Independent Non-Executive Director. Further, on 18 June 2026, the Board of Directors resolved to confirm the recommendation made by the Nominations and Governance Committee.

The Directors hereby confirm that the Directors and the CEO of the Company satisfy the Fit and Proper Assessment Criteria stipulated in Section 9.7 of the Listing Rules of the Colombo Stock Exchange for the year.

Directors' Remuneration

The remuneration of the Directors is given in Note 33.1 to the Financial Statements.

The Re-election and Reappointment of Directors

Details of the re-election and reappointment of Directors of the Company at the Annual General Meeting are detailed below and also included in the Notice of Annual General Meeting.

Members proposed for re-election and reappointment	Nature of directorship	Date of first appointment as a Director	Date of last reappointment as a Director	Current membership in Board Committees and other principal commitments	Any other relationships*
Mr G R Amapalavanar	Non-Independent, Non-Executive Director	1 January 2024	1 August 2024	The Corporate Governance and Stewardship sections of this Annual Report set out these details in full	–
Dr D N Weerakoon	Independent, Non-Executive Director	1 January 2024	1 August 2024		–
Mr W P C Wickramaratne	Independent, Non-Executive Director	14 July 2025	–		–
Mr Z H Mohamedally	Non-Independent, Non-Executive Director	15 December 2025	–		–
Mr L R Page	Chairman, Non-Executive Director	1 April 1982	22 July 2025		Brother of Mr V R Page and Mr J C Page
Mr J C Page	Non-Independent, Non-Executive Director	1 December 2000	22 July 2025		Brother of Mr L R Page and Mr V R Page
Mrs C I Malwatte	Independent, Non-Executive Director	1 February 2020	22 July 2025		–

* Any relationships including close family relationships between the candidate and the directors, the Listed Entity or its shareholders holding more than ten percent (10%) of the shares of the Listed Entity.

Directors' Interests Register and Directors' Interest in Contracts or Proposed Contracts

The Company maintains a Directors' Interests Register in terms of the Companies Act No. 07 of 2007. The Directors have made necessary declarations of their interest in contracts and proposed contracts in terms of Sections 192 (1) and 192 (2) of the Companies Act. These interests are entered in the Interests Register and are available for inspection upon request.

Related Party Transactions

The particulars of the Directors' Interests in Contracts with the Company are given in Related Party Disclosures in Notes 21 and 33 to the Financial Statements. The Directors hereby confirm that, to the best of their knowledge and information available to them, the Company has complied with the requirements of the rules relating to the related party transactions as contained in Section 9 of the Listing Rules of the Colombo Stock Exchange.

Directors' Shareholdings

The Directors' shareholdings in the Company at the reporting date were as follows:

Name	As at 31 March 2026	As at 31 March 2025
Mr Louis Page		
– Direct Holding	**42,011**	42,011
– Indirect Holding (through Odeon Holdings (Ceylon) (Pvt) Ltd)	**196,064**	6,011,909
Mr Ranjit Page	**20,386,168**	20,386,168
Mr Imtiaz A Wahid	**222,937**	222,937
Mr Joseph Page	**1,545,000**	520,000
Mrs Indira Malwatte	**–**	–
Mr Dilantha Jayawardhana	**16,810**	16,810
Dr Dushni Weerakoon	**–**	–
Mr Ganesan Ampalavanar	**–**	–
Mr Priyan Edirisinghe	**–**	–
Mr Suren De Silva	**–**	–
Mr Chulantha Wickramaratne	**–**	–
Mr Zakir Mohamedally	**5,000**	N/A

Events After the Reporting Period

Events occurring after the reporting date of the Company are given in Note 32 to the Financial Statements.

Shareholders

The Company is a subsidiary of C T Holdings PLC. There were 2,682 registered shareholders as at 31 March 2026 (2025 – 2,038 shareholders). An analysis of shareholders according to size of holdings, public holdings, and the names of the 20 largest shareholders of the Company at the reporting date are given on pages 299 to 300.

Ratios and Market Price Information

Key ratios and market price information pertaining to the equity of the Group are set out on page 298, along with the trend for the past four years. The Company and its subsidiaries have not raised any capital through listed debt instruments during the year.

Risk Management

The overall approach to Risk Management within the Company and the Group is set out on pages 136 to 140.

Corporate Governance

The Corporate Governance practices within the Group are set out on pages 118 to 135, and the report of the Audit Committee is set out on pages 121 to 122.

Environmental Protection

After making adequate enquiries from the management, the Directors are satisfied that the Company and its subsidiaries operate in a manner that minimises the detrimental effect on the environment and provide products and services that have a beneficial effect on the customers and the communities within which the Group operates.

Auditors

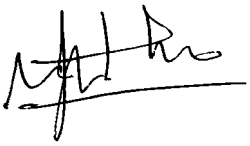
The remuneration paid to the Auditors is given in Note 8 to the Financial Statements. As far as the Directors are aware, the Auditors do not have any relationship (other than that of an auditor) with the Company or any of its subsidiaries.

M/s. KPMG, Chartered Accountants, are deemed reappointed in terms of Section 158 of the Companies Act No.7 of 2007, as Auditors of the Company. A resolution authorising the Directors to determine their remuneration will be submitted at the Annual General Meeting.

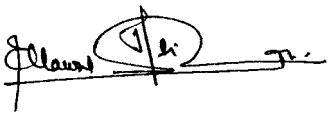
By Order of the Board



Ranjit Page
Deputy Chairman/Group Chief Executive Officer



Imtiaz Abdul Wahid
Group Managing Director/Deputy CEO



H S Ellawala
Company Secretary

30 July 2026

Statement of Directors' Responsibilities

Maintenance of Accounting Records

Under the provisions of the Companies Act ("the Act"), every company is required to maintain accounting records that correctly record and explain the Company's transactions, and will at any time enable the financial position of the Company to be determined with reasonable accuracy, enable the Directors to prepare financial statements in accordance with the Act, and also enable the Financial Statements of the Company to be readily and properly audited.

Preparation of Financial Statements of the Company and the Group

The Board of Directors is responsible for ensuring that financial statements are prepared within the prescribed time period in conformity with the Act, and give a true and fair view of the state of affairs of the Company as at the reporting date, and the profit or loss or income and expenditure of the Company for the accounting period ending on that reporting date.

Further, the Act also requires that a Company with one or more subsidiaries at the reporting date also prepare Financial Statements in relation to the Group including every subsidiary, which give a true and fair view of the state of affairs of the Company and its subsidiaries as at the reporting date and the profit or loss or income and expenditure, as the case may be, of the Company and its subsidiaries for the accounting period ending on that reporting date.

Dividends

In the event of any distribution of dividends, the Board of Directors is required to satisfy itself that the Company will satisfy the solvency test immediately after the relevant distribution is made, provided that such a certificate is obtained from the auditors.

Annual Report

The Board of Directors is required to prepare an Annual Report on the Affairs of the Company during the accounting period ending on the reporting date in the prescribed format and make the same accessible to every shareholder of the Company within the time frame prescribed in the Act.

Independent Audit

The Act required the Company to appoint an Auditor to audit the Financial Statements of the Company/Group for the reporting period. Accordingly, M/s KPMG currently functions as the Auditors of the Company. Their responsibility with regard to the Financial Statements as auditors of the Company are set out in the Independent Auditor's Report set out on pages 194 to 196.

Management

The Directors are responsible for the proper management of the resources of the Company. The internal control system has been designed and implemented to obtain reasonable but not absolute assurance that the Company is protected from undue risks, frauds, and other irregularities. The Directors have conducted a review of the internal controls covering financial, operational, compliance control, and risk management, and have obtained reasonable assurance of the effectiveness and adherence.

Compliance

Considering the present financial position of the Group and the forecasts for the foreseeable future, the Directors have adopted the going concern basis for the preparation of these Financial Statements.

The Directors confirm that:

(a) The Company is in compliance with the requirements of the Act as aforementioned.

(b) These Financial Statements have been prepared in accordance with the requirements of the Companies Act No. 7 of 2007, Listing Rules of the Colombo Stock Exchange, and applicable Sri Lanka Accounting Standards, which have been consistently applied and supported by reasonable and prudent judgements and estimates.

(c) The Company obtained the required certificate of solvency for the dividends declared during the year.

(d) All statutory payments have been made up to date.

(e) Other than as disclosed in the Financial Statements, no material issues have arisen about employees and industrial relations of the Company that require disclosure or any adjustment to the Financial Statements.

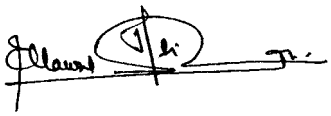
(f) The Directors have declared all material interests in contracts involving the Entity and that they have refrained from voting on matters in which they were materially interested.

(g) The Directors made arrangements to make themselves aware of the applicable regulatory framework.

(h) The Directors confirm that the Company has developed the required policies in accordance with Rule 9.2.1 of the Listing Rules of the Colombo Stock Exchange, and that these policies are available on the corporate website.

The Directors are satisfied that the control procedures within the Company operated effectively during the year.

By order of the Board



H S Ellawala
Company Secretary
30 July 2026

Independent Assurance Report

KPMG
(Chartered Accountants)
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Independent Practitioners' Limited Assurance Report to the Board of Directors of Cargills (Ceylon) PLC Report on Selected Sustainability Indicators Included in Cargills (Ceylon) PLC's Integrated Annual Report for the Year Ended 31 March 2026

Conclusion

We have performed a limited assurance engagement on whether the selected sustainability related indicators as defined in annexure A ("Subject matter Information" or "SMI") in Cargills (Ceylon) PLC's ("the Company") Integrated annual report for the year ended 31 March 2026 have been prepared with reference to the selected Global Reporting Initiative Standards 2021 as mentioned in Annexure A ("Criteria").

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the selected sustainability related indicators as defined in annexure A of Cargills (Ceylon) PLC for the year ended 31 March 2026 are not prepared, in all material respects, with reference to the Criteria.

The SMI subject to our limited assurance engagement are listed in Annexure A. The assured sustainability information is marked with Italic font and marked with "LA" in the Integrated Annual Report, and the corresponding GRI indicators are also provided in Annexure A.

Our conclusion on the SMI as defined in Annexure A does not extend to other information that accompanies or contains the SMI as defined in Annexure A and our assurance report.

Basis for Conclusion

We conducted our engagement in accordance with Sri Lanka Standard on Assurance Engagements (SLSAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the Institute of Chartered Accountants of Sri Lanka. Our responsibilities under this standard are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the Code of Ethics for professional Accountants issued by CA Sri Lanka (Code of Ethics).

Our firm applies Sri Lanka Standard on Quality Management (SLSQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for limited assurance conclusion.

Intended use or Purpose

We have been engaged by the Board of Directors of Cargills (Ceylon) PLC to provide limited assurance on whether the selected SMI as defined in annexure A have been prepared with reference to the Criteria. In accordance with the terms of our engagement, this independent limited assurance report has been prepared for the sole use of the Board of Directors of the entity in connection with its oversight of the selected subject matter information included in the Integrated Annual Report.

Restriction on Use or Distribution

This report has been prepared for the Board of Directors of Cargills (Ceylon) PLC for the purpose of providing an assurance conclusion on whether the selected SMI in the Cargills (Ceylon) PLC's Integrated Annual Report for the Year ended 31 March 2026 has been prepared with reference to the Criteria and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than Cargills (Ceylon) PLC, or for any other purpose than that for which it was prepared.

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Cargills (Ceylon) PLC, for any purpose or in any other context. Any party other than Cargills (Ceylon) PLC who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Cargills (Ceylon) PLC for our work, for this independent assurance report, or for the conclusions we have reached.

Our conclusion is not modified in respect of this matter.

Responsibilities of Management for the SMI.

The management of the Company are responsible for:

- Designing, implementing and maintaining internal control relevant to the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.
- Selecting or developing suitable criteria for preparing the Subject Matter Information and appropriately referring to or describing the criteria.

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T.J.S. Rajakarier FCA
W.K.D.C. Abeyrathne FCA
Ms. B.K.D.T.N. Rodrigo FCA
Ms. C.T.K.N. Perera ACA
R.G.H. Raddella ACA

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

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

Principals: S.R.I. Perera FCMA (UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA, Ms. F.R. Ziyard ACA, FCMA (UK), FCIT, K. Somasundaram ACMA (UK), Ms. D Corea Dharmaratne

- Preventing and detecting fraud and ensuring the Company's compliance with applicable laws and regulations to its activities.
- Ensuring that staff involved in preparation and presentation of the description and Report are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units; and
- Preparing the Subject Matter Information with reference to the criteria.

The maintenance and integrity of Cargills (Ceylon) PLC's website, including the presentation of our independent limited assurance report on the website, is the responsibility of Cargills (Ceylon) PLC's management. Management is responsible for any changes to either the information in the Integrated Annual Report for the year ended 31st March 2026 or our independent limited assurance report that may have occurred since the initial date of its presentation on Cargills (Ceylon) PLC's website.

Those charged with governance are responsible for overseeing the reporting process for the Company's SMI.

Inherent Limitations

The preparation of SMI is subject to inherent limitations arising from the nature of non-financial data, including the use of estimates, assumptions, and third-party information. In addition, due to the inherent limitations of any internal control system, errors or irregularities may occur and not be detected. Our engagement was not designed to detect internal control weaknesses because the procedures were performed on a test basis and not continuous throughout the period.

Our Responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained;
- reporting our conclusion to the Board of Directors of Cargills (Ceylon) PLC.

Summary of the Work we Performed as the Basis for Our Conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our procedures selected depended on our understanding of the SMI, other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- interviewed senior management and relevant staff at corporate and selected site level concerning sustainability strategy and policies for material issues, and the implementation of these across the business;
- enquired management to gain an understanding of the Company's processes for determining material issues for the Company's key stakeholder groups;
- enquired relevant staff at corporate and selected site level responsible for the preparation of the SMI in the Integrated Annual Report of Cargills (Ceylon) PLC for the year ended 31st March 2026;
- enquired about the design and implementation of the systems and methods used to collect and report the SMI in the Integrated Annual Report of the Cargills (Ceylon) PLC for the year ended 31st March 2026, including the aggregation of the reported information;
- compared the SMI in the Integrated Annual Report of Cargills (Ceylon) PLC for the year ended 31st March 2026 to relevant underlying sources on a sample basis to determine whether the relevant information has been appropriately included in the Report; and was not designed to test the completeness of the relevant data collection systems.
- recalculated the Information subject to Limited Assurance based on the criteria;
- evaluated the overall presentation of the SMI to determine whether it is consistent with the criteria and in line with our overall knowledge of, and experience with, the sustainability performance of the Company; and read the remainder of the Report to determine whether there are any material misstatements of fact or material inconsistencies based on our understanding obtained as part of our assurance engagement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

CHARTERED ACCOUNTANTS
Colombo
30 July 2026

Annexure A to our limited assurance report dated 30 July 2026.

The numbers in this annexure have been included in the Integrated Annual Report prepared by the Management.

Our reporting boundary is limited to the Company's operations in Sri Lanka

GRI Standard (The criteria relevant to the information)		Reporting Boundary	Subject Matter Information (SMI)	Point in time or period subject to assurance	Page Numbering
Disclosure 2-7 Employees	2-7 a	Company's operations in Sri Lanka	Employees related metrics	As at 31 March 2026	101
	2-7 b (i)				101
	2-7 c				101
	2-7 e				N/D
Disclosure 2-23 Policy Commitment	2-23 a	Company's operations in Sri Lanka	Policy commitment	For the year ended 31 March 2026	92
	2-23 b				92
	2-23 c				92
	2-23 f				92
Disclosure 2-25 Processes to remediate negative impacts	2-25 b	Company's operations in Sri Lanka	To remediate negative impacts Process	For the year ended 31 March 2026	95, 96
	2-25 d				95, 96
	2-25 e				95, 96
Disclosure 2-26 Mechanisms for seeking advice and raising concerns	2-26 a	Company's operations in Sri Lanka	Mechanisms for seeking advice and raising concerns	For the year ended 31 March 2026	96
Disclosure 202-2 Proportion of senior management hired from the local community	202-2 a	Company's operations in Sri Lanka	Proportion of senior management hired from the local community	As at 31 March 2026	93
	202-2 b				93
	202-2 c				93
	202-2 d				93
Disclosure 203-1 Infrastructure investments and services supported	203-1 a	Company's operations in Sri Lanka	Infrastructure investments and services supported	For the year ended 31 March 2026	65, 84, 90
	203-1 b				65, 84, 87, 90
	203-1 c				84
Disclosure 203-2 Significant indirect economic impacts	203-2 a	Company's operations in Sri Lanka	Significant indirect economic impacts	For the year ended 31 March 2026	50, 51, 52
Disclosure 205-2 Communication and training about anti-corruption policies and procedures	205-2 a	Company's operations in Sri Lanka	Communication and training about anti-corruption policies and procedures	For the year ended 31 March 2026	99
	205-2 b				99
	205-2 d				99
	205-2 e				99
Disclosure 205-3 Confirmed incidents of corruption and actions taken	205-3 a	Company's operations in Sri Lanka	Confirmed incidents of corruption and actions taken	For the year ended 31 March 2026	99
	205-3 b				99
	205-3 c				99
	205-3 d				99

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GRI Standard (The criteria relevant to the information)		Reporting Boundary	Subject Matter Information (SMI)	Point in time or period subject to assurance	Page Numbering
Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	206-1 a	Company's operations in Sri Lanka	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	For the year ended 31 March 2026	99
Disclosure 302-1 Energy consumption within the organisation	302-1 a	Company's operations in Sri Lanka	Energy consumption within the organisation	For the year ended 31 March 2026	104
	302-1 b				104
	302-1 c (i)				104
	302-1 f				104
	302-1 g				104
Disclosure 303-3 Water Withdrawal	303-3 a	Company's operations in Sri Lanka	Water Withdrawal	For the year ended 31 March 2026	105
Disclosure 306-1 Waste generation and significant waste-related impacts	306-1 a	Company's operations in Sri Lanka	Waste generation and significant waste-related impacts	For the year ended 31 March 2026	107, 108
Disclosure 306-4 Waste diverted from disposal	306-4 a	Company's operations in Sri Lanka	Waste diverted from disposal	For the year ended 31 March 2026	107
Disclosure 306-5 Waste directed to disposal	306-5 a	Company's operations in Sri Lanka	Waste directed to disposal	For the year ended 31 March 2026	107
Disclosure 401-1 New employee hires and employee turnover	401-1 a	Company's operations in Sri Lanka	New employee hires	For the year ended 31 March 2026	92
Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	401-2 a	Company's operations in Sri Lanka	Benefits provided to full-time employees that are not provided to temporary or part time employees	For the year ended 31 March 2026	95
Disclosure 401-3 Parental leave	401-3 a	Company's operations in Sri Lanka	Prenatal Leave	For the year ended 31 March 2026	95
	401-3 b				95
	401-3 c				95
	401-3 d				95
	401-3 e				95
Disclosure 403-1 Occupational health and safety management system	403-1 a	Company's operations in Sri Lanka	Occupational health and safety management system	For the year ended 31 March 2026	97
	403-1 b				97
Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	403-2 a	Company's operations in Sri Lanka	Hazard identification, risk assessment, and incident investigation	For the year ended 31 March 2026	97
	403-2 b				97
	403-2 c				97
	403-2 d				97

GRI Standard (The criteria relevant to the information)		Reporting Boundary	Subject Matter Information (SMI)	Point in time or period subject to assurance	Page Numbering
Disclosure 403-3 Occupational health services	403-3 a	Company's operations in Sri Lanka	Occupational health services	For the year ended 31 March 2026	97
Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	403-4 a	Company's operations in Sri Lanka	Worker participation, consultation, and communication on occupational health and safety	For the year ended 31 March 2026	97
Disclosure 403-5 Worker training on occupational health and safety	403-5 a	Company's operations in Sri Lanka	Worker training on occupational health and safety	For the year ended 31 March 2026	97
Disclosure 403-6 Promotion of worker health	403-6 a	Company's operations in Sri Lanka	Promotion of worker health	For the year ended 31 March 2026	97
	403-6 b				97
Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	403-7 a	Company's operations in Sri Lanka	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	For the year ended 31 March 2026	97
Disclosure 403-8 Workers covered by an occupational health and safety management system	403-8 a	Company's operations in Sri Lanka	Workers covered by an occupational health and safety management system	For the year ended 31 March 2026	97
Disclosure 403-9 Work-related injuries	403-9 a (i)	Company's operations in Sri Lanka	Work-related Injuries	For the year ended 31 March 2026	97
Disclosure 404-1 Average hours of training per year per employee	404-1 a	Company's operations in Sri Lanka	Average hours of training per year per employee	For the year ended 31 March 2026	81
Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	404-2 a	Company's operations in Sri Lanka	Programs for upgrading employee skills and transition assistance programs	For the year ended 31 March 2026	81, 82
Disclosure 405-1 Diversity of governance bodies and employees	405-1 b	Company's operations in Sri Lanka	Diversity of governance bodies and employees	For the year ended 31 March 2026	100
Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labour	408-1 a	Company's operations in Sri Lanka	Operations and suppliers at significant risk for incidents of child labour	For the year ended 31 March 2026	99
	408-1 b				99
	408-1 c				99
Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	413-1 a	Company's operations in Sri Lanka	Operations with local community engagement, impact assessments, and development programmes	For the year ended 31 March 2026	53, 55, 56, 58, 60, 61, 62, 63, 65, 66, 67, 69, 83, 84
Disclosure 416-1 Assessment of the health and safety impacts of product and service categories	416-1 a	Company's operations in Sri Lanka	Assessment of the health and safety impacts of product and service categories	For the year ended 31 March 2026	74

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GRI Standard (The criteria relevant to the information)		Reporting Boundary	Subject Matter Information (SMI)	Point in time or period subject to assurance	Page Numbering
Disclosure 417-1 Requirements for product and service information and labelling	417-1 a	Company's operations in Sri Lanka	Requirements for product and service information and labelling	For the year ended 31 March 2026	88
Disclosure 417-2 Incidents of non-compliance concerning product and service information and labelling	417-2 a	Company's operations in Sri Lanka	Incidents of non-compliance concerning product and service information and labelling	For the year ended 31 March 2026	78
Disclosure 417-3 Incidents of non-compliance concerning marketing communications	417-3 b	Company's operations in Sri Lanka	Incidents of non-compliance concerning marketing communications	For the year ended 31 March 2026	78

The assured sustainability information is marked with italic font and marked with "LA" in the Integrated Annual Report.



SLFRS S1 and S2 Disclosures

General Requirements

Basis of Preparation

Reporting Entity

These disclosures present sustainability and climate-related financial information of Cargills (Ceylon) PLC ("the Group") for the year ended 31 March 2026. The reporting boundary is consistent with that applied in the Group's Consolidated Financial Statements and reflects the Group's operations across its core business segments, including retail, FMCG, and restaurant operations.

Statement of Compliance

The disclosures have been prepared in accordance with Sri Lanka Financial Reporting Standards (SLFRS) S1 General Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 Climate-related Disclosures, as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

These Standards are based on those issued by the International Sustainability Standards Board (ISSB). The Group has applied the Standards in the 2025/26 reporting period, including the transitional reliefs permitted by the ISSB and adopted by CA Sri Lanka.

Connectivity

These disclosures form part of the Group's Integrated Annual Report and should be read in conjunction with the consolidated financial statements. Sustainability and climate-related risks and opportunities are considered alongside financial performance and position, reflecting the interconnected nature of the Group's operations, strategy, and value creation. Where relevant, cross-references are provided to other sections of the Annual Report to support clarity and avoid duplication.

Functional and Presentation Currency

The disclosures are presented in Sri Lankan Rupees (Rs.), which is the Group's functional and presentation currency, consistent with the Consolidated Financial Statements.

Sources of Guidance

In preparing these disclosures, the Group has considered applicable guidance under SLFRS S1 and S2, together with relevant industry-based standards, including Sustainability Accounting Standards Board (SASB) standards relevant to the sectors in which the Group operates.

Assumptions, Judgements and Estimates

The preparation of these disclosures requires the use of assumptions and estimates, particularly in:

- determining the potential financial effects of sustainability and climate-related risks and opportunities; and
- selecting appropriate methodologies for measuring environmental and operational metrics.

These assumptions are based on currently available information and reflect the Group's current assessment of its operating environment, and may evolve as methodologies and data availability improve.

Transitional Reliefs

As this is the Group's first year of reporting under SLFRS S1 and S2, the Group has applied the transitional reliefs permitted by the ISSB and adopted by CA Sri Lanka.

Accordingly:

- The Group has applied the climate-first transition relief, whereby disclosures for the current reporting period focus on climate-related risks and opportunities in accordance with SLFRS S2, with the requirements of SLFRS S1 applied insofar as they relate to climate-related disclosures;
- Greenhouse gas emissions disclosures currently cover Scope 1 and Scope 2 emissions, while Scope 3 emissions are being assessed and will be disclosed in future periods;
- Certain forward-looking financial effects of climate-related risks are presented qualitatively where measurement uncertainty remains high;
- Formal climate-related scenario analysis has not yet been undertaken, and the Group's current assessment of climate resilience is presented based on available information, existing operational risk assessments and qualitative evaluation; and
- Comparative information about the company's climate-related risks and opportunities has not been presented in these disclosures.

The Group will progressively enhance the depth and scope of disclosures in future reporting periods as data availability, systems, internal capabilities, and methodologies continue to evolve.

Non-adjusting Events After the Reporting Period

There were no material non-adjusting events after the reporting period that have been identified as having a significant impact on the sustainability and climate-related disclosures presented.

Judgements and Uncertainties

Judgements

The preparation of sustainability and climate-related disclosures requires the application of judgement in identifying risks and opportunities that are material to the Group. This includes assessing exposures across the Group's value chain, including agricultural sourcing, manufacturing, distribution, and retail operations, and determining the time horizons over which such risks and opportunities may affect the business.

Measurement Uncertainties

Measurement uncertainty arises primarily due to:

- limitations in data availability across certain operations and value chain activities;
- reliance on standard emission factors and estimation techniques; and
- the evolving nature of methodologies used to assess climate-related impacts.

The Group continues to enhance its data collection processes and measurement approaches to improve the reliability and comparability of disclosures over time.

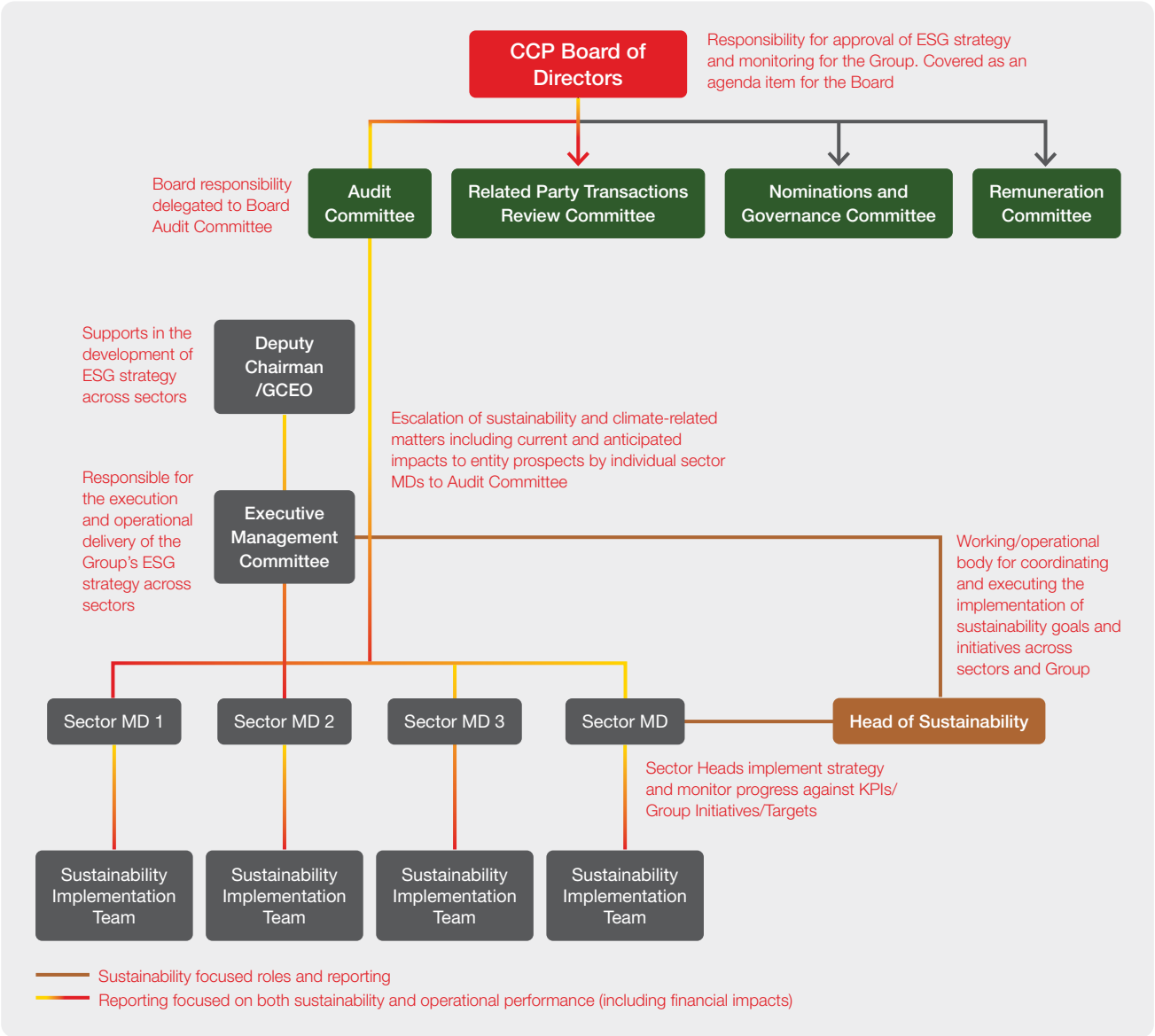
Governance

Introduction to Governance at Cargills (Ceylon) PLC

The governance framework at Cargills (Ceylon) PLC ensures that sustainability and climate related risks and opportunities (SRROs/CRROs) are overseen at the highest levels of the organisation and integrated into long term value creation. The structure brings together Board oversight, Audit Committee responsibilities, executive leadership, sector governance, and robust internal controls to ensure coordinated management of sustainability and climate considerations across the Group.

1. Governance and Oversight Structure

The Board of Directors has ultimate oversight of sustainability and climate related risks and opportunities and their implications for long term value creation. The Board exercises this oversight through a clear delegation structure, supported by structured reporting across the Group.



The governance model ensures that sustainability and climate considerations are systematically integrated into Cargills' broader operational and corporate governance structures.

2. Board Responsibilities for Sustainability and Climate related Matters [SLFRS S2.6 (a)]

The Board oversees all material sustainability topics and climate related considerations, including their impact on strategy, capital allocation, and organisational resilience.

The progress related to sustainability and climate related matters are reviewed at the Board meetings as required.

The Board ensures that appropriate structures, controls, systems, and internal capabilities are in place to allow it to receive timely and relevant sustainability and climate information.

Information is presented to the Board on an ad hoc basis and includes [SLFRS S2.6 (a)]:

- Presentations regarding sustainability initiatives delivered by the Head of Sustainability.
- Presentations regarding the progress made pertaining to sustainability initiatives delivered by Sector Managing Directors as a part of the performance review.

3. Audit Committee Role in Sustainability and Climate Oversight

The Audit Committee supports the Board by overseeing the effectiveness of sustainability and climate related governance processes, controls, and reporting. As the dedicated Board committee responsible for both sustainability and climate oversight, the Audit Committee:

- Reviews and advises on the development of the sustainability and climate strategy presented by the Executive Management Committee (EMC)/Sector Managing Directors
- Recommends the final strategy to the Board for approval
- Oversees the implementation of strategy by management, including the adequacy of controls, data processes, and cross functional coordination
- Ensure that appropriate risk mitigation and adaptation plans are in place to respond to SRRs/CRRs
- Ensures appropriate planning is in place to action SROs/CROs
- Reviews sustainability related policies, frameworks, initiatives, targets, and metrics prior to Board approval
- Monitors integration and performance against approved policies and frameworks
- Reviews internal reports covering sustainability and climate controls, data quality, risk findings, and recommendations
- Oversees sustainability related stakeholder engagement processes and ensures the annual materiality assessment remains relevant and decision useful
- Advises the Board on sustainability and climate related risk appetite and tolerance
- Ensures alignment between risk appetite, internal controls, mitigation plans, and capabilities
- Reviews the need for external assurance over sustainability and climate disclosures, appointing and monitoring performance external assurance providers where appropriate

4. Management Responsibilities, Delegation and Operating Committees

Management implements the Group's sustainability and climate priorities through structured operating arrangements.

The Executive Management Committee (EMC) is responsible for the execution and operational delivery of the Group's ESG strategy across sectors. Sector Managing Directors translate Group level sustainability and climate priorities into sector specific plans, annual budgets and resource allocation decisions. They identify SRROs/CRROs within their sector, propose KPIs and targets, track performance and escalate material issues to the EMC. Namely, the Head of Finance in each sector coordinates with Head of the Departments of the respective sectors regarding climate related data collection and reporting. The Head of Sustainability reviews the data presented and the progress of sustainability initiatives with Sector Managing Directors and other key stakeholders.

5. Controls, Procedures, and Information Flows [SLFRS S2.6 (b)]

The Board of Directors maintains oversight over internal controls designed to safeguard the Company's resources and ensure completeness and reliability of sustainability and climate related information.

Internal controls include:

- Integrated ESG data processes and systems
- Internal audit review and risk management oversight
- Standardised methodologies for data collection and reporting
- Clearly defined risk identification and escalation pathways
- Cross functional governance coordination to ensure alignment across departments

Information is collected at business unit level, validated by sector leadership, and reviewed through internal reporting mechanisms before being presented to the Audit Committee and ultimately to the Board.

6. Information Flow and Frequency of Oversight [SLFRS S2.6 (b)]

Material sustainability and climate related issues are communicated through regular and structured reporting processes.

Progress on sustainability and climate-related strategic initiatives and KPIs are presented by Sector Managing Directors to EMC as a part of monthly operational reviews.

Sustainability and climate-related risks and opportunities are reported to the Audit Committee biannually during the ERM presentation by Sector Managing Directors. The Audit Committee reviews material SRROs and CRROs, escalating to the Board as required.

Regular reporting includes ERM risk registers, performance reports, and updates on regulatory changes.

The Board considers strategic proposals, material risks, and major capital commitments informed by these reporting processes.

This ensures timely decision making and effective oversight at every governance layer. Attendance records for the Audit Committee and other supporting bodies demonstrates active oversight and reinforces accountability within the governance framework.

7. Skills, Competencies, and Training [SLFRS S2.6 (a)]

The Board and its committees bring together a diverse set of skills spanning finance, strategy, risk management, governance, operations, climate change, human rights, technology and regulatory expertise.

Skills and competencies are monitored to ensure continuing alignment with governance needs.

The Group is planning to conduct training on sustainability-related matters for the Board of Directors and Board Committee members commencing from forthcoming financial year.

8. Integration into Strategy, Risk, and Key Decisions [SLFRS S2.6 (a)]

Sustainability and climate considerations are integrated into strategy setting processes, major transactions, capital allocation, and investment decisions.

The Board provides direction on significant commitments, informed by executive proposals that include analysis of stakeholder impacts, cost implications, data insights, and mitigation options.

The Board ensures alignment with the enterprise risk management framework, while management evaluates emerging climate- and sustainability-related risks, potential impacts on costs, asset resilience, and long term performance.

Further information about how SRROs and CRROs are taken into account at Cargills (Ceylon) PLC when overseeing strategy, decisions on major transactions, risk management processes and related policies – including associated trade-offs considered – are included in the Risk Management and Strategy sections on pages 156-166.

9. Targets, Monitoring, and Remuneration [SLFRS S2.6 (a)]

The Board oversees the development of sustainability and climate targets for material topics and monitors progress over time.

At present, remuneration is not linked to sustainability or climate-related performance metrics. However, the management will explore the integration of sustainability and climate considerations into remunerations frameworks in future, as these practices continue to evolve.

10. Governance Documents and Role Definitions [SLFRS S2.6 (a)]

Cargills maintains and periodically updates key governance documents – including the Board Charter, Audit Committee, and role descriptions – to reflect responsibilities for oversight, target setting, monitoring and escalation of sustainability and climate related matters.

These documents formalise role and responsibilities, ensuring governance structures remain aligned with evolving expectations.

Strategy

Overview of Sustainability and Climate-Related Risks and Opportunities

The Group considers sustainability and climate-related risks and opportunities as part of its overall strategic planning process, recognising their potential to affect financial position, financial performance, cash flows, and cost of capital over the short, medium, and long term. The Group views these risks and opportunities through a lens of strategic resilience, focusing on the actions required to strengthen supply continuity, protect operational reliability, improve resource efficiency, and support affordable access to food across Sri Lanka. This approach enables the Group to respond to emerging sustainability and climate-related pressures in a forward-looking manner, using its integrated value chain, island-wide distribution network, farmer linkages and operational scale to build resilience and reinforce long-term competitiveness.

Identification of Sustainability and Climate-Related Risks and Opportunities

The Group identifies sustainability and climate-related risks and opportunities through ongoing assessment of:

- Exposures across upstream sourcing networks, operational infrastructure, and downstream market dynamics
- Operational dependencies, including energy use, logistics systems, and temperature-controlled supply chains
- External developments, including environmental trends, regulatory changes, and evolving consumer expectations

Time Horizons

The Group assesses sustainability and climate-related risks and opportunities over different time horizons to support strategic planning and decision-making. These time horizons are defined as follows:

Time Horizon	Definition
Short term	0-2 years
Medium term	2-10 years
Long term	Beyond 10 years

Integrated Analysis of Sustainability and Climate-Related Risks and Opportunities

The Group considers both the current and anticipated financial effects of climate-related risks, recognising that these may influence its financial position, financial performance, cash flows, and cost of capital over the short, medium, and long term. These effects are assessed based on the key climate-related risks identified by the Group, including both acute and chronic physical risks arising across its value chain.

Acute climate-related risks refer to sudden, event-driven disruptions, such as extreme weather events, which may affect agricultural production, sourcing reliability, manufacturing continuity and logistics operations over the short term. Chronic climate-related risks relate to longer-term shifts in environmental conditions, including changes in temperature patterns, rainfall variability and water availability, which may gradually reshape agricultural productivity, resource security, cost structures and operational efficiency over time.

For the Group, these dynamics represent not only areas of exposure, but also strategic inflection points. The Group's dependence on agricultural sourcing systems, temperature-controlled logistics and energy-intensive operations means that climate impacts can directly influence supply continuity, product availability, operating costs and affordability. In response, the Group continues to proactively strengthen sourcing resilience, logistics capability, digital integration, renewable energy adoption and resource efficiency. Through these actions, the Group seeks to convert environmental pressures into a source of **strategic advantage** by **building greater resilience, improving operational adaptability** and **reinforcing long-term competitiveness** across the food value chain. This enables the Group to position resilience not only as a risk management response, but as a foundation for continuity, cost stability, consumer trust, and responsible growth.

Consistent with the transitional reliefs applied in the current reporting period, certain forward-looking financial effects of climate-related risks are presented qualitatively where measurement uncertainty remains high.

Risk/Opportunity	
1. Extreme Weather Disruptions Affecting Sourcing, Manufacturing, and Logistics	
Classification: Climate-related risk (Acute)	**Time Horizon:** Short term

Description

Extreme weather events, including floods, heavy rainfall, and drought conditions, can disrupt agricultural production, raw material availability, manufacturing operations, and logistics networks, affecting the availability, quality, and timely distribution of fresh produce, dairy, and other perishable goods. Such disruptions can create short-term instability in supply continuity, inventory flow, production planning, and operational efficiency across its food-related businesses. Physical impacts on manufacturing facilities, warehouses, retail locations, and logistics infrastructure could result in production interruptions, inventory losses, and delays in product availability. The Group's ability to anticipate, absorb and respond to such disruptions is therefore central to maintaining supply reliability and strengthening operational resilience across its value chain.

Value Chain Exposure and Risk Manifestation

Upstream: Disruptions to agricultural output reduce the availability and consistency of fresh produce, dairy inputs, and other raw materials sourced through farmer and supplier networks.

Own operations: Disruptions to manufacturing, transport, distribution, and cold chain systems affect production continuity, inventory flow, product quality, asset utilisation, and operational continuity across the network.

Downstream: Product shortages, production delays, and delivery disruptions impact retail availability, customer demand fulfilment, and overall sales consistency. The Group's ability to maintain product availability and fulfil customer demand during adverse climate events strengthens customer relationships, reinforces brand trust and supports long-term retention, creating a source of strategic advantage through operational resilience.

Financial Effects

Current financial effects	Anticipated financial effects
• **Financial position:** Increased inventory buffers and sourcing adjustments influence working capital levels and inventory valuation. Physical damage to assets and inventory losses may also affect asset carrying values and inventory write-offs, although the Group maintains adequate insurance coverage to mitigate the financial impact of such events. • **Financial performance:** Higher procurement, transport, handling, production, and recovery costs, combined with spoilage, inventory losses, supply shortages, and potential business interruption create margin pressure. However, coordinated response mechanisms, diversified sourcing and operational preparedness help the Group manage disruption-related cost impacts more effectively. • **Cash flows:** Increased working capital requirements may arise to maintain supply continuity, rebuild inventory, repair damaged assets, or manage disruption-related operating costs • **Cost of capital:** No material impact currently identified	• **Financial position:** Increased investment may be required in resilient sourcing, manufacturing, logistics, and business continuity systems to reduce exposure to future disruption events. These investments are expected to strengthen the Group's operating platform and improve its ability to maintain continuity during climate-related disruptions. • **Financial performance:** Greater volatility in revenue and operating costs during disruption periods, particularly where raw material shortages affect production continuity and retail availability. Insurance premium increases may also raise the cost of doing business over time. At the same time, investments in resilience, supply chain visibility and business continuity are expected to support greater earnings stability over the longer term. • **Cash flows:** Increased variability in short-term cash flows may arise due to disruption-related expenditure, delayed sales, inventory replacement, and investment in resilient measures. Over time, these investments are expected to improve response capability and reduce the severity of disruption-related cash flow pressures. • **Cost of capital:** Potential sensitivity may arise if supply chain, manufacturing, or logistics disruptions materially affect operations, insurance costs, or risk perception. Continued strengthening of climate resilience and business continuity systems may help support confidence in the Group's ability to manage physical climate risks.

Strategic Response

The Group continues to build climate resilience by diversifying sourcing networks, expanding collection centres, and making strategic investments within its manufacturing, logistics, cold chain, and distribution infrastructure. This includes measures such as the strategic relocation of selected manufacturing activities away from flood-prone locations, where relevant, to reduce exposure to physical climate risks and support business continuity. These measures, reinforced through enhanced digital integration and supply chain coordination, provide real-time visibility into inventory flows, raw material availability, and production requirements.

To mitigate financial exposure, the Group also maintains adequate insurance coverage for key assets and inventory, reducing the impact of physical damage and losses. Collectively, these initiatives enable faster responses to disruption events while safeguarding product quality, operational continuity, and availability across the retail network. This integrated resilience framework thus creates competitive advantage, and by ensuring reliability in the face of climate shocks, the Group strengthens consumer trust, stabilises margins, and positions itself as a market leader in food-related businesses where resilience and sustainability are increasingly decisive.

Risk/Opportunity

2. Long-term Changes in Agricultural Productivity and Resource Availability

Classification: Climate-related risk (Chronic)	**Time Horizon:** Medium to long term

Description

Gradual changes in temperature patterns, rainfall variability, water availability, and soil conditions may affect agricultural productivity and long-term stability of sourcing networks. Given the Group's reliance on agricultural supply chains across fresh produce, dairy, and selected food manufacturing inputs, these changes can influence raw material availability, input costs, product quality, sourcing consistency, and production planning over time.

Value Chain Exposure and Risk Manifestation

Upstream: Declining crop yields, water stress, soil degradation, and resource constraints may reduce supply volumes, affect product quality, and weaken sourcing consistency across agricultural and dairy sourcing networks.

Own operations: Increased reliance on diversified sourcing, supplier development, inventory planning and procurement strategies may be required to maintain supply continuity, manage input cost pressures, and support manufacturing and retail availability.

Downstream: Potential impact on pricing stability, product availability, and product mix across retail operations, with possible implications for consumer affordability where sustained input cost increases cannot be fully absorbed.

