RENUKA FOODS PLC

Annual Report 2026

Contents

A Proud Sri Lankan

Our brands are household names in Sri Lanka, known and loved by the thousands who have depended on us for decades. Yet, not everyone knows how our success story has evolved; the deep rooted heritage of a truly home grown company, the local understanding and strength of our impact on many people's lives.

WHO WE ARE

A seed was planted for a Sri Lankan company that had a thriving desire to branch out into value addition in our agricultural sector, drawing on the expertise of Renuka Enterprises since 1975 and the families' involvement in agriculture since the last century.

The Company was listed on the Colombo Stock Exchange in 1994. Through acquisitions the company traces its roots to 1866 becoming one of Sri Lankans oldest food and beverage corporates.

Renuka Foods PLC is the parent company of our Food and Beverage businesses consisting of the segments of Agri Food Exports (manufacturing, Organic Plantations) and Consumer Brands (Dairy, FMCG manufacturing & distribution).

Responsive
Enterprising
Nurturing
Unrelenting
Knowledgeable
Accountable

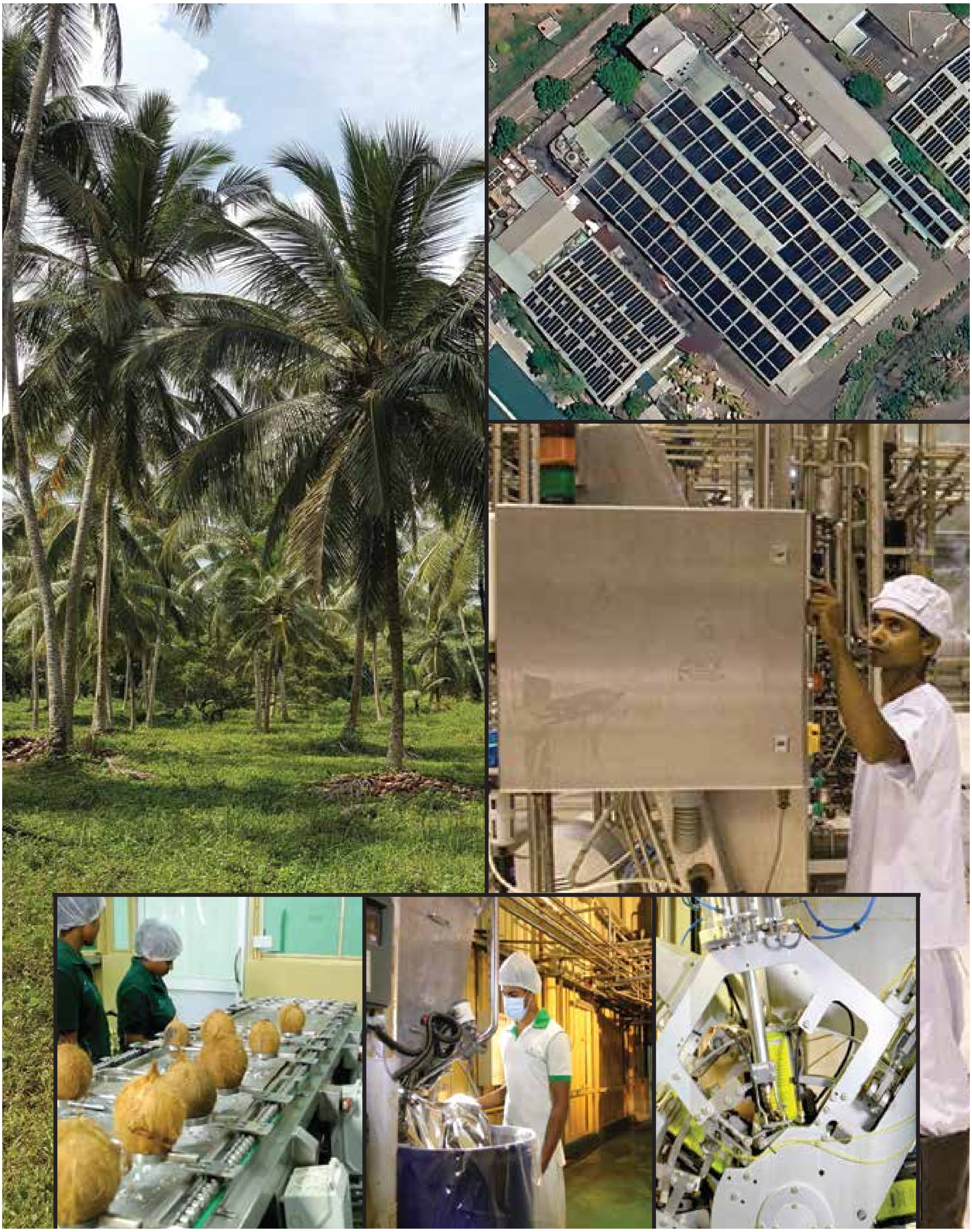
VISION

To be a leading Sri Lankan Food & Beverage company, making food you love.

CULTURE AND VALUES

Renuka's culture reflect more than a structure, it is a statement of values. Our commitment to a Responsive, Enterprising, Nurturing, Unrelenting, Knowledgeable and Accountable workplace enables us to build relationships with clients and with colleagues, on honesty and trust. It drives our ability to deliver great products and services and to generate superior long-term financial performance for our shareholders.

Agri Food Sector
Our Facilities & Plantations



Consumer Brands Sector
Our Facilities & Distribution

Our Brands

Renuka range of value added Coconut Products brings the essence of Sri Lanka's finest coconuts to the world. With a heritage rooted in quality and sustainability, these premium coconut-based products enhance everyday nutrition and culinary experiences.