Financial Effects

Current financial effects	Anticipated financial effects
• **Financial position:** Limited immediate impact currently identified. However, variability in agricultural output may influence inventory valuation, sourcing mix, and working capital requirements. • **Financial performance:** Early-stage input cost pressures may arise from variability in agricultural output, higher cultivation costs, and shifts in raw material availability or quality. • **Cash flows:** Gradual increase in operating expenditure may arise from sourcing adjustments, supplier engagement, farmer support, and cost variability across agricultural inputs. • **Cost of capital:** No material impact currently identified.	• **Financial position:** Capital reallocation may be required towards climate-resilient sourcing systems, farmer support programmes, water-efficient practices and adaptive infrastructure that strengthen long-term supply stability. These investments not only mitigate risk, but also embed resilience into the value chain, strengthening the Group's ability to manage future resource constraints. • **Financial performance:** While margin pressure could result from higher input costs, lower agricultural productivity and sourcing variability, proactive adaptation through sourcing diversification, farmer productivity support, strategic pricing, product mix optimisation and efficiency gains can help the Group sustain profitability while reducing exposure to climate-driven volatility. • **Cash flows:** Increased capital expenditure on supply chain adaptation, sourcing diversification, farmer productivity programmes and resource-efficient agricultural practices may be required. These represent forward-looking investments that enhance resource efficiency and support long-term cash flow stability by reducing exposure to climate-driven supply shocks. • **Cost of capital:** Sensitivity to climate-related risks may influence long-term risk perception. However, by demonstrating resilience in the face of agricultural supply volatility, the Group can strengthen investor confidence and differentiate itself through sustainable value creation.

Strategic Response

The Group is strengthening long-term sourcing resilience through continued investment in farmer engagement, agri-extension support, and productivity enhancement programmes. These initiatives support farmers in adopting modern and climate-smart agricultural practices, improving yields, managing production costs, and reducing exposure to resource constraints over time. They are further supported by diversified sourcing networks and stronger sourcing coordination, enabling greater stability in supply volumes, cost management, and long-term operational continuity. By strengthening farmer capability and embedding resilience at the source, the Group is better positioned to maintain quality, availability and affordability while supporting the livelihoods and ecosystems that underpin its food value chain.

Risk/Opportunity

3. Cold Chain and Temperature-Controlled Logistics Reliability

Classification: Operational/Climate-related risk	**Time Horizon:** Short to medium term

Description

The Group's operations rely on temperature-controlled storage, manufacturing support, and logistics systems to maintain the quality, safety and integrity of perishable goods across a geographically dispersed network. Any inefficiencies or disruptions in these systems can lead to spoilage, inventory losses, increased energy and maintenance costs, and reduced operational effectiveness across sourcing, manufacturing, distribution, retail, and restaurant operations.

Value Chain Exposure and Risk Manifestation

Upstream: Deterioration in quality of perishable goods during collection and transport may affect supplier-side product integrity and usable input volumes.

Own operations: Cold chain inefficiencies may lead to spoilage, increased energy usage, inventory losses, and operational disruptions across manufacturing, storage, distribution, retail, and restaurant networks.

Downstream: Product quality or availability issues may impact customer trust, demand consistency, food safety assurance, and overall sales performance.

Financial Effects

Current financial effects	Anticipated financial effects
• **Financial position:** Inventory write-offs and reduced asset utilisation may arise across logistics, storage, and temperature-controlled infrastructure. • **Financial performance:** Losses from spoilage, product quality issues, maintenance requirements, and operational inefficiencies may increase operating costs. • **Cash flows:** Increased energy, maintenance, and replacement costs may affect recurring operating cash flows. • **Cost of capital:** No material impact currently identified.	• **Financial position:** Continued investment in cold chain systems will strengthen the infrastructure asset base and improve utilisation over time. • **Financial performance:** Ongoing cost pressures may arise where efficiency improvements are not fully realised, however, an improved cold chain will support lower spoilage and better margin stability over time. • **Cash flows:** Capital investment towards logistics, storage, monitoring, and temperature-controlled infrastructure will improve reliability and efficiency. • **Cost of capital:** No material impact currently anticipated, although greater sensitivity may arise if operational disruptions materially affect product quality, supply reliability, or risk perception.

Strategic Response

The Group is strengthening cold chain reliability through ongoing investment in temperature-controlled infrastructure, logistics systems, and monitoring capabilities across its network. These efforts are supported by improvements in distribution coordination, warehouse management, and operational efficiency, enabling better control over product handling, reduced spoilage, improved food safety assurance, and greater consistency in product quality across retail and food-related operations. These investments strengthen the Group's ability to preserve product integrity, maintain supply reliability and support consumer trust, reinforcing cold chain capability as a strategic enabler of resilience across the food value chain.

Risk/Opportunity	
4. Energy Cost Exposure Across Operations	
Classification: Climate-related risk/Opportunity driver	**Time Horizon:** Short to medium term

Description

The Group is exposed to fluctuations in electricity and fuel costs across its retail stores, manufacturing facilities, distribution centres, restaurant operations, cold chain systems, and transport fleet. Given the energy-intensive nature of food manufacturing, refrigeration, storage, logistics and retail operations, changes in energy prices can directly affect operating costs, margin stability, and pricing strategies across the business.

Value Chain Exposure and Risk Manifestation

Upstream: Increased fuel and energy-related input costs affect supplier pricing, agricultural production costs, and transport costs within sourcing networks.

Own operations: Higher electricity and fuel consumption across manufacturing, storage, refrigeration, logistics, restaurants and retail operations.

Downstream: Pricing pressures may impact affordability, demand patterns, and margin realisation across retail and food service operations.

Financial Effects

Current financial effects	Anticipated financial effects
• **Financial position:** Limited immediate impact currently identified. However, increased energy cost pressures may influence short-term cost structures and working capital requirements. • **Financial performance:** Increased operating costs and margin pressure may arise from electricity and fuel price fluctuations across energy-intensive operations. • **Cash flows:** Higher recurring expenditure may arise from electricity, fuel, refrigeration, logistics, and manufacturing-related energy consumption. • **Cost of capital:** No material impact currently identified.	• **Financial position:** Investment in energy-efficient systems and renewable energy infrastructure will continue to support the Group in its transition towards more stable and efficient energy structures. • **Financial performance:** Energy cost volatility may continue to create operating cost pressure, while efficiency improvements and renewable energy adoption will help reduce exposure over time. • **Cash flows:** Strategic capital investment in renewable energy, energy monitoring, equipment upgrades and efficiency initiatives may be required in the short to medium term. These investments are expected to position the Group to reduce long-term recurring energy expenditure, improve cash flow stability, and lower exposure to energy price volatility over time. • **Cost of capital:** No material impact currently anticipated, although future sensitivity may arise if energy cost volatility materially affects operating margins or investment requirements.

Strategic Response

The Group is managing energy cost exposure through renewable energy adoption, energy efficiency improvements, and enhanced monitoring across operations. This includes expanding the use of solar and biomass energy, with complementary initiatives to optimise electricity and fuel consumption. These measures support improved cost control, reduced exposure to energy price volatility, and stronger long-term operating stability. By improving energy productivity and reducing reliance on external energy cost movements, the Group is strengthening the resilience of its cost base and supporting a more stable operating platform for future growth.

Risk/Opportunity	
5. Renewable Energy Adoption Across Operations	
Classification: Climate-related opportunity	**Time Horizon:** Medium to long term

Description

The Group is progressively expanding the use of renewable energy sources, including solar and biomass. This transition presents an opportunity to reduce exposure to energy cost volatility, improve long-term cost stability, lower emissions intensity, and strengthen the resilience of energy-intensive operations. As renewable energy capacity expands, the Group is better positioned to improve energy security, manage operating costs, and support its broader climate and resource efficiency priorities.

Value Chain Exposure and Risk Manifestation

Own operations: Integration of renewable energy systems reduces reliance on grid energy and improves energy cost management.

Downstream: Improved cost stability will support more consistent pricing, margin management, and operational continuity across retail and food service operations.

Financial Effects

Current financial effects	Anticipated financial effects
• **Financial position:** Capital investment in renewable infrastructure will increase the Group's energy-related asset base. • **Financial performance:** Limited immediate impact as benefits are realised over time, although renewable energy generation will help partially offset energy costs at select locations. • **Cash flows:** Initial investment outflows may arise from renewable energy related infrastructure. These outflows support the development of a more resilient energy structure over time. • **Cost of capital:** No material impact currently identified.	• **Financial position:** A stronger renewable energy asset base will support improved resource efficiency and long-term operational resilience. • **Financial performance:** Reduced long-term energy costs, lower exposure to grid energy price volatility, and improved cost stability will support margin resilience. • **Cash flows:** Lower energy expenditure over time through reduced reliance on grid energy and improved energy efficiency. • **Cost of capital:** A positive impact will arise over time when enhanced renewable energy adoption strengthens the Group's resilience profile and supports alignment with evolving sustainability expectations.

Strategic Response

The Group continues to scale renewable energy deployment across key operational sites through ongoing investment in solar and biomass systems. A total of Rs. 112 Mn. was invested in solar installations in 2025/26. These initiatives are supported by enhanced energy monitoring and management practices, enabling better visibility over energy consumption, improved efficiency, and optimisation of energy use across the network. Over time, this supports lower exposure to energy cost volatility while contributing to the Group's broader climate and resource efficiency priorities. Through continued renewable energy adoption, the Group is strengthening energy resilience, reducing emissions exposure, and creating a more stable cost platform for its energy-intensive operations.

Integration of SRROs/CRROs into Strategy, Investment, and Funding

The Group integrates sustainability and climate-related risks and opportunities into its strategic planning, capital allocation, investment decisions and operational initiatives across its sectors. These considerations influence how the Group prioritises initiatives that strengthen supply chain reliability, improve resource efficiency, reduce emissions exposure and support long-term operational resilience. This approach enables the Group to align investment decisions with areas that are material to business continuity, cost stability, supply chain resilience, and future readiness.

Capital investments during the reporting period included (approximately) Rs. 112 Mn. towards the expansion of rooftop solar installations within the Retail Sector, reinforcing the Group's commitment to energy efficiency and renewable energy adoption. Over the years, the Group has continued to invest in renewable energy initiatives, including the installation of biomass boilers and the continued expansion of rooftop solar capacity across retail operations. From a national perspective, Cargills pioneered the installation of electric vehicle charging stations under the "Charge While You Shop" concept, supporting the transition towards low-carbon mobility infrastructure in Sri Lanka.

The Group also continues to embed sustainable building practices into its infrastructure developments. During the year, Cargills Square Bandarawela received the Platinum Award from the Green Building Council of Sri Lanka in recognition of the green and environmentally sustainable features incorporated into the development.

Over the years, the Dairy and Beverage sectors have continued to incorporate sustainable packaging solutions across selected product categories. These initiatives include the introduction of cardboard packaging for the Heavenly range of ice cream products, as well as the adoption of paper straws and paper spoons for ice cream and yoghurt products, aimed at reducing the use of single-use

plastics. During the current reporting period, Knuckles pioneered the introduction of tethered bottle caps, supporting improved recyclability and responsible waste management practices. In addition, the brand has previously introduced a glass bottle range as part of its broader commitment towards sustainable packaging and circular economy principles.

Sustainability and climate-related risks and opportunities are considered as part of the Group's capital expenditure evaluation processes, particularly where investments support operational efficiency, resource conservation, emissions reduction, supply chain resilience, and long-term cost management. Through this process, the Group seeks to direct capital towards initiatives that reduce future exposure, strengthen operational adaptability and support more resilient long-term performance.

The Group continues to allocate capital towards environmental conservation and waste management initiatives aimed at reducing post-consumer packaging waste entering waterways, marine ecosystems, and surrounding communities. During the reporting period, investments included the installation of a second Ocean Strainer as well as continued support for coastal conservation projects such as the Crow Island and Poruthota Beach adoption initiatives (refer pages 110-111).

Operational efficiency and emissions reduction continue to remain a key focus area for the Group, including initiatives to minimise fuel consumption and the utilisation of transport management systems in the distribution network. In certain distribution-related refrigeration systems, refrigerant gases with high global warming potential have already been phased out and replaced with more environmentally preferable alternatives, while the incorporation of sustainable refrigerant technologies into future freezer investments continues to be evaluated.

Within the agriculture sector, the Group continues to promote climate-smart agricultural practices among the farming network aimed at optimising water usage and reducing dependence on agrochemicals and fertilisers (e.g. as adopted by Good Harvest and BeeSafe range of fresh produce). From an organisational perspective, the Group has invested in water conservation and treatment infrastructure across its operations. This includes the installation of Reverse Osmosis (RO) plants at several facilities, as well as the establishment of a rainwater harvesting system at the Dairy facility in Banduragoda, supporting responsible water stewardship and resource efficiency initiatives.

The Group primarily utilises internally generated funds to finance sustainability and climate-related initiatives, while also collaborating with selected funding agencies and partners, where appropriate, to support investments within its wider farming community.

Trade-Offs Considered in Strategic Decision-Making

In responding to sustainability and climate-related risks and opportunities, the Group considers trade-offs between operational efficiency, cost management, and long-term resilience across its value chain. These include:

- Managing input cost pressures while maintaining affordable pricing for consumers;
- Prioritising investments in infrastructure, logistics, and energy systems to enhance long-term efficiency and reliability; and
- Balancing short-term operational performance with longer-term initiatives aimed at improving supply chain stability, resource efficiency, and product quality.

The Group evaluates these trade-offs within its broader strategic planning processes, ensuring that decisions support both immediate operational requirements and sustained long-term value creation. In doing so, the Group seeks to balance near-term cost and operational considerations with investments that strengthen resilience, improve future readiness and support reliable access to affordable nutrition over time.

Resilience of Strategy

The Group's strategy is underpinned by its responsibility to deliver affordable nutrition and ensure the continuity of food supply across Sri Lanka, particularly during periods of economic adjustment and shifting consumption patterns.

Operating across all 25 districts, the Group's extensive retail and distribution network enables consistent access to essential food products, even as households continue to experience pressure from rising living costs and changing consumption behaviour. This national footprint, combined with an integrated sourcing and distribution model, forms the bedrock of the Group's ability to maintain supply continuity across diverse geographic and economic conditions. By leveraging scale and integration, the Group transforms potential volatility into resilience, ensuring reliable access to affordable nutrition while reinforcing its competitive positioning in the marketplace.

Resilience is further supported by the Group's long-standing engagement with local farmers and supplier networks. Through structured sourcing arrangements, collection centre infrastructure, and ongoing technical support, the Group maintains stable procurement channels while supporting agricultural productivity and supply consistency over time.

Across operations, continued strengthening of logistics, distribution centres, and cold chain systems enhances the Group's ability to manage product flow, maintain quality, and respond to fluctuations in supply and demand. These operational capabilities are supported by the increasing integration of digital systems across supply chains, which improve traceability, visibility, coordination, and decision-making across sourcing, storage, and distribution activities.

The Group's disciplined approach to pricing and cost management further contributes to resilience, enabling it to balance input cost pressures with the need to maintain affordability for consumers. This is particularly relevant in the current economic context, where food remains a significant component of household expenditure.

Taken together, the Group's scale, integrated value chain, farmer linkages, and operational systems position it to manage sustainability and climate-related risks while maintaining continuity of operations and supporting long-term value creation.

Climate Scenario Analysis

The Group has not yet undertaken formal climate-related scenario analysis. However, its current approach to managing sustainability and climate-related risks is grounded in strengthening core operational systems and supply chain resilience.

As part of its ongoing alignment with evolving sustainability reporting requirements, the Group intends to progressively enhance its approach to climate-related risk assessment, including the potential incorporation of scenario-based analysis over time, supported by improvements in data availability and internal capabilities.

Risk Management

Overview

The risk management framework at Cargills (Ceylon) PLC integrates sustainability and climate related risks and opportunities into the Group's broader Enterprise Risk Management (ERM) processes. The approach reflects global best practices with clear processes for identifying, assessing, prioritising, managing, and monitoring risks across all levels of the organisation.

These processes are embedded within the Group's governance cascade referenced on page 153 – Board of Directors, Audit Committee (AC), Group Risk Committee, EMC, sector committees and operating management – ensuring that sustainability and climate considerations are progressively incorporated into decision making. [SLFRS S2.25 (c)].

1. Governance and Responsibilities in Risk Management [SLFRS S2.25 (c)]

The Board of Directors holds ultimate oversight of Group-wide risk, including sustainability and climate related exposures, and ensures that risk insights inform long term value creation and strategic decision making.

The Audit Committee reviews the sector wise risk profile biannually and considers sustainability and climate issues as part of its oversight of internal controls and mitigation plans. It escalates material sustainability and climate related risks (SRROs/CRROs) to the Board when strategic decisions or resource allocations are required.

The Group Risk and Compliance Department maintains the risk management framework, ensures methodological consistency and leads capacity building in relation to risk identification and assessment across the Group at sector level. Together with the Sector Managing Directors (MDs), the GCRO reviews all sector level reports and presentations ahead of submission to the audit committee to ensure accuracy and completeness.

Risks including sustainability related risk are taken up at the monthly operational review meetings and at the sector risk committee meetings held as deemed necessary. While their primary remit is operational and business risk, sustainability and climate related issues are increasingly embedded into agendas.

At operational levels, Business Units and Line Managers identify emerging risks and develop mitigation actions, escalating issues through standard reporting pathways.

2. Risk and Opportunity Identification [SLFRS S2.25 (a)]

Risk identification begins at business unit level and follows a consistent, Group-wide methodology supported by the Risk and Compliance Department. The process includes:

- Value chain mapping across upstream (e.g. sourcing, transport), own operations (e.g. processing, retail) and downstream processes (e.g. waste and packaging lifecycle management) to identify operational, market, regulatory, and environmental exposures.
- Identification of physical climate risks (e.g. extreme weather events, heat stress, water scarcity), transition risks (e.g. regulatory changes, energy price volatility, technology shifts, market expectations), and broader sustainability and climate-related risks.
- Consideration of internal and external signals, including sector committee insights, supplier discussions, community and customer feedback, and changes in regulation or market behaviour.
- Top down prompts such as from the Group CRO and Risk and Compliance Department to ensure comprehensive coverage across all sectors.

Identified risks are documented in sector risk registers and consolidated into Group level registers. Sustainability and climate-related opportunities are not currently captured in a standalone register but instead appear within sector presentations as part of broader risk mitigation and adaptation strategy discussions – particularly in areas such as local sourcing, circular packaging and renewable energy. CCP does not currently employ climate-related scenario analysis to inform its identification of climate-related opportunities.

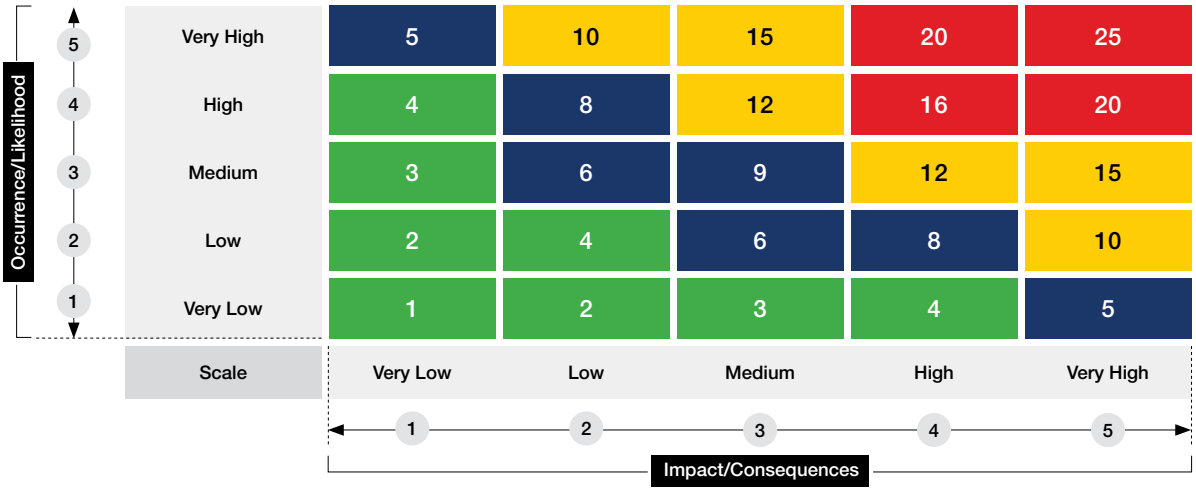
3. Assessment and Prioritisation [SLFRS S2.25 (a)]

Risk assessment is primarily qualitative and judgement based, reflecting data limitations in emerging sustainability and climate metrics. All risks – business, sustainability, and climate – are assessed within the same ERM framework for comparability.

Assessment considers:

- Likelihood of occurrence;
- Severity of impact (e.g. on operations, supply security, revenue, brand, and compliance);
- Time horizons, defined as (reference to CCP SLFRS S1 and S2 strategy section on pages 156-162);
- Cross sector relevance and potential cascading effects;
- Judgement based materiality, as quantitative thresholds are currently in development.

Risk Management >



Sector-level risks that are material or have potential multi sector impacts are escalated to the Executive Management Committee and Audit Committee.

Cargills is in the process of defining risk appetite and tolerance thresholds specifically for sustainability or climate related matters, with decisions currently relying on qualitative assessment and the collective judgement of leadership, the Group CRO and the audit committee.

4. Management and Monitoring [SLFRS S2.25 (b)]

Mitigation plans for priority SRROs/CRROs are developed at sector level and include operational, procedural and engagement strategies. These may involve:

Enhancing energy efficiency;

- Strengthening supplier diversification and traceability;
- Adjusting packaging formats and improving compliance processes;
- Enhancing emergency response and business continuity planning;
- Deepening stakeholder engagement to improve situational awareness and resilience.

Monitoring occurs through:

- Monthly Operational Review meetings, monthly EMC meetings and Sector Risk Committee meetings;
- Biannual consolidation of sector registers into a Group view for Audit Committee oversight;
- Ad hoc escalation, where required, based on professional judgement;
- Emerging KRIs, such as energy usage patterns, used where data is available. Cargills recognises the need to expand and strengthen KRIs over time.

5. Opportunities: Evaluation and Integration [SLFRS S2.25 (b)]

Although not captured in a standalone register, sustainability and climate related opportunities are identified through sector risk processes and leadership discussions. Examples include initiatives related to renewable energy adoption, circular packaging, improved local sourcing, and supply chain resilience.

Progress on sustainability and climate related opportunities is monitored through the monthly sector level performance review, sector risk committee meetings, and half yearly presentation to the Audit Committee.

Opportunities are evaluated based on potential benefit, feasibility, time horizon, strategic fit, and sensitivity to external trends. High potential areas may be included in sector presentations to the Executive Management Committee and Board of Directors, enabling integration into capital allocation, innovation, and operational efficiency discussions.

6. Integration with ERM and Strategy [SLFRS S2.25 (c)]

Sustainability and climate related risks and opportunities are increasingly woven into Cargills' ERM cycle. Sector insights flow through the Executive Management Committee and Audit Committee to the Board of Directors, informing strategic decision making. This ensures that risk considerations shape capital allocation, portfolio resilience, operational investments, and long term planning.

This integrated approach is consistent with increasing expectations that risk management disclosures demonstrate connectivity between governance, strategy, risk management, and metrics and targets.

7. Developments During the Reporting Period [SLFRS S2.25 (a)]

During the year, Cargills strengthened its risk management processes by:

- Broadening operational review and sector risk committee meetings and sector committee agendas to include sustainability and climate;
- Enhancing stakeholder engagement at sector level to support identification and prioritisation of sustainability and climate-related matters.

These changes have deepened the integration of sustainability and climate related insights in Group-level risk oversight.

Metrics and Targets

Overview

The Group discloses sustainability and climate-related metrics to support an assessment of how it manages and monitors sustainability and climate-related risks and opportunities across its operations and value chain. These metrics are aligned to the areas of exposure identified in the Strategy and Risk Management sections, including energy use, greenhouse gas emissions, water management, waste, supply chain resilience, food safety, product integrity, packaging, labour practices, and data security.

Given the diversified nature of the Group's operations, metrics are presented using a combination of Group-level disclosures, segment-level disclosures, and industry-based metrics, where relevant. Detailed industry-based metrics are presented in the SASB Metrics Tables on pages 167-191.

Basis of Measurement

Sustainability and climate-related metrics have been prepared using data collected from the Group's operations, including retail outlets, manufacturing facilities, distribution centres, restaurants, support services and selected supply chain activities, where applicable. The reporting boundary is aligned with the Group's consolidated financial reporting boundary unless otherwise stated.

Certain metrics involve estimates, assumptions, boundary limitations, or partial data coverage, particularly where data collection processes are still being strengthened across operations and value chain activities. Where a metric has been reported using a limited boundary, or where data was not available for the current reporting period, this has been disclosed in the relevant metric note or SASB table.

Cross-Industry Climate Metrics

GHG Emissions [SLFRS S2.29(a)]

Measurement Approach

Scope 1

The Group measures Scope 1 greenhouse gas (GHG) emissions arising from direct emissions from sources owned or controlled by the Group. Measurement includes:

- Fuel consumption from generators across retail, manufacturing and distribution operations
- Fuel consumption from owned and controlled vehicle fleets

These represent the primary direct emission sources within the organisational boundary.

Scope 2

Scope 2 emissions are calculated using purchased electricity consumption across facilities. The Group applies the location-based method to quantify indirect emissions from electricity delivered through the national grid.

Scope 3

For the current reporting period, the Group has applied the transition relief to initially report Scope 1 and Scope 2 emissions in its first year of SLFRS S1 and S2 application. The Group is in the process of compiling emissions-related data for Scope 3 emission categories based on data availability and business relevance, with reference to the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).

Carbon Footprint by Scope and Category

Scope of GHG Emissions	2025/26 (tCO_2e)	2024/25 (tCO_2e)
Scope 1 – Consolidated Group	**8600**	9059
Scope 1 – Other Investees	**N/A**	N/A
Scope 2 – Consolidated Group, location-based	**70,610**	60,051
Scope 2 – Other Investees, location-based	**N/A**	N/A
Total GHG Emissions	**79,210**	69,110

Inputs

Scope 1: Emissions are calculated using diesel, gas and furnace oil

Scope 2: Emissions are calculated using electricity consumption

Assumptions

The Group applies reasonable and supportable assumptions aligned with SLFRS S1 and S2, including:

- Standardised fuel-use emission factors
- Sri Lanka grid emission factors

The selected measurement approach reflects the Group's material emission sources and supports consistent, verifiable and decision-useful quantification using available operational data. The Group will disclose any material changes made to the measurement approach, inputs, and assumptions during the reporting period, together with the reasons for such changes, where applicable.

Other Cross-Industry Climate Metrics [SLFRS S2.29(b)–(g)]

The Group is in the process of compiling data in relation to the amount and percentage of assets and business activities vulnerable to the following:

- Climate-related physical risks
- Climate-related transition risks
- Climate-related opportunities

The Group is also in the process of quantifying the amount of capital expenditure, financing and investment deployed towards climate-related risks and opportunities.

During the 2025/26 reporting period, the Group had not implemented an internal carbon pricing mechanism and does not currently apply a carbon price in decision-making, including investment decisions, transfer pricing, or scenario analysis [SLFRS S2.29(f)].

Remuneration [SLFRS S2.29(b)–(g)]

At present, climate-related considerations are not factored into executive remuneration. However, the management will explore the integration of sustainability and climate considerations into remunerations frameworks in future, as these practices continue to evolve.

Industry-based Metrics [SLFRS S2.32]

CCP provides SASB indexes on page 192 for the applicable industry standards of Meat, Poultry and Dairy, Processed Foods, Agricultural Products, Food Retailers and Distributors, Non-Alcoholic Beverages, Restaurants, Software and IT, and Real Estate. [SLFRS S1.59 (a-b)].

Industry-based Metrics

The Group has considered relevant industry-based standards issued by the Sustainability Accounting Standards Board (SASB) in determining the metrics disclosed. Given the Group's diversified business model, the relevant SASB standards considered include Food Retailers and Distributors, Processed Foods, Meat, Poultry and Dairy, Agricultural Products, Non-Alcoholic Beverages, Restaurants, Real Estate and selected topics from Software and IT Services.

The detailed SASB Metrics Tables provide metric-level disclosures by relevant business segment, including quantitative data, qualitative explanations, reporting boundaries and notes on unavailable or partially available data. These tables cover areas such as energy management, water management, greenhouse gas emissions, refrigerants, food waste, food safety, product labelling and marketing, health and nutrition, packaging lifecycle management, labour practices, supply chain management, animal welfare, data privacy, and data security.

Where a SASB metric was not applicable to the Group's operations, or where complete data was not available for FY2025/26, this has been indicated in the relevant table. The Group will continue to strengthen data collection and monitoring processes to improve the completeness and comparability of industry-based disclosures in future reporting periods.

Targets

The Group is in the process of formalising measurable and time-bound sustainability and climate-related targets aligned with its operational priorities, risk profile and long-term strategy. Current focus areas include improving energy efficiency, expanding renewable energy use, strengthening supply chain resilience, improving data quality, reducing resource intensity and enhancing operational efficiency across the Group.

Formal Scope 1 and Scope 2 emissions reduction targets have not yet been established for the current reporting period. However, the Group continues to monitor emissions performance and strengthen emissions management through renewable energy adoption, biomass energy use, energy efficiency initiatives, fuel monitoring, and facility-level carbon footprint monitoring.

As baseline data, reporting systems and measurement methodologies continue to mature, the Group intends to progressively develop more specific targets and related performance indicators. Once such targets are finalised, the Group will evaluate appropriate mechanisms for monitoring progress, reporting performance and linking targets to management oversight processes.

Limitations and Future Development

As this is the Group's first year of reporting under SLFRS S1 and S2, certain limitations apply to the metrics disclosed. These include partial data coverage across certain operations and value chain activities, the use of estimates or assumptions for selected metrics, and the ongoing development of systems required to support more comprehensive and consistent reporting.

The Group is actively working to address these limitations by strengthening data collection processes, improving internal controls over sustainability-related information, enhancing system integration, and expanding coverage across additional areas of the value chain. Future reporting periods are expected to benefit from improved data completeness, stronger boundary definitions, more consistent methodologies, and deeper alignment with evolving SLFRS S1, SLFRS S2 and industry-based disclosure requirements.

Detailed SASB Metrics Tables

Sustainability Accounting Standards Board Disclosures 2025/26

Food Retailers and Distributors

Topic	Metric	Unit of Measure	Code	Cargills Retail
Fleet Fuel Management	Fleet fuel consumed, percentage renewable * Excludes fuel consumed in the transportation of the entity's products by third parties	Gigajoules (GJ)	FB-FR-110a.1	291.26
		Percentage (%)		0%
Air Emissions from Refrigeration	Gross global Scope 1 emissions from refrigerants	Metric tonnes (t) CO_2-e	FB-FR-110b.1	58,555.37
	Percentage of refrigerants consumed with zero ozone-depleting potential	Percentage (%)	FB-FR-110b.2	75%
	Average refrigerant emissions rate	Percentage (%)	FB-FR-110b.3	0%
Energy Management	1. Operational energy consumed	Gigajoules (GJ)	FB-FR-130a.1	434,686
	2. Percentage grid electricity and	Percentage (%)		90%
	3. Percentage renewable * Exclude fleet vehicles	Percentage (%)		10%
Food Waste Management	1. Total amount of food waste	Metric tonnes (t)	FB-RN-150a.1	7,455
Data Security	Description of approach to identifying and addressing data security risks	N/A	FB-FR-230a.2	This is managed in line with applicable laws and corporate governance best practices. ISO 27001 is being implemented at Group level.
	1. Number of data breaches	Number	FB-FR-230a.2	–
	2. Personal data breaches	Percentage (%)		0%
	3. Total number of unique users affected by personal data breaches	Number		–
Food Safety	1. Restaurants inspected by a food safety oversight body	Percentage (%)	FB-FR-250a.1	–
	2. Number of restaurants inspected at least once by a food safety oversight body during the reporting period	Number	FB-FR-250a.1	–
	3. Total number of restaurants in operation during the reporting year	Number	FB-FR-250a.1	–
	4. Percentage receiving critical violations	Percentage (%)	FB-FR-250a.1	0%
	5. Number of recalls issued	Number	FB-FR-250a.2.	–
	6. Total amount of food product recalled	Metric tonnes (t)		–
	7. Number of confirmed foodborne disease outbreaks	Number	FB-FR-250a.3	–
	8. Percentage resulting in public health authority investigation	Percentage (%)		0%

Detailed SASB Metrics Tables

Topic	Metric	Unit of Measure	Code	Cargills Retail
Product Health and Nutrition	**Revenue from products labelled or marketed to promote health and nutrition attributes**	Presentation currency	FB-FR-260a.1	Confidential
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	N/A	FB-FR-260a.2	Consumer health considerations are incorporated through responsible product development, quality control, monitoring of regulatory requirements and feedback mechanisms and stakeholder engagement.
Product Labelling and Marketing	**Number of incidents of non-compliance with industry or regulatory labelling or marketing codes**	Number	FB-FR-270a.1	121
	Total amount of monetary losses as a result of legal proceedings associated with marketing or labelling practices	Presentation currency	FB-FR-270a.2	Confidential
	Revenue from products labelled as **1. Containing genetically modified organisms (GMOs)**	Presentation currency	FB-FR-270a.3	–
	2. Non-GMO	Presentation currency		N/A
Labour Practices	**1. Average hourly wage**	Number Number Percentage (%)	FB-FR-310a.1	Confidential
	2. Percentage of in-store and distribution centre employees earning minimum wage, by region	Number Number Percentage (%)		Confidential
	Percentage of active workforce employed under collective agreements	Percentage (%)	FB-FR-310a.2	0%
	1. Number of work stoppages	Number	FB-FR-310a.3	–
	2. Total days idle	Number		–
	Total amount of monetary losses as a result of legal proceedings associated with: **1. Labour law violations**	Presentation currency	FB-FR-310a.4	–
	2. Employment discrimination			–

Topic	Metric	Unit of Measure	Code	Cargills Retail
Management of Environmental and Social Impacts in the Supply Chain	**Revenue from products from third parties certified to environmental or social sustainability sourcing standards**	Presentation currency	FB-FR-430a.1	Confidential
	Percentage of revenue from **1. Eggs that originated from a cage-free environment**	Percentage (%) by revenue	FB-FR-430a.2	We currently do not collect or maintain data relevant to this disclosure requirement. As a result, no quantitative information is available for the present reporting period. Appropriate systems and data collection mechanisms will be set up to enable alignment with this reporting requirement in subsequent periods.
	2. Pork produced without the use of gestation crates	Percentage (%)		
	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	N/A	FB-FR-430a.3	Suppliers are screened and periodic audits/site visits are conducted to verify adherence to applicable environmental and labor standards. We also engage suppliers through capacity-building initiatives to strengthen ethical and sustainable practices over time.
	Discussion of strategies to reduce the environmental impact of packaging	N/A	FB-FR-430a.4	Prioritising responsibly sourced materials where feasible and engaging with customers for awareness of the importance of responsible disposal of waste (especially post-consumer plastic waste), and offering incentives for the use of re-usable shopping bags.

Processed Foods Segment

Topic	Metric	Code	Unit of Measure
Energy Management	**1. Total energy consumed**	FB-PF-130a.1	Gigajoules (GJ)
	2. Percentage of grid electricity		Percentage (%)
	3. Percentage of renewable energy		Percentage (%)
Water Management	**1. Total water withdrawn**	FB-PF-140a.1	Thousand cubic metres (m^3)
	Water withdrawn in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)		Thousand cubic metres (m^3)
	Water withdrawn in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)		Percentage (%)
	2. Total water consumed		Thousand cubic metres (m^3)
	Water consumed in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)		Thousand cubic metres (m^3)
	Water consumed in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)		Percentage (%)
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	FB-PF-140a.2	Number
	Description of water management risks and discussion of strategies and practices to mitigate those risks	FB-PF-140a.3	N/A
Food Safety	**Global Food Safety Initiative (GFSI) Audit**	FB-PF-250a.1	
	1. Non-conformance rates		
	Major non-conformance rate		Rate
	Minor non-conformance rate		Rate
	2. Associated corrective action rates		
	For major non-conformances		Rate
	For major non-conformances		Rate
	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognised food safety certification programme	FB-PF-250a.2	Percentage (%)
	Total number of notices of food safety violations received	FB-PF-250a.3	Number
	Percentage corrected		Percentage (%)
	Number of recalls issued	FB-PF-250a.4	Number
	Total amount of food product recalled		Metric tonnes (t)
Health and Nutrition	**Revenue from products labelled or marketed to promote health and nutrition attributes**	FB-PF-260a.1	Presentation currency
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	FB-PF-260a.2	N/A

Cargills Dairies	Kotmale Dairy Products	Cargills Convenient Foods	Cargills Confectioneries	Cargills Food and Beverage (CFB)	CPC Lanka
103,723	40,206	16,820	2,848	7,370	Included in CFB
78	46	82	100	79	
6	0	18	0	21	
294,044	66,398	80,853	7,182	85,814	Included in CFB
–	–	–	–	–	
–	–	–	–	–	
294,044	66,398	80,853	7,182	85,814	Included in CFB
–	–	–	–	–	
–	–	–	–	–	
–	–	–	–	–	

Based on the WRI Water Risk Atlas tool, the Group's current water withdrawals are not from areas classified as having extremely high, or high water stress. Accordingly, water supply risk is currently considered limited. Nevertheless, the Group maintains access to alternative approved water sources from different locations to mitigate potential supply constraints during dry periods.

The Group's broader approach to responsible water use and water management is discussed under **Water Management** on page 105.

N/A – the companies conform to and is managed by the ISO 22000:2018 Food Safety Management System.

Complete records are not available during FY 2025/26 on the classification of suppliers by availability or non-availability of GFSI certification. As a result, the required information is not available for disclosure for the current reporting period. The Company is actively strengthening its supplier data management processes to support enhanced disclosure completeness in subsequent reporting periods.

–	–	–	–	–
–	–	–	–	–
–	–	–	–	–
–	–	–	–	–

Confidential

The Management of products and ingredients associated with nutritional and health-related consumer concerns is done by monitoring consumer trends, scientific developments, regulatory requirements and emerging public health priorities. Where relevant, product nutritional profiles and ingredient composition are assessed, with quality and safety testing conducted to identify potential concerns relating to sugar, sodium, allergens, artificial additives and other ingredients. The Company also evaluates opportunities for reformulation, strengthens supply chain controls, and supports transparent labelling and communication to protect consumer health, maintain regulatory compliance and reinforce consumer trust.

Detailed SASB Metrics Tables >

Topic	Metric	Code	Unit of Measure
Product Labelling and Marketing	**1. Advertising impressions made on children**	FB-PF-270a.1	Percentage (%)
	2. Advertising impressions made on children promoting products that meet applicable dietary guidelines for children		Percentage (%)
	1. Revenue from products labelled as containing genetically modified organisms (GMOs)	FB-PF-270a.2	Presentation currency
	2. Revenue from products labelled as non-GMO		Presentation currency
	Number of incidents of non-compliance with industry or regulatory labelling or marketing codes	FB-PF-270a.3	Number
	Total amount of monetary losses as a result of legal proceedings associated with marketing or labelling practices	FB-PF-270a.4	Presentation currency
Packaging Lifecycle Management	**1. Total weight of packaging**	FB-PF-410a.1	Metric tonnes (t)
	2. Packaging made from recycled or renewable materials		Percentage (%)
	3. Packaging that is recyclable, reusable, or compostable		Percentage (%)
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	FB-PF-410a.2	N/A
Environmental and Social Impacts of Ingredient Supply Chain	**Percentage of food ingredients sourced that are certified to third party environmental or social standards, and percentages by standard**	FB-PF-430a.1	Percentage (%)
	Suppliers' social and environmental responsibility audit	FB-PF-430a.2	
	1. Non-conformance rate		
	Major non-conformances		
	Minor non-conformances		
	2. Associated corrective action rate		
	For major non-conformances		
	For minor non-conformances		
Ingredient Sourcing	**Percentage of food ingredients sourced from regions with high or extremely high baseline water stress**	FB-PF-440a.1	Percentage (%)
	List of priority food ingredients and discussion of sourcing risks related to environmental and social considerations	FB-PF-440a.2	N/A

Cargills Dairies	Kotmale Dairy Products	Cargills Convenient Foods	Cargills Confectioneries	Cargills Food and Beverage (CFB)	CPC Lanka
There is currently no system in place to track advertising impressions or reach among children. Our marketing activities are guided by applicable regulations (Sri Lanka's Food Act No. 26 of 1980) and responsible advertising principles.					
Confidential					
–	–	–	–	–	–
–	–	–	–	–	–
1,913	504	742	779	1,374	8
–	–	–	–	–	–
100	100	100	90	93	95
The environmental footprint of packaging is managed by the use of sustainable packaging materials, optimising design, building partnerships with like-minded orgnaisations to reinforce Extended Producer Responsibility and enhance collection and recycling.					
The Company does not have complete data available for FY 2025/26 for this disclosure, as a formal mechanism to record the required information was not in place during the reporting period. The Company is in the process of establishing the necessary data collection, monitoring and record-keeping processes to support more complete disclosure in subsequent reporting periods.		10	5	–	–
		–	–	–	–
		–	–	–	–
		–	–	1	–
		–	–	–	–
		–	–	1	–
The Company does not have complete data available for FY 2025/26 for this disclosure, as a formal mechanism to record the required information was not in place during the reporting period. The Company is in the process of establishing the necessary data collection, monitoring, and record-keeping processes to support more complete disclosure in subsequent reporting periods.				–	–
Priority ingredient being fresh milk, is exposed to climate-related risks that may affect availability, quality, and supply continuity. The Companies manage these risks through diversification of milk collection locations to reduce dependence on specific souring areas, on-going engagement with dairy farmers and farmer awareness and training programmes focused on building resilience to climate-related impacts.	Priority ingredients being Poultry and pork, may be impacted by climate-change factors, animal welfare risks, and livestock diseases. Resilience measures include sustainable agriculture practices, animal welfare, and hygiene practices.	Priority input: Cocoa, sugar. Sourcing risks include agricultural commodities impacted by changing rainfall patterns, temperature increases, extreme weather events, and water scarcity. Management approach: diversifying sourcing channels and collaboration with suppliers to promote sustainable agricultural practices.	Priority input: fresh fruit, fruit concentrates, and water. Climate related risks include rainfall variability, droughts, flooding, and water availability, which can affect crop yields, quality, and availability. Water scarcity and changing agricultural conditions. Management approach: diversification of sourcing locations, collaboration with farmers and suppliers, and initiatives that encourage sustainable agricultural practices.	Priority food input is spring water sourced from the Knuckles Mountain Range in Sri Lanka, Risks include climate change impacts, changes in rainfall patterns, prolonged dry periods, extreme weather events, and changes in groundwater and spring recharge patterns. Management approach involves responsible water stewardship practices, compliance with applicable regulatory requirements, protecting source areas.

Meat, Poultry, and Dairy

Topic	Metric	Code	Unit of Measure	Cargills Dairies	Kotmale Dairy Products	Cargills Convenient Foods	Cargills Agri Solutions
Greenhouse Gas Emissions	**Gross global Scope 1 emissions**	FB-MP-110a.1	Metric tonnes (t) CO_2-e	4,227	3,972	4,804	12
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	FB-MP-110a.2	N/A	The Group manages Scope 1 emissions primarily through the monitoring of direct emissions arising from fuel used in generators and vehicle fleets, supported by greenhouse gas monitoring across key facilities. Formal Scope 1 emissions reduction targets are being progressively developed as data systems and measurement processes mature. In the interim, the Group continues to strengthen emissions management through energy efficiency initiatives, renewable energy adoption, biomass energy use, and facility-level carbon footprint monitoring. The Group's broader approach to emissions management, energy efficiency and renewable energy is discussed under Emissions and Energy Management on pages 103-104.			
Energy Management	**1. Total energy consumed**	FB-MP-130a.1	Gigajoules (GJ)	103,723	40,206	16,820	331
	2. Percentage of grid electricity		Percentage (%)	78	46	82	100
	3. Percentage of renewable energy		Percentage (%)	6	0	18	0
Water Management	**1. Total water withdrawn**	FB-MP-140a.1	Thousand cubic metres (m^3)	294,044	66,398	80,853	13,152
	Water withdrawn in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)		Thousand cubic metres (m^3)	–	–	–	–
	Water withdrawn in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)		Percentage (%)	–	–	–	–
	2. Total water consumed		Thousand cubic metres (m^3)	294,044	66,398	80,853	13,152
	Water consumed in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)		Thousand cubic metres (m^3)	Based on the WRI Water Risk Atlas tool, the current water withdrawals of these facilities are not in areas classified as having extremely high, or high-water stress. Accordingly, water supply risk, although considered limited, may be affected by changing rainfall patterns and potential climate-related impacts.			
	Water consumed in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)		Percentage (%)				
	Description of water management risks and discussion of strategies and practices to mitigate those risks	FB-MP-140a.2	N/A	The Group implements practices aimed at increasing water efficiency, monitoring water withdrawal and consumption, optimising operational processes and implementing water conservation initiatives The Group's broader approach to responsible water use and water management is discussed under Water Management on page 105.			
	Number of incidents of non-compliance associated with water quality permits, standards and regulations	FB-MP-140a.3	Number	–	–	–	–

Topic	Metric	Code	Unit of Measure	Cargills Dairies	Kotmale Dairy Products	Cargills Convenient Foods	Cargills Agri Solutions
Land Use and Ecological Impacts	Amount of animal litter and manure generated	FB-MP-160a.1	Metric tonnes (t)	This metric is not directly applicable to these Companies, as they do not manage or operate their own farms. They source from approximately 15,000 farmers, most of whom are organised into farmer societies, and do not currently maintain a formal mechanism to record farmer-level animal litter and manure generated during the reporting period.		N/A	Complete data is not available for FY 2025/26. The Company is in the process of establishing the necessary data collection, monitoring and record-keeping mechanisms to support more complete disclosure in subsequent reporting periods.
	Amount of manure managed under a Nutrient Management Plan (NMP)		Metric tonnes (t)				
	Percentage of facilities implementing a Nutrient Management Plan (NMP)		Percentage (%)				
	Percentage of Pasture and Grazing Land Managed to Conservation Plan Criteria	FB-MP-160a.2	Percentage (%)				
	Animal protein production from confined animal feeding operations	FB-MP-160a.3	Metric tonnes (t)				
Food Safety	1. Non-conformance rates	FB-MP-250a.1	Rate	N/A – the companies conform to and is managed by the ISO 22000:2018 Food Safety Management System.			N/A – The company does not engage in food processing, manufacturing or preparation activities.
	Major non-conformance rate		Rate				
	Minor non-conformance rate		Rate				
	2. Associated corrective action rate		Rate				
	Major corrective action rate		Rate				
	Minor corrective action rate		Rate				
	Percentage of Certified Supplier Facilities	FB-MP-250a.2	Percentage (%)	22	53	–	–
	1. Number of recalls issued	FB-MP-250a.3	Number	–	–	–	–
	2. Total weight of products recalled		Metric tonnes (t)	–	–	–	–
	Discussion of markets than ban imports of the entity's products	FB-MP-250a.4	N/A	N/A	N/A	N/A	N/A
Antibiotic Use in Animal Production	1. Percentage of animal production receiving medically important antibiotics	FB-MP-260a.1	Percentage (%)	N/A	N/A	N/A	Complete data is not available for FY 2025/26. The Company is in the process of establishing the necessary data collection, monitoring and record-keeping mechanisms to support more complete disclosure in subsequent reporting periods.
	2. Percentage of animal production receiving not medically important antibiotics		Percentage (%)				

Detailed SASB Metrics Tables

Topic	Metric	Code	Unit of Measure	Cargills Dairies	Kotmale Dairy Products	Cargills Convenient Foods	Cargills Agri Solutions
Workforce Health and Safety	**TRIR (Total Recordable Incident Rate)**	FB-MP-320a.1	Rate	1.41	2.0	–	–
	TRIR direct employees		Rate	1.63	2.71	–	–
	TRIR contract employees		Rate	1.08	1.17	–	–
	Fatality Rate		Rate	–	–	–	–
	Fatality rate direct employees		Rate	–	–	–	–
	Fatality rate contract employees		Rate	–	–	–	–
	Description of efforts to assess, monitor, and migrate acute and chronic respiratory health conditions	FB-MP-320a.2		Respiratory health risks arising from potential workplace exposure to dust, fumes and chemicals are assessed, monitored and mitigated through air quality testing, health screening, periodic medical checks and exposure monitoring. Mitigation measures include engineering controls such as ventilation and dust extraction systems, substitution of safer materials where feasible, and the use of appropriate personal protective equipment. Recordable incidents and near misses are reported to senior management through monthly reviews, together with the status of corrective actions, supporting ongoing monitoring, accountability and continuous improvement in occupational health and safety performance.			
Animal Care and Welfare	**Percentage of pork produced without use of gestation crates**	FB-MP-410a.1	Percentage (%)	N/A	N/A	N/A	–
	Percentage of cage-free shell egg sales	FB-MP-410a.2	Percentage (%)				–
	Percentage of production certified to a third-party animal welfare standard	FB-MP-410a.3	Percentage (%)				–
Environmental and Social Impacts of Animal Supply Chain	**Percentage of livestock from suppliers implementing conservation plan criteria**	FB-MP-430a.1	Percentage (%)	N/A	N/A	N/A	Complete data is not available for FY 2025/26. The Company is in the process of establishing the necessary data collection, monitoring and record-keeping mechanisms to support more complete disclosure in subsequent reporting periods.
	Percentage of supplier and contract facilities verified to meet animal welfare standards	FB-MP-430a.2	Percentage (%)				

Topic	Metric	Code	Unit of Measure	Cargills Dairies	Kotmale Dairy Products	Cargills Convenient Foods	Cargills Agri Solutions
Animal and Feed Sourcing	**Percentage of animal feed sourced from high/extremely high water-stress regions**	FB-MP-440a.1	Percentage (%)	Animal feed is provided to dairy farmer societies, as a part of the farmer support model, while farmers also independently purchase feed based on their operational requirements. As the Companies do not manage the farms directly, they do not currently maintain comprehensive records of total animal feed sourced or used at farmer level during the reporting period. Accordingly, a formal mechanism to record farmer-level animal feed sourcing is being reviewed to support more complete disclosure in future reporting periods.		N/A	Complete data is not available for FY2025/26. The Company is in the process of establishing the necessary data collection, monitoring and record-keeping mechanisms to support more complete disclosure in subsequent reporting periods.
	Percentage of contracts with producers in high/extremely high water-stress regions	FB-MP-440a.2	N/A				
	Discussion of strategy to manage opportunities and risks to feed sourcing and livestock supply presented by climate change	FB-MP-440a.3	Percentage (%)				Risk mitigation strategies include diversified feed supply sources and adoption of sustainable agriculture practices.

Agricultural Products Segment

Topic	Metric	Unit of Measure	Code	Cargills Agri Solutions
Greenhouse Gas Emissions	**Gross global Scope 1 emissions**	Metric tonnes (t) CO_2-e	FB-AG-110a.1	7.29
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets		FB-AG-110a.2	Scope 1 emissions in this segment are managed through restricted fuel usage with frequent monitoring of fuel consumption.
	Fleet fuel consumed, percentage renewable * Excludes fuel consumed in the transportation of the entity's products by third parties	Gigajoules (GJ)	FB-AG-110a.3	106.72
		Percentage (%)		0
Energy Management	**1. Operational energy consumed**	Gigajoules (GJ)	FB-AG-130a.1	19.86
	2. Percentage grid electricity	Percentage (%)		100
	3. Percentage renewable * Excludes fleet vehicles	Percentage (%)		0
Water Management	**1. Total water withdrawn**	Thousand cubic metres (m^3)	FB-AG-140a.1	13,636.00
	2. Total water consumed	Thousand cubic metres (m^3)		13,636.00
	Percentage of water withdrawn in locations with high or extremely high baseline water stress	Percentage (%)		Based on the WRI Water Risk Atlas tool, the current water withdrawals of these facilities are not in areas classified as having extremely high, or high-water stress. Accordingly, water supply risk, although considered limited, may be affected by changing rainfall patterns and potential climate-related impacts.
	Percentage of water consumed in locations with high or extremely high baseline water stress	Percentage (%)		
	Description of water management risks and discussion of strategies and practices to mitigate those risks	N/A	FB-AG-140a.2	The Company implements practices aimed at increasing water efficiency, monitoring water withdrawal and consumption, optimising operational processes, and implementing water conservation initiatives The Group's broader approach to responsible water use and water management is discussed under **Water Management** on page 105.

Topic	Metric	Unit of Measure	Code	Cargills Agri Solutions
Food Safety	Total number of incidents of non-compliance associated with water quality permits, standards, and regulations that resulted in a formal enforcement action(s)	Not applicable	FB-AG-140a.3	–
	Global Food Safety Initiative (GFSI) audit – Rate of major non-conformance	Rate	FB-AG-250a.1	N/A – The Company does not engage in food processing, manufacturing or preparation activities.
	Global Food Safety Initiative (GFSI) audit – Rate of minor non-conformance	Rate		
	Corrective action rate for major non-conformance	Rate		
	Corrective action rate for minor non-conformance	Rate		
	Percentage of agricultural products sourced from suppliers certified to a Global Food Safety Initiative (GFSI) recognised food safety certification programme * Exclude packaging materials or other goods and inputs that are not food or ingredients	Percentage (%) by cost	FB-AG-250a.2	Complete data on agricultural products sourced from suppliers certified to a GFSI-recognised food safety certification programme was not collected for FY 2025/26. The Group is strengthening supplier data collection and monitoring processes to support future disclosure.
	1. Number of recalls issued	Number	FB-AG-250a.3	0
	2. Total amount of food product recalled	Metric tonnes (t)		0
	* Exclude market withdrawals involving minor violations not subject to legal action and practices not involving violations	Percentage (%)		0
Workforce Health and Safety	Direct Employee Total recordable incident rate (TRIR)	Rate	FB-AG-320a.1	0
	Contract Employee Total recordable incident rate (TRIR)	Rate		0
	Direct Employee Fatality Rate	Rate		0
	Contract Employee Fatality Rate	Rate		0
	Direct Employee Near Miss Frequency Rate (NMFR)	Rate		0
	Contract Employee Near Miss Frequency Rate (NMFR)	Rate		
Environmental and Social Impacts of Ingredient Supply Chain	Percentage of agricultural products sourced that are certified to a third-party environmental or social standard	Percentage (%) by cost	FB-AG-430a.1	Complete data on agricultural products sourced with third-party environmental or social sustainability certificati on was not collected for FY 2025/26. The Group is strengthening sourcing records and supplier certification monitoring processes to support future disclosure.
	Percentage of agricultural products sourced that are certified to specified third-party environmental or social standard	Percentage (%) by cost		

Detailed SASB Metrics Tables

Topic	Metric	Unit of Measure	Code	Cargills Agri Solutions
	Suppliers' social and environmental responsibility audit-rate of major non-conformance	Rate	FB-AG-430a.2	Complete supplier social and environmental responsibility audit data, including rates of major and minor non-conformance and related corrective action rates, was not available for FY 2025/26. The Group is reviewing the necessary audit, data collection and monitoring mechanisms to support future disclosure.
	Suppliers' social and environmental responsibility audit-rate of minor non-conformance	Rate		
	Corrective action rate for major non-conformances associated with supplier facilities	Rate		
	Corrective action rate for minor non-conformances associated with supplier facilities	Rate		
	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	N/A	FB-AG-430a.3	The contract growing component of this disclosure is not directly applicable, as the Group does not engage in contract farming.
GMO Management	**Discussion of strategies to manage the use of genetically modified organisms (GMOs)**	Not applicable	FB-AG-430b.1	N/A
Ingredient Sourcing	**Identification of principal crops and description of risks and opportunities presented by climate change**	N/A	FB-AG-440a.1	Priority crops include pineapple, guava, passion fruit, and papaya, which are recognised for their relatively low water requirements compared to many other agricultural crops. These crops provide an opportunity to maximise productivity and value generation within the specified land area while supporting more efficient water use practices. Their suitability to local growing conditions enables the Company to optimise land utilisation while reducing pressure on water resources. The Company continues to promote sustainable agricultural practices to enhance resource efficiency and long-term resilience.
	Percentage of agricultural products sourced from regions with High or Extremely High Baseline Water Stress	Percentage (%) by cost	FB-AG-440a.2	N/A – based on the WRI Water Risk Atlas tool, the company does not currently source from areas classified as having extremely high, or high-water stress.

Non-Alcoholic Beverages Segment

Topic	Metric	Unit of Measure	Code	Cargills Food and Beverage (CFB)	CPC Lanka - Knuckles
Fleet Fuel Management	Fleet fuel consumed	Gigajoules (GJ)	FB-NB-110a.1	4,120	3,153
	Total amount of fuel consumed by its fleet vehicles that is renewable fuel	Percentage (%)		0	0
Energy Management	**1. Total energy consumed**	Gigajoules (GJ)	FB-NB-130a.1	7,370	463
	2. Percentage grid electricity	Gigajoules (GJ)		79	100
	3. Percentage renewable	Gigajoules (GJ)		21	0
Water Management	**1. Total water withdrawn**	Thousand cubic metres (m^3)	FB-NB-140a.1	85,814	7,322
	Water withdrawn in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)	Thousand cubic metres (m^3)		Based on the WRI Water Risk Atlas tool, the current water withdrawals of these facilities are not in areas classified as having extremely high, or high-water stress. Accordingly, water supply risk, although considered limited, may be affected by changing rainfall patterns and potential climate-related impacts.	
	Water withdrawn in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)	Percentage (%)			
	2. Total water consumed	Thousand cubic metres (m^3)		85,814	7,322
	Water consumed in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)	Thousand cubic metres (m^3)		Based on the WRI Water Risk Atlas tool, the current water withdrawals of these facilities are not in areas classified as having extremely high, or high-water stress. Accordingly, water supply risk, although considered limited, may be affected by changing rainfall patterns and potential climate-related impacts.	
	Water consumed in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)	Percentage (%)			
	Description of water management risks and discussion of strategies and practices to mitigate those risks	N/A	FB-NB-140a.2	Risks include increased water stress due to climate change that could potentially impact operations. Mitigations strategies include monitoring water consumption, recycling and re-using water where feasible.	
Health and Nutrition	**1. Revenue from zero- and low-calorie or energy-free and low-energy**	Presentation currency	FB-NB-260a.1	Confidential	
	2. Revenue from no-added-sugar	Presentation currency			
	3. Revenue from artificially sweetened beverages	Presentation currency			
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	N/A	FB-NB-260a.2	Consumer health considerations are incorporated through responsible product development, quality control, monitoring of regulatory requirements, and feedback mechanisms and stakeholder engagement.	

Detailed SASB Metrics Tables

Topic	Metric	Unit of Measure	Code	Cargills Food and Beverage (CFB)	CPC Lanka - Knuckles
Product Labelling and Marketing	**1. Advertising impressions made on children**	Percentage (%)	FB-NB-270a.1	There is currently no system in place to track advertising impressions or reach among children. Our marketing activities are guided by applicable regulations (Sri Lanka's Food Act No. 26 of 1980) and responsible advertising principles, which state that a person shall not promote any food directly or indirectly to children under twelve (12) years of age, unless approved by the Ministry of Health.	
	2. Advertising impressions made on children promoting products that meet dietary guidelines	Percentage (%)			
	1. Revenue from products labelled as containing genetically modified organisms (GMOs)	Presentation currency	FB-NB-270a.2	–	–
	2. Revenue from products labelled as non-GMO	Presentation currency		–	–
	Number of incidents of non-compliance with industry or regulatory labelling or marketing codes	Number	FB-NB-270a.3	–	–
	Total amount of monetary losses as a result of legal proceedings associated with marketing or labelling practices	Presentation currency	FB-NB-270a.4	–	–
Packaging Lifecycle Management	**1. Total weight of packaging**	Metric tonnes (t)	FB-NB-410a.1	5,177	237
	2. Packaging made from recycled or renewable materials	Percentage (%)		0	0
	3. Packaging that is recyclable, reusable, or compostable	Percentage (%)		93	95
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	N/A	FB-NB-410a.2	Strategies include optimising packaging design and increased use of recyclable material, and evaluating alternative lower-impact packing solutions, while working to improve recovery and recycling under Extended Producer Responsibility considerations.	
Environmental and Social Impacts of Ingredient Supply Chain	Suppliers' social and environmental responsibility audit		FB-NB-430a.1		
	1. Non-conformance rate for major non-conformances	Rate		–	–
	2. Non-conformance rate for minor non-conformances	Rate		1	–
	3. Associated corrective action rate for major non-conformances	Rate		–	–
	4. Associated corrective action rate for minor non-conformances	Rate		1	–

Topic	Metric	Unit of Measure	Code	Cargills Food and Beverage (CFB)	CPC Lanka - Knuckles
Ingredient Sourcing	Total beverage ingredients sourced from regions with high or extremely high Water Stress (classified by the WRI's Water Risk Atlas tool)	Thousand cubic metres (m^3)	FB-NB-440a.1	Ingredients are sourced from areas that are in the medium to high (20%-40%) risk areas, and not in the high or extremely high-risk area.	
	List of priority beverage ingredients and discussion of sourcing risks related to environmental and social considerations	N/A	FB-NB-440a.2	Priority ingredients include water and fresh fruit and fruit concentrates. The Company recognises that sourcing of key raw materials, including water, agricultural inputs and packaging materials, is exposed to environmental and social risks such as climate variability, resource availability, biodiversity impacts, supplier labour practices and responsible material extraction. The Company manages these risks through supplier engagement, responsible sourcing practices, quality and sustainability requirements, resource efficiency initiatives and ongoing monitoring of supply chain performance.	Priority ingredient is spring water. The Company recognises that sourcing spring water from the Knuckles Mountain Range is dependent on maintaining a healthy and sustainable watershed. Key risks include climate change impacts, changes in rainfall patterns, water availability, biodiversity impacts and catchment degradation. Social considerations include responsible water stewardship and ensuring sustainable use of resources for surrounding communities. The Company manages these risks through water monitoring, sustainable extraction practices, catchment protection initiatives and compliance with environmental requirements.

Restaurants Segment

Topic	Metric	Unit of Measure	Code	Cargills Restaurants
Energy Management	1. Total energy consumed	Gigajoules (GJ)	FB-RN-130a.1	39,716
	2. Percentage grid electricity	Percentage (%)		100%
	3. Percentage renewable	Percentage (%)		0%
Water Management	1. Total water withdrawn	Thousand cubic metres (m^3)	FB-RN-140a.1	101,485
	Water withdrawn in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)	Thousand cubic metres (m^3)		Complete data is not available for this disclosure in FY 2025/26. The Company is in the process of establishing the necessary data collection, monitoring and record-keeping mechanisms to support more complete disclosure in subsequent reporting periods
	Water withdrawn in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)	Percentage (%)		
	2. Total water consumed	Thousand cubic metres (m^3)		101,485
	Water consumed in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)	Thousand cubic metres (m^3)		Complete data is not available for this disclosure in FY 2025/26. The Company is in the process of establishing the necessary data collection, monitoring and record-keeping mechanisms to support more complete disclosure in subsequent reporting periods.
	Water consumed in Water Stress Areas (classified by the WRI's Water Risk Atlas tool)	Percentage (%)		
Food and Packaging Waste Management	1. Total amount of waste	Metric tonnes (t)	FB-RN-150a.1	Complete data is not available for this disclosure in FY 2025/26. The Company is in the process of establishing the necessary data collection, monitoring and record-keeping mechanisms to support more complete disclosure in subsequent reporting periods.
	2. Food waste	Percentage (%)		
	3. Waste diverted	Percentage (%)		
	1. Total weight of packaging	Metric tonnes (t)	FB-RN-150a.2	
	2. Packaging made from recycled or renewable materials	Percentage (%)		
	3. Packaging that is recyclable, reusable, or compostable	Percentage (%)		
Food Safety	1. Restaurants inspected by a food safety oversight body	Percentage (%)	FB-RN-250a.1	34%
	2. Percentage receiving critical violations	Percentage (%)		0%
	1. Number of recalls issued	Number	FB-RN-250a.2.	0
	2. Total amount of food product recalled	Metric tonnes (t)		0
	Number of confirmed foodborne disease outbreaks	Number	FB-RN-250a.3	0
	Percentage resulting in public health authority investigation	Percentage (%)		0%

Topic	Metric	Unit of Measure	Code	Cargills Restaurants
Nutritional Content	**1. Percentage of meal options consistent with dietary guidelines**	Percentage (%)	FB-RN-260a.1	The Company currently does not quantify the percentage of meal options that are consistent with applicable dietary guidelines, however will explore mechanisms to enhance nutritional related disclosures in subsequent reporting periods, in line with evolving reporting expectations.
	2. Total revenue from the combinations of meal options consistent with the applicable dietary guidelines	Presentation currency		
	1. Percentage of children's meal options consistent with dietary guidelines for children	Percentage (%)	FB-RN-260a.2	
	1. Advertising impressions made on children	Percentage (%)	FB-RN-260a.3	There is currently no system in place to track advertising impressions or reach among children. Our marketing activities are guided by applicable regulations (Sri Lanka's Food Act No. 26 of 1980) and responsible advertising principles, which state that a person shall not promote any food directly or indirectly to children under twelve (12) years of age, unless approved by the Ministry of Health.
	2. Advertising impressions made on children promoting products	Percentage (%)		
Labour Practices	**1. Voluntary turnover rate**	Percentage (%)	FB-RN-310a.1	Confidential
	2. Involuntary turnover rate	Percentage (%)		
	Total wages	Presentation currency	FB-RN-310a.2	
	Total regular hours worked	Number		
	1. Average hourly wage	Presentation currency		
	Number of employees earning minimum wage	Presentation currency		
	Total number of employees	Number		
	2. Percentage of employees earning minimum wage	Percentage (%)		
	Total amount of monetary losses as a result of legal proceedings associated	Presentation currency	FB-RN-310a.3	

Detailed SASB Metrics Tables >

Topic	Metric	Unit of Measure	Code	Cargills Restaurants
Supply Chain Management and Food Sourcing	1. Percentage of food purchased that meets environmental and social sourcing standards	Percentage (%)	FB-RN-430a.1	100%
	2. Percentage of food purchased that is certified to third-party environmental or social standards	Percentage (%)		92%
	1. Eggs that originated from a cage-free environment	Percentage (%)	FB-RN-430a.2	N/A
	2. Pork that was produced without the use of gestation crates	Percentage (%)		N/A
	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	N/A	FB-RN-430a.3	The Company manages environmental and social risks within its supply chain through responsible sourcing practices and supplier engagement. Suppliers are expected to adhere to applicable environmental, social, ethical, and food safety standards as part of the supplier relationship. Animal welfare considerations are addressed through global animal welfare principals.

Real Estate Segment

Industry	Topic	Metric	Unit of Measure	Code	The Empire Investments Company
Real Estate	Energy Management	Energy consumption data coverage as a percentage of total floor area, by property sector	Percentage (%)	SASB-IF-RE-130a.1	100%
		1. Total energy consumed by portfolio area with data coverage	Gigajoules (GJ)	SASB- IF-RE-130a.2	25,122
		2. Percentage grid electricity	Percentage (%)		78%
		3. Percentage renewable	Percentage (%)		10%
		Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	Percentage (%)	SASB- IF-RE-130a.3	6%
		Percentage with Energy Rating	Percentage (%)	SASB-IF-RE-130a.4	No formal energy rating is currently applicable to the Cargills Squares portfolio. However, Cargills Square Bandarawela was awarded the Platinum Rating by the Green Building Council of Sri Lanka, recognising its environmentally responsible design and development approach.
		Percentage certified to Energy Star (US)	Percentage (%)		
		Percentage certified to Energy Star (Canada)	Percentage (%)		
		Description of how building energy management considerations are integrated into property investment analysis and operational strategy	N/A	SASB-IF-RE-130a.5	
	Water Management	Percentage of floor area with complete water withdrawal data coverage	Percentage (%)	SASB-IF-RE-140a.1	2%
		Percentage water withdrawal data coverage for floor area in High/Extremely High Baseline Water Stress regions	Percentage (%)		3%
		1. Total water withdrawn by portfolio area with data coverage	Thousand cubic metres (m^3)	SASB- IF-RE-140a.2	35,190
		Percentage of water withdrawn in regions with High or Extremely High Baseline Water Stress	Percentage (%)		22%
		Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	Percentage (%)	SASB-IF-RE-140a.3	2%
		Description of water management risks and discussion of strategies and practices to mitigate those risks	N/A	SASB-IF-RE-140a.4	The Company recognises water availability risk for a property located in an area with high water stress (i.e. Jaffna). Water management risks are assessed as part of operational planning, considering factors such as water availability, regulatory requirements, and potential impacts on stakeholders. Mitigation strategies include implementing water efficiency measures, monitoring consumption patterns, promoting conservation practices, and evaluating opportunities for alternative water sources where feasible. The Company continues to strengthen water management practices to enhance resilience and reduce dependency on water-stressed resources.

Detailed SASB Metrics Tables

Industry	Topic	Metric	Unit of Measure	Code	The Empire Investments Company
Real Estate	Management of Tenant Sustainability Impacts	Percentage of new leases with cost recovery clause	Percentage (%)	SASB-IF-RE-410a.1	–
		Percentage of tenants separately metered/submetered for electricity	Percentage (%)	SASB-IF-RE-410a.2	97%
		Percentage of tenants separately metered/submetered for water	Percentage (%)		97%
		Discussion of approach to measuring, incentivising, and improving sustainability impacts of tenants	N/A	SASB- IF-RE-410a.3	The Company engages with tenants to promote sustainable practices and improve the overall environmental performance of the properties. Sustainability impacts are mainly measured through operational indicators such as energy, water efficiency and waste management.
	Climate Change Adaptation	Percentage leasable floor area in 100-year flood zones	Percentage	SASB- IF-RE-450a.1	100%
		Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	N/A	SASB- IF-RE-450a. 2	Climate-related factors that could potentially affect property operations and asset resilience include extreme weather events, resource availability, and regulatory developments. Mitigation strategies include enhancing building resilience (eg: Green Building certification for Bandarawela Square), improving energy efficiency and strengthening maintenance practices.
Real Estate Services	Sustainability Services	Revenue from energy and sustainability services	Presentation currency	SASB-IF-RS-410a.1	Rs. 264.5 Mn.
		1. Floor area and	Square metres (m2)	SASB-IF-RS-410a.2	178,805
		2. Number of buildings under management provided with energy and sustainability services	Number	SASB-IF-RS-410a.3	60
		3. Number of buildings under management that obtained energy rating	Number		No formal energy rating is currently applicable to any building
	Transparent Information and Management of Conflict of Interest	Brokerage revenue from dual agency transactions	Presentation currency	SASB- IF-RS-510a.1	No such transactions were recorded in any of the buildings
		Revenue from transactions associated with appraisal services	Presentation currency	SASB- IF-RS-510a.2	No such transactions were recorded in any of the buildings
		Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	Presentation currency	SASB- IF-RS-510a.3	None

Software and IT Services

Topic	Metric	Code	Unit of Measure	Cargills Enterprise Solutions
Environmental Footprint of Hardware Infrastructure	1. Total energy consumed	SASB-TC-SI-130a.1	Gigajoules (GJ)	202.15
	2. Percentage of grid electricity		Percentage (%)	100%
	3. Percentage of renewable energy		Percentage (%)	0%
	1. Total water withdrawn	SASB-TC-SI-130a.2	Thousand cubic metres (m^3)	266
	2. Total water consumed		Thousand cubic metres (m^3)	
	3. Percentage of each in regions with high or extremely high baseline water stress		Percentage (%)	Based on the WRI Water Risk Atlas tool, the current water withdrawals of the relevant facilities are not in areas classified as having extremely high, or high-water stress.
	Discussion of the integration of environmental considerations into strategic planning for data centre needs	SASB-TC-SI-130a.3	N/A	Going forward, this disclosure will not be directly applicable, as the Group's data centre requirements will be hosted through third-party cloud service providers. Environmental considerations will be addressed, where relevant, through the review of cloud hosting arrangements.
Data Privacy and Freedom of Expression	Description of policies and practices relating to targeted advertising and user privacy	SASB-TC-SI-220a.1	N/A	The Group's policies and practices relating to targeted advertising and user privacy are governed by applicable data protection requirements, including the Personal Data Protection Act (PDPA). Explicit user consent and opt-out mechanisms are in place, where relevant, to support responsible use of customer data and privacy compliance.
	Number of users whose information is used for secondary purposes	SASB-TC-SI-220a.2	Number	
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	SASB-TC-SI-220a.3	Presentation currency	Rs. 0.00
	1. Number of law enforcement requests for user information	SASB-TC-SI-220a.4	Number	–
	2. Number of users whose information was requested		Number	
	3. Percentage resulting in disclosure		Percentage (%)	
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	SASB-TC-SI-220a.5	Qualitative	N/A

Detailed SASB Metrics Tables

Topic	Metric	Code	Unit of Measure	Cargills Enterprise Solutions
Data Security	**1. Number of data breaches**	SASB TC-SI-230a.1	Number	–
	2. Percentage that are personal data breaches		Percentage (%)	–
	3. Number of users affected		Number	–
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	SASB TC-SI-230a.2	Qualitative	The Group identifies and addresses data security risks in line with applicable legal requirements and corporate governance best practices. ISO 27001-aligned data security practices are currently being implemented across the Group, supported by a fit-gap assessment conducted by an external consultant. In addition, IT service management practices aligned with ITIL Version 4 are being introduced.
Recruiting and Managing a Global, Diverse and Skilled Workforce	**Percentage of employees that require a work visa**	SASB-TC-SI-330a.1	Percentage (%)	–
	Employee engagement as a percentage *A Survey needs to be conducted	SASB- TC-SI-330a.2	Number	Employee engagement survey data was not available for the current reporting period, as a formal survey has not yet been conducted. Following implementation of the service management tool, the Group expects to be better positioned to conduct employee engagement surveys and correlate the results with relevant workforce data.
	Number of employees who self-describe as actively engaged		Number	
	The total number of employees who completed the survey		Percentage (%)	
	1. By Gender	SASB-TC-SI-330a.3		
	a. Executive Management		Percentage (%)	Women: 15 | Men: 11
	b. Non-Executive Management		Percentage (%)	Women: 03 | Men: 4
	c. Technical employees		Percentage (%)	–
	d. All other		Percentage (%)	–
	2. By Diversity Group			
	a. Executive Management		Percentage (%)	Confidential
	b. Non-Executive Management		Percentage (%)	
	c. Technical employees		Percentage (%)	
	d. All other		Percentage (%)	

Topic	Metric	Code	Unit of Measure	Cargills Enterprise Solutions
Intellectual Property Protection and Competitive Behaviour	**Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations**	SASB-TC-SI-520a.1	Presentation Currency (LKR)	LKR 0.00
Managing Systemic Risks from Technology Disruptions	**Number of** **1. Performance issues** **2. Service disruptions** **3. Total customer downtime**	SASB-TC-SI-550a.1	Number Number Days	Complete data is not available for the period on review, however, these metrics are expected to be more accurately captured following the implementation of ITIL-aligned service management tools. The Group expects to begin capturing these statistics after July 2026.
	Description of business continuity risks related to disruptions of operations	SASB-TC-SI-550a.2	Qualitative	The Group mitigates business continuity risks through a decentralised operating model, where the stores are able to continue operating/fulfil orders independently during disruptions. This structure supports operational resilience and helps minimise disruption to customer service and essential retail operations.
Activity Metrics	**Number of licences or subscriptions**	SASB-TC-SI-000.A	Number	1,990
	Number of cloud-based licences or subscriptions		Number	1,990
	Percentage cloud-based		Percentage (%)	100%
	Data processing capacity	SASB-TC-SI-000.B	N/A	Going forward, the Group's data processing requirements are expected to be hosted through third-party cloud service providers. Accordingly, data processing capacity will not be tracked in internal processing units such as MIPS or MFLOPS, and will instead be managed through contracted cloud service arrangements.
	Data processing capacity outsourced			
	Percentage outsourced		Percentage (%)	50%
	Amount of data storage	SASB-TC-SI-000.C	Petabytes	0.2
	Amount of data storage outsourced		Petabytes	0
	Percentage outsourced		Percentage (%)	50%

SASB Disclosure Mapping Index

The preceding SASB disclosure tables set out the industry-based metrics considered across the Group's diversified operations. The mapping index below provides a consolidated reference to support readers in navigating these disclosures across the relevant areas of the Group's business.

SASB Standard Considered	Relevant Cargills Subsidiary Companies	Topics Covered	SASB Code / Code Range	Disclosure Location
Food Retailers and Distributors	Cargills Retail (Private) Limited	Fleet fuel management, refrigeration emissions, energy management, food waste, data security, food safety, product health and nutrition, product labelling and marketing, labour practices, and supply chain management	FB-FR-110a.1; FB-FR-110b.1–3; FB-FR-130a.1; FB-FR-150a.1; FB-FR-230a.1–2; FB-FR-250a.1–3; FB-FR-260a.1–2; FB-FR-270a.1–3; FB-FR-310a.1–4; FB-FR-430a.1–4	Pages 167-169
Processed Foods	Cargills Dairies (Private) Limited; Kotmale Dairy Products (Private) Limited; Cargills Convenient Foods Limited; Cargills Confectioneries (Private) Limited; Cargills Food & Beverage Limited; CPC (Lanka) Limited	Energy management, water management, food safety, health and nutrition, product labelling and marketing, packaging lifecycle management, and ingredient supply chain impacts	FB-PF-130a.1; FB-PF-140a.1–3; FB-PF-250a.1–4; FB-PF-260a.1–2; FB-PF-270a.1–4; FB-PF-410a.1–2; FB-PF-430a.1–2; FB-PF-440a.1–2	Pages 170-173
Meat, Poultry, and Dairy	Cargills Dairies (Private) Limited; Kotmale Dairy Products (Private) Limited; Cargills Convenient Foods Limited; Cargills Agri Solutions Company (Private) Limited	Greenhouse gas emissions, energy management, water management, land use and ecological impacts, food safety, antibiotic use, workforce health and safety, animal care and welfare, and animal and feed sourcing	FB-MP-110a.1–2; FB-MP-130a.1; FB-MP-140a.1–3; FB-MP-160a.1–3; FB-MP-250a.1–4; FB-MP-260a.1; FB-MP-320a.1–2; FB-MP-410a.1–3; FB-MP-430a.1–2; FB-MP-440a.1–3	Pages 174-177
Agricultural Products	Cargills Agri Solutions Company (Private) Limited	Greenhouse gas emissions, fleet fuel, energy management, water management, food safety, workforce health and safety, supplier environmental and social responsibility, GMO management, and climate-related ingredient sourcing risks	FB-AG-110a.1–3; FB-AG-130a.1; FB-AG-140a.1–3; FB-AG-250a.1–3; FB-AG-320a.1; FB-AG-430a.1–3; FB-AG-430b.1; FB-AG-440a.1–2	Pages 178-180
Non-Alcoholic Beverages	Cargills Food & Beverage Limited; CPC (Lanka) Limited	Fleet fuel management, energy management, water management, health and nutrition, product labelling and marketing, packaging lifecycle management, ingredient supply chain impacts, and ingredient sourcing	FB-NB-110a.1; FB-NB-130a.1; FB-NB-140a.1–2; FB-NB-260a.1–2; FB-NB-270a.1–4; FB-NB-410a.1–2; FB-NB-430a.1; FB-NB-440a.1–2	Pages 181-183
Restaurants	Cargills Restaurants (Private) Limited	Energy management, water management, food and packaging waste, food safety, nutritional content, labour practices, supply chain management, and food sourcing	FB-RN-130a.1; FB-RN-140a.1; FB-RN-150a.1–2; FB-RN-250a.1–3; FB-RN-260a.1–3; FB-RN-310a.1–3; FB-RN-430a.1–3	Pages 184-186
Real Estate	The Empire Investments Company (Private) Limited	Energy management, water management, and sustainability considerations in property operations	IF-RE-130a.1–5; IF-RE-140a.1–4; IF-RE-410a.1–3; IF-RE-450a.1–2; IF-RS-410a.1–3; IF-RS-510a.1–3	Pages 187-188
Software and IT Services	Cargills Enterprise Solutions (Private) Limited	Environmental footprint of hardware infrastructure, data privacy, data security, workforce management, intellectual property protection, and business continuity/systemic risk management	TC-SI-130a.1–3; TC-SI-220a.1–5; TC-SI-230a.1–2; TC-SI-330a.1–3; TC-SI-520a.1; TC-SI-550a.1–2; TC-SI-000.A–C	Pages 189-191



Financial Statements

Independent Auditor's Report

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To the Shareholders of Cargills (Ceylon) PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Cargills (Ceylon) PLC ("the Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group"), which comprise the Statement of Financial Position as at 31 March 2026, and the Statement of Profit and Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information set out on pages 197 to 268 of the Annual Report.

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 of 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 Company and the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Company and the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk Description	Our Response
Revenue Recognition – Group As described in Note 4 the Group has recognised revenue in the amount of Rs. 272,662 Mn. As at the reporting date, 31 March 2026, revenue from the sale of goods from the Retailing and Food and Beverage Manufacturing and Distribution segment continued to be the main revenue stream for the Group amounting to Rs. 258,708 Mn. which is 95% of Group revenue. Based on the Group's business model, there are many different types of revenues, arising from different types of transactions and events with customers. We identified revenue recognition as a Key Audit Matter because of its significance to the consolidated financial statements.	Our audit procedures included: • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls in relation to revenue recognition from sales transactions. • Identify and evaluate the design and implementation and operating effectiveness of controls relating to revenue recognition and reviewing General IT Controls and Application Controls and consider impact on financial reporting. • Compare revenue transactions recorded during the current year for the manufacturing segment, on a sample basis, with invoices, sales contracts, underlying goods delivery and acceptance notes, where appropriate, to assess whether the related revenue was recognised in accordance with the Group's revenue recognition accounting policies. • Perform a revenue mapping between the front-end system and general ledger for restaurants and retail segments and mapping total inventories issued to corresponding invoices for the manufacturing segment to assess whether the sales were completely and accurately accounted in the general ledger. • Through inquiry and observation assess the accounting for significant transactions that are outside of the normal course of business or are otherwise unusual. • Test that amounts have been recognised in the correct period for cut-off and evaluated whether there are any significant amount of returns after the year end.

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Principals: S.R.I. Perera FCMA (UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA, Ms. F.R. Ziyard FCMA (UK), FCIT, K. Somasundaram ACMA (UK), Ms. D Corea Dharmaratne

Risk Description	Our Response
Carrying Value of Inventories – Group As described in Note 19 to the financial statements, the Group has recognised Inventory in the amount of Rs. 29,127 Mn. The Group holds a significant level of inventory across a broad and diversified product range, over many locations. At 31 March 2026 20.1% of total assets of the Group consisted of inventory. Due to the change in consumer demands judgment is exercised with regard to categorisation of stock as obsolete and/or slow moving to be considered for provision/write-offs. Given the level of judgments, estimates, number of items and locations involved this is considered to be a Key Audit Matter.	Our audit procedures included: • Obtain an understanding of and assessing the design, implementation and operating effectiveness of key internal controls relating to inventory counts across the Group's sites and purchasing and issuing of inventories. • Test the design, implementation and operating effectiveness of the key control's management has established for recording inventory and related provision for obsolescence. • Attend stock counts as at the year end at sample locations of supermarkets, outlets and warehouses. In addition, assess the effectiveness of the physical count controls in operation at each count location to identify damaged stocks, expired stocks and stock shortages that are written off in a timely manner and evaluate the results of the other cycle counts performed by the Management and third parties throughout the period to assess the level of count variances that are also adjusted periodically. • Compare, on a sample basis, the selling price of the finished goods subsequent to the reporting date to their carrying values of these inventories as at the financial year end. • Compare, on a sample basis, the purchase prices and quantities of inventories recorded by the Group with supplier invoices, goods delivery notes and goods receipt notes. • Evaluate the inventory costing methodology and valuation policy established by management, including compliance with the applicable financial reporting standard.
Valuation of Investment Properties – Group As described in Note 14 to the financial statements, the Group's Investment Properties are stated at their fair value in the amount of Rs. 12,776 Mn. as at the reporting date. Management's assessment of fair value of investment properties and freehold lands and buildings is based on valuations performed by a qualified independent property valuer in accordance with recognised industry standards. Valuation of investment properties is considered a Key Audit Matter due to the subjective nature of property valuations using level three (3) assumptions which depend on the nature of the property, its location and expected future net rental values, market yields, value per square foot, market price per perch, capitalisation rates and comparable market transactions. A change in the key assumptions will have a significant impact to the valuation.	Our audit procedures included: • Assess the objectivity, independence, competence, and qualifications of the external valuer. • Assess the key assumptions applied and conclusions made in deriving the fair value of the properties and comparing the fair value of properties with evidence of current market values. In addition, assess the valuation methodologies with reference to recognized industry standards. • Assess the adequacy of disclosures made in the financial statements in relation to the fair value of investment properties in the financial statements. • Challenge methods & assumptions with the internal database and holding discussions with an internal valuation specialists.

Other Information

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

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

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

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

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

In preparing the financial statements, management is responsible for assessing the 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 Company and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 2599.

Chartered Accountants

Colombo, Sri Lanka

30 July 2026

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March	Notes	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Revenue	4	**272,661,701**	241,839,620	**22,869**	21,468
Cost of sales	5	**(238,246,027)**	(214,083,141)	**(23,392)**	(22,019)
Gross profit		**34,415,674**	27,756,479	**(523)**	(551)
Other income	6	**3,621,742**	3,086,781	**8,297,595**	7,586,263
Distribution expenses		**(10,808,446)**	(8,027,232)	**–**	–
Administrative expenses		**(8,615,114)**	(7,603,567)	**(3,670,002)**	(3,316,074)
Results from operating activities		**18,613,856**	15,212,461	**4,627,070**	4,269,638
Finance income	7.1	**554,557**	736,272	**210,412**	306,494
Finance costs	7.2	**(4,246,285)**	(4,904,697)	**(737,685)**	(902,038)
Net finance cost	7	**(3,691,728)**	(4,168,425)	**(527,273)**	(595,544)
Changes in fair value of investment property	14	**976,973**	552,569	**190,826**	360,580
Share of profit/(loss) of equity accounted investees, net of tax	16.4	**197,739**	232,639	**–**	–
Profit before tax	8	**16,096,840**	11,829,244	**4,290,623**	4,034,674
Income tax expense	9	**(5,288,380)**	(4,558,949)	**(124,970)**	(162,922)
Profit for the year		**10,808,460**	7,270,295	**4,165,653**	3,871,752
Other Comprehensive Income (OCI)					
Items that will not be reclassified to profit or loss					
Actuarial gain/(loss) on employee benefit liability	26.3	**(65,546)**	(122,105)	**(41,135)**	(145,399)
Share of other comprehensive income/(expense) in equity accounted investee, net of tax	16.4	**(214,556)**	(157,928)	**–**	–
Net change in fair value of FVOCI financial assets	16.3.1	**10,576**	2,765	**10,077**	2,616
Tax on other comprehensive income		**19,586**	36,547	**12,340**	43,620
Other comprehensive income/(expense) for the year, net of tax		**(249,940)**	(240,721)	**(18,718)**	(99,163)
Total comprehensive income for the year		**10,558,520**	7,029,574	**4,146,935**	3,772,589
Profit attributable to:					
Equity holders of the parent		**10,526,430**	7,222,083	**4,165,653**	3,871,752
Non-controlling interest		**282,030**	48,212	**–**	–
		10,808,460	7,270,295	**4,165,653**	3,871,752
Total comprehensive income attributable to:					
Equity holders of the parent		**10,276,647**	6,981,544	**4,146,935**	3,772,589
Non-controlling interest		**281,873**	48,030	**–**	–
		10,558,520	7,029,574	**4,146,935**	3,772,589
Earnings per share					
Basic (Rs.)	10.1	**40.85**	28.03	**16.17**	15.03
Diluted (Rs.)	10.2	**40.85**	28.03	**16.17**	15.03

The figures in brackets indicate deductions.

The accounting policies and notes on pages 204 to 268 are an integral part of these Financial Statements.