As a leading name in coconut manufacturing, the range includes **organic and conventional forms** all crafted to retain the pure goodness of nature. Sourced from the lush coconut plantations of Sri Lanka and processed under the highest international standards, our products are a trusted choice for households, foodservice, and industries globally.

Renuka Captain and Plaza are brands built on tradition and trust, offering a range of high-quality canned fish, With a strong presence in households and foodservice sectors, these products deliver taste and convenience without compromising on authenticity in the Canned Jack Mackerel Segment.

Our Brands

Rich Life®

Richlife is a pioneer in Sri Lanka's dairy industry, providing premium fresh milk, flavored milk, yogurt, Curd , Cheese and dairy-based beverages. Committed to farm-fresh quality, Richlife ensures the highest nutritional value and taste, making it a preferred choice for health-conscious consumer.

Rich Life®

LAKCOW

Richlife Lakcow Full Cream Milk Powder is made from 100% pure whole milk, offering the wholesome goodness and nourishment your family deserves. With its rich and creamy taste, it brings the authentic flavor of farm-fresh milk to every cup. Ideal for everyday use, whether in tea, coffee, cooking, or baking, Richlife Lakcow ensures a consistent, delicious dairy experience with every scoop.

Our Brands

Mr. Pop presents a range of extruded snacks that are irresistibly crispy, bursting with flavor, and ideal for every snacking moment. Crafted from high-quality ingredients and expertly seasoned, each bite delivers a bold and exciting taste experience. From cheesy indulgence to spicy thrills and tangy zings, there's a Mr. POP flavor to satisfy every craving.

Mr. Pop Brekkie a cheerful range of breakfast cereals designed to brighten mornings and fuel your day! Packed with the goodness of whole grains, essential vitamins, and minerals, each bowl of Breakie strikes the perfect balance between taste and nutrition, making it a favorite for both kids and adults.

Mr. Pop Mayfair is the bubble gum that generations have loved and continue to enjoy. With its signature burst of flavor and playful chew, Mayfair remains a nostalgic favorite that never goes out of style.

Our Plantations

The Group's plantation operations are at the forefront of sustainable organic agriculture in Sri Lanka since the 1980s. Located within the country's renowned Coconut Triangle, our organically certified plantations are managed as integrated ecosystems that promote biodiversity, environmental stewardship and long-term agricultural sustainability. Coconut cultivation is complemented through intercropping with a variety of high-value crops, including pepper, cinnamon, cashew, mango, jackfruit and banana, creating a resilient farming model that optimises land productivity while preserving ecological balance.

Sustainability remains at the heart of our plantation philosophy. Natural soil fertility is enhanced through an integrated nutrient management system that incorporates compost produced from cattle manure, coconut husks, rice straw and Gliricidia, reducing dependence on synthetic inputs. The plantations also support a thriving cattle breeding programme, while boundary forestry and dedicated timber plantations at the Wiharagama Estate in Matale, comprising teak, khaya and mahogany, contribute to biodiversity conservation and responsible land management.

As an integral component of the Group's vertically integrated business model, our plantation operations provide a reliable source of premium-quality organic raw materials that support our internationally certified manufacturing facilities. This integration strengthens supply chain resilience, ensures consistent product quality and traceability, and reinforces our commitment to delivering sustainably produced coconut-based products to customers across global markets. Through continuous investment in sustainable farming practices, organic certification and rural community development, our plantation business continues to create long-term value for stakeholders while preserving the natural resources entrusted to our care.

Our Outgrower Network

The Group's extensive outgrower network is a cornerstone of its vertically integrated supply chain, creating sustainable value for both the business and Sri Lanka's rural economy. Comprising more than **7,000 farmer families**, the network spans coconut, dairy, kithul and other agricultural commodities, ensuring a consistent supply of high-quality raw materials while providing farmers with reliable market access and long-term income opportunities.

Our partnership model extends well beyond procurement. Through guaranteed buy-back arrangements and fair farm-gate pricing, we provide producers with greater income security and reduced exposure to market volatility. Farmers are further supported through continuous capacity-building programmes covering sustainable agricultural practices, organic certification requirements, quality improvement, animal husbandry, healthcare initiatives and financial inclusion. For our organic-certified growers, technical guidance and resource support strengthen their ability to meet internationally recognised production standards.

The Group's dairy operations complement this ecosystem by procuring fresh milk every day of the year from a dedicated network of over 2,000 dairy farmers through strategically located milk collection centres, fostering enduring partnerships built on trust, consistency and mutual growth.

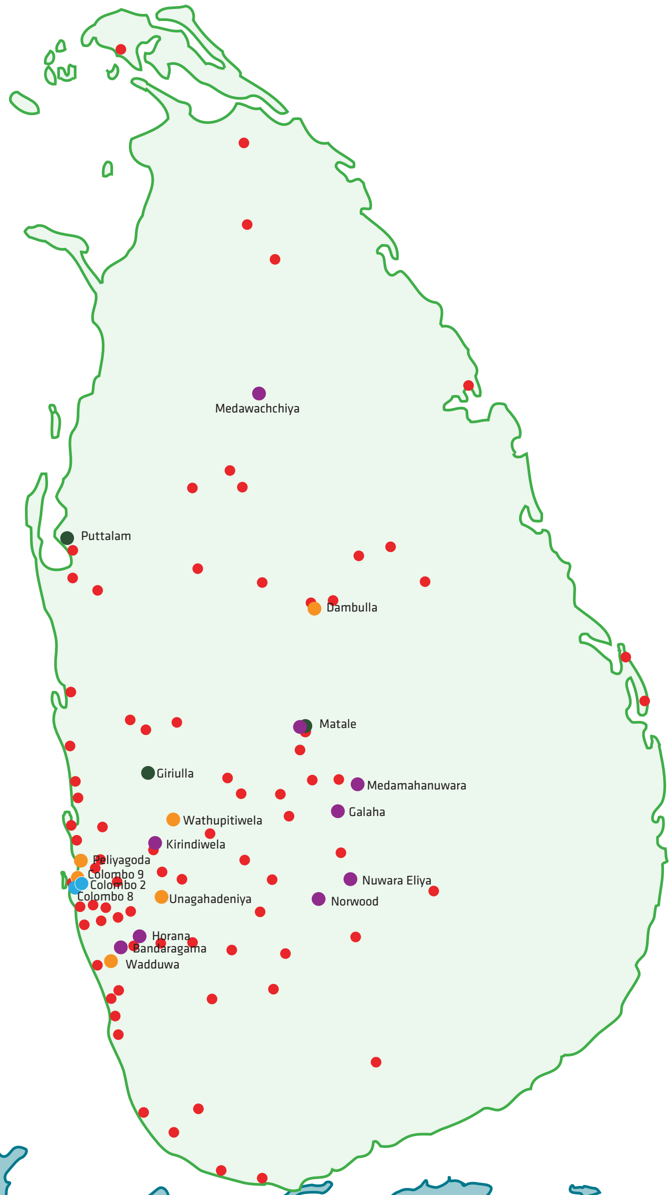
Together, our plantations and outgrower network represent an integrated sourcing model that enhances traceability, strengthens supply chain resilience and enables the Group to consistently deliver premium-quality products to customers around the world. More importantly, this ecosystem contributes meaningfully to rural livelihoods, creating shared value for thousands of farming families while supporting the long-term sustainability of Sri Lanka's agricultural sector.