Statement of Financial Position

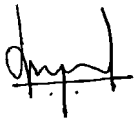
As at 31 March	Notes	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Assets					
Non-current assets					
Property, plant, and equipment	12	**51,113,652**	49,266,771	**3,593,284**	3,562,916
Right-of-use assets	13.1	**20,116,784**	17,998,719	**817,753**	865,456
Investment property	14	**12,775,838**	11,407,006	**4,624,169**	3,793,237
Intangible assets	15	**1,644,704**	1,622,037	**58,375**	91,287
Investments in subsidiaries	16.1	**–**	–	**5,896,817**	5,936,043
Investment in equity accounted investees	16.2	**4,926,142**	5,055,526	**4,686,187**	4,754,216
Other financial assets	16.3	**1,596,008**	1,585,435	**1,594,883**	1,584,807
Biological assets	17	**27,170**	12,699	**–**	–
Total non-current assets		**92,200,298**	86,948,193	**21,271,468**	20,587,962
Current assets					
Inventories	19	**29,127,164**	25,441,359	**105**	707
Biological assets	17	**38,829**	63,787	**–**	–
Trade and other receivables	20	**16,574,885**	14,715,425	**677,635**	984,699
Amounts due from related companies	21	**191,573**	405,059	**1,811,056**	2,001,856
Other financial assets	16.3	**131,295**	220,435	**–**	–
Cash and cash equivalents	24	**6,642,718**	8,148,019	**24,608**	326,969
Total current assets		**52,706,464**	48,994,084	**2,513,404**	3,314,231
Total assets		**144,906,762**	135,942,277	**23,784,872**	23,902,193
Equity					
Stated capital	22	**6,841,068**	6,841,068	**6,841,068**	6,841,068
Reserves	23	**8,857,314**	8,846,738	**396,275**	386,198
Retained earnings		**25,572,969**	19,803,374	**4,008,339**	4,367,957
Total equity attributable to equity holders of the parent		**41,271,351**	35,491,180	**11,245,682**	11,595,223
Non-controlling interest		**4,220,591**	3,938,718	**–**	–
Total equity		**45,491,942**	39,429,898	**11,245,682**	11,595,223
Liabilities					
Non-current liabilities					
Interest bearing loans and borrowings	25	**–**	100,174	**–**	–
Lease liability	13.2	**24,113,135**	21,749,310	**836,667**	883,154
Deferred tax liabilities	18	**1,999,166**	2,116,785	**557,105**	559,140
Employee benefit liability	26	**2,766,491**	2,344,799	**1,208,003**	1,020,056
Total non-current liabilities		**28,878,792**	26,311,068	**2,601,775**	2,462,350

As at 31 March	Notes	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Current liabilities					
Trade and other payables	27	**40,449,402**	34,757,694	**714,900**	769,502
Current tax liabilities		**5,706,523**	5,806,748	**662,922**	548,257
Amounts due to related companies	21	**42,818**	39,766	**1,712**	–
Dividend payable	28	**163,228**	116,902	**163,228**	116,902
Interest bearing loans and borrowings	25	**22,742,271**	28,325,130	**8,328,857**	8,366,714
Lease liability	13.2	**1,431,786**	1,155,071	**65,796**	43,245
Total current liabilities		**70,536,028**	70,201,311	**9,937,415**	9,844,620
Total liabilities		**99,414,820**	96,512,379	**12,539,190**	12,306,970
Total equity and liabilities		**144,906,762**	135,942,277	**23,784,872**	23,902,193

Figures in brackets indicate deductions.

The accounting policies and notes from pages 204 to 268 form an integral part of these Financial Statements.

I certify that the Financial Statements have been prepared in accordance with the requirements of the Companies Act No. 7 of 2007.



Dilantha Jayawardhana
Executive Director

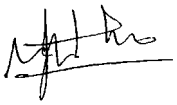
The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board.



Ranjit Page
Deputy Chairman/Group CEO

30 July 2026
Colombo



Imtiaz Abdul Wahid
Group Managing Director/Deputy CEO

Statement of Changes in Equity

Group	Notes	Stated capital Rs. '000	Capital reserve Rs. '000	Revaluation reserve Rs. '000	FVOCI reserve Rs. '000	Retained earnings Rs. '000	Non-controlling interest Rs. '000	Total equity Rs. '000
Balance as at 1 April 2024		6,841,068	7,928	8,799,214	39,449	16,744,114	3,890,688	36,322,461
Profit for the period		–	–	–	–	7,222,083	48,212	7,270,295
Other comprehensive income		–	–	–	2,765	(243,304)	(182)	(240,721)
Total comprehensive income		–	–	–	2,765	6,978,779	48,030	7,029,574
Transactions with owners of the Company, recognised directly in equity								
Transfer from revaluation reserve due to disposal of revalued assets		–	–	(2,618)	–	2,618	–	–
Write back of unclaimed dividends	28	–	–	–	–	20,332	–	20,332
Dividends	11	–	–	–	–	(3,942,469)	–	(3,942,469)
Balance as at 31 March 2025		6,841,068	7,928	8,796,596	42,214	19,803,374	3,938,718	39,429,898
Balance as at 1 April 2025		6,841,068	7,928	8,796,596	42,214	19,803,374	3,938,718	39,429,898
Profit for the period		–	–	–	–	10,526,430	282,030	10,808,460
Other comprehensive income		–	–	–	10,576	(260,359)	(157)	(249,940)
Total comprehensive income		–	–	–	10,576	10,266,071	281,873	10,558,520
Transactions with owners of the Company, recognised directly in equity								
Dividends	11	–	–	–	–	(4,496,476)	–	(4,496,476)
Balance as at 31 March 2026		**6,841,068**	**7,928**	**8,796,596**	**52,790**	**25,572,969**	**4,220,591**	**45,491,942**

The figures in brackets indicate deductions.

The accounting policies and notes from pages 204 to 268 form an integral part of these Financial Statements.

Company	Notes	Stated capital Rs. '000	Revaluation reserve Rs. '000	FVOCI reserve Rs. '000	Retained earnings Rs. '000	Total Equity Rs. '000
Balance as at 1 April 2024		6,841,068	345,938	37,644	4,520,121	11,744,771
Profit for the period		–	–	–	3,871,752	3,871,752
Other comprehensive income		–	–	2,616	(101,779)	(99,163)
Total comprehensive income		–	–	2,616	3,769,973	3,772,589
Transactions with owners of the Company, recognised directly in equity						
Write back of unclaimed dividends	28	–	–	–	20,332	20,332
Dividends	11	–	–	–	(3,942,469)	(3,942,469)
Balance as at 31 March 2025		6,841,068	345,938	40,260	4,367,957	11,595,223
Balance as at 1 April 2025		6,841,068	345,938	40,260	4,367,957	11,595,223
Profit for the period		–	–	–	4,165,653	4,165,653
Other comprehensive income		–	–	10,077	(28,795)	(18,718)
Total comprehensive income		–	–	10,077	4,136,858	4,146,935
Transactions with owners of the Company, recognised directly in equity						
Dividends	11	–	–	–	(4,496,476)	(4,496,476)
Balance as at 31 March 2026		**6,841,068**	**345,938**	**50,337**	**4,008,339**	**11,245,682**

The figures in brackets indicate deductions.

The accounting policies and notes from pages 204 to 268 form an integral part of these Financial Statements.

Statement of Cash Flows

For the year ended 31 March	Notes	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Cash flows from operating activities					
Profit before taxation		**16,096,840**	11,829,244	**4,290,623**	4,034,674
Adjustments for:					
Depreciation on property, plant, and equipment	12	**4,913,690**	4,724,423	**61,846**	58,790
Employee benefit expense	26	**457,533**	382,064	**186,190**	146,391
Amortisation of intangible assets	15	**144,593**	127,808	**48,473**	42,623
Depreciation on right-of-use assets	13.1	**2,126,151**	2,022,095	**74,173**	82,958
Net adjustment of ROU asset and liability	13	**(41,975)**	90,543	**–**	–
Gain on disposal of property, plant, and equipment	6	**(10,280)**	(10,152)	**(2,388)**	–
Loss on disposal of investment in associate	16.4.1	**327,961**	–	**283,425**	–
Change in fair value of biological assets	17	**(19,567)**	(32,588)	**–**	–
Change in fair value of investment property	14	**(976,973)**	(552,569)	**(190,826)**	(360,580)
Impairment of/(reversal of impairment) for inventories		**(29,417)**	33,997	**–**	–
Impairment of/(reversal of impairment) for trade receivable and other receivables		**(123,245)**	11,893	**–**	–
Net finance costs	7	**3,691,728**	4,168,425	**527,273**	595,544
Dividend income	6	**(3,120)**	(3,094)	**(4,523,112)**	(3,960,006)
Share of (profit)/loss on equity accounted investees, net of tax	16.4	**(197,739)**	(232,639)	**–**	–
Impairment/(reversal) of impairment of investment in associate		**–**	–	**–**	18,187
Impairment/(reversal) of impairment of investment in subsidiary		**–**	–	**39,226**	39,226
Impairment of goodwill		**–**	133,196	**–**	–
Usage of biological assets during the year		**2,997**	171,264	**–**	–
Operating profit before working capital changes		**26,359,177**	22,863,910	**794,903**	697,807
Changes in working capital					
– (Increase)/decrease in inventories		**(3,656,388)**	(2,221,966)	**602**	(707)
– (Increase)/decrease in trade and other receivables		**(1,736,215)**	(2,149,484)	**307,064**	(387,026)
– (Increase)/decrease in amount due from related companies		**213,486**	85,857	**190,797**	695,973
– Increase/(decrease) in trade and other payables		**5,677,468**	2,380,997	**(54,599)**	207,327
– Increase/(decrease) in amount due to related companies		**3,052**	362	**1,712**	(1,139)
Cash generated from/(used in) operations		**26,860,580**	20,959,676	**1,240,479**	1,212,235
Income taxes paid		**(5,486,638)**	(4,350,264)	**–**	–
Interest paid		**(1,884,376)**	(2,572,604)	**(685,519)**	(849,017)
Retiring gratuity paid	26	**(101,387)**	(116,339)	**(39,378)**	(38,704)
Net cash generated from/(used in) operating activities		**19,388,179**	13,920,469	**515,582**	324,514

For the year ended 31 March	Notes	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Cash flows from investing activities					
Acquisition and construction of property, plant, and equipment	12	**(6,832,409)**	(4,526,619)	**(239,757)**	(172,739)
Acquisition and construction of investment property	14	**(391,859)**	(24,457)	**(492,577)**	(8,327)
Acquisition of intangible assets	15	**(167,261)**	(253,353)	**(15,561)**	(28,648)
Interest income received	7	**554,557**	733,913	**210,412**	306,494
Dividend received	6	**3,120**	3,094	**4,523,112**	3,960,006
Proceeds from disposal of property, plant, and equipment	6	**82,117**	38,734	**2,388**	–
Proceeds from sale of biological assets	17	**105,764**	6,205	**–**	–
Purchase of biological assets	17	**(78,707)**	(5,612)	**–**	–
Acquisition of Rights Issue shares		**(763,870)**	–	**(763,870)**	–
Proceeds from disposal of subsidiaries and associates	16.4.1	**548,476**	–	**548,476**	–
(Addition)/disposal to other financial assets		**89,140**	(89,327)	**–**	34
Net cash (used in)/generated from investing activities		**(6,850,932)**	(4,117,422)	**3,772,623**	4,056,820
Cash flows from financing activities					
Proceeds from/(repayment of) short-term borrowings		**(4,452,000)**	1,166,505	**875,000**	1,535,000
Repayment of long-term borrowings		**(1,417,288)**	(2,316,040)	**(1,016,714)**	(1,601,166)
Lease payments, net of concessions	13.4	**(3,909,365)**	(3,652,933)	**(102,559)**	(100,092)
Dividend paid to shareholders	28	**(4,450,150)**	(3,904,217)	**(4,450,150)**	(3,904,217)
Net cash (used in)/generated from financing activities		**(14,228,803)**	(8,706,685)	**(4,694,423)**	(4,070,475)
Net increase/(decrease) in cash and cash equivalents		**(1,691,556)**	1,096,362	**(406,218)**	310,859
Cash and cash equivalents					
At the beginning of the year		**5,474,217**	4,377,855	**326,969**	16,110
Movement during the year		**(1,691,556)**	1,096,362	**(406,218)**	310,859
At the end of the year	24	**3,782,661**	5,474,217	**(79,249)**	326,969

The figures in brackets indicate deductions.

The accounting policies and notes from pages 204 to 268 form an integral part of these Financial Statements.

Notes to the Financial Statements

1 Corporate Information

1.1 Reporting Entity

Cargills (Ceylon) PLC ("the Company") is a Quoted Public Limited Liability Company domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The Company's registered office is located at No. 40, York Street, Colombo 1.

1.2 Consolidated Financial Statements

The Consolidated Financial Statements of the Group for the year ended 31 March 2026 comprise Cargills (Ceylon) PLC (Parent Company), its subsidiaries (together referred to as the "Group") and the Group's interest in its equity accounted investees.

1.3 Parent Entity and Ultimate Parent Entity

The Company's ultimate parent entity is C T Holdings PLC, a Quoted Public Limited Liability Company domiciled in Sri Lanka and listed on the Colombo Stock Exchange. C T Holdings PLC is also the ultimate controlling party of the Company.

1.4 Number of Employees

The staff strength of the Company as at 31 March 2026 is 2,731 (2,475 as at 31 March 2025).

The staff strength of the Group as at 31 March 2026 is 11,809 (10,667 as at 31 March 2025).

1.5 Principal Activities and Nature of Operations

The principal activities of the Group are:

(1) operating a chain of retail outlets under the brand name Cargills Food City and an e-commerce platform "Cargills Online"

(2) manufacturing, marketing and distribution of FMCG products including dairy products, culinary products, beverages, processed and fresh meat products, biscuits and confectionery.

(3) operating the Kentucky Fried Chicken (KFC) international restaurant chain as the exclusive local franchisee.

(4) real estate and property development

There were no significant changes in the nature of the principal activities of the Group during the financial year under review.

2 Basis of Preparation

2.1 Statement of Compliance

The Consolidated Financial Statements of the Group and Separate Financial Statements of the Company, as at 31 March 2026 and for the year then ended, have been prepared and presented in accordance with Sri Lanka Accounting Standards (SLFRS and LKAS), as issued by the Institute of Chartered Accountants of Sri Lanka.

The Accounting Standards comprise:

- Sri Lanka Financial Reporting Standards ("SLFRS");
- Sri Lanka Accounting Standards ("LKAS");
- Statements of Recommended Practices (SoRPs);
- Statement of Alternate Treatment (SoATs) and
- Financial Reporting Guidelines issued by the CA Sri Lanka.

Statement of Presentation

The Financial Statements of the Group and Company have been presented in compliance with the requirements of the Companies Act No. 07 of 2007, and the Listing Rules of the Colombo Stock Exchange.

These Financial Statements include the following components:

- Statement of Profit or Loss and Other Comprehensive Income providing the information on the financial performance of the Group for the year under review;
- Statement of Financial Position providing the information on the financial position of the Group as at the year-end;
- Statement of Changes in Equity depicting all changes in shareholders' equity of the Group during the year under review;
- Statement of Cash Flows providing the information to the users, on the ability of the Group to generate cash and cash equivalents during the year under review; and
- Notes to the Financial Statements comprising Accounting Policies and other explanatory information.

These Financial Statements, except for information on cash flows have been prepared following the accrual basis of accounting.

2.2 Responsibility for Financial Statements

The Board of Directors is responsible for preparation and presentation of Financial Statements of the Group as per the provision of the Companies Act No. 07 of 2007 and SLFRSs and LKASs.

The Board of Directors acknowledges their responsibility for Financial Statements as set out in the Annual Report of the Board of Director's, Statement of Directors' Responsibility, and the certification on the Statement of Financial Position in the Annual Report.

2.3 Approval of Consolidated Financial Statements by the Board of Directors

The Financial Statements of the Group for the year ended 31 March 2026 (including comparatives) were approved and authorised by the Board of Directors for issue on 30 July 2026.

2.4 Basis of Measurement

The Financial Statements of the Group have been prepared on the historical cost basis except for the following items in the Statement of Financial Position:

Category	Item	Basis of Measurement	Note No.
Assets	Land and building	Cost/revaluation	12
	Investment properties	Fair value	14
	Equity Investments at FVOCI	Fair value	16.3.1
	Debt Investments at FVTPL	Fair value	16.3.2
	Biological assets	Fair value	17
Liabilities	Employee benefit liability	Present value of the defined benefit obligation	26

2.5 Presentation of Financial Statements

The assets and liabilities of the Group in the Statement of Financial Position are grouped by nature. No adjustments have been made for inflationary factors affecting the Financial Statements.

2.6 Functional and Presentation Currency

The Financial Statements of the Group are presented in Sri Lankan Rupees (Rs.), which is the Group's functional and presentation currency.

All financial information has been rounded to the nearest thousands, unless otherwise indicated as permitted by the Sri Lanka Accounting Standard – LKAS 01 on "Presentation of Financial Statements".

2.7 Materiality and Aggregation

Each material class of similar items is presented as a group in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial as permitted by the Sri Lanka Accounting Standard – LKAS 1 on "Presentation of Financial Statements".

2.8 Use of Judgements and Estimates

In preparing these Financial Statements, management has made judgements and estimates that affect the application of the Group's Accounting Policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

2.8.1 Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Financial Statements is included in the following notes:

- Note 4 – Revenue recognition: whether revenue from made-to-order products is recognised over time or at a point in time;
- Note 13 – Lease term: whether the Group is reasonably certain to exercise extension options;
- Note 16.2 – Equity-accounted investees: whether the Group has significant influence over an investee
- Note 18 – Deferred Tax: whether the availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.

2.8.2 Assumptions

Information about assumptions and estimation uncertainties at 31 March 2026 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 26 – Measurement of defined benefit obligations: key actuarial assumptions;
- Note 12 and 14 – Determination of fair value of investment property and property plant and equipment: key valuation assumptions;
- Note 15 – Impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts;
- Note 31 – Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 17 – Determination of fair value of biological assets: Determining adjustments to market price.
- Note 16 – Determination of recoverable amount of investment in subsidiaries and investment in associates.

2.9 Going Concern

The Group's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.10 Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements.

In addition, the Group adopted Disclosure of Accounting Policies (Amendments to LKAS 1 and IFRS Practice Statement 2) from 1 January 2023. The amendments require disclosure of "material" rather than "significant", accounting policies, although the amendments did not result in any changes to the accounting policies themselves.

3 Material Accounting Policies

3.1 Basis of Consolidation

The Financial Statements comprise of Financial Statements of the Company, its subsidiaries and its equity accounted investees for the year ended 31 March 2026. Financial Statements of the Company's subsidiaries and associates are prepared for the same reporting year using consistent accounting policies.

3.1.1 Business Combination and Goodwill

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net amount of the identifiable assets, liabilities and contingent liabilities acquired.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is reviewed for impairment annually, or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination, from the acquisition date, is allocated to each of the Group's Cash–generating Units (CGUs) or group of CGUs, which are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a CGU (or group of CGUs) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

3.1.2 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group "controls" an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases. Investment in subsidiaries are stated at cost, less impairment in the separate Financial Statements.

3.1.3 Non-Controlling Interests

For each business combination, the Group elects to measure any non-controlling interests in the acquiree either: at fair value; or at proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Acquisition of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3.1.4 Interest in Equity-accounted Investees

The Group's interest in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method in the Consolidated Financial Statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of profit or loss and OCI of equity accounted investees, until the date on which significant influence ceases. Interest in associates are stated at cost, less impairment in the separate Financial Statements.

3.1.5 Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.1.6 Common Control Transactions

All common control transactions are accounted using book value accounting in both consolidated and separate Financial Statements. This is on the basis that the entities are part of a larger economic group, and that the figures from that larger group are the relevant ones. Accordingly,

- the net assets of the combining entities are consolidated using the existing book values.
- no amount is recognised as goodwill which arises as a result of difference between the consideration and net assets acquired.
- in applying book value accounting, no entries are recognised in profit or loss; instead, the result of the transaction is recognised in equity as arising from a transaction with shareholders.

3.2 Foreign Currency Transactions and Balances

All foreign currency transactions are translated into the functional currency of the Group which is Sri Lankan Rupees (Rs.) at the spot exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the spot exchange rate at the reporting date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year adjusted for effective interest and payments during the year and the amortised cost in foreign currency translated at the spot exchange rate at the reporting date.

Non-monetary assets and liabilities denominated in foreign currencies are translated into functional currency at spot exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the spot exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the spot exchange rate at the date of transaction. Foreign currency differences are generally recognised in profit or loss and presented within net finance cost.

3.3 Financial Instruments

3.3.1 Recognition and Initial Measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.3.2 Classification and Subsequent Measurement

Financial Assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions, and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets classified under amortised cost includes trade and other receivables, amounts due from related companies and cash and cash equivalents.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial Assets – Business Model Assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectation about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial Assets - Assessment whether Contractual Cash Flows are Solely Payments of Principal and Interest

For the purpose of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs. (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial Assets – Subsequent Measurement and Gains and Losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial Liabilities – Classification, Subsequent Measurement and Gains and Losses

Financial liabilities are classified as measured at amortised cost or FVTPL. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial liabilities measured at amortised cost include interest bearing loans and borrowings, trade and other payables and amounts due to related companies.

3.3.3 Derecognition

Financial Asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its Statement of Financial Position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial Liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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

3.3.4 Impairment of Financial Assets

The Group uses simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

3.4 Impairment of Non-financial Assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs to sell, an appropriate valuation model is used.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.5 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, cash at bank and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value.

Cash and cash equivalents are carried at amortised cost in the Statement of Financial Position.

3.6 Employee Benefits

3.6.1 Defined Contribution Plans – Cargills Employees' Provident Fund and Employees' Trust Fund

Defined Contribution Plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay any further amounts. Obligations for contributions to Cargills Employees' Provident Fund and Employees' Trust Fund covering all employees are recognised as an expense in Profit or Loss, as incurred.

3.6.2 Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognised in the Statement of Financial Position in respect of the defined benefit plan is the present value of defined benefit obligation as at the reporting date. The defined benefit obligation is calculated annually by independent actuaries using Projected Unit Credit Method (PUC) as recommended by LKAS 19 – "Employee Benefits".

The assumptions based on which the results of the valuation were determined are included in Note 26 to the Financial Statements.

The liability is not externally funded.

The Group recognises all actuarial gains and losses arising from defined benefit plan in Other Comprehensive Income and expenses related to defined benefit plan as administrative expenses in profit or loss.

Provision has been made for retirement gratuities from the first year of service for all employees in conformity with LKAS 19. However, under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of 5 years of continued service.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3.7 Dividends Payable

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are recommended by and declared by the Board of Directors and approved by the shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the Group.

3.8 Borrowings

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

3.9 Leases

The Group assesses at the inception of a contract, 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 Group uses the definition of a lease in SLFRS 16.

3.9.1 As a Lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the 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 Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group 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; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term Leases and Leases of Low-value Assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.9.2 As a Lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risk and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic useful life of the asset.

When the Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies sub-lease as an operating lease.

The Group recognises lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of "other income".

3.10 Provisions

Provisions are recognised in the Statement of Financial Position when the Group has a present obligation (legal or constructive) as a result of a past event, and 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 in accordance with the Sri Lanka Accounting Standard – LKAS 37 "Provisions, Contingent Liabilities and Contingent Assets".
The amount recognised is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation at that date.

3.11 Borrowing Costs

As per Sri Lanka Accounting Standard – LKAS 23 "Borrowing Costs", the Group capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset. A qualifying asset is an asset which takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are recognised in profit or loss in the period in which they occur.

3.12 Income Tax Expense

Income tax expense comprises of current and deferred tax. The income tax expense is recognised in the Statement of Profit or Loss except to the extent that it relates to the items recognised directly in the Statement of Other Comprehensive income or Statement of Changes in Equity, in which case it is recognised directly in the respective statements.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under LKAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

3.12.1 Current Tax

Current tax is the expected tax payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted on the reporting date, and any adjustment to tax payable in respect of previous years.

The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income taxes, if any.

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 No. 24 of 2017 and subsequent amendments thereto, including any amendments legislated by Inland Revenue (Amendment) Act No. 02 of 2025.

3.12.2 Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences arising on initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and the differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future.

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

A deferred tax asset is recognised for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities recognised by individual companies within the Group are disclosed separately as assets and liabilities in the Group's Statement of Financial Position and are not offset against each other.

Withholding tax on the Intra-group dividends are recognised as a tax expense in the Statement of Profit or Loss.

3.13 Biological Assets

Biological assets are living animals or plants. Biological assets consist of livestock of Pigs, Layers which includes a breeding stock of pigs and bearer plants.

Biological Assets – Non-current

Bearer biological assets are those other than consumable biological assets and recognised as "Biological assets – Non-current". Bearer biological assets are not agricultural produce but, rather, are self-generating (Biological transformation which results in creation of additional biological animal or plants). Grandparent and parent livestock of the Group which have been identified as bearer biological assets.

Biological Assets – Current

Consumable biological assets are those that are to be harvested as agricultural produce or sold as biological assets (which include livestock intended for the production of meat). All other livestock of the Group except for the breeding stock classified as non-current, which can be readily harvested have been identified as consumable biological assets.

3.13.1 Measurement of Fair Value

The biological assets of the Company have been measured at fair value in line with the requirements of LKAS 41 Agriculture and SLFRS 13 Fair value measurement.

(i) Fair value hierarchy

The fair value measurement of biological assets has been categorised as Level 3 fair values based on the inputs to the valuation technique used.

(ii) Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring Level 3 fair value as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable Inputs
Biological Assets – Non-current This comprises of grandparent and parent breeding stock of pigs. This stock includes livestock recently imported from UK	**Cost Approach** The valuation model considered is cost approach which will reflect the amount that would be required currently to replace the service capacity of the assets.	Not Applicable
Biological Assets – Current This comprises of other biological assets except biological assets which has been categorised under biological assets – non-current.	**Market Approach** The valuation model considered is market approach which will reflect the amount that uses the prices and other relevant information generated by market transaction involving identical or comparable assets. All the other living animals except breeding stock of pigs have been valued using market approach.	Selling price Rs. 240 – Rs. 2,000 per KG

Consumable Biological Assets

Consumable biological assets comprise of Pigs & Layers that are not breeding parents which are fair valued at the market price.

3.14 Statement of Cash Flows

The Statement of Cash Flows has been prepared by using the "Indirect Method" of preparing cash flows in accordance with the Sri Lanka Accounting Standard – LKAS 7 "Statement of Cash Flows", whereby operating activities, investing activities and financing activities are separately recognised.

Cash and Cash Equivalents comprise of short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Cash and Cash Equivalents as referred to in the Statement of Cash Flows are comprised of those items as explained in Note 24.

3.15 New Accounting Standards issued but not yet effective as at reporting date

The Institute of Chartered Accountants of Sri Lanka has issued a number of new accounting standards and amendments to accounting standards that are effective for annual periods after the current financial year, and earlier application is permitted. Accordingly, the company has not early adopted the following new or amended accounting standards in preparing these Financial Statements.

SLFRS 18 Presentation and Disclosure in Financial Statements

SLFRS 18 will replace LKAS 1 Presentation of financial statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the Statement of Profit or Loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group company information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the Statement of Cash Flows when presenting operating cash flows under the indirect method.

The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's Statements of Profit or Loss, the Statement of Cash Flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is presented in the financial statements, including for items currently labelled as "other".

Other accounting standards

The following new and amended accounting standards are not expected to have a significant impact on the Group's Financial Statements.

- Classification and Measurement of Financial Instruments (Amendments to SLFRS 9 and SLFRS 7) and
- Contracts Referencing Nature-dependent Electricity (Amendments to SLFRS 9 and SLFRS 7)

4 Revenue

Accounting Policy

Revenue Recognition – Sale of Goods

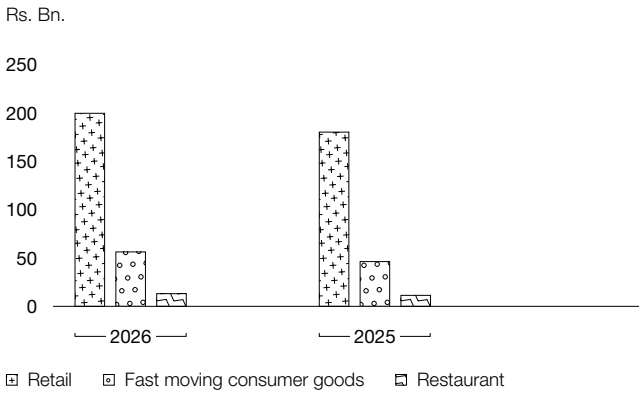
Revenue is recognised upon satisfaction of a performance obligation. Revenue from the sale of goods is recognised when the control of goods has been transferred to the buyers, usually on delivery of the goods.

	GROUP		COMPANY	
For the year ended 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Gross revenue	**315,354,105**	283,645,631	**27,327**	25,653
Revenue-related taxes	**(42,692,404)**	(41,806,011)	**(4,458)**	(4,185)
	272,661,701	241,839,620	**22,869**	21,468

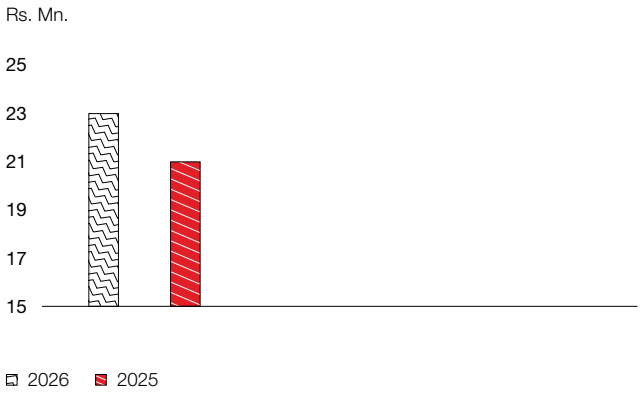
The Group primarily has four business segments namely, Retail, FMCG, Restaurants and Real Estate.

Segmental information is disclosed in Note 29.

Group Segment Net Revenue



Company Net Revenue



5 Cost of Sales

Cost of sales for the Company and the Group comprises direct operating costs. In addition, the Group recognised a loss of Rs. 753 Mn. in respect of inventories damaged by flooding caused by Cyclone Ditwah during the financial year 2025/26.

6 Other Income

Accounting Policy

Dividend is recognised when the Group's right to receive the payment is established.

Gains or losses arising from the disposal of property, plant, and equipment and other non-current assets, including investments, are accounted for in the profit or loss, after deducting the carrying amount of such assets from the net sales proceeds on disposal.

Income from scrap sales is recognised when the control of goods has been transferred to the buyer, usually on delivery of the goods.

Rental income received under operating leases is recognised on a straight-line basis and accrued.

Income from service and merchandising income is recognised on completion of a performance obligation at a point in time.

A revenue grant is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

For the year ended 31 March	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Dividend income				
– Related companies	**–**	–	**4,519,992**	3,956,912
– Other	**3,120**	3,094	**3,120**	3,094
Rental income	**596,867**	461,455	**520,381**	397,247
Gain on disposal of property, plant, and equipment	**10,280**	10,152	**2,388**	–
Income from services	**21,414**	17,470	**2,993,675**	2,530,884
Merchandising income	**2,328,951**	2,341,726	**–**	–
Loss on disposal of shares	**(327,961)**	–	**(283,425)**	–
Placement fee on disposal of shares	**(2,545)**	–	**(2,545)**	–
Change in fair value of biological assets (Note 17)	**19,567**	32,588	**–**	–
Insurance Compensation (Note 6.1)	**650,017**	–	**–**	–
Sundry income	**322,032**	220,296	**544,009**	698,126
	3,621,742	3,086,781	**8,297,595**	7,586,263

6.1 The Group's operations were disrupted by Cyclone Ditwah in late November 2025, resulting in damage to property, plant and equipment, retail outlets, and inventories. Insurance recoveries amounting to Rs. 650 Mn. in respect of these losses were recognised up to 31 March 2026.

7 Net Finance Cost

Accounting Policy

Interest income is recognised in the Statement of Profit or Loss and Other Comprehensive Income as it accrues and is calculated by using the effective interest rate. Interest expense is recognised as it accrues. Interest on leases is treated as a financing activity.

The Group's finance income and finance costs include:

- interest income
- interest expense
- bank charges
- foreign exchange gain/(loss)
- lease interest expense

7.1 Finance Income

For the year ended 31 March	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Interest income	**554,557**	733,913	**210,412**	306,494
Foreign exchange gain	**–**	2,359	**–**	–
	554,557	736,272	**210,412**	306,494

7.2 Finance Cost

For the year ended 31 March	Note	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Interest on short-term loans		**1,425,216**	1,907,051	**648,682**	676,318
Interest on bank overdrafts		**38,155**	95,234	**2,365**	5,082
Interest on other loans and bank charges		**419,592**	564,920	**34,472**	167,617
Interest on staff security deposits		**1,413**	5,399	**–**	**–**
Interest on lease liabilities	13.2	**2,347,665**	2,332,093	**52,166**	53,021
Foreign exchange loss		**14,244**	–	**–**	–
		4,246,285	4,904,697	**737,685**	902,038
Net finance cost		**3,691,728**	4,168,425	**527,273**	595,544

8 Profit Before Taxation

Accounting Policy

Expenditure Recognition

Expenses are recognised in profit or loss on an accrual basis as the related economic benefits are consumed. Costs directly associated with revenue generation are recognised accordingly, while other operating expenses are recognised as incurred.

The Income Statement is presented using the "function of expense" method, classifying expenses according to their function within the business. This presentation is considered to provide a relevant and reliable representation of the Group's financial performance. Additional information on the nature of significant expenses is disclosed where appropriate.

Profit before taxation on continuing operations is stated after charging/(reversing) all expenses/(income) including the following:

		GROUP		COMPANY	
For the year ended 31 March	Notes	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Staff costs	8.1	**15,250,132**	12,874,202	**1,598,736**	1,155,856
Auditors' remuneration					
– Audit and audit-related services		**21,383**	20,560	**1,540**	1,885
– Non-audit services		**1,975**	700	**475**	700
Depreciation on property, plant, and equipment	12	**4,913,690**	4,724,423	**61,846**	58,790
Amortisation of intangible assets	15	**144,593**	127,808	**48,473**	42,623
Provision for/(reversal of) impairment of trade and other receivables		**(123,245)**	11,893	**–**	–
Foreign exchange gain/(loss)	7	**(14,244)**	2,359	**–**	–
Provision for/(reversal of) impairment of inventories		**(29,417)**	33,997	**–**	–
Impairment of goodwill	15	**–**	133,196	**–**	–
Impairment of subsidiary	16.1	**–**	–	**39,226**	39,226
Impairment of equity account investee	16.2	**–**	–	**–**	18,187
Directors' emoluments	33.1	**955,568**	873,520	**–**	249
Depreciation of right-of-use assets	13.1	**2,126,151**	2,022,095	**74,173**	82,958

8.1 Staff Costs

		GROUP		COMPANY	
For the year ended 31 March	Notes	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Salaries, wages, and other costs		**13,777,047**	11,614,699	**1,268,824**	905,872
Employee benefits	26.2	**457,534**	382,064	**186,190**	146,391
Defined contribution plan cost – EPF and ETF		**1,015,551**	877,439	**143,722**	103,593
		15,250,132	12,874,202	**1,598,736**	1,155,856
Number of employees as at 31 March		**11,809**	10,667	**2,731**	2,475

9 Income Tax Expense

Accounting Policy

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Accordingly, provision for taxation is based on the profit for the year adjusted for taxation purposes in accordance with the provisions of the Inland Revenue Act No. 24 of 2017, and subsequent amendments thereto, including any amendments legislated by Inland Revenue (Amendment) Act No. 02 of 2025.

IFRIC Interpretation 23 – Uncertainty over Income Tax Treatments

IFRIC – 23 addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of LKAS 12 Income Taxes. It clarifies that an entity must consider the probability that the tax authorities will accept a treatment retained in its income tax filings, assuming that they have full knowledge of all relevant information when making their examination.

The Group applies significant judgement in identifying uncertainties over income tax treatments. The Group assessed whether the Interpretation had an impact on its Financial Statements. The Group is of the view that it is probable that its tax treatments will be accepted by the taxation authorities. Hence, the Interpretation did not have an impact on the Financial Statements of the Group. The Group reviewed its income tax treatments and concluded that no additional provisions are required.

Deferred Tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits, and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits, and unused tax losses can be utilised, except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Current tax and deferred tax relating to items recognised directly in equity are also recognised in equity and not in the Statement of Profit or Loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

		GROUP		COMPANY	
For the year ended 31 March	Notes	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Income tax expense					
Current tax expense	9.1	**5,117,718**	3,972,448	**114,665**	112,917
Withholding tax on related company dividend		**797,746**	698,278	**–**	–
Under/(Over) provision of current tax of previous years		**(529,051)**	331	**–**	–
Deferred tax expense	9.2	**(98,033)**	(112,108)	**10,305**	50,005
		5,288,380	4,558,949	**124,970**	162,922

The tax liability of companies has been computed at 20% for Cargills Confectioneries (Private) Limited and 30% for the others. (2025 – 20%, 30%).

9.1 Reconciliation between Current Tax Expense and Profit before Taxation is given below:

	GROUP		COMPANY	
For the year ended 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Profit before taxation	**16,096,840**	11,829,244	**4,290,623**	4,034,674
Aggregate disallowed expenses	**10,740,129**	10,013,875	**748,209**	876,009
Aggregate allowable expenses	**(9,492,888)**	(8,809,694)	**(226,259)**	(213,706)
Aggregate other income	**(497,806)**	(92,858)	**(4,430,356)**	(4,320,586)
Exempt profit	**–**	(18,086)	**–**	–
Adjusted business profit	**16,846,275**	12,922,481	**382,217**	376,391
Elimination of tax losses incurred	**342,594**	373,720	**–**	–
Taxable income from other sources	**57,324**	24,139	**–**	–
Adjusted profit (a)	**17,246,193**	13,320,340	**382,217**	376,391
Tax losses brought forward	**2,007,120**	1,817,708	**–**	–
Tax losses incurred by continuing operations	**342,594**	373,720	**–**	–
Tax losses utilised (b)	**(98,634)**	(8,190)	**–**	–
Adjustment on finalisation of liability	**23,826**	(192,498)	**–**	–
Tax losses carried forward	**2,274,906**	2,007,120	**–**	–
Taxable income (a+b)	**17,147,559**	13,328,530	**382,217**	376,391
Income tax @ 30%	**5,064,572**	3,920,226	**114,665**	112,917
Income tax @ 20%	**53,146**	52,222	**–**	–
Current tax expense	**5,117,718**	3,972,448	**114,665**	112,917

9.2 Deferred Tax Expense

	GROUP		COMPANY	
For the year ended 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Deferred tax expense charge/(reversal) arising from temporary difference on:				
– Property, plant, and equipment	**208,262**	147,330	**4,231**	43,556
– Revaluation surplus of freehold building	**24,164**	(36,867)	**5,445**	12,057
– Revaluation surplus of freehold land	**43,912**	94,737	**51,803**	96,117
– Provisions	**(31,969)**	7,861	**–**	–
– Employee benefit liability	**(152,023)**	(124,756)	**(44,044)**	(75,926)
– FV on biological assets	**(9,776)**	–	**–**	–
– Tax losses carried forward	**(250,690)**	26,361	**–**	–
– ROU assets	**102,396**	(308,694)	**108,254**	543,190
– Lease liabilities	**(32,309)**	81,920	**(115,384)**	(568,989)
	(98,033)	(112,108)	**10,305**	50,005

Deferred tax has been computed taking into consideration the tax rates effective from 1 October 2022 at 20% and 30%. The deferred tax effect on undistributed reserves of subsidiaries has not been recognised since the parent can control the timing of the reversal of these temporary differences.

9.3 Temporary differences associated with subsidiary companies, Cargills Food Services (Pvt) Limited, Cargills Confectioneries (Pvt) Limited, Cargills Distributors (Pvt) Limited, Cargills Agri Solutions (Pvt) Limited, Cargills Enterprise Solutions (Pvt) Limited, Kotmale Milk Products Limited, Kotmale Milk Foods Limited, CT Properties (Pvt) Limited, CT Properties Lakeside (Pvt) Limited, CT Property Management Company (Pvt) Limited, CT Real Estate (Pvt) Limited, for which deferred tax assets have not been recognised, are as follows:

As at 31 March	2026		2025	
	Temporary difference Rs. '000	Tax effect on temporary difference Rs. '000	Temporary difference Rs. '000	Tax effect on temporary difference Rs. '000
Deductible temporary differences				
Tax losses	**2,017,664**	**605,299**	1,207,871	316,215
	2,017,664	**605,299**	1,207,871	316,215
Expiry date	2027-2032		2026-2031	

A deferred tax asset has not been recognised in respect of tax losses of the above companies as it is not probable that sufficient future taxable profits will be available against which the Group can use the benefit therefrom.

10 Earnings Per Share (EPS)

Accounting Policy

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group/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.

10.1 Basic Earnings Per Share

	GROUP		COMPANY	
	2026	2025	2026	2025
Profit attributable to equity shareholders of the parent (Rs. '000)	**10,526,430**	7,222,083	**4,165,653**	3,871,752
Weighted average number of ordinary shares (Refer Note 10.1.1)	**257,677,731**	257,677,731	**257,677,731**	257,677,731
Basic earnings per share (Rs.)	**40.85**	28.03	**16.17**	15.03

10.1.1 Weighted Average Number of Ordinary Shares

	GROUP		COMPANY	
	2026	2025	2026	2025
Issued ordinary shares as at 1 April	**257,677,731**	257,677,731	**257,677,731**	257,677,731
Exercise of share options	**–**	–	**–**	–
Weighted average number of ordinary shares as at 31 March	**257,677,731**	257,677,731	**257,677,731**	257,677,731

10.2 Diluted Earnings Per Share

There was no dilution of ordinary shares outstanding at any time during the year. Therefore, diluted earnings per share is the same as basic earnings per share as shown in Note 10.1.

11 Dividend Per Share

	GROUP				COMPANY			
	Rs.	Rs. '000 2026	Rs.	Rs. '000 2025	Rs.	Rs. '000 2026	Rs.	Rs. '000 2025
Dividends for the year								
Second interim dividend for prior year	**11.70**	**3,014,829**	10.50	2,705,616	**11.70**	**3,014,829**	10.50	2,705,616
First interim – dividend	**5.75**	**1,481,647**	4.80	1,236,853	**5.75**	**1,481,647**	4.80	1,236,853
	17.45	**4,496,476**	15.30	3,942,469	**17.45**	**4,496,476**	15.30	3,942,469

A second interim dividend of Rs. 11.70 per share (Rs. 3,014.83 Mn.) was paid on 17 June 2025 for the year ended 31 March 2025.
First interim dividend of Rs. 5.75 per share (Rs. 1,481.65 Mn.) was paid on 05 December 2025 for the year ended 31 March 2026.

A second interim dividend of Rs. 12.75 per share in respect of the year ended 31 March 2026 was declared and paid after the reporting date. In accordance with LKAS 10 – "Events after the Reporting Period", the dividend has not been recognised as a liability as at 31 March 2026.

12 Property, Plant, and Equipment

Accounting Policy

Basis of Recognition

Property, plant, and equipment is recognised if it is probable that future economic benefits associated with the asset will flow to the Group and cost of the asset can be measured reliably.

Basis of Measurement

An item of property, plant, and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and cost incurred subsequently to add to or replace a part of it. The cost of self-constructed assets include:

- cost of material and direct labour,
- any other costs directly attributable to bringing the asset to a working condition for its intended use,
- cost of dismantling and removing the items and restoring at the site on which they are located, and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as a part of computer equipment.

When major components of an item of property, plant, and equipment have different useful lives, they are accounted for as separate items of property, plant, and equipment.

Cost Model

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

Revaluation Model

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment charged subsequent to the date of the revaluation. Where land and buildings are subsequently revalued, any increase in the carrying amount is recognised in other comprehensive income and accumulated in equity in the asset revaluation reserve. Decreases that offset previous increases of the same asset are charged against the revaluation reserves in the Statement of Changes in Equity, any excess being charged to the Statement of Profit or Loss. Revaluation of freehold land and buildings is carried out by professionally qualified independent valuers every three years. The Group revalued all its freehold land and buildings as at 31 March 2024.

Subsequent Costs

The cost of replacing a component of an item of property, plant, and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group and its cost can be measured reliably. The cost of day-to-day servicing of property, plant, and equipment is charged to the profit or loss as incurred.

Repairs and Maintenance

Repairs and maintenance are charged to the Statement of Profit or Loss during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the assets when it is probable that future economic benefits in excess of the most recently assessed standard of performance of the existing assets will flow to the Company and Group and the renovation replaces an identifiable part of the asset. Major renovations are depreciated during the remaining useful life of the related asset.

Capital Work-in-Progress

These are expenses of a capital nature directly incurred in the construction of buildings, major plant and machinery, and system development, awaiting capitalisation. These are stated in the Statement of Financial Position at cost. Capital assets which have been completed during the year and put to use have been transferred to property, plant, and equipment.

Derecognition

Property, plant, and equipment are derecognised on disposal or when no future economic benefits are expected from their use. Any gain or loss arising on derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in "Other income" in the Statement of Profit or Loss in the year the asset is derecognised.

Depreciation

Depreciation is recognised in the Statement of Profit or Loss on a straight–line basis over the estimated useful lives of each component of an item of property, plant, and equipment since this method most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Land is not depreciated.

The estimated useful lives are as follows;

Class of asset	% per annum	Period
Buildings	2	50 years
Improvement to leasehold properties	10 – 25	4 – 10 years
Motor vehicles	25	4 years
IT equipment and software	20 – 33.3	3 – 5 years
Office and other equipment	20	5 years
Air conditioning and refrigerators	10 – 20	5 – 10 years
Plant and machinery	10 – 20	5 – 10 years
Furniture and fittings	20	5 years

The above rates are consistently used by all the Group entities. The depreciation rates are determined separately for each significant part of an item of property, plant, and equipment, and is depreciated from the date on which 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. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or the date that the asset is derecognised. Depreciation methods, useful lives, and residual values are reassessed at each reporting date and adjusted as appropriate.

Impairment

The management has assessed the potential impairment loss of property, plant, and equipment as at 31 March 2026. Based on the assessment, the Group does not foresee any indication of impairment as at the reporting date, notwithstanding Cyclone Ditwah, as the Group operated under its business continuity plan as per the Group's risk management strategy, allowing operations to function through alternate working arrangements, whilst strictly adhering to and supporting government directives.

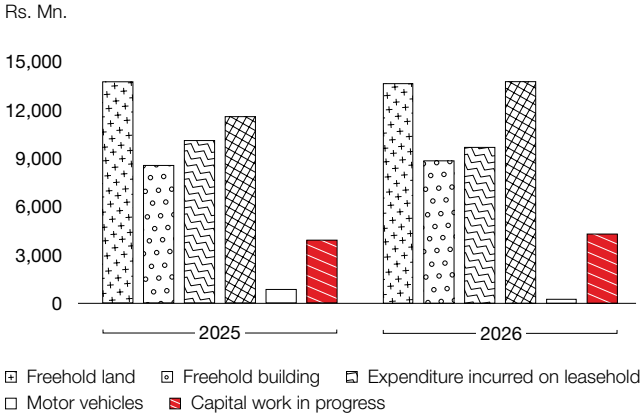
	Freehold land Rs. '000	Freehold buildings Rs. '000	Improvement to leasehold buildings Rs. '000	Plant, machinery, and others Rs. '000	Motor vehicles Rs. '000	Capital WIP Rs. '000	Total Rs. '000
Group							
Cost/revaluation							
As at 1 April	**13,920,540**	**9,074,473**	**20,248,754**	**36,153,653**	**3,386,967**	**3,945,930**	**86,730,317**
Additions	**–**	**506,691**	**462,202**	**999,448**	**327,588**	**5,321,514**	**7,617,443**
Transfers/Adjustments	**31,932**	**238,104**	**367,431**	**6,176,463**	**(2,536,900)**	**(4,277,030)**	**–**
Disposals	**–**	**(5,170)**	**(25,972)**	**(2,554,531)**	**(82,378)**	**–**	**(2,668,051)**
Transfer to investment property	**(125,757)**	**(26,695)**	**–**	**–**	**–**	**(640,106)**	**(792,558)**
As at 31 March 2026	**13,826,715**	**9,787,403**	**21,052,415**	**40,775,033**	**1,095,277**	**4,350,308**	**90,887,151**
Accumulated depreciation and impairment							
As at 1 April	**–**	**414,840**	**10,046,026**	**24,450,988**	**2,551,692**	**–**	**37,463,546**
Depreciation	**–**	**420,903**	**1,239,029**	**3,210,545**	**43,213**	**–**	**4,913,690**
Disposals	**–**	**(5,719)**	**(25,631)**	**(2,456,873)**	**(107,991)**	**–**	**(2,596,214)**
Transfers/Adjustments	**–**	**–**	**–**	**1,724,861**	**(1,724,861)**	**–**	**–**
Transfer to investment property	**–**	**(7,523)**	**–**	**–**	**–**	**–**	**(7,523)**
As at 31 March 2026	**–**	**822,501**	**11,259,424**	**26,929,521**	**762,053**	**–**	**39,773,499**
Carrying value as at 31 March 2026	**13,826,715**	**8,964,902**	**9,792,991**	**13,845,512**	**333,224**	**4,350,308**	**51,113,652**

	Freehold land Rs. '000	Freehold buildings Rs. '000	Improvement to leasehold buildings Rs. '000	Plant, machinery, and others Rs. '000	Motor vehicles Rs. '000	Capital WIP Rs. '000	Total Rs. '000
Group							
Cost/revaluation							
As at 1 April	13,920,540	8,982,138	18,610,588	33,878,830	3,126,627	4,028,917	82,547,640
Additions	–	41,833	420,399	728,300	5,802	3,355,085	4,551,419
Transfers	–	56,058	1,217,767	1,810,634	319,983	(3,404,442)	–
Disposals	–	(5,556)	–	(264,111)	(65,445)	(8,830)	(343,942)
Transfer to intangible assets	–	–	–	–	–	(24,800)	(24,800)
As at 31 March 2025	13,920,540	9,074,473	20,248,754	36,153,653	3,386,967	3,945,930	86,730,317
Accumulated depreciation and impairment							
As at 1 April	–	–	8,836,937	22,013,007	2,204,539	–	33,054,483
Depreciation	–	416,538	1,209,089	2,683,636	415,160	–	4,724,423
Disposals	–	(1,698)	–	(245,655)	(68,007)	–	(315,360)
As at 31 March 2025	–	414,840	10,046,026	24,450,988	2,551,692	–	37,463,546
Carrying value as at 31 March 2025	13,920,540	8,659,633	10,202,728	11,702,665	835,275	3,945,930	49,266,771

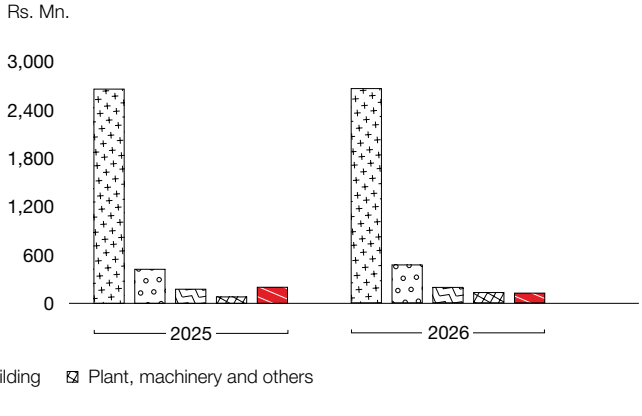
	Freehold land Rs. '000	Freehold building Rs. '000	Improvement to leasehold buildings Rs. '000	Plant, machinery, and others Rs. '000	Motor vehicles Rs. '000	Capital WIP Rs. '000	Total Rs. '000
Company							
Cost/revaluation							
As at 1 April	**2,674,250**	**434,852**	**246,580**	**495,555**	**138,194**	**206,860**	**4,196,291**
Additions to PPE and IP	**–**	**61,399**	**21,227**	**12,943**	**66,500**	**570,265**	**732,334**
Transfers	**–**	**–**	**19,939**	**–**	**–**	**(19,939)**	**–**
Disposals	**–**	**–**	**–**	**(202,525)**	**(24,825)**	**–**	**(227,350)**
Transfer to investment property	**–**	**–**	**–**	**–**	**–**	**(640,106)**	**(640,106)**
As at 31 March 2026	**2,674,250**	**496,251**	**287,746**	**305,973**	**179,869**	**117,080**	**4,061,169**
Accumulated depreciation and impairment							
As at 1 April	**–**	**8,697**	**72,981**	**413,503**	**138,194**	**–**	**633,375**
Depreciation	**–**	**9,004**	**20,085**	**29,986**	**2,771**	**–**	**61,846**
Disposals	**–**	**–**	**–**	**(202,511)**	**(24,825)**	**–**	**(227,336)**
As at 31 March 2026	**–**	**17,701**	**93,066**	**240,978**	**116,140**	**–**	**467,885**
Carrying value as at 31 March 2026	**2,674,250**	**478,550**	**194,680**	**64,995**	**63,729**	**117,080**	**3,593,284**

	Freehold land Rs. '000	Freehold buildings Rs. '000	Improvement to leasehold buildings Rs. '000	Plant, machinery, and others Rs. '000	Motor vehicles Rs. '000	Capital WIP Rs. '000	Total Rs. '000
Company							
Cost/revaluation							
As at 1 April	2,674,250	434,852	245,883	490,637	138,194	39,736	4,023,552
Additions	–	–	697	4,918	–	167,124	172,739
As at 31 March 2025	2,674,250	434,852	246,580	495,555	138,194	206,860	4,196,291
Accumulated depreciation and impairment							
As at 1 April	–	–	56,000	380,391	138,194	–	574,585
Depreciation	–	8,697	16,981	33,112	–	–	58,790
As at 31 March 2025	–	8,697	72,981	413,503	138,194	–	633,375
Carrying value as at 31 March 2025	2,674,250	426,155	173,599	82,052	–	206,860	3,562,916

Group – PPE



Company – PPE



Freehold land Freehold building Expenditure incurred on leasehold building Plant, machinery and others
Motor vehicles Capital work in progress

Expenditure incurred on leasehold buildings represents the cost incurred in setting up new outlets.

The details of assets mortgaged for banking facilities obtained, if any, have been given in Note 25.1 to the Financial Statements.

12.1 Revaluation of Freehold Land and Buildings

The fair value of land and buildings as at 31 March 2024 has been based on valuations carried out by Mr Tissa Weeratne (FIV), a member of the Institute of Valuers of Sri Lanka, with appropriate qualifications and recent experience in the valuation of properties in the relevant locations. Mr Tissa Weeratne is not related to the Group.

In estimating the fair value of the properties, the highest and best use of the properties is their current use. The fair value measurement of all land and buildings classified as property, plant, and equipment has been categorised as level 3 fair value based on the inputs to the valuation techniques used. Details of the Group land and buildings measured at fair value as at 31 March 2026 are as follows:

Location	Type of asset	Method of valuation	Land extent	Building area (Sq.ft)	Number of buildings	Significant unobservable inputs	2024 Valuation Rs. '000
Colombo 01	Land	Market approach	140.75 Perches	–	–	Market value per perch	2,674,250
	Building		–	125,215	1		434,851
Canal Row, Colombo 01	Land	Income approach	15.25 Perches	–	–	Rental per square foot	337,736
	Building		–	12,300	1		104,558
Staple Street, Colombo 02	Land	Market approach	81.5 Perches	–	–	Market value per perch	994,300
	Building		–	20,970	2		63,113
Dematagoda	Land	Income approach	84.32 Perches	–	–	Rental per square foot	167,491
	Building		–	71,956	1		269,024
Cargills Square, Jaffna	Building	Income approach	–	99,164	1	Rental per square foot	448,168
Kandy	Land	Income approach	87.96 Perches	–	–	Rental per square foot	1,803,905
	Building		–	25,174	1		174,495
Maharagama	Land	Market approach	145.3 Perches	–	–	Market value per perch	697,525
	Building		–	15,827	1		91,000
Nuwara Eliya	Land	Income approach	56.5 Perches	–	–	Rental per square foot	370,738
	Building		–	9,617	1		15,062
Mattakkuliya (111)	Land	Income approach	330 Perches	–	–	Rental per square foot	775,752
	Building		–	80,967	2		109,608
Kohuwala	Land	Market approach	28.65 Perches	–	–	Market value per perch	166,170
	Building		–	6,225	1		15,461
Mattakkuliya (141)	Land	Income approach	287.96 Perches	–	–	Rental per square foot	538,836
	Building		–	44,469	4		78,189
Gampaha	Land	Income approach	82.6 Perches	–	–	Rental per square foot	150,014
	Building		–	43,115	1		254,992
Moratuwa	Land	Income approach	78.6 Perches	–	–	Rental per square foot	393,208
	Building		–	7,475	1		68,792
Ingiriya (Lot A, C, D, B1)	Land	Market approach	26 Acres	–	–	Market value per perch	256,702
	Building		–	1,300	1		–
Park Road	Building	Income approach	–	4,610	1	Rental per square foot	86,400
Negombo – Kaluwarippuwa	Land	Market approach	28.8 Acres	–	–	Market value per perch	1,562,396
	Building		–	319,576	9		3,307,119

Location	Type of asset	Method of valuation	Land extent	Building area (Sq.ft)	Number of buildings	Significant unobservable inputs	2024 Valuation Rs. '000
Ja-Ela – Ma Eliya	Land	Market approach	4 Acres	–	–	Market value per perch	249,100
	Building		–	17,390	3		420,600
Mattakkuliya	Land	Market approach	1.3 Acres	–	–	Market value per perch	491,901
	Building		–	19,786	2		38,643
Ja-Ela – Ganemulla	Land	Market approach	5.03 Acres	–	–	Market value per perch	594,545
	Building		–	41,833	2		162,361
Katana	Land	Market approach	11.3 Acres	–	–	Market value per perch	410,704
	Building		–	99,492	4		333,845
Kelaniya	Land	Income approach	1.5 Acres	–	–	Rental per square foot	386,100
	Building		–	55,770	2		207,900
Katoolaya Estate, Thawalatenne	Land	Market approach	4 Acres	–	–	Market value per perch	17,700
	Building		–	19,961	1		52,500
Mirigama, Baduragoda	Land	Market approach	100.2 Perches	–	–	Market value per perch	30,060
Mirigama, Baduragoda	Land	Market approach	38.51 Perches	–	–	Market value per perch	11,553
	Building		–	2,041	1		6,484
Mulleriyawa	Land	Market approach	1.7 Acres	–	–	Market value per perch	215,709
	Building		–	35,528	3		293,073
Bogahawatta	Land	Market approach	1 Acre	–	–	Market value per perch	56,000
	Building		–	51,321	7		770,349
Hatton	Land	Market approach	17.5 Acres	–	–	Market value per perch	63,500
	Building		–	8,882	4		20,500
Marawila	Land	Market approach	27.8 Acres	–	–	Market value per perch	125,757
	Building		–	6,329	10		22,509
Bandarawela	Land	Market approach	85.2 Perches	–	–	Market value per perch	163,823
	Building		–	69,197	1		579,208
Katubedda	Land	Income approach	1.15 Acres	–	–	Rental per square foot	215,066
	Building		–	74,387	2		553,335
Total							**22,902,678**

Refer Note 36.2.1 for details on valuation techniques used.

12.2 If Land and Buildings were Measured using the Cost Model, the Amounts would have been as Follows:

	Land		Buildings	
	2026 Rs. '000	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Group				
Cost	**5,834,579**	5,960,336	**9,133,393**	8,388,598
Accumulated depreciation	**–**	–	**(2,114,375)**	(1,693,472)
Net book value	**5,834,579**	5,960,336	**7,019,018**	6,695,126
Company				
Cost	**1,813**	1,813	**117,855**	117,855
Accumulated depreciation	**–**	–	**(53,946)**	(44,942)
Net book value	**1,813**	1,813	**63,909**	72,913

12.3 Movement in Revaluation Reserve

	GROUP		COMPANY	
	2026 Rs. '000	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Opening balance	**8,796,596**	8,799,214	**345,938**	345,938
Revaluation surplus	**–**	–	**–**	–
Deferred tax impact on revaluation	**–**	–	**–**	–
Disposal of revalued asset	**–**	(2,618)	**–**	–
Closing balance	**8,796,596**	8,796,596	**345,938**	345,938

Depreciation amounting to Rs. 3,935.62 Mn. (2025 – Rs. 4,044.37 Mn.) and Rs. 978.05 Mn. (2025 – Rs. 904.36 Mn.) has been charged, respectively, to the cost of sales, and administration and distribution expenses of the Group. The total depreciation amounting to Rs. 61.85 Mn. (2025 – Rs. 58.79 Mn.) is included in the administration expenses of the Company.

Capital work in progress consists of expenditure incurred on projects which are yet to be completed as at the reporting date.

Fully depreciated assets of the Group as at the year end amounted to Rs. 14,856.01 Mn. (2025 – Rs. 13,077.97 Mn.) and those of the Company amounted to Rs. 54.06 Mn. (2025 – Rs. 450.68 Mn.).

13 Leases

The Group's and Company's leases consist of leasehold land and buildings. The leases are depreciated over 2 to 50 years.

Information about leases for which the Group is lessee is presented below:

13.1 Right-of-Use Assets

	GROUP		COMPANY	
	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Balance as at 1 April	**17,998,719**	20,371,043	**865,456**	945,174
Additions	**4,318,847**	2,330,027	**26,470**	3,240
Adjustments for changes	**(74,631)**	(2,721,347)	**–**	–
Transfer from prepaid rent	**–**	41,091	**–**	–
Depreciation	**(2,126,151)**	(2,022,095)	**(74,173)**	(82,958)
Balance as at 31 March	**20,116,784**	17,998,719	**817,753**	865,456

13.2 Lease Liability

	GROUP		COMPANY	
	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Balance as at 1 April	**22,904,381**	24,525,999	**926,399**	970,230
Additions	**4,285,276**	2,330,027	**25,005**	3,240
Adjustments for changes	**(116,606)**	(2,630,805)	**–**	–
Interest expense	**2,347,665**	2,332,093	**52,166**	53,021
Payments	**(3,875,795)**	(3,652,933)	**(101,107)**	(100,092)
Balance as at 31 March	**25,544,921**	22,904,381	**902,463**	926,399
Lease liabilities included in the Statement of Financial Position as at 31 March				
Current	**1,431,786**	1,155,071	**65,796**	43,245
Non-current	**24,113,135**	21,749,310	**836,667**	883,154
	25,544,921	22,904,381	**902,463**	926,399
Maturity analysis – contractual undiscounted cash flows				
Less than one year	**4,003,578**	3,712,803	**116,436**	98,468
One to five years	**17,958,990**	13,306,717	**469,282**	442,923
More than five years	**28,283,359**	30,298,861	**673,038**	788,473
Total undiscounted liabilities as at 31 March	**50,245,927**	47,318,381	**1,258,756**	1,329,864

13.3 Amounts Recognised in Profit or Loss

	GROUP		COMPANY	
	2026 Rs. '000	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Depreciation of right-of-use assets	**2,126,151**	2,022,095	**74,173**	82,958
Interest expense on lease liabilities	**2,347,665**	2,332,093	**52,166**	53,021
	4,473,816	4,354,188	**126,339**	135,979

13.4 Amounts Recognised in Statement of Cash Flows

	GROUP		COMPANY	
	2026 Rs. '000	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Total cash outflow for leases, net of concessions	**(3,909,365)**	(3,652,933)	**(102,559)**	(100,092)
	(3,909,365)	(3,652,933)	**(102,559)**	(100,092)

Impairment

As at the reporting date, the Group had not identified any circumstances indicating the termination, significant modification, or derecognition of any right-of-use assets.

14 Investment Property

Accounting Policy

Investment property is property held either to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, for use in the production or supply of goods or services or for administrative purposes.

Investment properties are initially recognised at cost. Subsequent to initial recognition, the investment properties are stated at fair values, which reflect market conditions at the reporting date. Gains or losses arising from changes in fair value are included in the Profit or Loss in the year in which they arise.

Where Group companies occupy a significant portion of the investment property of a subsidiary, such portion of investment properties are treated as property, plant, and equipment at Group level, and accounted for as per LKAS 16 – Property, Plant, and Equipment.

Derecognition

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its use. Any gains or losses on the retirement or disposal of an investment property are recognised in the Profit or Loss in the year of derecognition.

Subsequent Transfers to/from Investment Property

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner occupation, commencement of an operating lease to another party, or completion of construction or development.

Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to sell.

For a transfer from investment property to owner-occupied property or inventories, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If the property occupied by the Company as owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant, and equipment up to the date of change in use.

Any difference at the date of change in use between the carrying amount of the property and its fair value is recognised as a revaluation of property, plant, and equipment and is not transferred to the Profit or Loss at the date of transfer and at subsequent disposal. Any existing revaluation surplus that was recognised under the revaluation model to the property will be transferred to retained earnings.

When the Company completes the construction or development of a self-constructed investment property, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the Profit or Loss.

Determining Fair Value

External and independent valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, value the investment property portfolio annually.

Investment Property Leased within the Group

Any property leased out to the parent or a subsidiary is considered as owner-occupied from the perspective of the Group and adjustments are made for consolidation purposes.

	GROUP		COMPANY	
	2026 Rs. '000	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
As at 1 April	**11,407,006**	10,829,980	**3,793,237**	3,424,330
Additions	**391,859**	24,457	**492,577**	8,327
Reclassification from PPE	**–**	–	**147,529**	–
Changes in fair value during the year	**976,973**	552,569	**190,826**	360,580
As at 31 March	**12,775,838**	11,407,006	**4,624,169**	3,793,237

In accordance with LKAS 40, fair value of the above investment properties was ascertained as at 31 March 2026 by Mr Sivaskantha (FIV), a member of the Institute of Valuers of Sri Lanka, with appropriate qualifications and recent experience in the valuation of properties in the relevant locations. Mr Sivaskantha is not related to the Group.

Rental income earned from the investment properties by the Group and Company amounted to Rs. 321.93 Mn. (2025 – Rs. 238.30 Mn.) and Rs.186.67 Mn. (2025 – Rs. 174.51 Mn.), respectively. Direct operating expenses incurred on investment property by the Group and Company amounted to Rs. 199.71 Mn. (2025- Rs. 101.21 Mn.) and Rs. 58.46 Mn. (2025 – Rs. 64.43 Mn.), respectively. The fair value measurement for all the investment properties has been categorised as level 3 fair value based on the inputs to the valuation techniques used. Details of the Group's investment properties and information relating to their fair values as at 31 March 2026 are as follows:

Location	Type of asset	Method of valuation	Land extent
Canal Row – Colombo 01	Land	Cost approach	15.25 Perches
	Building		–
Braybrooke place	Land	Market approach	78.17 Perches
	Building		–
Cargills Square – Jaffna	Building	Income approach	Leasehold
Staple Street – Colombo 02	Land	Market approach	81.5 Perches
	Building		–
Dematagoda	Land	Income approach	84.32 Perches
	Building		–
Nittambuwa	Land	Market approach	112 Perches
Ja-Ela – Ganemulla	Land	Market approach	201 Perches
Boralesgamuwa	Land	Market approach	2.5 Acres
	Building		–
Bandarawela	Land	Market approach	85.2 Perches
	Building		–
Katubedda	Land	Income approach	1.15 Acres
	Building		–
Gampaha	Land	Income approach	82.6 Perches
	Building		–
Kandy	Land	Market approach	170 Perches
	Building		–
Negombo	Land	Market approach	91 Perches
	Building		–
Kandy	Land	Market approach	11.3 Perches
Kotahena	Land	Market approach	199.8 Perches
Boralesgamuwa	Land	Market approach	43 Acres
	Building		–
Piliyandala	Land	Market approach	114 Perches
Commercial Property – Piliyandala	Land	Income approach	154.9 Perches
	Building		–
Wellawatta (Preliminary expense)			

Refer Note 36.2.1 for details on valuation techniques used.

			GROUP		COMPANY	
Building area (Sq.ft)	Number of buildings	Current/ Proposed use	2026 Fair value Rs. '000	2025 Fair value Rs. '000	2026 Fair value Rs. '000	2025 Fair value Rs. '000
–	–	Rent	**–**	–	**358,300**	343,125
12,300	1				**112,000**	106,600
–	–	Undetermined use	**1,026,000**	950,000	**1,026,000**	950,000
5,146	1		**–**	–	**–**	–
99,164	1	Rent	**1,087,891**	698,077	**1,804,132**	1,157,675
–	–	Rent	**–**	–	**1,222,500**	1,141,000
20,970	2			–	**88,900**	82,500
–	–	Rent	**376,749**	360,402	**–**	–
71,956	1		**590,619**	581,204	**–**	–
–	–	Undetermined use	**224,000**	210,000	**–**	–
–	–	Undetermined use	**6,750**	6,432	**–**	–
–	–	Rent	**462,400**	427,800	**–**	–
23,168	4		**66,900**	73,700		–
–	–	Rent	**317,902**	302,350	**–**	–
69,197	1		**1,045,881**	1,017,244		–
–	–	Rent	**706,528**	537,772	**–**	–
74,387	2		**1,712,348**	1,403,454		–
–	–	Rent	**87,651**	77,798	**–**	–
43,115	1		**150,519**	139,744		–
–	–	To be developed	**977,500**	884,000	**–**	–
937	1		**–**	–		–
–	–	To be developed	**437,500**	393,750	**–**	–
17,534	1		**–**	–		–
–	–	To be developed	**98,875**	90,400	**–**	–
–	–	To be developed	**1,823,000**	1,698,300	**–**	–
–	–	Undetermined use	**1,200,000**	1,200,000	**–**	–
11,400	1		**–**	–		–
–	–	Undetermined use	**161,625**	150,225	**–**	–
–	–	Rent	**156,200**	146,679	**–**	–
21,278	2		**59,000**	57,675		–
			12,775,838	11,407,006	**4,611,832**	3,780,900
		To be developed	**–**	–	**12,337**	12,337
			12,775,838	11,407,006	**4,624,169**	3,793,237

15 Intangible Assets

Accounting Policy

Intangible Assets

The Group's intangible assets include computer software, brand name, franchise fee, and goodwill.

Basis of Recognition

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group in accordance with the Sri Lanka Accounting Standard – LKAS 38 "Intangible Assets".

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are stated in the Statement of Financial Position at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent Expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Useful Economic Lives, Amortisation, and Impairment

The useful economic lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and they are

	Goodwill		Franchise fee		Software	
	2026 Rs. '000	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Group						
Cost						
As at 1 April	**529,767**	529,767	**810,114**	627,361	**913,307**	859,603
Additions	**–**	–	**141,336**	182,753	**16,079**	28,904
Transfer from property, plant, and equipment (Note 12)	**–**	–	**–**	–	**–**	24,800
Transfers	**–**	–	**–**	–	**–**	3,600
As at 31 March	**529,767**	529,767	**951,450**	810,114	**929,386**	916,907
Amortisation/impairment						
As at 1 April	**272,174**	138,978	**329,527**	280,608	**768,748**	689,859
Amortisation	**–**	–	**69,720**	48,919	**74,873**	78,889
Impairment	**–**	133,196	**–**	–	**–**	–
As at 31 March	**272,174**	272,174	**399,247**	329,527	**843,621**	768,748
Carrying value as at 31 March	**257,593**	257,593	**552,203**	480,587	**85,765**	148,159

treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Profit or Loss in the expense category consistent with the function of the intangible asset.

Amortisation is calculated using the straight–line method to write down the cost of intangible assets to their residual values over their estimated useful economic lives at the rates as specified below:

Class of asset	% per annum	Period
Computer software	25	4 years
Franchise fee	10	10 years

The unamortised balances of intangible assets with finite lives are reviewed for impairment annually and whenever there is an indication for impairment and recognised in the Profit or Loss to the extent that they are no longer probable of being recovered from the expected future benefits.

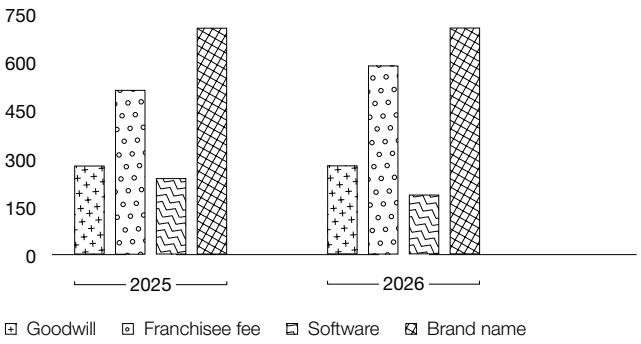
Derecognition

Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use. Any gain or loss arising on derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Profit or Loss in the year the asset is derecognised.

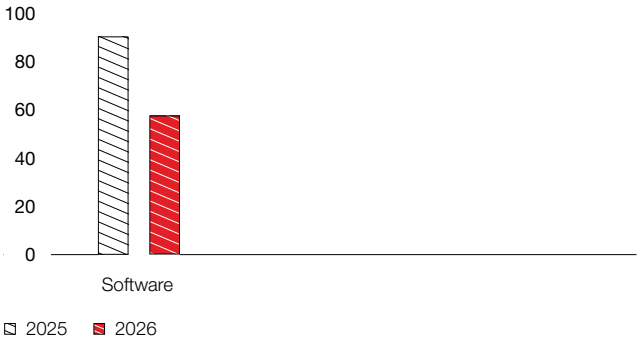
Brand name		CWIP		Total	
2026 Rs. '000	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
661,865	661,865	**77,432**	60,536	**2,992,485**	2,739,132
–	–	**9,846**	16,896	**167,261**	228,554
–	–	**–**	–	**–**	24,800
–	–	**–**	(3,600)	**–**	–
661,865	661,865	**87,278**	73,832	**3,159,746**	2,992,486
–	–	**–**	–	**1,370,449**	1,109,445
–	–	**–**	–	**144,593**	127,808
–	–	**–**	–	**–**	133,196
–	–	**–**	–	**1,515,042**	1,370,449
661,865	661,865	**87,278**	73,832	**1,644,704**	1,622,037

	Software		Total	
	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Company				
Cost				
As at 1 April	**348,784**	320,136	**348,784**	320,136
Additions	**15,561**	28,648	**15,561**	28,648
As at 31 March	**364,345**	348,784	**364,345**	348,784
Amortisation/impairment				
As at 1 April	**257,497**	214,874	**257,497**	214,874
Amortisation for the year	**48,473**	42,623	**48,473**	42,623
As at 31 March	**305,970**	257,497	**305,970**	257,497
Carrying value as at 31 March	**58,375**	91,287	**58,375**	91,287

Group – Intangible Assets



Company – Intangible Assets



All the intangible assets are separately acquired and there are no such internally generated intangible assets.

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the Group's CGU (operating divisions) as follows:

	GROUP		COMPANY	
	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Cargills Convenient Foods Limited	**246,203**	246,203	**–**	–
Cargills Agri Solutions Company (Private) Limited	**–**	–	**–**	–
CPC (Lanka) Limited	**8,839**	8,839	**–**	–
Cargills Restaurants (Private) Limited	**2,532**	2,532	**–**	–
Cargills Distributors (Private) Limited	**19**	19	**–**	–
	257,593	257,593	**–**	–

The CGUs below are disclosed for the material goodwill balances only.

CGU 1 – Cargills Convenient Foods Limited

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU.

The key assumptions used in the estimation of value in use were as follows:

	2026 %	2025 %
Description		
Discount rate	**20.53**	15.94
Terminal value growth rate	**3**	3
Budgeted EBITDA growth rate (average of next five years)	**10**	10

The discount rate was based on the weighted average cost of capital (WACC) for the companies, determined by considering the cost of equity and cost of debt proportionately weighted.

Five years of cash flows were included in the discounted cash flow model. A long-term nominal growth rate into perpetuity has been determined as 3% based on management's internal assessment.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated sales volume and price growth for the next five years.

A reasonably possible change in any of the key assumptions on which the management has based its determination of the CGU's recoverable amount would not cause the CGU's carrying amount to exceed its recoverable amount.

CGU 2 – Cargills Agri Solutions Company (Private) Limited

Investment in Cargills Agri Solutions Company (Private) Limited was impaired based on the judgements and assumptions disclosed in Note 16.1, in the separate Financial Statements. As a result of the impairment and continuous losses incurred by the subsidiary, goodwill on consolidation recognised at Group level was written off.

Brand Name

The Rs. 661.87 Mn. represents the brand value recognised on the acquisition of Kotmale Holdings PLC.

Brand name has been tested for impairment and no impairment has been recognised as at reporting date. Management is of the view that the brand name has an indefinite useful life and accordingly no amortisation is charged. However, in accordance with LKAS 38 – "Intangible Assets", any intangible asset which has an indefinite useful life is subject to annual impairment test which is to be carried out in accordance with LKAS 36 – "Impairment of Assets" and the useful life of the intangible asset that is not being amortised is reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for this asset.

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU.

The key assumptions used in the estimation of value in use were as follows:

	2026 %	2025 %
Description		
Discount rate	**25.15**	16.45
Terminal value growth rate	**3**	3
Budgeted EBITDA growth rate (average of next five years)	**10**	10

The discount rate was based on the weighted average cost of capital (WACC) for the companies, determined by considering the cost of equity and cost of debt proportionately weighted.

Five years of cash flows were included in the discounted cash flow model. A long-term nominal growth rate into perpetuity has been determined as 3% based on management's internal assessment.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth of the Kotmale Brands. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated sales volume and price growth for the next five years.

Amortisation of intangible assets amounting to Rs. 83.75 Mn. (2025 – Rs. 78.57 Mn.) has been included in cost of sales, and Rs. 60.84 Mn. (2025 – Rs. 75.49 Mn.) in distribution and administrative expenses of the Group. Amortisation of intangible assets amounting to Rs. 48.47 Mn. (2025 – Rs. 42.62 Mn.) has been included in administrative expenses of the Company.

	Change required for carrying amount to equal recoverable amount	
	2026 %	2025 %
Discount rate	**-1.54**	-1.55
Budget EBITDA growth rate	**1.53**	2.20

16 Investments

16.1 Investments in Subsidiaries

			GROUP		COMPANY	
	Number of shares	Holding %	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Cargills Retail (Private) Limited	48,255,426	100	–	–	**1,167,947**	1,167,947
Cargills Convenient Foods Limited	4,860,293	100	–	–	**1,193,453**	1,193,453
Dawson Office Complex (Private) Limited	1,000	100	–	–	**100**	100
The Empire Investments Company (Private) Limited	269,322,944	53.43	–	–	**2,980,813**	2,980,813
Cargills Restaurants (Private) Limited	5,700,002	100	–	–	**61,500**	61,500
Kotmale Holdings PLC	54,315	0.17	–	–	**3,437**	3,437
Frederick North Hotel Company Limited	–	–	–	–	**–**	–
Cargills Dairies (Private) Limited	7,500,000	100	–	–	**75,000**	75,000
Millers Limited	30,000,000	100	–	–	**300,000**	300,000
Cargills Agri Solutions Company (Private) Limited	1,460,002	100	–	–	**193,019**	193,019
Cargills Enterprise Solutions (Private) Limited (Stated Capital Rs. 10)	1	100	–	–	**–**	–
			–	–	**5,975,269**	5,975,269
Provision for impairment of investment in Cargills Agri Solutions Company (Private) Limited *					**(78,452)**	(39,226)
			–	–	**5,896,817**	5,936,043

* Impairment to the carrying value of investment in Cargills Agri Solutions Company (Private) Limited was recognised based on the discounted future cash flows to the extent of the non-recoverability amount of the investment.

	Change required for carrying amount to equal recoverable amount	
in percent	2026 %	2025 %
Discount rate	**-1.54**	-11.49
Budget EBITDA growth rate	**1.53**	10.70

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU.

The key assumptions used in the estimation of value in use were as follows:

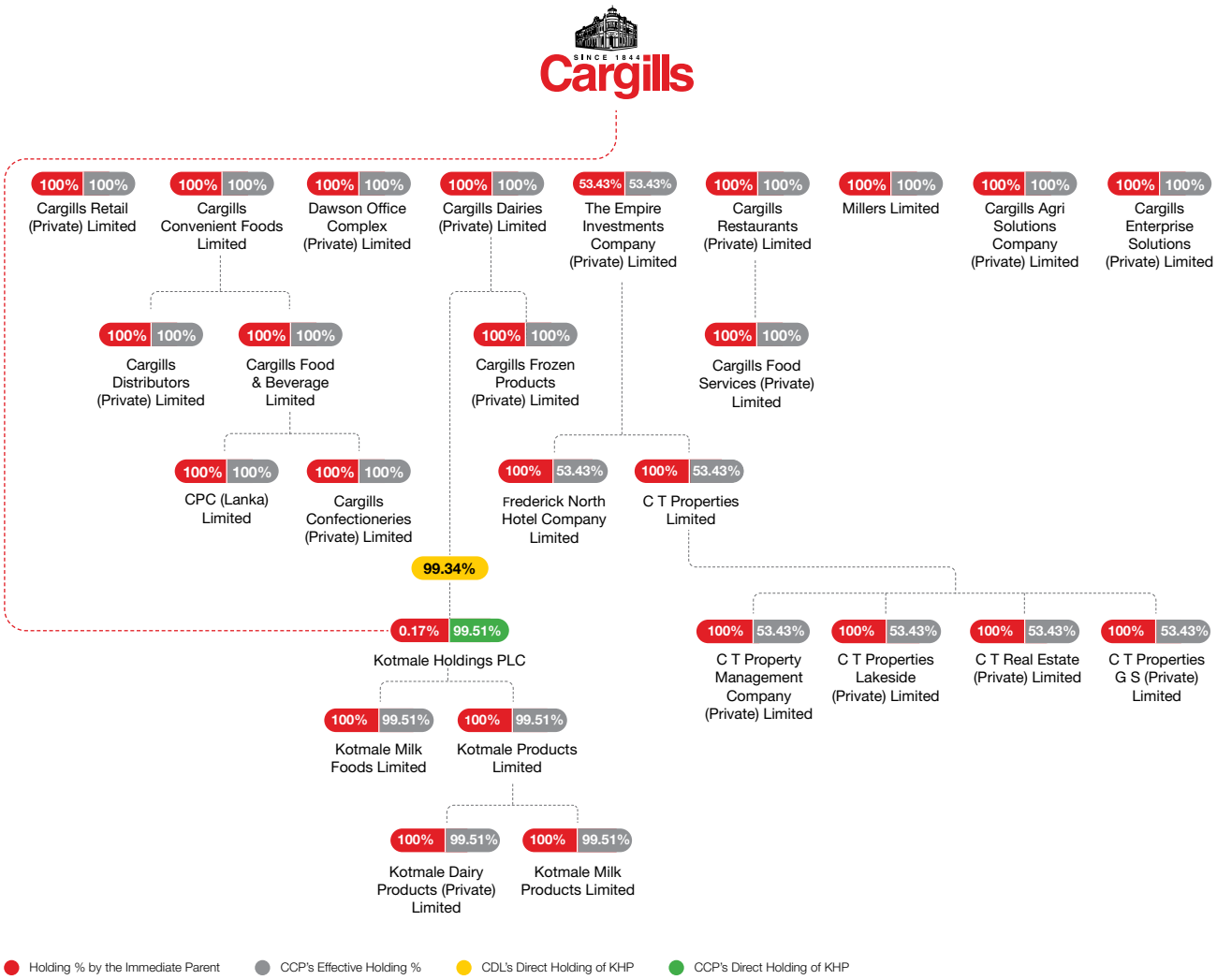
	2026 %	2025 %
Description		
Discount rate	**25.15**	19.00
Terminal value growth rate	**3**	3
Budgeted EBITDA growth rate (average of next five years)	**10**	10

The discount rate was based on the weighted average cost of capital (WACC) for the companies, determined by considering the cost of equity and cost of debt proportionately weighted.

Five years of cash flows were included in the discounted cash flow model. A long-term nominal growth rate into perpetuity has been determined as 3% based on the Management's internal assessment.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated sales volume and price growth for the next five years.

Group Structure



16.2 Investment in Equity Accounted Investees

			GROUP		COMPANY	
	Number of shares	Holding %	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Cargills Bank PLC (Note 16.5)	378,725,255	30.55	**4,877,195**	5,016,750	**4,717,843**	4,717,843
Acquisition of rights issue (Note 16.4.1)					**763,870**	–
Disposal of Shares (Note 16.4.1)					**(831,899)**	–
Ceylon Theatres (Private) Limited (Note 16.5)	27,280,233	31.09	**48,947**	38,776	**54,560**	54,560
Provision for impairment of investment in Ceylon Theatres (Private) Limited *			**–**	–	**(18,187)**	(18,187)
Carrying Value 31 March			**4,926,142**	5,055,526	**4,686,187**	4,754,216

*Impairment to the carrying value of investment in Ceylon Theatres (Private) Limited was recognised based on the discounted future cash flows to the extent of the non recoverability amount of the investment.

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU.

The key assumptions used in the estimation of value in use were as follows:

	2026 %	2025 %
Description		
Discount rate	**14.44**	21.09
Terminal value growth rate	**3**	3
Budgeted EBITDA growth rate (average of next five years)	**10**	10

The discount rate was based on the weighted average cost of capital (WACC) for the companies, determined by considering the cost of equity and cost of debt proportionately weighted.

Five years of cash flows were included in the discounted cash flow model. A long-term nominal growth rate into perpetuity has been determined as 3% based on management's internal assessment.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated sales volume and price growth for the next five years.

16.3 Other Financial Assets

	GROUP		COMPANY	
	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Non-current				
Equity investments at FVOCI (Note 16.3.1)	**96,008**	85,435	**94,883**	84,808
Fair value through profit or loss (Note 16.3.2)	**1,500,000**	1,500,000	**1,500,000**	1,500,000
	1,596,008	1,585,435	**1,594,883**	1,584,807
Current				
Other non-equity investments (Note 16.3.3)	**131,295**	220,435	**–**	–
	131,295	220,435	**–**	–

16.3.1 Equity Investments at FVOCI – "Non-current"

	GROUP		COMPANY	
As at 31 March	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Quoted equity investments				
Lanka IOC PLC	**28,000**	25,400	**28,000**	25,400
Sierra Cables PLC	**1,405**	782	**280**	155
Aitken Spence PLC	**37,183**	34,173	**37,183**	34,173
Amāna Bank PLC	**29,420**	25,080	**29,420**	25,080
	96,008	85,435	**94,883**	84,808

As at 31 March	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Quoted equity investments				
Fair value as at beginning of the year	**85,435**	82,670	**84,808**	82,192
Gain on remeasurement	**10,576**	2,765	**10,077**	2,616
Fair value as at end of the year	**96,008**	85,435	**94,883**	84,808

The Group designated the above as equity investments at FVOCI because the Group intends to hold these investments for the long term.

The market value of quoted equity investments of Group as at 31 March 2026, as quoted by the Colombo Stock Exchange amounted to Rs. 96 Mn. (2025 – Rs. 85.44 Mn.)

Dividend income recognised on quoted equity investments is as follows:

	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Lanka IOC PLC	**850**	850	**850**	850
Aitken Spence PLC	**1,200**	1,137	**1,200**	1,137
Amãna Bank PLC	**1,070**	1,107	**1,070**	1,107
	3,120	3,094	**3,120**	3,094

16.3.2 Debt Investments Measured at Fair Value Through Profit or Loss (FVTPL) – "Non-current"

	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Debt investments measured at fair value through profit or loss (FVTPL)	**1,500,000**	1,500,000	**1,500,000**	1,500,000
	1,500,000	1,500,000	**1,500,000**	1,500,000

The Company invested in fifteen million (15,000,000) Basel III Additional Tier 1 Compliant Rated Unlisted Unsecured Subordinated Perpetual Convertible Debentures issued by Cargills Bank PLC, with a conversion at the option of the debenture holder and Non-Viability Conversion upon the occurrence of a trigger event at the par value of Sri Lankan Rupees One Hundred (Rs. 100/-). The interest rate is based on the Weighted Average Twelve-Month Net Treasury Bill Rate + 2% p.a. The debenture holder has the right to convert the debenture to ordinary shares of the Bank during the conversion period.

The Interest is cumulative and will be paid only if the Bank has distributable profits. The Bank has discretion at all times to cancel the interest payments. However, the agreement does not stipulate interest on interest deferred/cancelled; therefore, as the investment does not meet the SPPI criteria, it has been classified as FVTPL.

16.3.3 Other Non-Equity Investments – Current

	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Call deposits/fixed deposit	**131,295**	220,435	**–**	–
	131,295	220,435	**–**	–

16.4 Investment in Equity Accounted Investees

	GROUP	
	2026 Rs. '000	**2025 Rs. '000**
As at 1 April	**5,055,526**	4,980,816
Acquisition of rights issue shares	**763,870**	–
Disposal of shares	**(876,437)**	–
Share of profit/(loss)	**197,739**	232,639
Share of other comprehensive income	**(214,556)**	(157,928)
As at 31 March	**4,926,142**	5,055,526

16.4.1 During the year, the Group disposed of 6.54% of its shareholding in Cargills Bank PLC through market transactions, generating a total consideration of Rs. 548.48 Mn.

Following this disposal, the Group still retains a significant equity interest and continues to exercise considerable influence over the investee. As a result, the investment remains classified as an associate.

A loss of Rs. 327.96 Mn. and Rs. 283.42 Mn. resulting from the disposal has been recognised in profit or loss for the Group and the Company respectively. Additionally, the Group has exercised its rights in the share issue of Cargills Bank, amounting to Rs. 763.87 Mn.