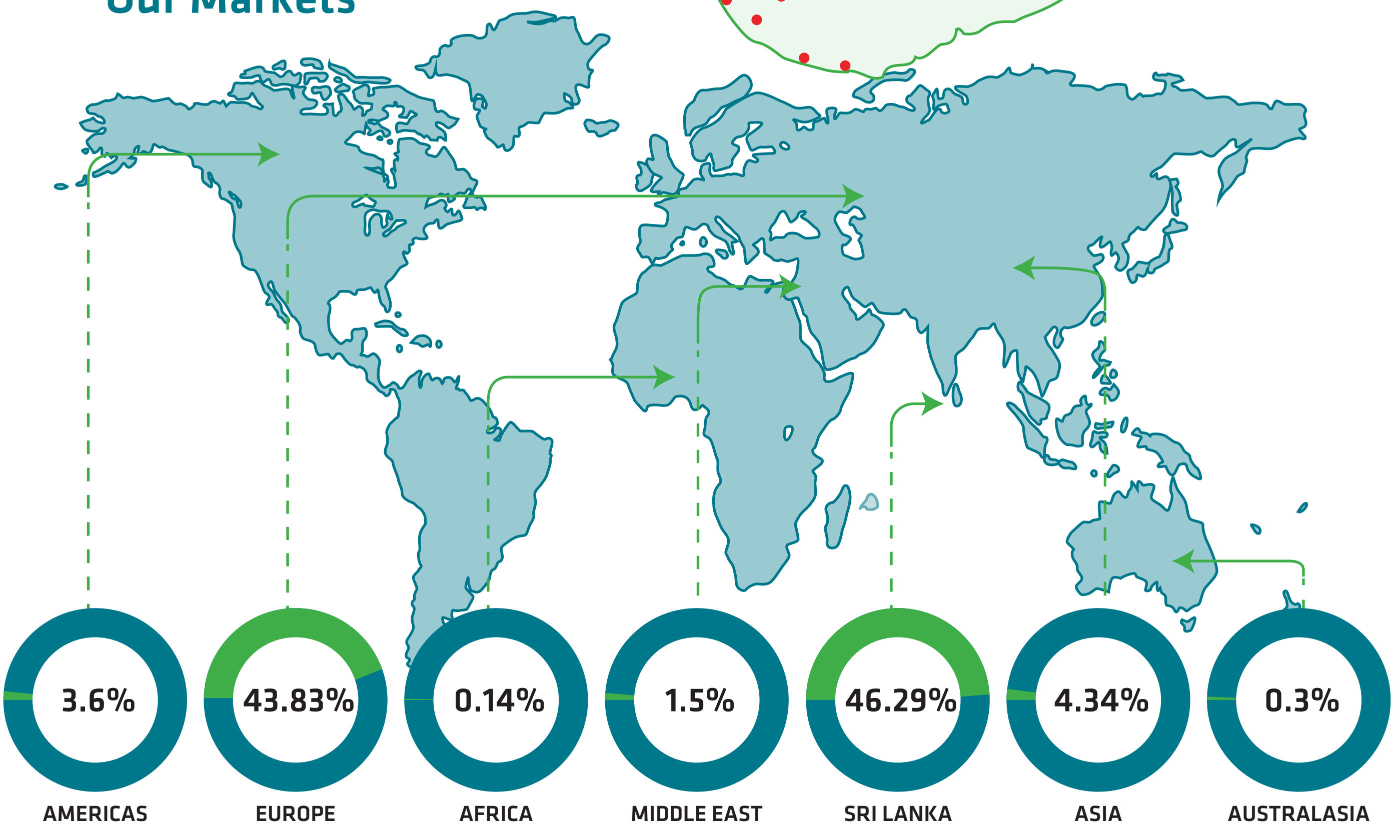


Our Locations

- Offices
- Factories & Warehouses
- Collection & Processing Centres
- Plantations
- Stockists