16.5 Summarised Financial Information of Associates

	GROUP			
	Ceylon Theatres (Private) Limited		**Cargills Bank PLC**	
	2026 Rs. '000	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Revenue/operating income	**603,019**	810,195	**4,592,222**	4,265,180
Operating expenses	**(565,000)**	(838,117)	**(3,635,565)**	(2,910,132)
Income tax expense	**–**	–	**(415,113)**	(704,349)
Profit/(loss) for the year	**38,019**	(27,922)	**541,544**	650,699
Other comprehensive income/(expense)	**–**	–	**(586,939)**	(425,849)
Total comprehensive income/(expense)	**38,019**	(27,922)	**(45,395)**	224,850
Group's share of profit/(loss)	**11,822**	(8,677)	**185,917**	241,316
Group's share of other comprehensive/(expense)	**(1,651)**	–	**(212,905)**	(157,928)
Group's share of total comprehensive income/(expense)	**10,171**	(8,677)	**(26,988)**	83,388

	GROUP			
	Ceylon Theatres (Private) Limited		**Cargills Bank PLC**	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Total assets	**562,831**	488,615	**91,723,351**	80,252,402
Total liabilities	**(561,566)**	(520,063)	**(79,601,111)**	(68,084,769)
Net assets	**1,265**	(31,448)	**12,122,240**	12,167,633
Ownership interest (%)	**31.09**	31.09	**30.55**	37.09
Group's share of net assets	**393**	(9,778)	**4,485,446**	4,512,434
Acquisition of rights issue	**–**	–	**763,870**	–
Disposal of shares	**–**	–	**(876,437)**	–
Goodwill	**48,554**	48,554	**504,316**	504,316
	48,947	38,776	**4,877,195**	5,016,750

16.6 Non-controlling Interest

Details of non-wholly owned subsidiaries that have material non controlling interest

(a) Summarised Financial Statements

The summarised financial information below represent amounts before intra-group eliminations.

As at 31 March	The Empire Investment Company (Private) Limited 2026 Rs. '000	The Empire Investment Company (Private) Limited 2025 Rs. '000
Assets		
Current assets	**794,074**	735,728
Non-current assets	**15,174,086**	14,090,510
Total assets	**15,968,160**	14,826,238
Liabilities		
Current liabilities	**5,914,842**	5,739,403
Non-current liability	**932,762**	667,224
Equity	**9,120,556**	8,419,611
Total equity and liability	**15,968,160**	14,826,238
Equity attributable to:		
Owners of the Company	**4,873,113**	4,498,423
Non-Controlling interest	**4,247,443**	3,921,188
	9,120,556	8,419,611
Revenue	**475,017**	417,405
Profit	**597,566**	97,213
OCI	**(320)**	(349)
Total comprehensive income	**597,246**	96,864
Profit allocated to NCI	**278,286**	45,274
OCI allocated to NCI	**(149)**	(163)
Details of net cash inflows/(outflows)		
Net cash inflows/(outflows) from operating activities	**34,715**	(1,100,826)
Net cash outflows from investing activities	**(8,359)**	(40,969)
Net cash inflows from financing activities	**23,780**	1,154,901
Net cash flows	**50,136**	13,106
Proportion of ownership interest and voting power held by non-controlling interest (%)	**46.57**	46.57

17 Biological Assets

Accounting Policy

Biological assets shall be qualified for recognition if the Group controls the assets as a result of past event. It is probable that future economic benefits associated with the assets will flow to the Group and fair value or cost of the asset can be measured reliably.

Consumable biological assets are those that are to be harvested as agricultural produce or sold as biological assets. Livestock and day-old chicks have been identified as Consumable biological assets.

Bearer biological assets are those other than Consumable biological assets. Bearer biological assets are not agricultural produce but, rather, are self-regenerating. The Group has identified grandparent and parent livestock as bearer biological assets.

Biological assets are measured at fair value less cost to sell and within any changes therein recognised in profit or loss for the period in which it arises. No indicators for impairment were identified as at 31 March 2026.

Refer Note 3.13.1 for measurement of fair value.

	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Balance as at 1 April	**76,486**	215,755	**–**	–
Additions (Purchases)	**65,462**	5,612	**–**	–
Addition (Biological Transformation)	**13,245**	–	**–**	–
Sale of livestock	**(105,764)**	(6,205)	**–**	–
Gain/(loss) arising from changes in fair value less costs to sell	**19,567**	32,588	**–**	**–**
Usage of the year	**(2,997)**	(171,264)	**–**	**–**
Balance as at 31 March	**65,999**	76,486	**–**	–
Non-current	**27,170**	12,699	**–**	–
Current	**38,829**	63,787	**–**	–
	65,999	76,486	**–**	–

The Group's biological assets are exposed to the risk of damage from diseases, and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular health inspection, implementing disease control policies and procedures.

18 Deferred Tax Asset/Liability

	GROUP				COMPANY			
	ASSETS		LIABILITIES		ASSETS		LIABILITIES	
	2026 Rs. '000	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
As at 1 April	**–**	–	**2,116,785**	2,265,440	**–**	–	**559,140**	552,755
Charge/(reversal) – recognised in profit or loss	**–**	–	**(98,033)**	(112,108)	**–**	–	**10,305**	50,005
Charge/(reversal) – recognised in OCI	**–**	–	**(19,586)**	(36,547)	**–**	–	**(12,340)**	(43,620)
As at 31 March	**–**	–	**1,999,166**	2,116,785	**–**	–	**557,105**	559,140
Deferred tax asset/liability as at the year end is arising from temporary differences of:								
– Plant and equipment	**–**	–	**2,404,435**	2,334,737	**–**	–	**341,711**	337,480
– Revaluation surplus of freehold building	**–**	–	**1,201,824**	1,058,682	**–**	–	**215,906**	210,460
– Revaluation surplus of freehold land	**–**	–	**1,282,610**	1,238,698	**–**	–	**387,301**	335,498
– Provisions	**–**	–	**(162,026)**	(130,057)	**–**	–	**–**	–
– Employee benefit liability	**–**	–	**(825,903)**	(673,880)	**–**	–	**(362,401)**	(306,017)
– Carried forward tax losses	**–**	–	**(370,890)**	(120,200)	**–**	–	**–**	–
– FV gain on biological asset	**–**	–	**–**	9,776	**–**	–	**–**	–
– ROU assets	**–**	–	**5,863,781**	5,761,385	**–**	–	**360,849**	259,639
– Lease liabilities	**–**	–	**(7,394,665)**	(7,362,356)			**(386,261)**	(277,920)
	–	–	**1,999,166**	2,116,785	**–**	–	**557,105**	559,140

19 Inventories

Accounting Policy

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the normal course of business less estimated cost of realisation and/or cost of conversion from their existing state to saleable condition.

The cost of each category of inventory of the Group is determined on the following basis:

Raw and packing materials – Actual cost on a First In First Out (FIFO) basis

Finished goods and work-in-progress – Directly attributable manufacturing cost

Merchandising goods – Actual cost on a First In First Out (FIFO) basis/Weighted average cost

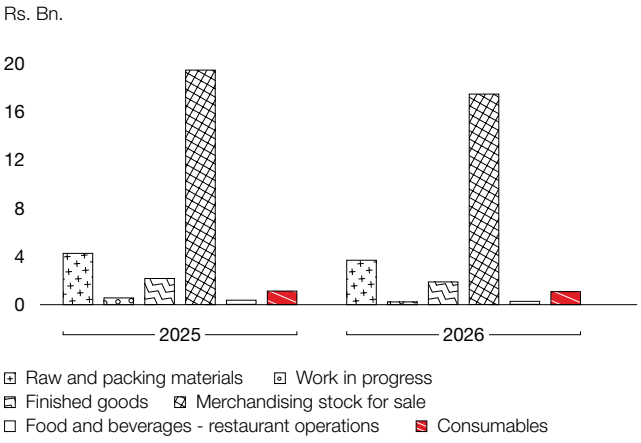
Other inventories – Actual cost

The Group makes provisions or write offs for inventory during its monthly and year end counts by identifying perishable, damaged and slow moving inventory with short shelf lives or expiration dates or by identifying specific seasonal inventories that require provisions.

	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Raw and packing materials	**4,361,168**	3,782,007	**–**	–
Work-in-progress	**589,031**	288,150	**–**	–
Finished goods	**2,228,015**	1,931,717	**–**	–
Merchandising stock for sale	**19,761,635**	17,744,079	**105**	707
Food and beverages – restaurant operations	**418,925**	300,295	**–**	–
Consumables	**1,194,396**	1,153,440	**–**	–
	28,553,170	25,199,688	**105**	707
Provision for obsolete inventories	**(107,399)**	(136,816)	**–**	–
	28,445,771	25,062,872	**105**	707
Goods in transit	**681,393**	378,487	**–**	–
	29,127,164	25,441,359	**105**	707

The details of inventories mortgaged for banking facilities obtained have been given in the Note 25.1 to the Financial Statements, if any.

Group Inventories



20 Trade and Other Receivables

As at 31 March	Notes	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Trade receivables		**8,828,858**	7,919,335	**–**	–
Provision for impairment of trade receivables		**(138,696)**	(275,799)	**–**	–
		8,690,162	7,643,536	**–**	–
Other prepayments and deposits		**4,471,919**	3,411,624	**331,204**	461,171
Other receivables		**1,613,750**	2,021,579	**53,605**	310,231
Loans and advances	20.1	**354,613**	312,323	**13,920**	7,814
Tax recoverable	20.2	**1,458,299**	1,326,363	**278,906**	205,483
Provision for impairment of other receivables		**(13,858)**	–	**–**	–
		16,574,885	14,715,425	**677,635**	984,699

The details of trade receivable mortgaged for banking facilities obtained have been given in the Note 25.1 to the Financial Statements, if any.

20.1 Loans and advances represent loans to employees and the movement during the year is as follows:

	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
As at 1 April	**312,323**	194,529	**7,814**	3,945
Loans granted	**84,438**	144,921	**6,106**	3,869
	396,761	339,450	**13,920**	7,814
Repayments	**(42,148)**	(27,127)	**–**	–
As at 31 March	**354,613**	312,323	**13,920**	7,814

20.2 Tax Recoverable

This includes Social Security Contribution Levy, VAT recoverable, WHT recoverable and income tax overpayments.

21 Amounts Due from/to Related Companies

Amounts due from subsidiaries	GROUP 2026 Rs. '000	GROUP 2025 Rs. '000	COMPANY 2026 Rs. '000	COMPANY 2025 Rs. '000
Cargills Retail (Private) Limited	**–**	–	**234,718**	302,469
Cargills Convenient Foods Limited	**–**	–	**26,408**	20,224
Cargills Restaurants (Private) Limited	**–**	–	**48,261**	44,723
Cargills Food Services (Private) Limited	**–**	–	**–**	1,523
Cargills Food & Beverage Limited	**–**	–	**27,955**	20,620
Cargills Dairies (Private) Limited	**–**	–	**98,142**	59,850
CPC (Lanka) Limited	**–**	–	**3,511**	2,913
Cargills Confectioneries (Private) Limited	**–**	–	**14,825**	8,424
Kotmale Dairy Products (Private) Limited	**–**	–	**39,360**	21,320

	GROUP		COMPANY	
Amounts due from subsidiaries	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Kotmale Holdings PLC	**–**	–	**–**	–
Millers Limited	**–**	–	**–**	19
Cargills Agri Solutions Company (Private) Limited	**–**	–	**31**	1,545
The Empire Investments Company (Private) Limited	**–**	–	**2,889**	1,053
Frederick North Hotel Company Limited	**–**	–	**–**	10
Cargills Enterprise Solutions (Private) Limited	**–**	–	**65,200**	81,820
Dawson Office Complex (Private) Limited			**–**	9
C T Properties Limited	**–**	–	**1,235,105**	1,188,902
	–	–	**1,796,405**	1,755,424
Amounts due from Holding Company				
C T Holdings PLC	**1,920**	1,465	**9**	–
	1,920	1,465	**9**	–
Amounts due from Associate Companies				
Cargills Bank PLC	**127,709**	76,677	**6,612**	2,958
Ceylon Theatres (Private) Limited	**44,417**	83,616	**5,728**	20,773
	172,126	160,293	**12,340**	23,731
Amounts due from Other Related Companies				
Ceylon Hotels Corporation PLC	**–**	123	**–**	–
C T Land Development PLC	**46**	–	**–**	–
CT Properties Management Co. (Pvt) Ltd.	**13,858**	11,053		
Galle Face Hotel 1994 Ltd.	**–**	2,120	**–**	
Galle Face Hotel Company Limited	**–**	3,358	**–**	–
Kandy Hotels Company (1938) PLC	**–**	140	**–**	–
Cargills Foundation	**–**	224,320	**–**	220,778
Albert A Page Institute	**2,303**	1,923	**2,303**	1,923
Suisse Hotel Kandy (Private) Limited	**–**	114	**–**	–
Double Yumm (Private) Limited	**1,320**	150	**–**	
	17,527	243,301	**2,303**	222,701
Total amount due from related companies	**191,573**	405,059	**1,811,056**	2,001,856
Amounts due to Subsidiaries				
Millers Limited	**–**	–	**840**	–
Cargills Foods Services (Private) Limited	**–**	–	**872**	–
	–	–	**1,712**	–
Amounts due to Holding Company				
C T Holdings PLC	**19,202**	10,358	**–**	–
	19,202	10,358	**–**	–
Amounts due to Other Related Companies				
Double Yumm (Private) Limited	**23,616**	29,408		
	23,616	29,408	**–**	–
Total amount due to related companies	**42,818**	39,766	**1,712**	–

22 Stated Capital

Accounting Policy

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

	Number of Shares	2026 Rs. '000	Number of Shares	2025 Rs. '000
Balance as at 1 April	257,677,731	**6,841,068**	257,677,731	6,841,068
Balance as at 31 March	257,677,731	**6,841,068**	257,677,731	6,841,068

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are eligible for one vote per share at General Meetings of the Company.

23 Reserves

Accounting Policy

Equity Reserves

The reserves recorded in equity on the Group's Statement of Financial Position include;

- "Revaluation reserve" consists of net surplus resulting from the revaluation of property, plant, and equipment.
- "FVOCI" reserve which comprises changes in fair value of equity investments at FVOCI.
- "Capital reserve" comprises share of capital reserve resulting from consolidation.

		GROUP		COMPANY	
As at 31 March	**Notes**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Capital reserves					
Revaluation reserve	12.3	**8,796,596**	8,796,596	**345,938**	345,938
Capital reserve		**7,928**	7,928	**–**	–
		8,804,524	8,804,524	**345,938**	345,938
Revenue reserve					
FVOCI Reserve		**52,790**	42,214	**50,337**	40,260
		52,790	42,214	**50,337**	40,260
		8,857,314	8,846,738	**396,275**	386,198

24 Cash and Cash Equivalents

	GROUP		COMPANY	
As at 31 March	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Cash in hand and at bank	**4,943,224**	6,566,809	**20,712**	323,321
Fixed deposits – Maturity period is less than or equal to 3 months	**1,699,494**	1,581,210	**3,896**	3,648
Cash and cash equivalents in the Statement of Financial Position	**6,642,718**	8,148,019	**24,608**	326,969
Bank overdraft	**(2,860,057)**	(2,673,802)	**(103,857)**	–
Cash and cash equivalents in the Statement of Cash Flows	**3,782,661**	5,474,217	**(79,249)**	326,969

25 Interest Bearing Loans and Borrowings

	GROUP		COMPANY	
As at 31 March	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Current				
Current portion of long term loan	**101,214**	1,418,328	**–**	1,016,714
Short-term loans	**19,781,000**	24,233,000	**8,225,000**	7,350,000
Bank overdraft	**2,860,057**	2,673,802	**103,857**	–
	22,742,271	28,325,130	**8,328,857**	8,366,714
Non-current				
Long-term loans	**–**	100,174	**–**	–
	–	100,174	**–**	–
Total borrowings	**22,742,271**	28,425,304	**8,328,857**	8,366,714

Movement (Excluding bank overdraft)

	GROUP		COMPANY	
As at 31 March	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
At the beginning of the year	**25,751,502**	27,786,037	**8,366,714**	8,432,881
Loans obtained	**161,821,000**	127,431,860	**45,513,000**	26,042,668
Accrued interest	**151,317**	18,807	**–**	1,165
Repayments	**(167,841,605)**	(129,485,202)	**(45,654,714)**	(26,110,000)
At the end of the year	**19,882,214**	25,751,502	**8,225,000**	8,366,714

25.1 Security and Repayment Terms

Details of all loans outstanding together with the related securities offered as at the reporting date are set out below:

As at 31 March Institution and Facility	Principal amount Rs. '000	Amount outstanding Rs. '000	Repayment terms and interest rate	Security offered
Cargills (Ceylon) PLC				
Bank overdrafts				
Commercial Bank of Ceylon PLC	200,000	61,876	On demand, based on monthly AWPLR+0.75%	Clean basis
Deutsche Bank	45,000	41,981	On demand, based on the prevailing market rates	Clean basis
Nations Trust Bank PLC	200,000	–	On demand, based on weekly AWPLR+1.0%	Clean basis
		103,857		
Short-term loans				
Amãna Bank PLC	1,500,000	–	1-12 months, based on the prevailing market rates	Clean basis
Bank of Ceylon	1,500,000	–	1-12 months, based on the prevailing market rates	Clean basis
Commercial Bank of Ceylon PLC	8,000,000	2,225,000	1-12 months, based on the prevailing market rates	Clean basis
Hatton National Bank PLC	9,000,000	–	1-4 months, based on prevailing money market rates	Clean basis
Nations Trust Bank PLC	4,800,000	–	1-3 months, based on the prevailing market rates	Clean basis
Sampath Bank PLC	6,000,000	6,000,000	1-4 months, based on the prevailing market rates	Clean basis
Seylan Bank PLC	2,000,000	–	1-4 months, based on the prevailing market rates	Clean basis
		8,225,000		
		8,328,857		
Cargills Retail (Private) Limited				
Bank overdrafts				
Bank of Ceylon	115,000	–	On demand, based on monthly AWPLR+0.5%	Clean basis
Cargills Bank PLC	–	968,343	On demand, based on the prevailing market rates	Fully secured against cash
Commercial Bank of Ceylon PLC	500,000	1,105,866	On demand, based on monthly AWPLR+0.75%	Clean basis
Deutsche Bank	500,000	259,553	On demand, based on the prevailing market rates	Clean basis
National Development Bank	200,000	18,579	On demand, based on monthly AWPLR+1.25%	Clean basis
Sampath Bank PLC	100,000	89,313	On demand, based on monthly AWPLR+1.0%	Clean basis
		2,441,654		
Short-term loans				
Bank of Ceylon	500,000	–	1-12 months, based on the prevailing market rates	Clean basis
Commercial Bank of Ceylon PLC	2,500,000	–	1-12 months, based on the prevailing market rates	Clean basis
Deutsche Bank	1,650,000	1,650,000	1-3 months, based on the prevailing market rates	Clean basis
Hatton National Bank PLC	1,250,000	–	1-4 months, based on prevailing money market rates	Clean basis
Sampath Bank PLC	3,550,000	485,000	1-4 months, based on the prevailing market rates	Clean basis
Seylan Bank PLC	1,500,000	–	1-4 months, based on the prevailing market rates	Clean basis
Standard Chartered Bank	2,250,000	2,250,000	1-4 months, based on the prevailing market rates	Clean basis
		4,385,000		
Long-term loans				
Hatton National Bank PLC	50,000	50,636	Interest to be serviced monthly and capital to be repaid in 20 quarterly instalments of 50.0 Mn. No grace period for capital repayment	Clean basis
		50,636		
		6,877,290		

As at 31 March Institution and Facility	Principal amount Rs. '000	Amount outstanding Rs. '000	Repayment terms and interest rate	Security offered
Cargills Food & Beverage Limited				
Bank overdrafts				
Cargills Bank PLC	–	6,960	On demand, based on the prevailing market rates	Fully secured against cash
Commercial Bank of Ceylon PLC	150,000	–	On demand, based on monthly AWPLR+0.75%	Clean basis
Sampath Bank PLC	100,000	5,599	On demand, based on monthly AWPLR+1.0%	Clean basis
		12,559		
Short-term loans				
Commercial Bank of Ceylon PLC	750,000	590,000	1-12 months, based on the prevailing market rates	Clean basis
Hatton National Bank PLC	750,000	–	1-4 months, based on prevailing money market rates	Clean basis
		590,000		
		602,559		
Cargills Restaurants (Private) Limited				
Bank overdrafts				
Cargills Bank PLC	–	144,967	On demand, based on the prevailing market rates	Fully secured against cash
Commercial Bank of Ceylon PLC	100,000	–	On demand, based on monthly AWPLR+0.75%	Clean basis
Deutsche Bank	100,000	–	On demand, based on the prevailing market rates	Clean basis
		144,967		
Short-term loans				
Commercial Bank of Ceylon PLC	500,000	–	1-12 months, based on the prevailing market rates	Clean basis
Hatton National Bank PLC	350,000	–	1-6 months, based on prevailing money market rates	Clean basis
		–		
		144,967		
Cargills Food Services (Private) Limited				
Bank overdrafts				
Deutsche Bank	5,000	–	On demand, based on the prevailing market rates	Clean basis
		–		
Short-term loans				
Commercial Bank of Ceylon PLC	50,000	–	1-12 months, based on the prevailing market rates	Clean basis
		–		
		–		

As at 31 March Institution and Facility	Principal amount Rs. '000	Amount outstanding Rs. '000	Repayment terms and interest rate	Security offered
Cargills Confectioneries (Private) Limited				
Bank overdrafts				
Commercial Bank of Ceylon PLC	100,000	–	On demand, based on monthly AWPLR+0.75%	Clean basis
Sampath Bank PLC	100,000	489	On demand, based on monthly AWPLR+1.0%	Clean basis
		489		
Short-term loans				
Commercial Bank of Ceylon PLC	500,000	–	1-12 months, based on the prevailing market rates	Clean basis
Hatton National Bank PLC	500,000	–	1-4 months, based on prevailing money market rates	Clean basis
Sampath Bank PLC	150,000	150,000	1-4 months, based on prevailing money market rates	Clean basis
		150,000		
		150,489		
Cargills Dairies (Private) Limited				
Bank overdrafts				
Cargills Bank PLC	–	13,911	On demand, based on the prevailing market rates	Fully secured against cash
Commercial Bank of Ceylon PLC	250,000	–	On demand, based on monthly AWPLR+0.75%	Clean basis
Deutsche Bank	100,000	97,055	On demand, based on the prevailing market rates	Clean basis
		110,966		
Short-term loans				
Commercial Bank of Ceylon PLC	2,500,000	–	1-12 months, based on the prevailing market rates	Clean basis
Hatton National Bank PLC	2,500,000	–	1-4 months, based on prevailing money market rates	Clean basis
Seylan Bank PLC	1,500,000	–	1-4 months, based on the prevailing market rates	Clean basis
Standard Chartered Bank	1,089,950	1,005,000	1-12 months, based on the prevailing market rates	Clean basis
		1,005,000		
Long-term loan				
Hatton National Bank PLC	50,000	50,578	Interest to be serviced monthly and capital to be repaid in 20 quarterly instalments of 50.0 Mn. No grace period for capital repayment	Clean basis
		50,578		
		1,166,544		
Cargills Convenient Foods Limited				
Bank overdrafts				
Commercial Bank of Ceylon PLC	300,000	–	On demand, based on monthly AWPLR+0.75%	Clean basis
Deutsche Bank	350,000	41,614	On demand, based on the prevailing market rates	Clean basis
		41,614		
Short-term loans				
Commercial Bank of Ceylon PLC	750,000	–	1-12 months, based on the prevailing market rates	Clean basis
Hatton National Bank PLC	1,000,000	–	1-4 months, based on prevailing money market rates	Clean basis
Standard Chartered Bank	1,000,000	1,000,000	1-12 months, based on the prevailing market rates	Clean basis
		1,000,000		
		1,041,614		

As at 31 March Institution and Facility	Principal amount Rs. '000	Amount outstanding Rs. '000	Repayment terms and interest rate	Security offered
Millers Limited				
Bank overdrafts				
Cargills Bank PLC	–	107	On demand, based on the prevailing market rates	Fully secured against cash
Commercial Bank of Ceylon PLC	300,000	–	On demand, based on monthly AWPLR+0.75%	Clean basis
Deutsche Bank	200,000	–	On demand, based on the prevailing market rates	Clean basis
Hatton National Bank PLC	50,000	2,823	On demand, based on monthly AWPLR+2.0%	Clean basis
		2,930		
Short-term loans				
Commercial Bank of Ceylon PLC	250,000	–	1-12 months, based on the prevailing market rates	Clean basis
Hatton National Bank PLC	400,000	–	1-4 months, based on prevailing money market rates	Clean basis
		–		
		2,930		
Cargills Agri Solutions Company (Private) Limited				
Bank overdrafts				
Cargills Bank PLC	–	1,021	On demand, based on the prevailing market rates	Fully secured against cash
		1,021		
Short-term loan				
Commercial Bank of Ceylon PLC	225,500	225,500	1-12 months, based on the prevailing market rates	Letter of comfort obtained from Cargills (Ceylon) PLC Rs. 200 Mn.
		226,521		
The Empire Investment Company (Private) Limited				
Short-term loan				
Commercial Bank of Ceylon PLC	2,000,000	1,710,500	1-12 months, based on the prevailing market rates	Letter of comfort obtained from Cargills (Ceylon) PLC Rs. 2.0 Bn.
Hatton National Bank PLC	3,000,000	2,490,000	1-6 months, based on prevailing money market rates (weekly review)	Letter of Comfort obtained from Cargills (Ceylon) PLC Rs. 3.0 Bn.
		4,200,500		

As at 31 March Institution and Facility	Principal amount Rs. '000	Amount outstanding Rs. '000	Repayment terms and interest rate	Security offered
Kotmale Dairy Products (Private) Limited				
Bank overdraft				
Commercial Bank of Ceylon PLC	500,000	–	On demand, based on monthly AWPLR+0.75%	Clean basis
		–		
Short-term loans				
Commercial Bank of Ceylon PLC	500,000	–	1-12 months, based on the prevailing market rates	Clean basis
Hatton National Bank PLC	1,000,000	–	1-4 months, based on prevailing money market rates	Clean basis
		–		
		–		
Grand Total		22,742,271		

26 Employee Benefit Liabilities

26.1 Movement in Present Value of Defined Benefit Obligations

	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
As at 1 April	**2,344,799**	1,956,969	**1,020,056**	766,970
Interest cost	**249,142**	208,168	**112,206**	84,367
Current service cost	**208,391**	173,896	**73,984**	62,024
Actuarial (gain)/loss	**65,546**	122,105	**41,135**	145,399
Benefits paid	**(101,387)**	(116,339)	**(39,378)**	(38,704)
As at 31 March	**2,766,491**	2,344,799	**1,208,003**	1,020,056

26.2 Amount Recognised in the Profit or Loss

	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Continuing operations				
Current service cost	**208,391**	173,896	**73,984**	62,024
Interest cost	**249,142**	208,168	**112,206**	84,367
	457,533	382,064	**186,190**	146,391

26.3 Amount Recognised in Other Comprehensive Income

	GROUP		COMPANY	
As at 31 March	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Actuarial (gain)/loss arising from:				
– Demographic assumptions	**6,421**	4,770	**2,370**	1,280
– Financial assumptions	**(6,776)**	–	**(5,655)**	–
– Experience adjustment	**65,901**	117,335	**44,420**	144,119
	65,546	122,105	**41,135**	145,399

26.4 Actuarial Assumptions

The principal assumptions, used in the actuarial valuation were as follows:

	2026 %	2025 %
Discount rate	**9.75**	11
Salary increment rate		
– Executive	**8.75**	10
– Staff	**8.75**	10
Staff turnover rate	**26**	20
Retirement age	**60 years**	60 years

26.5 Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in the key assumptions employed with all other variables held constant in the defined benefit obligation measurement:

	2026		2025	
As at 31 March	Increase Rs. '000	Decrease Rs. '000	Increase Rs. '000	Decrease Rs. '000
Group				
Discount rate (1% movement)	**(78,151)**	83,655	**(76,181)**	81,283
Salary increment rate (1% movement)	**95,172**	(90,422)	**91,859**	(86,470)
Company				
Discount rate (1% movement)	**(26,352)**	27,944	**(26,131)**	27,010
Salary increment rate (1% movement)	**32,331**	(31,012)	**31,598**	(29,978)

26.6 Maturity Profile of the Retirement Benefit Obligations

	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Less than 1 year	**972,924**	761,008	**620,701**	499,752
Between 1 – 5 years	**1,185,640**	924,594	**395,110**	312,837
Between 6 – 10 years	**484,034**	493,188	**163,668**	161,380
Over 10 years	**123,893**	166,009	**28,524**	46,087
	2,766,491	2,344,799	**1,208,003**	1,020,056

As at 31 March 2026, the weighted average duration of the defined benefit obligation for the Company was 2.4 years (2025: 3.5 years).

27 Trade and other Payables

	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Trade payables	**30,203,952**	25,842,651	**21,274**	21,641
Other payables	**5,541,004**	5,619,789	**466,835**	508,242
Accrued expenses	**4,704,446**	3,295,254	**226,791**	239,619
	40,449,402	34,757,694	**714,900**	769,502

28 Dividend Payable

		GROUP		COMPANY	
As at 31 March	**Notes**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
At 1 April		**116,902**	98,982	**116,902**	98,982
Dividends declared to shareholders	11	**4,496,476**	3,942,469	**4,496,476**	3,942,469
Dividends paid to shareholders		**(4,450,150)**	(3,904,217)	**(4,450,150)**	(3,904,217)
Write back of unclaimed dividends		**–**	(20,332)	**–**	(20,332)
At 31 March		**163,228**	116,902	**163,228**	116,902

29 Segmental Information

Accounting Policy

Segment Reporting

The Group's primary segments are Retail, FMCG, Restaurants and Real Estate. There are no distinguishable components to be identified as geographical segments for the Group.

A segment is a distinguishable component of the Group that is engaged in providing products and services. Business segment, which is subject to risks and rewards that are different from those of other segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The accounting policies adopted for segment reporting are those accounting policies adopted for preparing the Financial Statements of the Group.

The following summary describes the operations of each reportable segment:

Reportable segment	Operations
Retail	Operating an island wide chain of supermarket outlets under the Cargills Food City brand.
FMCG	Manufacturing, marketing, and distribution of dairy products, ice creams, beverages, culinary and cooking aids, convenience food, and confectionery.
Restaurants	Exclusive local franchisee of Kentucky Fried Chicken (KFC).
Real Estate	Owner/operator of the Cargills Square shopping and entertainment malls.

Inter-segment pricing is determined at prices mutually agreed by the companies.

	Retail		FMCG	
As at 31 March	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Revenue	**201,653,207**	182,461,966	**77,568,744**	66,476,433
Intra-segment revenue	**–**	–	**(1,303,421)**	(1,642,839)
Inter-segment revenue	**(281,283)**	(248,780)	**(18,929,490)**	(17,416,095)
	201,371,924	182,213,186	**57,335,833**	47,417,499
Segment operating profit	**8,769,181**	7,457,405	**7,426,943**	5,551,456
Net finance cost	**(2,343,161)**	(2,646,529)	**(246,946)**	(442,662)
Change in fair value of investment property	**–**	–	**96,089**	64,108
Share of equity accounted investees results	**–**	–	**–**	–
Profit before taxation	**6,426,020**	4,810,876	**7,276,086**	5,172,902
Income tax expense				
Current tax expense	**(1,514,796)**	(1,605,975)	**(2,305,061)**	(1,665,228)
Deferred tax expense	**109,836**	226,750	**129,489**	25,732
(Over)/Under provision	**–**	–	**–**	–
Other tax expense	**(301,404)**	(214,761)	**(361,398)**	(288,065)
Profit for the year	**4,719,656**	3,216,890	**4,739,116**	3,245,341
Attributable to:				
Equity shareholders of the parent	**4,719,656**	3,216,890	**4,735,385**	3,242,403
Non-controlling interest	**–**	–	**3,731**	2,938
	4,719,656	3,216,890	**4,739,116**	3,245,341
Segment assets				
Non-current assets				
Property, plant, and equipment	**27,387,106**	27,102,952	**11,319,961**	10,604,224
Right-of-use assets	**16,977,797**	15,180,512	**279,690**	80,051
Investment property	**–**	–	**493,838**	273,185
Intangible assets	**90,107**	93,445	**680,724**	691,984
Other financial assets	**–**	–	**565**	316
Prepayments on leasehold land and buildings	**–**	–	**–**	–
Investment in equity accounted investees	**–**	–	**–**	–
Biological assets	**–**	–	**27,170**	12,699
Deferred tax assets	**–**	–	**–**	–
	44,455,010	42,376,909	**12,801,948**	11,662,459
Current assets				
Inventories	**20,130,460**	18,105,005	**8,583,430**	7,036,412
Biological assets		–	**38,829**	63,787
Trade and other receivables	**7,796,624**	7,325,892	**7,172,076**	5,449,825
Amount due from related companies	**126,326**	78,496	**11,168**	11,382
Other financial assets	**–**	–	**131,295**	124,164
Cash and cash equivalents	**2,101,635**	3,781,862	**3,447,608**	3,083,672
	30,155,045	29,291,255	**19,384,406**	15,769,242
Total segmental assets	**74,610,055**	71,668,164	**32,186,354**	27,431,701

Restaurant		Real Estate		Others		Group	
2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
13,953,944	12,157,049	**–**	–	**142,884**	73,354	**293,318,779**	261,168,802
–	–	**–**	–	**–**	–	**(1,303,421)**	(1,642,839)
–	–	**–**	–	**(142,884)**	(21,468)	**(19,353,657)**	(17,686,343)
13,953,944	12,157,049	**–**	–	**–**	51,886	**272,661,701**	241,839,620
2,087,082	2,006,756	**17,615**	28,704	**313,035**	168,140	**18,613,856**	15,212,461
(183,265)	(137,165)	**(349,423)**	(285,732)	**(568,933)**	(656,337)	**(3,691,728)**	(4,168,425)
–	–	**1,151,919**	385,144	**(271,035)**	103,317	**976,973**	552,569
–	–	**–**	–	**197,739**	232,639	**197,739**	232,639
1,903,817	1,869,591	**820,111**	128,116	**(329,194)**	(152,241)	**16,096,840**	11,829,244
(652,448)	(585,907)	**–**	–	**(116,362)**	(114,542)	**(4,588,667)**	(3,971,652)
659	607	**(178,763)**	(144,215)	**36,812**	2,438	**98,033**	111,312
–	–	**–**	–	**–**	(331)	**–**	(331)
(134,944)	(195,452)	**–**	–	**–**	–	**(797,746)**	(698,278)
1,117,084	1,088,839	**641,348**	(16,099)	**(408,744)**	(264,676)	**10,808,460**	7,270,295
1,117,084	1,088,839	**363,049**	(61,373)	**(408,744)**	(264,676)	**10,526,430**	7,222,083
–	–	**278,299**	45,274	**–**	–	**282,030**	48,212
1,117,084	1,088,839	**641,348**	(16,099)	**(408,744)**	(264,676)	**10,808,460**	7,270,295
2,860,453	2,417,286	**1,077,125**	1,090,530	**8,469,007**	8,051,777	**51,113,652**	49,266,771
1,889,835	1,719,831	**147,983**	151,003	**821,479**	867,322	**20,116,784**	17,998,719
–	–	**10,208,401**	9,541,627	**2,073,599**	1,592,194	**12,775,838**	11,407,006
558,777	488,506	**–**	–	**315,096**	348,101	**1,644,704**	1,622,037
560	311	**–**	–	**1,594,883**	1,584,807	**1,596,008**	1,585,435
–	–	**–**	–	**–**	–	**–**	–
–	–	**–**	–	**4,926,142**	5,055,526	**4,926,142**	5,055,526
–	–	**–**	–	**–**	–	**27,170**	12,699
–	–	**–**	–	**–**	–	**–**	–
5,309,625	4,625,934	**11,433,509**	10,783,160	**18,200,206**	17,499,727	**92,200,298**	86,948,193
413,126	299,192	**–**	–	**149**	750	**29,127,164**	25,441,359
–	–	**–**	–	**–**	–	**38,829**	63,787
290,988	371,749	**636,827**	583,108	**678,370**	984,853	**16,574,885**	14,715,425
–	–	**39,427**	68,795	**14,652**	246,386	**191,573**	405,059
–	–	**–**	16,621	**–**	79,650	**131,295**	220,435
881,150	900,886	**104,210**	53,948	**108,115**	327,651	**6,642,718**	8,148,019
1,585,264	1,571,827	**780,464**	722,472	**801,286**	1,639,290	**52,706,464**	48,994,084
6,894,889	6,197,761	**12,213,973**	11,505,632	**19,001,492**	19,139,017	**144,906,762**	135,942,277

As at 31 March	Retail 2026 Rs. '000	Retail 2025 Rs. '000	FMCG 2026 Rs. '000	FMCG 2025 Rs. '000
Segment liabilities				
Non-current liabilities				
Interest bearing loans and borrowings	**–**	50,013	**–**	50,161
Lease liability	**20,777,196**	18,712,442	**210,746**	86,073
Deferred tax liability	**(322,735)**	(216,483)	**938,676**	1,064,083
Capital grant	**–**	–	**–**	–
Employee benefit liability	**1,316,349**	1,122,072	**240,499**	201,601
	21,770,810	19,668,044	**1,389,921**	1,401,918
Current liabilities				
Trade and other payables	**27,904,773**	25,225,131	**9,945,881**	7,079,922
Current tax liabilities	**1,455,106**	1,723,674	**2,653,745**	2,520,594
Amount due to related companies	**23,616**	29,539	**–**	1,191
Dividends payable	**–**	–	**–**	–
Interest bearing loans and borrowings	**6,877,290**	11,265,601	**3,190,657**	4,311,616
Lease liability	**1,162,912**	962,622	**59,318**	10,986
	37,423,697	39,206,569	**15,849,601**	13,924,309
Total segmental liabilities	**59,194,507**	58,874,613	**17,239,522**	15,326,227
Other information				
Capital expenditure	**3,130,827**	2,889,095	**2,078,938**	724,604
Depreciation	**2,749,055**	2,773,044	**1,592,205**	1,463,823

The Group does not distinguish its turnover into significant geographic segments.

30 Commitments

	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Capital commitment				
Approved and contracted	**1,585,258**	701,930	**101,193**	**276,811**

Financial commitments

(a) There were no material financial expenditure commitments approved by the Board of Directors as at 31 March 2026.

(b)

	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Settlement of letter of credits and import bills	**–**	279,439	**–**	–

Restaurant		Real Estate		Others		Group	
2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
–	–	–	–	–	–	–	100,174
2,142,924	1,929,124	142,380	136,905	839,889	884,764	24,113,135	21,749,310
(40,927)	(40,267)	915,515	684,268	508,637	625,184	1,999,166	2,116,785
–	–	–	–	–	–	–	–
–	–	1,640	1,070	1,208,003	1,020,056	2,766,491	2,344,799
2,101,997	1,888,857	1,059,535	822,243	2,556,529	2,530,004	28,878,792	26,311,068
1,427,038	1,325,808	433,733	353,277	737,977	773,556	40,449,402	34,757,694
934,267	999,150	45	45	663,360	563,285	5,706,523	5,806,748
–	–	19,202	9,036	–	–	42,818	39,766
–	–	–	–	163,228	116,902	163,228	116,902
144,967	211,199	4,200,500	4,170,000	8,328,857	8,366,714	22,742,271	28,325,130
137,187	132,194	6,573	6,024	65,796	43,246	1,431,786	1,155,071
2,643,459	2,668,351	4,660,053	4,538,382	9,959,218	9,863,703	70,536,028	70,201,311
4,745,456	4,557,208	5,719,588	5,360,625	12,515,747	12,393,707	99,414,820	96,512,379
1,008,400	937,529	418,155	48,767	755,209	204,434	7,391,529	4,804,429
427,466	347,135	38,475	37,983	106,489	102,438	4,913,690	4,724,423

31 Contingent Liabilities

Accounting Policy

Contingencies

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be readily measured as defined in the Sri Lanka Accounting Standard – LKAS 37 "Provisions, Contingent Liabilities and Contingent Assets". Contingent liabilities are not recognised in the Statement of Financial Position but are disclosed unless its occurrence is remote.

Income Tax

The income tax concessions claimed under the Inland Revenue Act, No. 10 of 2006, and Act, No. 24 of 2017, as well as the Value Added Tax (VAT) concessions/exemptions claimed under the Value Added Tax Act, No. 14 of 2002, have been contested by the Department of Inland Revenue. The resulting contingent liabilities are as follows:

- Cargills Dairies (Private) Limited: Rs. 447.87 Mn.
- Cargills Restaurants (Private) Limited: Rs. 228.91 Mn.
- Cargills Confectioneries Limited: Rs. 66.97 Mn.
- Cargills Convenient Foods Limited: Rs. 65.92 Mn.
- Cargills Food & Beverage Limited: Rs. 61.11 Mn.
- Cargills Dairies (Private) Limited (VAT): Rs. 5,250.57 Mn.

After seeking professional advice, management is confident that the tax concessions are valid and, therefore, believes that no liabilities will arise. Consequently, no provisions have been made in the financial statements.

Letters of Guarantee to Commercial Banks

Kotmale Holdings PLC a subsidiary of the Company has given letters of guarantee to Commercial Banks on behalf of its subsidiary company Kotmale Dairy products (Pvt) Ltd. (Rs. 50 Mn.). The Directors do not expect any claim on these guarantees. Accordingly, no provision has been made in the Financial Statements.

Bank Guarantee

The Company has provided Bank Guarantees to Sri Lanka Customs amounting to Rs. 2.5 Mn.

There are no other material contingent liabilities as at the reporting date.

The Directors do not expect any claim on these guarantees. Accordingly, no provision has been made in the Financial Statements.

32 Events after the Reporting Period

32.1 Proposed Dividend

Subsequent to the reporting period, on 29 May 2026, the Board of Directors declared and paid a second interim dividend of Rs. 12.75 per share for the year ended 31 March 2026.

In accordance with LKAS 10 – "Events after the reporting period", the dividend has not been recognised as a liability in the Financial Statements as at 31 March 2026.

No events other than the above, have occurred since the reporting date which would require any adjustment to, or disclosure in the Financial Statements.

33 Transactions with Group Companies

Accounting Policy

Related Party Transactions

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is being charged or not.

The relevant details are disclosed in the respective notes to the Financial Statements.

The Company has provided corporate guarantees for the term loans and banking facilities obtained by its subsidiary companies, the details of which have been disclosed under Note 25.1 to the Financial Statements.

Companies within the Group engage in trading and business transactions under normal commercial terms which give rise to related company balances. The balances have been disclosed under Note 21 to the Financial Statements.

33.1 Transactions with Key Management Personnel (KMP)

According to LKAS 24 – "Related Party Disclosures", KMP are those having authority and responsibility for planning, directing, controlling the activities of the entity. Accordingly, the Directors of the Company and its subsidiaries (including Executive and Non-Executive Directors) have been classified as KMP of the Group.

Key Management Personnel compensation comprises the following:

	GROUP		COMPANY	
Year ended 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Director fee, salaries and other short-term employee benefits	**955,568**	873,520	**–**	249
	955,568	873,520	**–**	249

33.2 Amounts due from/due to Related Companies

Amounts due from and due to related companies as at the year end have been disclosed under Note 21 to these Financial Statements.