Our Markets



Revenue
18,036
Million

Segmental Revenue

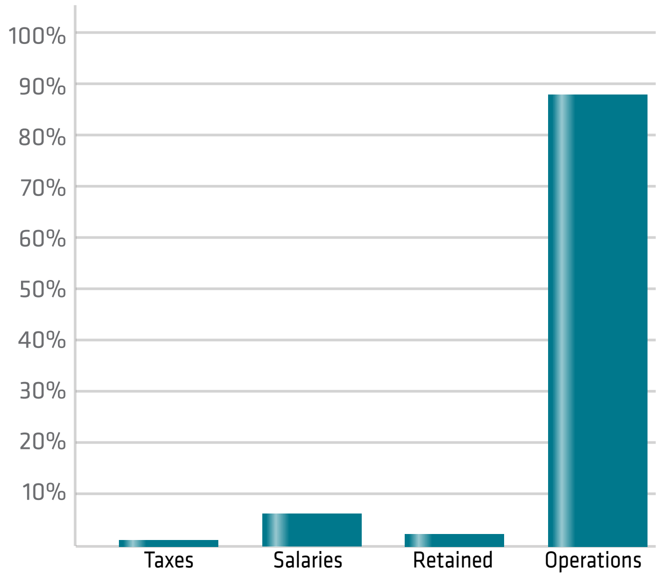
EBIT
1,221
Million

Net Profit
669
Million

Total Assets
15,159
Million

Employees
1,294
Nos,

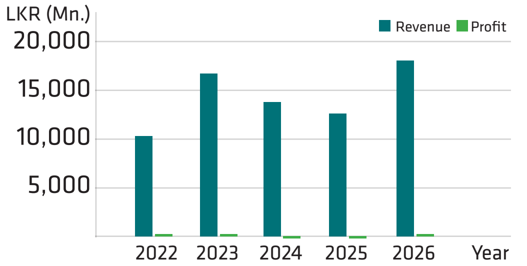
At a Glance



Value Added Distribution for the Year 2026

2% Taxes
6% Salaries
4% Retained
88% Operations

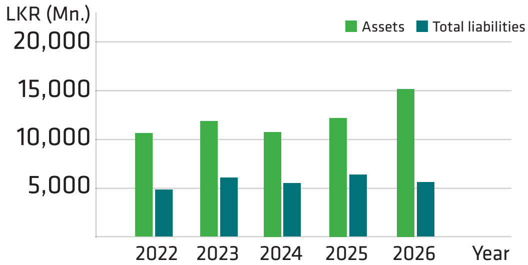
Group Revenue and Profit after Tax



18,036 Mn
Revenue in Year 2026

669 Mn
Profit in Year 2026

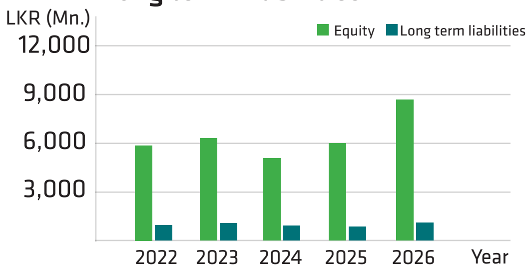
Total Assets and Total Liabilities



15,159 Mn
Total Assets in Year 2026

6,230 Mn
Total Liabilities in Year 2026

Total Equity and Long term Liabilities



8,929 Mn
Total Equity in Year 2026

1,299 Mn
Long Term Liabiliteis in Year 2026

Chairman’s Review

Dear Valued Shareholders,

It is my pleasure, on behalf of the Board of Directors, to welcome you to the 36th Annual General Meeting of Renuka Foods PLC. I am pleased to present our Annual Report and the Audited Financial Statements for the year ended 31st March 2026.

The Sri Lankan Economy

Sri Lanka's economy grew an estimated 5.0% in CY2025, aided by rebounding tourism, shipping, and stronger tax revenue following the resumption of vehicle imports. IMF EFF consolidation stayed broadly on track – reserves reached ~US$7.0 Bn by March 2026, inflation turned positive at ~2.1% by December 2025, and rates held steady. The Fifth and Sixth EFF Reviews were completed, with the IMF permitting limited 2026 fiscal easing for relief/reconstruction before resuming consolidation from 2027.

Consumer spending, which drives the bulk of economic activity, continued a gradual but uneven recovery over FY2024/25, supported by lower interest rates, eased utility and energy tariffs earlier in the year, and steady remittance and tourism-driven foreign exchange inflows that underpinned household confidence. Total household final consumption expenditure rose to LKR 20,542 Bn in 2024, up from LKR 19,412 Bn in 2023, translating to real growth of around 4.0% for the year – a marked improvement from the contraction seen during the 2022 crisis years. Despite these signs of recovery, real household incomes remain below pre-2022 levels, and spending patterns stayed cautious and value-focused rather than expansionary, with households prioritising essentials over discretionary categories.

The picture darkened later in the year: Cyclone Ditwah (November 2025) affected nearly two million people and caused an estimated US$4.1 Bn in damage, hitting agriculture hard, while an escalating Middle East conflict added further pressure – prompting the IMF to cut its 2026 growth forecast to 3.0%.

Global and Trade Environment

The global backdrop stayed challenging. Escalating US-Iran tensions in early March 2026 disrupted shipping through the Strait of Hormuz – a corridor carrying roughly a fifth of world seaborne oil and LNG trade – sending Brent crude and freight costs to their highest levels since the Russia-Ukraine war's early stages, with the strait treated as functionally impaired for a period. A ceasefire followed in early April 2026, just after our financial year-end, though full normalisation isn't expected soon at the time of writing this report.

Sectors

The Agrifood sector’s export performance was underpinned by strong momentum in selected markets and product lines, with exports increasing from Rs. 6.27 Bn in the previous financial year to Rs. 9.75 Bn in the current financial year. Germany emerged as a particular highlight, with export volumes doubling year-on-year, while Austria more than quadrupled and the Netherlands, France and the UAE each recorded robust double-digit growth, reflecting the strength of our European office and Middle Eastern customer relationships. On the product side, our bulk-format lines were the standout performers: demonstrating the resilience of our private label and B2B supply partnerships even amid raw material constraints. Coconut Milk in Tetra also performed well, up 38%, further reinforcing the shift towards higher-value, bulk and tetra-pack formats over the year.