33.3 Transactions with Related Companies

For the year ended 31 March		GROUP		COMPANY	
Relationship	Nature of the Transactions	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Subsidiaries					
Cargills Retail (Private) Limited	Sale/(purchase)	–	–	**22,869**	21,468
	Services rendered/(received)	–	–	**2,078,980**	1,934,332
	Dividend Income	–	–	**1,707,952**	1,216,978
	Fund transfer/(settlement)	–	–	**(3,877,553)**	(3,043,919)
Cargills Dairies (Private) Limited	Services rendered/(received)	–	–	**884,361**	813,974
	Dividend Income	–	–	**1,427,554**	1,162,545
	Fund transfer/(settlement)	–	–	**(2,273,621)**	(1,964,166)
Cargills Confectioneries (Private) Limited	Services rendered/(received)	–	–	**123,790**	99,842
	Fund transfer/(settlement)	–	–	**(117,389)**	(96,123)
Millers Limited	Services rendered/(received)	–	–	**(8,123)**	(6,932)
	Fund transfer/(settlement)	–	–	**7,302**	6,167
CPC (Lanka) Limited	Services rendered/(received)	–	–	**9,909**	8,916
	Fund transfer/(settlement)	–	–	**(9,310)**	(8,195)
Cargills Food & Beverage Limited	Services rendered/(received)	–	–	**303,844**	267,868
	Fund transfer/(settlement)	–	–	**(296,509)**	(259,762)
Cargills Convenient Foods Limited	Services rendered/(received)	–	–	**250,686**	229,482
	Dividend Income	–	–	**619,799**	469,822
	Fund transfer/(settlement)	–	–	**(864,301)**	(693,712)
Cargills Restaurants (Private) Limited	Services rendered/(received)	–	–	**414,676**	383,229
	Dividend Income	–	–	**764,687**	1,107,567
	Fund transfer/(settlement)	–	–	**(1,175,824)**	(1,506,115)
Cargills Food Services (Private) Limited	Fund transfer/(settlement)	–	–	**(2,395)**	884
Kotmale Dairy Products (Private) Limited	Services rendered/(received)	–	–	**331,341**	286,991
	Fund transfer/(settlement)	–	–	**(313,300)**	(296,219)
Dawson Office Complex (Private) Limited	Fund transfer/(settlement)	–	–	**(9)**	1,130
The Empire Investments Company (Private) Limited	Services rendered/(received)	–	–	**942**	17,990
	Fund transfer/(settlement)	–	–	**895**	(890,075)
Cargills Agri Solutions Company (Private) Limited	Services rendered/(received)	–	–	**1,547**	9,435
	Fund transfer/(settlement)	–	–	**(3,062)**	(8,083)
Cargills Enterprise Solutions (Private) Limited	Services rendered/(received)	–	–	**62,377**	–
	Fund transfer/(settlement)	–	–	**(45,757)**	35,677
Frederick North Hotel Company Limited	Fund transfer/(settlement)	–	–	**(10)**	10
C T Properties Limited	Services rendered/(received)	–	–	**46,202**	48,902

		GROUP		COMPANY	
For the year ended 31 March		2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Relationship	Nature of the Transactions				
Holding company					
C T Holdings PLC	Fund transfer/(settlement)	**8,389**	(2,798)	**9**	(20,065)
Associated					
Cargills Bank	Sale/(purchase)	**–**	–	**–**	–
	Services rendered/(received)	**126,481**	103,156	**30,556**	29,919
	Fund transfer/(settlement)	**(74,737)**	(54,616)	**(26,903)**	(36,118)
Ceylon Theatres (Private) Limited	Sale/(purchase)	**23,242**	14,670	**–**	–
	Services rendered/(received)	**156,161**	19,744	**18,061**	19,428
	Fund transfer/(settlement)	**(218,155)**	(130,685)	**(33,105)**	(12,910)
Other related companies					
Cargills Foundations	Fund transfer/(settlement)	**(224,320)**	(25,042)	**(220,778)**	(25,052)
Double Yumm (Private) Limited	Sale/(purchase)	**(269,648)**	(399,750)	**–**	–
	Fund transfer/(settlement)	**276,609**	399,187	**–**	–
Albert A. Page Institute	Fund transfer/(settlement)	**380**	39	**380**	39

Net dividends received from subsidiary companies

As at 31 March	2026 Rs. '000	2025 Rs. '000
Cargills Convenient Foods Limited	**619,799**	469,822
Cargills Retail (Private) Limited	**1,707,952**	1,216,977
Cargills Restaurants (Private) Limited	**764,687**	1,107,567
Cargills Dairies (Private) Limited	**1,427,554**	1,162,546
	4,519,992	3,956,912

33.4 Transactions, Arrangements and Agreements involving Key Management Personnel (KMP) and their Close Family Members (CFM)

CFM of a KMP are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity. They may include;

(a) the individual's domestic partner and children;

(b) children of the individual's domestic partner; and

(c) dependents of the individual or the individual's domestic partner

CFM are related parties to the entity. There were no transactions other than disclosed below with the CFM during the year.

Double Yumm (Private) Limited

Mrs R Page, the wife of the Deputy Chairman, is a director of the above company, with which the Group had regular transactions in the ordinary course of business, which is considered a related party due to CFM.

Recognition and Classification

Income and Expenses incurred with the Double Yumm (Private) Limited are recognised initially in the Statement of Profit or Loss and subsequently recognised as receivables where reimbursement is expected, based on management's assessment and past practices.

Amounts Outstanding

As at 31 March 2026, the amount due to Double Yumm (Private) Limited to the Group is Rs. 22.29 Mn., while due to Cargills Retail (Private) Limited is Rs. 23.62 Mn., due from Cargills Dairies (Private) Limited is Rs. 0.44 Mn., Cargills Food & Beverage Limited is Rs. 0.012 Mn., Cargills Confectioneries (Private) Limited is Rs. 0.05 Mn., and Cargills Convenient Foods Limited is Rs. 0.82 Mn.

Amounts Recognised in Profit or Loss

During the year sales and purchase to the Group is Rs. 269.65 Mn. (2025: 399.75 Mn.) recognised in relation to transactions with Double Yumm (Private) Limited.

Recoverability Assessment

Management has assessed the recoverability of the outstanding balance and believes the amounts are fully recoverable based on past settlement history. Accordingly, no impairment provision has been recognised.

Cargills Foundation

Cargills (Ceylon) PLC has entered into transactions through which launched the Early Childhood Education Program (ECEP) to expand English Language Teaching across the country through pre-schools, particularly in underserved areas. Such programs are designed to strengthen foundational learning and child development through teacher capacity-building, the provision of educational resources and technology-enabled learning initiatives implemented across selected preschool communities in Sri Lanka. To carry forward the program, the Company incorporated the Cargills Foundation as a Company incorporated by guarantee in 2019 with the Company and the subsidiary Cargills Retail (Pvt) Ltd as its members. Transactions with Cargills Foundation principally comprise advances by CCP in support of early childhood education programs. With regard to the funds advanced to Cargills Foundation,

- There were no formal agreements setting terms and conditions;
- No repayment terms (including timelines or conditions) were agreed upon;
- The amount does not constitute an interest-bearing loan or advance; and
- No security or guarantees have been provided.

Recognition and classification

Advances are recognised as related party receivable where reimbursement is expected and recovery is considered probable. The recognition of such receivables is based on management's assessment of the underlying arrangements, the nature of the expenditure incurred and historical settlement practices. In 2019, a sum of Rs 226.5 Mn. was initially advanced by the Company to Cargills Foundation were initially accounted under Other Receivables. This being a CSR project approved by the Board, a separate Related Party Transactions Review Committee approval was not obtained. However, the classification was changed as Related Party Receivables in the subsequent reporting year, by virtue of common directors exercise significant influence over both entities.

Also, during the year, a sum of Rs 110 Mn. was contributed by M/s Odeon Holdings (Ceylon) (Private) Limited (a company wholly owned by the Chairman, Mr L R Page) pursuant to a verbal undertaking given to the ECEP by the Chairman, at the inception of the project, to contribute half of the initial project cost.

Recoverability Assessment

Management has assessed the recoverability of the outstanding balance, taking into consideration the historical settlement pattern, the nature of the amounts due and the expected timing of recovery. Based on this assessment, an impairment provision of Rs. 104.79 Mn. has been recognised as at the reporting date.

The above detailed disclosures are being made in compliance with Sri Lanka Accounting Standard (LKAS) 24 - Related Party Disclosures.

Amounts Due from Cargills Foundation

	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Balance as at 1 April	**224,320**	249,362	**220,778**	245,830
Funds Advanced	**491**	8,299	**491**	8,289
Other Contributions Received	**(110,000)**	–	**(110,000)**	–
Amounts Re-paid	**(10,018)**	(33,341)	**(6,476)**	(33,341)
Provision for impairment	**(104,793)**	–	**(104,793)**	–
Balance as at 31 March	**–**	224,320	**–**	220,778

34 Comparative Information

Comparative Information is re-classified wherever necessary to conform with the current year's presentation in order to provide a better presentation.

35 Assessment of Going Concern

The Financial Statements of Cargills (Ceylon) PLC for the year ended 31 March 2026, have been prepared on the basis that the Company is a going concern.

Based on the prevailing information, the Management has considered the consequences of the uncertainties faced by the country and, whilst these challenges would have a bearing on the inflation, consumer demand and supply chain, The Company has adapted strategies to mitigate its impact and does not consider that any material uncertainty exists that may cast significant doubt on its ability to continue as a going concern.

36 Financial Instruments

36.1 Accounting Classification and Fair Values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Financial Assets by Categories (Group)

		Financial assets at amortised cost		FVTOCI – equity instruments		FVTPL – debt instruments	
As at 31 March	**Notes**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Financial assets measured at fair value							
Other financial instruments – Equity	16.3.1	**–**	–	**96,008**	85,435	**–**	–
Other financial instruments – Debt	16.3.2	**–**	–	**–**	–	**1,500,000**	1,500,000
Financial assets not measured at fair value							
Trade and other receivables, excluding prepayments, deposits and tax recoverable	20	**10,644,666**	9,977,438	**–**	–	**–**	–
Amounts due from related companies	21	**191,573**	405,059	**–**	–	**–**	–
Other financial assets	16.3.3	**131,295**	220,435	**–**	–	**–**	–
Cash and cash equivalents	24	**6,642,718**	8,148,019	**–**	–	**–**	–
		17,610,252	18,750,951	**96,008**	85,435	**1,500,000**	1,500,000

Financial Liabilities by Categories (Group)

		Financial liabilities at amortised cost	
As at 31 March	**Notes**	**2026 Rs. '000**	**2025 Rs. '000**
Financial liabilities not measured at fair value			
Interest bearing loans and borrowings	25	**22,742,271**	28,425,304
Lease liability	13.2	**25,544,921**	22,904,381
Trade and other payables, excluding accrued expenses	27	**35,744,956**	31,462,440
Amounts due to related companies	21	**42,818**	39,766
Total		**84,074,966**	82,831,891

Financial Assets by Categories (Company)

		Financial assets at amortised cost		FVTOCI – equity instruments		FVTPL – debt instruments	
As at 31 March	**Notes**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Financial assets measured at fair value							
Other financial instruments – Equity	16.3.1	**–**	**–**	**94,883**	84,808	**–**	–
Other financial instruments – Debt	16.3.2	**–**	**–**	**–**	–	**1,500,000**	1,500,000
Financial assets not measured at fair value							
Trade and other receivables, excluding prepayments, deposits and tax recoverable	20	**67,525**	318,045	**–**	–	**–**	–
Amounts due from related companies	21	**1,811,056**	2,001,856	**–**	–	**–**	–
Cash and cash equivalents	24	**24,608**	326,969	**–**	–	**–**	–
Total		**1,903,189**	2,646,870	**94,883**	84,808	**1,500,000**	1,500,000

Financial Liabilities by Categories (Company)

As at 31 March	Notes	Financial liabilities at amortised cost 2026 Rs. '000	2025 Rs. '000
Financial liabilities not measured at fair value			
Interest bearing loans and borrowings	25	**8,328,857**	8,366,714
Lease liability	13	**902,463**	926,399
Trade and other payables, excluding accrued expenses	27	**488,110**	529,883
Amounts due to related companies	21	**1,712**	–
Total		**9,721,142**	9,822,996

36.1.1 The above table does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

36.2 Fair Value Hierarchy

The table below analyses assets carried at fair value, by valuation method.

The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs)

		Level 1		Level 2		Level 3		Total	
As at 31 March	Notes	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Group									
Freehold land and buildings	12	**–**	–	**–**	–	**22,791,617**	22,580,173	**22,791,617**	22,580,173
Investment property	14	**–**	–	**–**	–	**12,775,838**	11,407,006	**12,775,838**	11,407,006
Equity investment at FVOCI	16.3.1	**96,008**	85,435	**–**	–	**–**	–	**96,008**	85,435
Debt investment at FVTPL	16.3.2	**–**	–	**1,500,000**	1,500,000	**–**	–	**1,500,000**	1,500,000
Biological assets	17	**–**	–	**–**	–	**65,999**	76,486	**65,999**	76,486

		Level 1		Level 2		Level 3		Total	
As at 31 March	Notes	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000	2026 Rs. '000	2025 Rs. '000
Company									
Freehold land and buildings	12	**–**	–	**–**	–	**3,152,800**	3,100,405	**3,152,800**	3,100,405
Investment property	14	**–**	–	**–**	–	**4,624,169**	3,793,237	**4,624,169**	3,793,237
Equity investment at FVOCI	16.3.1	**94,883**	84,808	**–**	–	**–**	–	**94,883**	84,808
Debt investment at FVTPL	16.3.2	**–**	–	**1,500,000**	1,500,000	**–**	–	**1,500,000**	1,500,000

36.2.1 Assets and Liabilities Measured at Fair Value – Recurring

The following table shows the valuation techniques used by Group in measuring level 3 fair values and the significant unobservable inputs used.

Assets and liabilities	Valuation technique	Significant unobservable inputs	Sensitivity of the input to the fair value
Property, plant and equipment – Freehold land and building	**Market approach** This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for difference in size, nature and location of the property	Market value per perch of land/price per square foot Rs. 5,000 – Rs. 20,500,000 per perch	Estimated fair value will increase (decrease) if; Market value per perch/Price for sq ft increases (decreases)
	Income approach The net income generated by the property is used in conjunction with certain factors is used to calculate its fair value.	Cash flows from property discounted at an appropriate rate Contractual rental Rs. 600,000 – Rs. 15,583,653 per month. Capitalisation rates 5.4% – 6.25% Repairs and insurance 20% – 36%	Estimated fair value will increase (decrease) if; market interest rate increases (decreases) Contractual rentals were higher/(lower) Capitalisation rate was (higher)/lower Repair and insurance was (higher)/lower Market value per perch was higher/(lower)
Investment property – Freehold land and building	**Market approach** This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for difference in size, nature and location of the property	Market price per perch. The valuer has used a range of prices for respective lands based on adjusted fair value taking into account other valuation considerations – Rs. 1,250,000 – Rs. 40,000,000	The estimated fair value would increase/ (decrease) if Cost per square foot was higher/(lower) Market value per perch was higher/(lower)
	Income approach The net income generated by the property is used in conjunction with certain factors is used to calculate its fair value.	Capitalisation rates 6.5% Repairs and insurance 20% – 45% Contractual rental Rs. 225,000 - Rs. 20,170,735 per month.	The estimated fair value would increase/(decrease) if Contractual rentals were higher/(lower) Occupancy rates were higher/(lower) Capitalisation rate was (higher)/lower Repair and insurance was (higher)/lower Market value per perch was higher/(lower)

37 Financial Risk Management

Overview

The Group has exposure to the following risks from its use of financial instruments:

– Credit risk
– Liquidity risk
– Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee oversees how management monitors compliance with the Group's risk management processes/guidelines and procedures and reviews the adequacy of the risk management framework in relation to the risks. The Audit Committee is assisted in its oversight role by the Risk Management team and Internal Audit, who undertake both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

37.1 Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligation, and arise principally from the Group's receivables from customers.

Group implemented several initiatives such as periodic review of the creditworthiness of its counterparties, financial statements reviews, and industry information.

Carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk at the reporting date was as follows:

		GROUP		COMPANY	
For the year ended 31 March	**Notes**	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Trade and other receivables, excluding prepayments and tax recoverable	20	**10,644,666**	9,977,438	**67,525**	318,045
Amounts due from related companies	21	**191,573**	405,059	**1,811,056**	2,001,856
Cash and cash equivalents, excluding cash in hand	24	**4,816,818**	7,088,386	**23,880**	325,839
		15,653,057	17,470,883	**1,902,461**	2,645,740

37.1.1 Trade Receivables Net of Provision for Impairment

	GROUP			COMPANY		
As at 31 March	**Gross Carrying Amount Rs. '000**	**Loss Allowances Rs. '000**	**Net Carrying Amount Rs. '000**	**Gross Carrying Amount Rs. '000**	**Loss Allowances Rs. '000**	**Net Carrying Amount Rs. '000**
Past due 1-30 days	6,811,893	–	6,811,893	–	–	–
Past due 31-60 days	1,273,278	–	1,273,278	–	–	–
Past due 61-90 days	555,350	–	555,350	–	–	–
> 91 days	188,337	(138,696)	49,641	–	–	–
	8,828,858	(138,696)	8,690,162	–	–	–

The provision for impairment of trade receivables are relevant to the trade receivables outstanding for more than 90 days. The Group has obtained bank guarantees from major customers by reviewing their past performance and creditworthiness.

37.1.2 Amounts Due from Related Companies

The Group's amounts due from related companies mainly consist of receivables from other related companies and parent company. The Company's amount due from related companies consist of receivables from affiliate companies.

37.1.3 Cash and Cash Equivalents

The Group and the Company held cash and cash equivalents of Rs. 6,642.72 Mn. and Rs. 24.61 Mn. at 31 March 2026 (2025 – Rs. 8,148.02 Mn. and Rs. 326.96 Mn.), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with banks, which are rated AA(lka) to CCC+(lka), based on Fitch Ratings.

37.1.4 Guarantees

The Group's policy is to provide financial guarantees only to wholly owned subsidiaries.

37.2 Liquidity Risk

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

The Group monitors its risk to shortage of funds by considering maturity of both the Group's financial investments and financial assets and other projected cash flow from operations.

The Group's objective is to maintain balance between continuity of funding and flexibility through the use of multiple sources of funding including bank loans and overdrafts over a wider spread of maturity periods.

In liquidity risk management, the Group uses a mixed approach where it combines elements of cash flow matching approach and the liquid assets approach. The business units attempt to match cash outflows in each time bucket against a combination of contractual cash inflows that can be generated through the sale of assets, repurchase agreements or secured borrowings.

The following are the contractual maturities of financial liabilities of the Group as at 31 March 2026:

	GROUP				
Contractual cash flows	**Carrying amount Rs. '000**	**Total Rs. '000**	**Within 1 year Rs. '000**	**Between 1-5 years Rs. '000**	**More than 5 years Rs. '000**
Trade and other payables, excluding accrued expenses	**35,744,956**	**35,744,956**	**35,744,956**	**–**	**–**
Amounts due to related companies	**42,818**	**42,818**	**42,818**	**–**	**–**
Short-term loans	**19,781,000**	**19,781,000**	**19,781,000**	**–**	**–**
Long-term loans	**101,214**	**101,214**	**101,214**	**–**	**–**
Bank overdraft	**2,860,057**	**2,860,057**	**2,860,057**	**–**	**–**
Lease liabilities	**25,544,921**	**50,245,927**	**4,003,578**	**17,958,990**	**28,283,359**
	84,074,966	**108,775,972**	**62,533,623**	**17,958,990**	**28,283,359**

The following are the contractual maturities of financial liabilities of the Group as at 31 March 2025:

	GROUP				
Contractual cash flows	**Carrying amount Rs. '000**	**Total Rs. '000**	**Within 1 year Rs. '000**	**Between 1-5 years Rs. '000**	**More than 5 years Rs. '000**
Trade and other payables, excluding accrued expenses	31,462,440	31,462,440	31,462,440	–	–
Amounts due to related companies	39,766	39,766	39,766	–	–
Short-term loans	24,233,000	24,233,000	24,233,000	–	–
Long-term loans	1,518,502	1,518,502	1,418,328	100,174	
Bank overdraft	2,673,802	2,673,802	2,673,802	–	–
Lease liabilities	22,904,381	47,318,381	3,712,803	13,306,717	30,298,861
	82,831,891	107,245,891	63,540,139	13,406,891	30,298,861

The following are the contractual maturities of financial liabilities of the Company as at 31 March 2026:

	COMPANY				
Contractual cash flows	**Carrying amount Rs. '000**	**Total Rs. '000**	**Within 1 year Rs. '000**	**Between 1-5 years Rs. '000**	**More than 5 years Rs. '000**
Trade and other payables, excluding accrued expenses	**488,109**	**488,109**	**488,109**	**–**	**–**
Amounts due to related companies	**1,712**	**1,712**	**1,712**	**–**	**–**
Short-term loans	**8,225,000**	**8,225,000**	**8,225,000**	**–**	**–**
Bank overdraft	**103,857**	**103,857**	**103,857**	**–**	**–**
Lease liabilities	**902,463**	**1,258,756**	**116,436**	**469,282**	**673,038**
	9,721,141	**10,077,434**	**8,935,114**	**469,282**	**673,038**

The following are the contractual maturities of financial liabilities of the Company as at 31 March 2025 :

	COMPANY				
Contractual cash flows	**Carrying amount Rs. '000**	**Total Rs. '000**	**Within 1 year Rs. '000**	**Between 1-5 years Rs. '000**	**More than 5 years Rs. '000**
Trade and other payables, excluding accrued expenses	529,883	529,883	529,883	–	–
Short-term loans	7,350,000	7,350,000	7,350,000	–	–
Long-term loans	1,016,714	1,016,714	1,016,714	–	–
Bank overdraft	–	–	–	–	–
Lease liabilities	926,399	1,329,864	98,468	442,923	788,473
	9,822,996	10,226,461	8,995,065	442,923	788,473

37.3 Market Risk

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

37.3.1 Currency Risk

The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the Sri Lankan Rupee (LKR). The Group has limited exposure in respect of recognised foreign currency assets and liabilities. The Group applied Rs. 315 per USD and Rs. 362 per EUR as at the reporting date in translating its assets and liabilities. The following table shows the estimated impact on profitability by fluctuation of exchange rates assuming that all other variables remain constant;

Exposure to Currency Risk

	GROUP		COMPANY	
In thousands of LKR	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Trade receivable	**71,215**	61,877	**–**	–
Cash and cash equivalent	**79,222**	36,031	**–**	–
Trade payable	**(946)**	(593)	**–**	–
Other payable	**(144,357)**	(367,174)	**–**	–
Net exposure	**5,134**	(269,859)	**–**	–
Effect of Currency Rate Swaps				
5% increase in exchange rate of USD	**(14,776)**	(4,623)	**–**	–
	(9,642)	(274,482)	**–**	–
5% decrease in exchange rate of USD	**14,776**	4,623	**–**	–
	19,910	(265,236)	**–**	–

37.3.2 Interest Rate Risk

The Group is exposed to interest rate risk on borrowings and deposits. The Group's interest rate policy seeks to minimise the cost and volatility of the Group's interest expense by maintaining a diversified portfolio of fixed rate, floating rate and inflation-linked liabilities.

The Group adopts a policy of ensuring borrowings are maintained at a manageable level while optimizing returns. Interest rates are negotiated leveraging on the strength of the group and thereby ensuring the availability of cost -effective funds at all times, while minimizing the negative effect of market fluctuations. Further, the Group has considerable banking facilities with several reputed banks which has enabled the Group to negotiate competitive rates.

Sensitivity Analysis

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

	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Financial liabilities	**22,742,271**	28,425,304	**8,328,857**	8,366,714
Net exposure	**22,742,271**	28,425,304	**8,328,857**	8,366,714
Effect of Interest Rate Changes				
increase in 100 basis points	**(227,423)**	(284,253)	**(83,289)**	(83,667)
	22,514,848	28,141,051	**8,245,568**	8,283,047
decrease in 100 basis points	**227,423**	284,253	**83,289**	83,667
	22,969,694	28,709,557	**8,412,146**	8,450,381

37.3.3 Market Price Risk

Listed equity securities are susceptible to market price risk arising from uncertainties of future values of the investment securities. The Group manages the equity price risk through diversification and placing limits on individual and total equity portfolio investments. The Group's equity risk management policies are;

- Equity investment decisions are based on fundamentals rather than on speculation; and
- Decisions are based on in depth macroeconomic and industry analysis as well as research reports on company performance. Market price risk is not material to the Group.

37.4 Capital Management

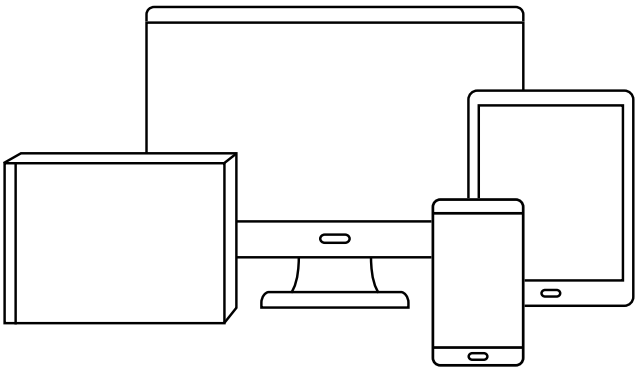
	GROUP		COMPANY	
As at 31 March	**2026 Rs. '000**	**2025 Rs. '000**	**2026 Rs. '000**	**2025 Rs. '000**
Total borrowings	**22,742,271**	28,425,304	**8,328,857**	8,366,714
Less: Cash and cash equivalents	**6,642,718**	8,148,019	**24,608**	326,969
Net debt	**16,099,553**	20,277,285	**8,304,249**	8,039,745
Total equity	**45,491,943**	39,429,898	**11,245,682**	11,595,223
Net debt to equity ratio	**0.35**	0.51	**0.74**	0.69

There were no changes in the Group's approach to capital management during the year.



Annexes

About the Report



Cargills (Ceylon) PLC is proud to present its Integrated Annual Report for the financial year ended 31 March 2026. This Report reflects our continued evolution in reporting, with enhanced disclosures on sustainability and climate-related risks and opportunities in response to emerging global reporting expectations.

This Report has been prepared with reference to the International Integrated Reporting Framework and in accordance with the Global Reporting Initiative (GRI) Standards, including GRI 13: Agriculture, Aquaculture, and Fishing Sectors 2022. During the year in review, the Group also aligned selected disclosures with the requirements of SLFRS S1 and SLFRS S2, strengthening the integration of financial and non-financial information within the Report. Through this Report, we provide a comprehensive view of our strategy, governance, performance, and future outlook, while considering impacts on stakeholders, the external environment, and the use of resources across our value chain.

Having commenced its integrated reporting journey in FY 2021/22, Cargills continues to strengthen transparency and accountability in its reporting practices. We recognise that sustainability and climate-related considerations may influence long-term performance, financial position, and operational resilience, and these considerations are reflected throughout the Report. We also outline how value is created over the short, medium, and long term.

How this Report is Organised

With the Integrated Reporting Framework as a principal reference, this Report has been prepared in accordance with the GRI Standards.

The structure of the Report reflects how we create value across our value chain, incorporating the identification and management of key risks and opportunities, including those related to sustainability and climate. The Taking Stock section continues to be organised around value delivered and value created, providing an integrated view of the Group's performance, including key operational, financial, and strategic developments during the year in review.

During the year in review, we enhanced disclosures to provide greater visibility into how sustainability and climate-related considerations are integrated into strategy, risk management, and operational decision-making. These disclosures are presented across relevant sections of the Report, including Our Approach to Sustainability, and Risk Management.

The Report includes both quantitative and qualitative information, with a preference for quantitative data where available to support comparability and informed decision-making. There were no restatements of information from the previous reporting period. Certain sustainability and climate-related disclosures are presented on a progressive basis, reflecting the Group's first-year application of SLFRS S1 and S2.

Scope, Boundaries, and Reporting Structure

The Report covers the operations of Cargills (Ceylon) PLC and its subsidiaries as listed in the Corporate Information section (collectively referred to as the "Group") for the 12-month period from 1 April 2025 to 31 March 2026. The Group publishes its Integrated Annual Report on an annual basis.

All financial and non-financial information is presented at Group level unless otherwise specified. Sustainability and climate-related disclosures consider impacts, dependencies, risks, and opportunities across the Group's value chain, including upstream, operational, and downstream activities.

Material topics are identified through a structured assessment process that considers stakeholder inputs, value chain impacts, and factors that may influence financial performance and long-term prospects. Material aspects and boundaries are based on internal assessments encompassing the Group's activities in Sri Lanka.

Non-financial data is compiled through internal reporting systems across business units, with processes in place to support consistency, review, and validation at Group level.

While there were no significant changes to the scope or boundaries of reporting during the year in review, disclosures have been enhanced to incorporate sustainability and climate-related risks and opportunities in line with SLFRS S1 and S2.

Financial Reporting

The financial information reported in this Integrated Annual Report has been prepared and presented in accordance with Sri Lanka Accounting Standards (SLFRS and LKAS) as laid down by The Institute of the Chartered Accountants of Sri Lanka, in compliance with the Companies Act No. 07 of 2007 and the Listing Rules of the Colombo Stock Exchange, and has been audited by Messrs KPMG. Furthermore, the Report is in adherence with the Code of Best Practice on Corporate Governance issued jointly by the Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka.

Non-Financial Reporting

This Integrated Annual Report provides a comprehensive overview of the Group's economic, social, and environmental performance, including its contribution to the United Nations Sustainable Development Goals (SDGs) and United Nations Global Compact (UNGC) principles. Sustainability and climate-related disclosures have been developed with reference to SLFRS S1 and S2, with certain areas subject to transitional approaches where data availability and measurement methodologies continue to be refined.

An Independent Assurance Report by Messrs KPMG provides reasonable assurance on selected financial information and limited assurance on selected non-financial disclosures.

A GRI content index is presented on pages 147-150, followed by an SLFRS S1 and S2 content index on pages 192 of this Report.

Feedback

We welcome any queries, suggestions, or feedback relating to this Report at



investor.relations@cargillsceylon.com

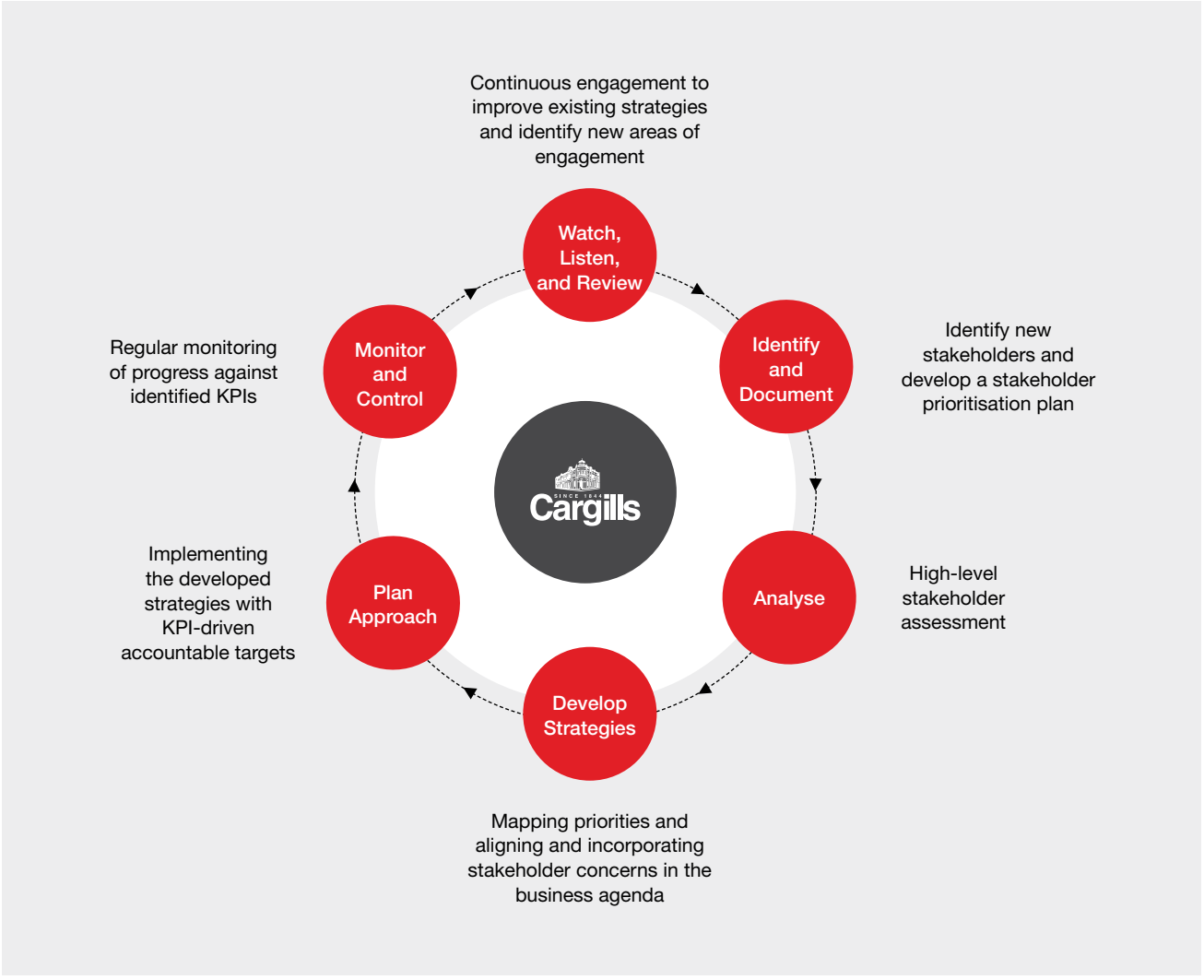
Stakeholder Engagement

Cargills maintains frequent, open, and structured engagement with both internal and external stakeholders to understand evolving expectations and respond to evolving economic and social conditions in Sri Lanka. Operating across an interconnected value chain, these engagements provide critical insight into how the Group manages relationships, addresses emerging concerns, and aligns its operations with long-term value creation.

During the year in review, stakeholder engagement continued to support how Cargills identifies and responds to key risks and opportunities across its value chain, including those related to affordability, supply continuity, workforce dynamics, and environmental considerations. Through continuous dialogue, Cargills remains focused on strengthening trust, improving responsiveness, and ensuring that stakeholder perspectives are reflected in decision-making processes.

Our Engagement Process

At Cargills, stakeholder engagement is carried out through a structured and continuous process that enables the Group to identify, prioritise, and respond to stakeholder expectations. This process reflects how stakeholder insights are gathered and incorporated into decision-making across the organisation. Engagement takes place across multiple touchpoints within the value chain, allowing the Group to remain responsive to evolving economic conditions, operational priorities, and stakeholder needs. These interactions support a clearer understanding of stakeholder concerns while strengthening the Group's ability to address risks, respond to emerging issues, and sustain business performance.



Stakeholder	Engagement Mechanism	Key Concerns Raised in 2025/26	Measures Taken by Cargills in Response in 25/26
Farmers, SMEs, and Traders Over 23,000 farmers and more than 600 suppliers are connected to the Cargills value chain	• Ongoing daily engagement • Ongoing monthly meetings • Field visits and technical advisory sessions • Monthly/quarterly meetings with farmer groups • Digital engagement platforms • Collaboration with government and other partner organisations	• Increasing input costs and production challenges • Access to reliable markets • Access to financial services and working capital • Price fluctuations and income stability • Climate changes affecting yields	• Continued expansion and strengthening of the agriculture supply chain, including direct purchasing through collection centres and integrated supply chain networks • Provision of technical guidance, field level support, and extension services to improve productivity and reduce post-harvest losses • Expanding Village to Home initiative to support SME participation and strengthen income-generation opportunities • Facilitation of market access through retail integration, including dedicated shelf-space and structured SME onboarding mechanisms • Strengthened access to financial support through subsidies and the Cargills Sarubima Credit Relief Fund • Mobilised farmer loans and grant assistance exceeding Rs. 140 Mn. with the support of Cargills Bank and the Smallholder Agribusiness Partnership Project (SAPP)
Employees The Cargills team comprises 11,809 permanent team members spread across 25 districts and over 500 locations	• Training and development platforms • Orientation and onboarding programmes • Daily briefings and communication channels • Periodic HR engagement sessions and feedback mechanisms • Monthly/quarterly briefings by senior management • Staff events and internal communication platforms	• Cost of living pressures • Career development and training opportunities • Equal opportunities and inclusion • Rewards and recognition • Grievance sharing • Workplace engagement and wellbeing • Transparency in communication	• Expansion of structured training programmes, including digital platforms and mandatory training pathways linked to career progression • Continued utilisation of cloud-based Human Resource Information System (HRIS) to improve workforce data management and communication • Strengthened grievance handling mechanisms through digital platforms and structured escalation channels • Promotion of inclusive workplace practices through DEI initiatives and equitable recruitment processes • Competitive compensation and comprehensive benefits for permanent employees • Ongoing engagement to support employee wellbeing, retention, and internal mobility across the Group • Achieving 51:49 female to male ratio
Customers Serving millions of customers through our island-wide retail and restaurant network	• Ongoing daily customer interactions at all sales points, Cargills Online, and the Cargills app • Ongoing promotional messaging and brand engagement initiatives on print/electronic media publications • Ongoing social media engagement • Customer service hotline • Ongoing consumer research and periodic customer satisfaction surveys • Trade fairs and events	• Affordability and availability of essential food items • Growing health-conscious market segment • Growing socially-conscious market segment • Multi-channel accessibility to products and services • Food security	• Strengthened affordable food offerings through retail network expansion and pricing strategies aligned with cost of living pressures • Continued focus on food safety, quality assurance, and responsible sourcing across the value chain • Expansion of product innovation initiatives to improve access to healthy, socially responsible brands such as Good Harvest, BeeSafe, Cargills Rice, with 38 new consumer products introduced to the market • Increasing production volume and eliminating waste across the supply chain • Ensuring consistent availability of food items around the island through a prudently managed distribution process

Stakeholder	Engagement Mechanism	Key Concerns Raised in 2025/26	Measures Taken by Cargills in Response in 25/26
Shareholders and Investors Cargills aims to deliver increased value to shareholders who continue to support the Cargills business model built on long-term value and sustainable growth	• Ongoing information on the Colombo Stock Exchange • Media releases and reports • Corporate website • Open door policy for investor inquiries • Annual and interim financial reporting • Integrated Annual Report • Monthly/quarterly investor calls and meetings • Monthly/quarterly Road Shows • Annual General Meeting (AGM)	• Financial performance and returns • Capital allocation and growth strategy • Risk management and governance • ESG disclosures	• Regular and timely financial reporting in line with regulatory requirements and listing rules • Continued focus on capital discipline and long-term value creation through strategic investment • Strengthened transparency through integrated reporting and expanded non-financial disclosure • Enhanced disclosures on sustainability and climate-related risks and opportunities in line with SLFRS S1 and S2
Local Community Cargills continues to take a multi-faceted approach in contributing to the sustainable development of the local communities in which we operate and those from which we source	• Cargills Sarubima activities • Cargills Foundation activities • Partnerships with NGOs and development agencies • Field-level engagement	• Income stability and employment opportunities • Access to markets and economic participation • Youth/women empowerment and skill development • Environmental sustainability	• Rs. 100 Mn. contributed towards national rebuilding and recovery efforts post Cyclone Ditwah • Provision of scholarships through the Sarubima Fund • Creating equal access to job opportunities with special attention to youth and females, with 76% of new jobs created outside the Western Province • Partnering with State Universities for product development and commercialisation • Allocation of Rs. 60 Mn. to support community development projects • Continuation of long-standing programmes supporting female entrepreneurs and rural livelihoods, including Lak Bojun and Village to Home • Support for regional economic participation through supply chain expansion and local sourcing models • Continued investment in community-linked environmental initiatives that contribute to maintaining healthier living environments
Government and Regulatory Authorities Cargills drives policy change and implementation towards better health, nutrition and overall living standards by engaging with local lawmakers and regulators	• Policy dialogue and industry forums • Regulatory reporting and compliance • Public-private partnerships	• Regulatory compliance • Economic stability and food security • Youth unemployment • Good governance and ethics • Sustainable agriculture and rural development	• Alignment with national priorities including food security, rural development, and economic participation • Creating promising job opportunities for youth with 64% of our employees under the age of 30 • Active participation in national policy dialogue through industry bodies such as the Ceylon Chamber of Commerce • Continued compliance with applicable regulatory frameworks across operations

Materiality

Cargills identifies material topics based on the significance of its economic, social, and environmental impacts, together with stakeholder expectations. These topics guide the Group's focus on areas that are most relevant to long-term performance and value creation.

During the year in review, the assessment was refined to reflect evolving operating conditions and emerging sustainability and climate-related considerations. Material topics are identified through a structured assessment incorporating stakeholder engagement, internal evaluations, and a review of external developments, including regulatory and industry trends. These topics are prioritised based on their significance to stakeholders and their impact on the Group's operations, and are validated by senior management.

Material topics are assessed across the Group's value chain, including upstream suppliers, internal operations, and downstream customer interactions, and may extend to external stakeholders such as farming communities, suppliers, customers, and broader society.

Determining Material Topics

based on our comprehensive Enterprise Risk Management (ERM) framework and GRI 13 Sector Standard

Prioritising and Mapping of Material Topics

based on impact and importance to Cargills and our stakeholders

Integration of Material Topics into Group Strategy

to ensure alignment with business goals and stakeholder expectations

Management Approach

Material topics are integrated into the Group's strategic planning processes, with accountability assigned to the management of relevant operating segments, facilities, and functions across Cargills. Resources are allocated based on their importance to the Group's strategic objectives. Goals and targets relating to material topics are incorporated into business plans and Key Performance Indicators (KPIs), enabling ongoing monitoring and review.

Material topics are managed in alignment with the Group's Enterprise Risk Management (ERM) framework, ensuring that key risks and impacts are identified, assessed, and addressed through structured processes. Periodic internal and external audits are conducted to ensure adherence to established policies, procedures, and controls. Findings from these audits are reported to the Board of Directors, Board Committees, and relevant Group Management Committees for review and corrective action, where necessary.

Materiality Topics

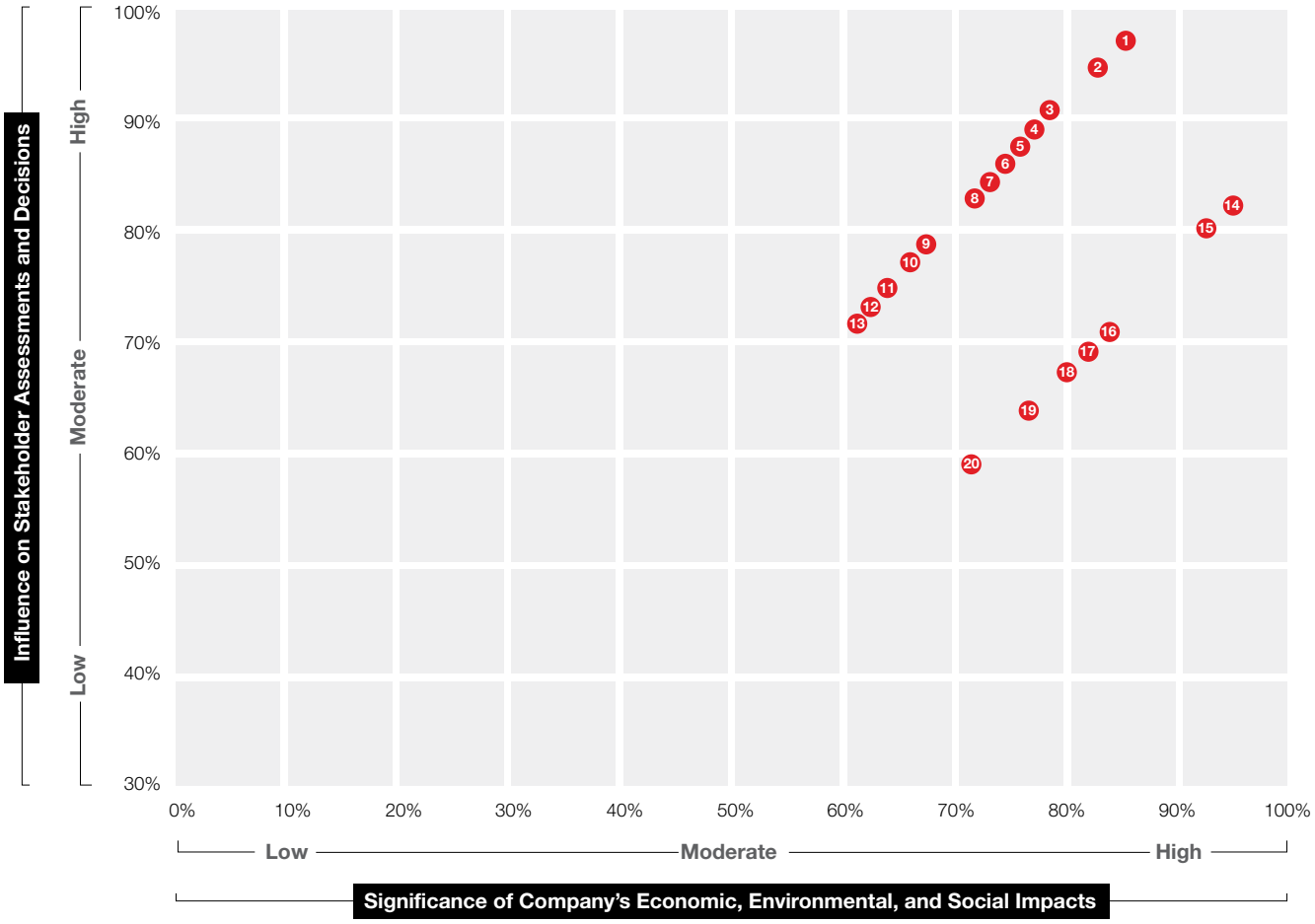
During the year under review, the Group re-evaluated and refined its material topics to better reflect evolving stakeholder expectations, operating conditions, and sustainability and climate-related considerations. This process resulted in a consolidated set of 20 sustainability matters, prioritised based on their influence on stakeholder assessments and decisions, and the significance of the Group's economic, environmental and social impacts. These re-evaluated material topics have been reviewed and approved by the Board of Directors as part of the final review of the Integrated Annual Report prior to publication.

Rank	Sustainability Matter (Re-evaluated)	SASB Indicators Considered	GRI Indicators Considered
1.	Food Safety	SASB FB-AG-250a.1, FB-AG-250a.2, FB-AG-250a.3, FB-MP-250a.1, FB-MP-250a.2, FB-MP-250a.3, FB-MP-250a.4, FB-PF-250a.1, FB-PF-250a.2, FB-PF-250a.3, FB-PF-250a.4, FB-RN-250a.1, FB-RN-250a.2, FB-RN-250a.3, FB-FR-250a.1, FB-FR-250a.2	
2.	Ethical Business Conduct and Compliance		GRI 205 (Anti-Corruption), GRI 206 (Anti-Competitive behaviour)
3.	Customer Experience and Affordability		GRI 416 (Customer Health and Safety), GRI 418 (Customer Privacy)
4.	Risk Management	SASB and GRI indicators were not used for measuring this matter	
5.	Worker Health, Safety, and Wellbeing	SASB FB-AG-320a.1, FB-MP-320a.1, FB-MP-320a.2	GRI 402 (Labour/ Management Relations), GRI 403 (Occupational Health and Safety)
6.	Human Rights		GRI 408 (Child Labour), GRI 409 (Forced or Compulsory Labour), GRI 410 (Security Practices)
7.	Climate Change Impacts		GRI 201 (Financial Implications of Climate Change), GRI 305 (Emissions)
8.	Managing Emissions	SASB FB-AG-110a.1, FB-AG-110a.2, FB-AG-110a.3, FB-MP-110a.1, FB-MP-110a.2, FB-NB-110a.1, FB-FR-110a.1, FB-FR-110b.1, FB-FR-110b.2, FB-FR-110b.3	GRI 305 (Emissions)
9.	Water Management	SASB FB-AG-140a.1, FB-AG-140a.2, FB-AG-140a.3, FB-AG-140a.1, FB-AG-140a.2, FB-AG-140a.3, FB-MP-140a.1, FB-MP-140a.2, FB-MP-140a.3, FB-PF-140a.1, FB-PF-140a.2, FB-PF-140a.3, FB-NB-140a.1, FB-NB-140a.2, FB-RN-140a.1	GRI 303 (Water and Effluents)
10.	Supply Chain Management	SASB FB-AG-430a.1, FB-AG-430a.2, FB-AG-430a.3, FB-AG-430b.1, FB-AG-440a.1, FB-AG-440a.2, FB-MP-430a.1, FB-MP-430a.2, FB-PF-430a.1, FB-PF-430a.2, FB-PF-440a.1, FB-PF-440a.2, FB-NB-430a.1, FB-NB-440a.1, FB-NB-440a.2, FB-RN-430a.1, FB-RN-430a.2, FB-RN-430a.3, FB-FR-430a.1, FB-FR-430a.2, FB-FR-430a.3, FB-FR-430a.4	GRI 308 (Supplier Environmental Assessment), GRI 414 (Supplier Social Assessment)
11.	Procurement Practices		GRI 204 (Procurement Practices)
12.	Economic Performance		GRI 201 (Economic Performance)

Rank	Sustainability Matter (Re-evaluated)	SASB Indicators Considered	GRI Indicators Considered
13.	Board Oversight of ESG Strategy and Sustainability Performance		GRI 2 (General Disclosures) – 2-14: Role of the highest governance body in sustainability reporting
14.	Diversity, Equity, and Inclusion		GRI 405 (Diversity and Equal Opportunity), 406 (Non-Discrimination), 407 (Freedom of Association and Collective Bargaining)
15.	Community Development and Engagement		GRI 411 (Rights of Indigenous Peoples), GRI 413 (Local Communities)
16.	Government Policy		GRI 415 (Public Policy)
17.	Talent Attraction and Development		GRI 404 (Training and Education)
18.	Waste Management	SASB FB-RN-150a.1, FB-RN-150a.2, FB-FR-150a.1, FB-PF-410a.1, FB-PF-410a.2, FB-NB-410a.1, FB-NB-410a.2	GRI 306 (Waste)
19.	Energy Management	SASB FB-MP-130a.1	GRI 302 (Energy)
20.	Indirect Economic Impacts	SASB FB-AG-130a.1, FB-MP-130a.1, FB-PF-130a.1, FB-NB-130a.1, FB-RN-130a.1, FB-FR-130a.1	GRI 203 (Indirect Economic Impacts)

Materiality Matrix

Cargills Ceylon PLC Consolidated – Materiality Matrix



1. Food Safety
2. Customer Experience & Affordability
3. Worker Health, Safety and Wellbeing
4. Human Rights
5. Climate Change Impacts
6. Managing Emissions
7. Water Management
8. Supply Chain Management
9. Diversity, Equity, and Inclusion
10. Community Development and Engagement
11. Talent Attraction and Development
12. Waste Management
13. Energy Management
14. Ethical Business Conduct and Compliance
15. Risk Management
16. Procurement Practices
17. Economic Performance
18. Board Oversight of ESG Strategy and Sustainability Performance
19. Government Policy
20. Indirect Economic Impacts

GRI Content Index

Statement of use	Cargills Ceylon PLC has reported With reference to the GRI Standards for the period from 1 April 2025 to 31 March 2026
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022

GRI Standard/Other Source	Disclosure	Location
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	Back inner cover
	2-2 Entities included in the organisation's sustainability reporting	Back inner cover
	2-3 Reporting period, frequency, and contact point	About the Report
	2-4 Restatements of information	About the Report
	2-5 External assurance	Independent Assurance Report
	2-6 Activities, value chain, and other business relationships	The value chain is discussed in greater detail throughout the Taking Stock section of the Annual Report (pages 47-112 due to the scope and scale of the Cargills Operation
	2-7 Employees	Workforce Profile
	2-8 Workers who are not employees	Recruitment and Retention
	2-9 Governance structure and composition	Board of Directors/Corporate Governance
	2-10 Nomination and selection of the highest governance body	Corporate Governance > Appointment of Directors
	2-11 Chair of the highest governance body	Corporate Governance > Leadership > Role of Group Chairman and Group CEO
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance > Leadership
	2-13 Delegation of responsibility for managing impacts	Corporate Governance > Board Responsibilities
	2-14 Role of the highest governance body in sustainability reporting	Our Approach to Sustainability and SLFRS S1 and S2 Disclosures > Governance
	2-15 Conflicts of interest	Corporate Governance > Internal Governance Strucuture > Board Independence and Conflicts of Interest
	2-16 Communication of critical concerns	Corporate Governance > Stakeholder Engagement
	2-17 Collective knowledge of the highest governance body	Board of Directors

		Omission		
	Requirement(s) Omitted	Reason	Explanation	GRI Sector Standard Ref. No.
	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			

GRI Standard/Other Source	Disclosure	Location
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance > Leadership > Board Responsibilities
	2-19 Remuneration policies	Corporate Governance > Internal Governance Strucuture > Directors' Remuneration Policy
	2-20 Process to determine remuneration	Corporate Governance > Internal Governance Strucuture > Directors' Remuneration Policy
	2-21 Annual total compensation ratio	
	2-22 Statement on sustainable development strategy	Our Approach to Sustainability/Managing Director's Message
	2-23 Policy commitments	Corporate Governance > Business Practices and Ethics/Disclosure and Transparency
	2-24 Embedding policy commitments	Corporate Governance > Business Practices and Ethics
	2-25 Processes to remediate negative impacts	Building Diversity, Equity, and Inclusion (DEI) > HR Governance and Policies > Grievance Handling
	2-26 Mechanisms for seeking advice and raising concerns	Building Diversity, Equity, and Inclusion (DEI) > HR Governance and Policies > Grievance Handling and Whistle Blowing Policy
	2-27 Compliance with laws and regulations	Corporate Governance > Company's adherence to the Corporate Governance Rules
	2-28 Membership associations	Our Approach to Sustainability > Contribution to SDG Bridging Regional Disparity > Local and Global Partnerships/The Smallholder Agribusiness Partnership Project (SAPP)/Village to Home Healthy, Safe and Affordable Nutrition > Partnerships and Research Collaboration Playing our Part for the Planet > Community Environmental Initiatives
	2-29 Approach to stakeholder engagement	Stakeholder Engagement
	2-30 Collective bargaining agreements	

Omission			
Requirement(s) Omitted	Reason	Explanation	GRI Sector Standard Ref. No.
2-21-a/b/c	Confidentiality constraints	The required information on compensation is considered highly confidential by the Company, with the sharing of such confidential data considered an unethical business practice. The same confidentiality position has been applied to related SASB 310a labour practices metrics, where detailed remuneration data is considered commercially sensitive.	

GRI Standard/Other Source	Disclosure		Location
Material Topics			
Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Financial Statements
	201-2	Financial implications and other risks and opportunities due to climate change	Enterprise Risk Management > Overview of Key Risks Affecting the Business and SLFRS S1 and S2 Disclosures
	201-3	Defined benefit plan obligations and other retirement plans	Notes on Financial Statements > Employee Benefit Liabilities
	201-4	Financial assistance received from government	Notes on Financial Statements > Capital Grant
Indirect Economic Impacts			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Bridging Regional Disparity > Community Development
	203-2	Significant indirect economic impacts	A number of significant indirect economic impacts are discussed in greater detail throughout the Taking Stock section of this Annual Report (page 47-112) due to the scope and scale of the Cargills operation.
Procurement Practices			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Bridging Regional Disparity
Anti-corruption			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	HR Governance and Policies > Anti-Corruption and Anti-Bribery Policies
	205-2	Communication and training about anti-corruption policies and procedures	HR Governance and Policies > Anti-Corruption and Anti-Bribery Policies
	205-3	Confirmed incidents of corruption and actions taken	HR Governance and Policies > Anti-Corruption and Anti-Bribery Policies

Omission			
Requirement(s) Omitted	Reason	Explanation	GRI Sector Standard Ref. No.
			13.2 and 13.22

GRI Standard/Other Source	Disclosure		Location
Anti-Competitive Behaviour			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 206: Anti-Competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Enterprise Risk Management > Reputational Risk
Energy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Playing our Part for the Planet > Energy Management and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 130a Energy Management metrics
	302-2	Energy consumption outside of the organisation	
	302-3	Energy intensity	
	302-4	Reduction of energy consumption	Playing our Part for the Planet > Energy Management and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 130a Energy Management metrics
	302-5	Reductions in energy requirements of products and services	
Water and Effluents			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Playing our Part for the Planet > Energy Management and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 140a Water Management metrics
	303-2	Management of water discharge-related impacts	Playing Our Part for the Planet > Water Management
	303-3	Water withdrawal	Playing our Part for the Planet > Energy Management and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 140a Water Management metrics
	303-4	Water discharge	Playing Our Part for the Planet > Water Management
	303-5	Water consumption	Playing our Part for the Planet > Energy Management and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 140a Water Management metrics

Omission			
Requirement(s) Omitted	Reason	Explanation	GRI Sector Standard Ref. No.
			13.25
	Information unavailable/ incomplete	This information is unavailable for disclosure as the energy consumption is measured to cover all operations within the Company, and does not cover any upstream or downstream activities that are outside the Organisation's scope of operations, due to the scale of the organisation	
	Information unavailable/ incomplete	There are no reductions in energy requirements of products and services to be disclosed	

GRI Standard/Other Source	Disclosure		Location
Emissions			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Playing Our Part for the Planet > Emissions and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 110a GHG Emissions metrics and 110b Air Emissions from Refrigeration metrics
	305-2	Energy indirect (Scope 2) GHG emissions	Playing Our Part for the Planet > Emissions and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 110a GHG Emissions metrics and 110b Air Emissions from Refrigeration metrics
	305-3	Other indirect (Scope 3) GHG emissions	Playing Our Part for the Planet > Emissions
	305-4	GHG emissions intensity	
	305-5	Reduction of GHG emissions	Playing Our Part for the Planet > Emissions
	305-6	Emissions of ozone-depleting substances (ODS)	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
Waste			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Playing Our Part for the Planet > Waste Management
	306-2	Management of significant waste-related impacts	Playing Our Part for the Planet > Waste Management
	306-3	Waste generated	Playing Our Part for the Planet > Waste Management and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 150a Food (and Packaging) Waste Management metrics
	306-4	Waste diverted from disposal	Playing Our Part for the Planet > Waste Management
	306-5	Waste directed to disposal	Playing Our Part for the Planet > Waste Management

Omission			
Requirement(s) Omitted	Reason	Explanation	GRI Sector Standard Ref. No.
			13.1

GRI Standard/Other Source	Disclosure		Location
Supplier Environmental Assessment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	
	308-2	Negative environmental impacts in the supply chain and actions taken	SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 430a Supply Chain Management metrics
Employment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	HR Governance and Policies > Recruitment and Retention
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	HR Governance and Policies > Remuneration and Benefits
	401-3	Parental leave	HR Governance and Policies > Remuneration and Benefits
Labour/ Management Relations			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 402: Labour/ Management Relations 2016	402-1	Minimum notice period regarding operational changes	
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	HR Governance and Policies > Occupational Health and Safety
	403-2	Hazard identification, risk assessment, and incident investigation	
	403-3	Occupational health services	HR Governance and Policies > Occupational Health and Safety
	403-4	Worker participation, consultation, and communication on occupational health and safety	HR Governance and Policies > Occupational Health and Safety

Omission			
Requirement(s) Omitted	Reason	Explanation	GRI Sector Standard Ref. No.
	Information unavailable/ incomplete	Data to be collected for future reporting periods	
	Not applicable	Not considered material	

GRI Standard/Other Source	Disclosure		Location
	403-5	Worker training on occupational health and safety	HR Governance and Policies > Occupational Health and Safety
	403-6	Promotion of worker health	HR Governance and Policies > Occupational Health and Safety
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	HR Governance and Policies > Occupational Health and Safety
	403-8	Workers covered by an occupational health and safety management system	HR Governance and Policies > Occupational Health and Safety
	403-9	Work-related injuries	HR Governance and Policies > Occupational Health and Safety and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 320a Workforce Health and Safety metrics
	403-10	Work-related ill health	HR Governance and Policies > Occupational Health and Safety
Training and Education			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Enhancing Youth Skills
	404-2	Programmes for upgrading employee skills and transition assistance Programmes	Enhancing Youth Skills
	404-3	Percentage of employees receiving regular performance and career development reviews	HR Governance and Policies > Performance Management
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	HR Governance and Policies > Diversity of workforce by grade, age, and gender
	405-2	Ratio of basic salary and remuneration of women to men	

Omission			
Requirement(s) Omitted	Reason	Explanation	GRI Sector Standard Ref. No.
	Confidentiality constraints	The required information on salary ratios is considered confidential by the Company, and the sharing of such confidential information is considered an unethical business practice. The same confidentiality position has been applied to related SASB 310a labour practices metrics, where detailed remuneration data is considered commercially sensitive.	

GRI Standard/Other Source	Disclosure		Location
Non-Discrimination			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	
Freedom of Association and Collective Bargaining			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	
Child Labour			
GRI 3: Material Topics 2021	3-3	Management of material topics	Considered part of existing Material Topic: Labour Practices and Grievances
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	HR Governance and Policies > Taking a stand on child labour and forced labour
Forced or Compulsory Labour			
GRI 3: Material Topics 2021	3-3	Management of material topics	Considered part of existing Material Topic: Labour Practices and Grievances
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	HR Governance and Policies > Taking a stand on child labour and forced labour
Security Practices			
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	
Rights of Indigenous Peoples			
GRI 3: Material Topics 2021	3-3	Management of material topics	
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	
	Additional sector recommendations: • Describe the identified incidents of violations involving the rights of indigenous peoples.		

Omission			
Requirement(s) Omitted	Reason	Explanation	GRI Sector Standard Ref. No.
			13.15
			13.18
	Information unavailable/ incomplete	Data not available for current reporting period	
			13.17
			13.16
			13.16
	Information unavailable/ incomplete	Data to be collected for future reporting periods	13.14

GRI Standard/Other Source	Disclosure		Location
Local Communities			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Bridging Regional Disparity > Community Development Our operation is discussed in greater detail throughout the Taking Stock section of this Annual Report (pages 33 to 112) and covers the scope and scale of our overall community impact
	413-2	Operations with significant actual and potential negative impacts on local communities	
Supplier Social Assessment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	
	414-2	Negative social impacts in the supply chain and actions taken	SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 430a Supply Chain Management metrics
Public Policy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 415: Public Policy 2016	415-1	Political contributions	Corporate Governance > Business Practices and Ethics
Customer Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Healthy, Safe, and Affordable Nutrition
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	

Omission			
Requirement(s) Omitted	Reason	Explanation	GRI Sector Standard Ref. No.
			13.13
		There is no data to disclose on significant negative impacts since the nature of our operation itself focuses on minimising or eliminating significant negative impacts on local communities.	
		Data to be collected for future reporting periods.	
			13.24
			13.1

GRI Standard/Other Source	Disclosure		Location
Marketing and Labelling			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 417: Marketing and Labelling 2016	417-1	Requirements for product and service information and labelling	Healthy, Safe, and Affordable Nutrition > Fostering a Strong Regulatory Environment
	417-2	Incidents of non-compliance concerning product and service information and labelling	Healthy, Safe, and Affordable Nutrition > Fostering a Strong Regulatory Environment and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 270a Product Labelling and Marketing metrics
	417-3	Incidents of non-compliance concerning marketing communications	Healthy, Safe, and Affordable Nutrition > Fostering a Strong Regulatory Environment and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > SASB 270a Product Labelling and Marketing metrics
Customer Privacy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Enterprise Risk Management > Overview of Key Risks Affecting the Business
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Shared Services and Core Systems > Cybersecurity and SLFRS S1 and S2 Disclosures > Detailed SASB Metrics Tables > Software and IT Services Table

	Omission			
	Requirement(s) Omitted	Reason	Explanation	GRI Sector Standard Ref. No.

Five-Year Financial Summary

Group	2026 Rs. '000	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000
Continuing Operations					
Revenue	**272,661,701**	241,839,620	223,440,484	195,617,899	136,691,993
Profit from operations	**18,613,856**	15,212,461	13,512,745	13,759,535	9,058,383
Profit before taxation	**16,096,840**	11,829,244	9,245,923	8,516,642	5,818,434
Profit after taxation	**10,808,460**	7,270,295	5,936,119	5,380,845	4,538,720
Discontinued Operations					
Profit/loss from discontinued operation, net of tax	**–**	–	–	–	–
Profit for the year	**10,808,460**	7,270,295	5,936,119	5,380,845	4,538,720
Attributable to					
Owners of the company	**10,526,430**	7,222,083	5,886,785	5,366,006	4,543,044
Non-controlling interest	**282,030**	48,212	49,334	14,839	(4,324)
	10,808,460	7,270,295	5,936,119	5,380,845	4,538,720
Financial position					
Stated capital	**6,841,068**	6,841,068	6,841,068	6,841,068	6,841,068
Reserves	**34,430,283**	28,650,112	25,590,705	20,236,127	18,654,175
Non controlling interest	**4,220,591**	3,938,718	3,890,688	3,840,612	3,626,272
Capital and reserves	**45,491,942**	39,429,898	36,322,461	30,917,807	29,121,515
Current assets	**52,706,464**	48,994,084	44,201,004	38,110,346	27,178,089
Current liabilities	**(70,536,028)**	(70,201,311)	(67,818,127)	(59,656,935)	(41,001,806)
Working capital	**(17,829,564)**	(21,207,227)	(23,617,123)	(21,546,589)	(13,823,717)
Non-current assets	**92,200,298**	86,948,193	88,953,625	82,676,336	71,265,687
Non-current liabilities	**(28,878,792)**	(26,311,068)	(29,014,041)	(30,211,940)	(28,320,455)
Non-controlling interest	**(4,220,591)**	(3,938,718)	(3,890,688)	(3,840,612)	(3,626,272)
Net assets attributable to equity holders of the parent	**41,271,351**	35,491,180	32,431,773	27,077,195	25,495,243
Key Indicators					
Growth in turnover (%)	**12.74**	8.23	14.22	43.11	21.39
Growth in earnings (%)	**48.67**	22.48	10.32	18.55	30.29
Operating profit to turnover (%)	**6.83**	6.29	6.05	7.03	6.63
Earnings to turnover (%)	**3.96**	3.01	2.66	2.75	3.32
Return on total assets (%)	**7.46**	5.35	4.46	4.45	4.61
Growth in total assets (%)	**6.59**	2.09	10.24	22.70	19.19
Growth in capital and reserves (%)	**15.37**	8.56	17.48	6.17	26.83
Return on capital and reserves (%)	**23.76**	18.44	16.34	17.40	15.59
Return on investment (%)	**25.46**	19.19	17.66	17.92	17.43
Earnings per share (Rs.)	**40.85**	28.03	22.85	20.82	17.63
Dividends per share (Rs.)	**17.45**	15.30	13.00	8.50	6.10
Net assets per share (Rs.)	**160.17**	137.73	125.86	105.08	98.94
Dividend pay out (%)	**42.72**	54.59	56.90	40.82	34.60
Dividends declared	**4,496,476**	3,942,469	3,349,811	2,190,261	1,571,834
Debt to equity ratio (times)	**0.35**	0.51	0.57	0.71	0.48
Interest cover (times)	**4.38**	3.10	1.87	2.09	3.33
Current ratio (times)	**0.75**	0.70	0.65	0.64	0.66
Quick assets ratio (times)	**0.33**	0.34	0.31	0.26	0.30
Capital additions	**7,391,529**	4,804,429	6,865,770	11,102,805	8,846,548
Market value per share as at reporting date (Rs.)	**688.75**	436.00	360.00	233.00	182.50
Market capitalisation	**177,475,537**	112,347,491	92,763,983	60,038,911	47,026,186

(a) Return on investment is computed by dividing the profit for the year by total average equity.

(b) Debt to equity ratio is computed by dividing the total net borrowings (excluding lease liability) by the shareholders' funds.

(c) Above per share details have been computed based on 257,677,731 shares in issue as at 31 March 2026.

Investor Relations Supplement

1. General

Stated capital	Rs. 6,841,068,486
Issued shares	257,677,731
Class of shares	Ordinary shares
Voting rights	One vote per ordinary share

2. Stock exchange listing

The issued ordinary shares of Cargills (Ceylon) PLC are listed in the Colombo Stock Exchange.

3. Distribution of shareholders

	31 March 2026				31 March 2025			
	Shareholders		Holding		Shareholders		Holding	
Size of	Number	%	Number	%	Number	%	Number	%
1 – 1,000	**2,028**	**75.62**	**226,098**	**0.09**	1,390	68.20	182,216	0.07
1,001 – 10,000	**442**	**16.48**	**1,520,230**	**0.59**	428	21.00	1,508,366	0.59
10,001 – 100,000	**160**	**5.97**	**4,666,513**	**1.81**	169	8.29	5,034,935	1.95
100,001 – 1,000,000	**36**	**1.34**	**10,315,414**	**4.00**	37	1.82	11,143,576	4.32
1,000,001 and over	**16**	**0.60**	**240,949,476**	**93.51**	14	0.69	239,808,638	93.07
	2,682	**100.00**	**257,677,731**	**100.00**	2,038	100.00	257,677,731	100.00

4. Analysis of shareholders

	31 March 2026				31 March 2025			
	Shareholders		Holding		Shareholders		Holding	
Group of	Number	%	Number	%	Number	%	Number	%
Institutions	**113**	**4.21**	**207,207,753**	**80.41**	98	4.81	211,424,245	82.05
Individuals	**2,569**	**95.79**	**50,469,978**	**19.59**	1,940	95.19	46,253,486	17.95
Total	**2,682**	**100.00**	**257,677,731**	**100.00**	2,038	100.00	257,677,731	100.00
Residents	**2,607**	**97.20**	**236,715,357**	**91.86**	1,961	96.22	241,153,406	93.59
Non-residents	**75**	**2.80**	**20,962,374**	**8.14**	77	3.78	16,524,325	6.41
Total	**2,682**	**100.00**	**257,677,731**	**100.00**	2,038	100.00	257,677,731	100.00

5. Share valuation

The market price per share recorded during the year ended 31 March.

	2026 Rs.	2025 Rs.
Highest	**800.00**	448.25
Lowest	**660.00**	405.00
Last traded price	**688.75**	436.00

6. Top 20 shareholders

The holdings of the top 20 shareholders.

	31 March 2026		31 March 2025	
	Number of Shares	%	Number of Shares	%
CT Holdings PLC	**183,404,417**	**71.18**	183,404,417	71.18
Mr V R Page	**20,386,168**	**7.91**	20,386,168	7.91
Miss M M Page	**8,598,825**	**3.34**	6,609,363	2.56
Employees Provident Fund	**8,407,333**	**3.26**	8,407,333	3.26
Mr A I Dominic	**6,461,682**	**2.51**	6,431,834	2.50
BBH-Tundra Sustainable Frontier Fund	**3,797,770**	**1.47**	3,797,770	1.47
Mrs T Selvaratnam	**3,559,283**	**1.38**	–	–
GF Capital Global Limited	**2,297,751**	**0.89**	2,297,751	0.89
Mrs P R Page	**1,777,320**	**0.69**	1,768,166	0.69
Mr J C Page	**1,545,000**	**0.60**	520,000	0.20
Mr A A Page	**1,516,853**	**0.59**	1,496,853	0.58
Serendip Investments Limited	**959,788**	**0.37**	959,788	0.37
Mrs C P Muttukumaru	**804,000**	**0.31**	–	–
Sir Chittampalam A Gardiner Trust	**643,474**	**0.25**	643,474	0.25
Mr P E Muttukumaru	**600,050**	**0.23**	548,749	0.21
East India Holding (Pvt) Ltd	**564,103**	**0.22**	564,103	0.22
Mrs A M L Page	**420,266**	**0.16**	420,266	0.16
Odyssey Capital Partners (Private) Limited	**397,228**	**0.15**	222,000	0.09
J B Cocoshell (Pvt) Ltd	**380,836**	**0.15**	387,284	0.15
Hatton National Bank PLC-Senfin Growth Fund	**350,210**	**0.14**	400,210	0.16
	246,872,357	**95.81**	239,265,529	92.85
Others	**10,805,374**	**4.19**	18,412,202	7.15
Total	**257,677,731**	**100.00**	257,677,731	100.00

7. Public holding

The percentage of shares held by the public and number of public shareholders as at 31 March 2026 is 19.18% (2025 - 17.33%) and 2,664 (2025 - 2,021), respectively. The total number of shares in issue is 257,677,731, of which Public Holding represents 49,439,836 shares. The float-adjusted market capitalisation amounts to Rs 34.05 Bn. Accordingly, the Company complies with the Minimum Public Holding requirement of the Main Board as per Option 1 of Section 7.13.1 (a) of the CSE Listing Rules.

Group Real Estate Portfolio

Location	Land Extent	Building Area (Sq. Ft)	Land Value Rs. '000	Building Value Rs. '000	Valuation Rs. '000	Year of Valuation
Cargills (Ceylon) PLC						
Colombo 01	140.75 Perches	125,215	2,674,250	434,851	3,109,101	2024
Staple Street – Colombo 2	81.5 Perches	20,970	1,222,500	88,900	1,311,400	2026
Braybrooke Place	75.99 Perches	5,146	1,026,000	–	1,026,000	2026
Canal Row – Colombo 01	15.25 Perches	12,300	358,300	112,000	470,300	2026
Cargills Square – Jaffna	Leasehold	99,164	–	1,804,132	1,804,132	2026
Cargills Retail (Private) Limited						
Kandy	87.96 Perches	25,174	1,803,905	174,495	1,978,400	2024
Maharagama	145.3 Perches	15,827	697,525	91,000	788,525	2024
Nuwara Eliya	56.5 Perches	9,617	370,738	15,062	385,800	2024
Mattakkuliya (111)	330 Perches	80,967	775,752	109,608	885,360	2024
Park Road	–	4,610	–	86,400	86,400	2024
Kohuwala	28.65 Perches	6,225	166,170	15,461	181,631	2024
Mattakkuliya (141)	287.96 Perches	44,469	538,836	78,189	617,025	2024
Moratuwa	78.6 Perches	7,475	393,208	68,792	462,000	2024
Ingiriya (Lot A, C, D, B1)	26 Acres	1,300	256,702	–	256,702	2024
Katana	28.8 Acres	319,576	1,562,396	3,307,119	4,869,515	2024
Cargills Convenient Foods Limited						
Ja-Ela – Ganemulla	5.03 Acres	41,833	594,545	162,361	756,906	2024
Ja-Ela – Ganemulla Paddy Field	201 Perches	–	6,750	–	6,750	2026
Mattakkuliya	213.15 Perches	19,608	559,500	42,800	602,300	2026
Ja-Ela – Ma Eliya	4 Acres	17,390	249,100	420,600	669,700	2024
Marawila – Havana Farm	27.89 Acres	52,795	132,480	45,620	178,100	2026
Cargills Food & Beverage Limited						
Katana	11.3 Acres	99,492	410,704	333,845	744,549	2024
Millers Limited						
Kelaniya	1.5 Acres	55,770	386,100	207,900	594,000	2024
Nittambuwa	112 Perches	–	224,000	–	224,000	2026
CPC (Lanka) Limited						
Katoolaya estate, Thawalantenne	4 Acres	19,961	17,700	52,500	70,200	2024
Cargills Dairies (Private) Limited						
Mirigama, Baduragoda	100.2 Perches	–	30,060	–	30,060	2024
Mirigama, Baduragoda	38.51 Perches	2,041	11,553	6,484	18,037	2024
Kotmale Dairy Products (Private) Limited						
Mulleriyawa	1.7 Acres	35,528	215,709	293,073	508,782	2024
Bogahawatta	1 Acre	51,321	56,000	770,349	826,349	2024
Hatton	17.5 Acres	8,882	63,500	20,500	84,000	2024
Frederick North Hotel Company Limited						
Boralesgamuwa	407.4 Perches	23,198	1,222,500	88,900	1,311,400	2026

Group Real Estate Portfolio >

Location	Land Extent	Building Area (Sq. Ft)	Land Value Rs. '000	Building Value Rs. '000	Valuation Rs. '000	Year of Valuation
The Empire Investments Company (Private) Limited						
Bandarawela	85.2 Perches	58,392	503,500	1,656,500	2,160,000	2026
Katubedda	181.79 Perches	74,387	993,609	2,408,121	3,401,730	2026
Dematagoda	84.32 Perches	71,956	552,641	866,359	1,419,000	2026
Gampaha	82.8 Perches	37,495	358,300	112,000	470,300	2026
Negombo	87.5 Perches	–	437,500	–	437,500	2026
Kandy	170 Perches	937	977,500	–	977,500	2026
Bare land - Kandy	11.3 Perches	–	98,875	–	98,875	2026
C T Real Estate (Private) Limited						
Bare land - Piliyandala	114 Perches	–	161,625		161,625	2026
Commercial property - Piliyandala	154.9 Perches	21,278	156,200	59,000	215,200	2026
C T Properties Lakeside (Private) Limited						
Boralesgamuwa	43 Acres	11,400	1,200,000	–	1,200,000	2026
C T Properties G S (Private) Limited						
Kotahena	199.8 Perches	–	1,823,000	–	1,823,000	2026

Notice of Annual General Meeting

Notice is hereby given that the Eightieth Annual General Meeting ("AGM" or "Meeting") of Cargills (Ceylon) PLC (the 'Company') will be held at the Institute of Chartered Accountants of Sri Lanka, No. 30A, Malalasekara Mawatha, Colombo 07 on Friday, 21 August 2026, at 9.30am and the business to be brought before the meeting will be:

To Read the Notice convening the Meeting,

1. To receive and consider the Annual Report of the Directors and the Financial Statements for the year ended 31 March 2026, with the Report of the Auditors thereon.
2. To re-elect as a Director, Mr G R Ampalavanar, who retires by rotation in terms of the Company's Articles of Association and being eligible offers himself for re-election.
3. To re-elect as a Director, Dr D N Weerakoon, who retires by rotation in terms of the Company's Articles of Association and being eligible offers herself for re-election.
4. To reappoint as a Director, Mr W P C Wickramaratne, who was appointed on 14 July 2025 and, also retires in terms of the Company's Articles of Association and being eligible offers himself for reappointment.
5. To reappoint as a Director, Mr Z H Mohamedally, who was appointed on 15 December 2025 and, also retires in terms of the Company's Articles of Association and being eligible offers himself for reappointment.
6. To reappoint Director, Mr L R Page, who retires in terms of Section 210 (2) (b) of the Companies Act No. 07 of 2007 having surpassed seventy years of age and offers himself for reappointment in terms of Section 211 (1) and (2) of the Companies Act No. 07 of 2007 with the unanimous support of the other Directors.
7. To reappoint Director, Mr J C Page, who retires in terms of Section 210 (2) (a) of the Companies Act No. 07 of 2007 having surpassed seventy years of age and offers himself for reappointment in terms of Section 211 (1) and (2) of the Companies Act No. 07 of 2007 with the unanimous support of the other Directors.
8. (a) To reappoint Director, Mrs C I Malwatte, who retires in terms of Section 210 (2) (b) of the Companies Act No. 07 of 2007 having surpassed seventy years of age and offers herself for reappointment in terms of Section 211 (1) and (2) of the Companies Act No. 07 of 2007 with the unanimous support of the other Directors.

   (b) Mrs C I Malwatte be designated as an Independent Director in terms of Rule No. 9.8.3.(ix) of the Listing Rules of the Colombo Stock Exchange.

Ordinary Resolution (i)

"Resolved that Mr L R Page, a retiring Director, who has attained the age of seventy-six years be and is hereby reappointed a Director of the Company and it is hereby declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the appointment of the said Director",

Ordinary Resolution (ii)

"Resolved that Mr J C Page, a retiring Director, who has attained the age of seventy years be and is hereby reappointed a Director of the Company and it is hereby declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the appointment of the said Director",

Ordinary Resolution (iii)

"Resolved that Mrs C I Malwatte, a retiring Director, who has attained the age of seventy-one years be and is hereby reappointed a Director of the Company and it is hereby declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the appointment of the said Director",

Ordinary Resolution (iv)

"Resolved that Mrs C I Malwatte, be designated as an Independent Non-Executive Director of the Company in terms of Section 9.8.3. (ix) of the Listing Rules of the Colombo Stock Exchange"

The justification and rationale for the recommendation to appoint Mrs C I Malwatte are comprehensively presented in the Nominations and Governance Committee Report, contained in the Annual Report.

9. To authorise the Directors to determine contributions to charities for the financial year 2026/27
10. To authorise the Directors to determine the remuneration of the Auditors, Messrs KPMG, who are deemed reappointed as Auditors at the Annual General Meeting of the Company in terms of Section 158 of the Companies Act No.07 of 2007.

The Annual Report of Cargills (Ceylon) PLC for the year ended 31 March 2026 is accessible via:

(1) Corporate Website – https://www.cargillsceylon.com/

(2) The Colombo Stock Exchange – https://www.cse.lk/company-profile?symbol=CARG.N0000

(3) The following QR code

Should Members wish to obtain a hard copy of the Annual Report 2025/26, they may send a request to the Company by filling the Form of Request attached to the Form of Proxy. A printed copy of the Annual Report will be forwarded by the Company within eight (8) market days, subject to the prevailing circumstances at the time, from the date of receipt of the request.

For clarification on how to download and/ or access the Annual Report and Financial Statements, please contact Mr Anushan Rajeshwaran on +94 76 063 8489 during normal office hours (8.30am to 5.00pm).

By Order of the Board

Cargills (Ceylon) PLC

H S Ellawala
Company Secretary

30 July 2026

Notes:

(i) A member who is unable to attend the Meeting is entitled to appoint a Proxy to attend and vote in his or her place.

(ii) The Proxy need not be a member of the Company.

(iii) A member wishing to vote by Proxy at the meeting may use the Form of Proxy enclosed herein.

(iv) In order to be vaild, the completed Form of Proxy must be lodged at the Registered Office of the Company not less than 48 hours before the Meeting.

Form of Proxy

Eightieth Annual General Meeting
Cargills (Ceylon) PLC (PQ 130)

*I/We (name of the shareholder/s) .....

Holder of NIC /Passport /Company Registration No./s .....

of (address of shareholder/s) ..... being

a *Shareholder/s of Cargills (Ceylon) PLC (the Company) hereby appoint:

Please indicate your preference with a "✓"

☐ Name of the proxy holder : * Mr/Mrs/Miss .....

Holder of NIC/Passport/Company Registration No./s .....

of (address of shareholder/s) .....

Mobile number of proxy holder : .....

OR failing him/her

☐ The Chairman of the Meeting as my/our Proxy to represent me/us and to vote for on my/our behalf at the eightieth Annual General Meeting of the Company to be held on Friday, 21 August 2026 and at any adjournment thereof.

Please mark your preference with "✖"

No.	Resolution	For	Against
1.	To adopt the Financial Statements for the year ended 31 March 2026		
2.	To re-elect Mr G R Ampalavanar as a Director		
3.	To re-elect Dr D N Weerakoon as a Director		
4.	To reappoint Mr W P C Wickramaratne as a Director		
5.	To reappoint Mr Z H Mohamedally as a Director		
6.	To reappoint Mr L R Page as a Director		
7.	To reappoint Mr J C Page as a Director		
8. a.	To reappoint Mrs C I Malwatte as a Director		
8. b.	To designate Mrs C I Malwatte as an Independent Director		
9.	To authorize the Directors to determine contributions to charities		
10.	To authorize the Directors to determine the remuneration of the Auditors, Messrs. KPMG who are deemed re-appointed as Auditors at the Annual General Meeting		

Signed on this ..... day of 2026

Signature/s of Shareholder/s ..... NIC/PP/Co.Reg.No. of Shareholder/s .....

Witnesses: .....

Notes:

(a) *Strike out whichever is not desired.
(b) Instructions as to completion of the Form of Proxy are set out below.
(c) A Proxy holder need not be a Member of the Company.
(d) Please indicate with an "✖" in the cage provided how your Proxy holder should vote. If no indication is given, or if there is, in the view of the Proxy holder, any doubt (by reason of the manner in which the instructions contained in the Proxy have been completed) as to the way in which the Proxy holder should vote, the Proxy holder in his/her discretion may vote as he/she thinks fit.

Instructions for Completion of the Proxy Form

1. Please perfect the Form of Proxy by filling in legibly your full name and address, signing in the space provided, and filling in the date of signature.
2. The Completed Form of Proxy should be deposited at the Registred office the Company at No: 40, York Street, Colombo 1, or an electronic document with e-signature or scan of the signed document emailed to ccp.agm@cargillsceylon.com, with the subject title "CCP-AGM 2026" not less than 48 hours before the time appointed for the convening of the Meeting.
3. If the Proxy Form is signed by an Attorney, the relevant Power of Attorney or a notarially certified copy thereof, should also accompany the completed Form of Proxy, if it has not already been registered with the Company.
4. If the appointer is a company or corporation, the Form of Proxy should be executed under its common seal or by a duly authorised officer of the company or corporation in accordance with its Articles of Association or Constitution.
5. In the case of non-resident Shareholders, the stamping will be attended to upon return of the completed form of proxy to Sri Lanka.
6. In the case of joint holders, only one needs to sign. The votes of the senior holder who tenders a vote will alone be counted.

Form of Request

To: Company Secretary
Cargills (Ceylon) PLC
No. 40, York Street
Colombo 01

REQUEST FOR A PRINTED COPY OF THE ANNUAL REPORT 2025/26

I hereby request you to send me a printed copy of the Annual Report of Cargills (Ceylon) PLC for the Financial Year ended 31 March 2026.

Name of Shareholder : .....
(as registered in the Company or in the CDS)

NIC No. : .....

Shareholder Reference No. : Folio / CDS Account No. .....

Address : .....

Contact Telephone No/s. : .....

E-mail address : .....

Signature: ..... Date: .....

Corporate Information

Name of Company
Cargills (Ceylon) PLC

Company Registration No.
PQ 130

Legal Form
Quoted public company with limited liability, incorporated in Sri Lanka on 1 March 1946.

Board of Directors
Louis Page (Chairman)
Ranjit Page (Deputy Chairman/Group CEO)
Imtiaz Abdul Wahid
(Group Managing Director/Deputy CEO)
Priyan Edirisinghe
(Senior Independent Director – w.e.f. 5 January 2026)
Dr Dushni Weerakoon
(Senior Independent Director – up to 4 January 2026)
Joseph Page
Asite Talwatte (up to 23 October 2025)
Indira Malwatte
Dilantha Jayawardhana
Ganesan Ampalavanar
Tara Page (up to 11 July 2025)
Suren De Silva (w.e.f. 30 May 2025)
Chulantha Wickramaratne
(w.e.f. 14 July 2025)
Zakir Mohamedally (w.e.f. 15 December 2025)

Company Secretary
Hemali Sagarika Ellawala

Remuneration Committee
Priyan Edirisinghe
(Chairman – w.e.f. 20 May 2025)
Dr Dushni Weerakoon
Indira Malwatte
Chulantha Wickramaratne
(w.e.f. 28 October 2025)
Asite Talwatte (up to 23 October 2025)

Audit Committee
Chulantha Wickramaratne
(Chairman – w.e.f. 23 July 2025)
Priyan Edirisinghe
(Chairman - up to 22 July 2025)
Dr Dushni Weerakoon
Indira Malwatte
Asite Talwatte (up to 23 October 2025)

Related Party Transactions Review Committee
Chulantha Wickramaratne
(Chairman – w.e.f. 23 July 2025)
Priyan Edirisinghe
(Chairman - up to 22 July 2025)
Dr Dushni Weerakoon
Indira Malwatte
Asite Talwatte (up to 23 October 2025)

Nominations & Governance Committee
Priyan Edirisinghe
(Chairman – w.e.f. 20 May 2025)
Louis Page
Indira Malwatte
Suren De Silva (w.e.f. 28 October 2025)
Asite Talwatte (up to 23 October 2025)

Stock Exchange Listing
Colombo Stock Exchange

Registered Office
40, York Street, Colombo 1, Sri Lanka
Telephone : +94 (0) 11 242 7777
Facsimile : +94 (0) 11 233 8704
E-mail : contact@cargillsceylon.com

Postal Address
P.O. Box 23, Colombo 1

Auditors
KPMG
Chartered Accountants

Bankers
Amana Bank
Bank of Ceylon
Cargills Bank
Commercial Bank of Ceylon
Deutsche Bank
DFCC Bank
Habib Bank
HNB Bank
HSBC Bank
MCB Bank
Nations Trust Bank
NDB Bank
Pan Asia Bank
People's Bank
Sampath Bank
Seylan Bank
Standard Chartered Bank
Union Bank

Subsidiary Companies*
Cargills Agri Solutions Company (Private) Limited
Cargills Confectioneries (Private) Limited
Cargills Convenient Foods Limited
Cargills Dairies (Private) Limited
Cargills Distributors (Private) Limited
Cargills Enterprise Solutions (Private) Limited
Cargills Food & Beverage Limited
Cargills Food Services (Private) Limited
Cargills Frozen Products (Private) Limited
Cargills Restaurants (Private) Limited
Cargills Retail (Private) Limited
C P C (Lanka) Limited
C T Properties Limited
C T Properties G S (Private) Limited
C T Real Estate (Private) Limited
C T Property Management Company (Private) Limited
C T Properties Lakeside (Private) Limited
Dawson Office Complex (Private) Limited
Frederick North Hotel Company Limited
Kotmale Dairy Products (Private) Limited
Kotmale Holdings PLC
Kotmale Milk Foods Limited
Kotmale Milk Products Limited
Kotmale Products Limited
Millers Limited
The Empire Investments Company (Private) Limited

Associate Companies
Cargills Bank PLC
Ceylon Theatres (Private) Limited

* All Companies are incorporated and carrying out business operations in Sri Lanka

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