The Consumer Brands also delivered a strong performance, with our Dairy business recording significant growth across both distribution and brand equity. Outlet reach expanded to 35,000 from 25,000 in the prior financial year, out of a total addressable universe of 45,000 outlets identified through Kantar research, which also ranked us as the 7th leading dairy brand in the market. During the year, we launched our Cheddar Cheese range and established a dedicated sales team and distributor network to support our pasteurised milk operation, strengthening our route-to-market capabilities. Looking ahead, we have set an aggressive target to expand our outlet coverage, as we continue to build on this distribution momentum. In our Extruded Snacks category, the launch of our Cheesy Ball range enabled us to capture market share and fill a long-standing void in this product segment. We also progressed cost-saving initiatives across our Kiripani and Cheese ranges, reinforcing margin resilience across the portfolio.

Performance Review

The Group recorded a consolidated turnover of Rs. 18 Bn for the year under review, compared to Rs. 13.7 Bn in the previous year. Gross profit was Rs. 3.3 Bn, against Rs. 1.8 Bn in the prior year, and the Group recorded a profit of Rs. 669 Mn for the year, compared to a loss of Rs. 377 Mn in FY2024/25.

Conclusion

I remain confident in Renuka's resilience and in the continued recovery of our country. I extend my sincere gratitude to the Board, the Management Team, our employees, shareholders, suppliers, bankers and loyal customers for their continued support through a challenging year. Together, we look forward to building on this foundation in the year ahead.

(Sgd.)
Dr S.R. Rajiyah
Chairman
28th August 2026

Directors' Profiles

Dr. S.R Rajiyah

Dr S.R.Rajiyah is the Executive Chairman of the Company and he is also the Group Managing Director of Renuka Holdings PLC and the Executive Chairman of Renuka Agri Foods PLC, Chairman of Shaw Wallace Ceylon Ltd, Director of Richlife Dairies Ltd and other companies of the Renuka Group. He counts over 45 years of corporate experience in operations, quality management, research and development as well as in founding and running businesses.

Mrs. I.R. Rajiyah

Mrs. I.R Rajiyah is the Executive Deputy Chairperson of the Company. She is qualified in Business Management from the United Kingdom and is a fellow member of the Chartered Management Institute. She counts over 50 years of corporate experience in founding and running businesses. She is also the Executive Chairperson of Renuka Holdings PLC and Deputy Executive Chairperson of Renuka Agri Foods PLC, a Director of Shaw Wallace Ceylon Ltd, Richlife Dairies Ltd and other Companies within the Renuka Group.

Mr. S.V. Rajiyah

Mr. S.V. Rajiyah is the Managing Director of the Company. He is also the Managing Director of Renuka Holdings PLC, Shaw Wallace Ceylon Ltd and Richlife Dairies Ltd. As an Executive Director of Renuka Agri Foods PLC and Director of other Companies within the Renuka Group. He serves as the Executive Chairman of Ceylon Land & Equity PLC and Galle Face Capital Partners PLC. He is a graduate in Management from the Warwick Business School, University of Warwick, United Kingdom. He has 25 years of experience in General Management. He is a member of the Young Presidents Organization and a trustee of the Action & Care Trust.

Mr. V. Sanmugam
(Non-Executive Director)

Mr V. Sanmugam is a Non-Executive Director of the Company and he holds a Bachelor of Engineering Degree from the Mangalore University. He counts over 42 years of industrial work experience, out of which, 28 years have been with the Renuka Group Companies. He has extensive experience in New Plant Establishment, Project Planning & Management, Supply Chain/ Inventory Management, Statutory & Regulatory Compliance, besides others. He is the Managing Director of Renuka Agri Foods PLC, Renuka Agri Organics Ltd, Shaw Wallace Ceylon Ltd, Richlife Dairies Ltd and Non Executive Director of Renuka Holdings PLC and few other companies within the Renuka Group.

Mr.R.F.N.Jayasooriya
(Non-Executive Director)

Mr.R.F.N.Jayasooriya, heads Shaw Wallace Ceylon Limited and Richlife Dairies Ltd in managing the Consumer Foods portfolio's in Sri Lanka backed by an ever growing distribution network which is within the top 10 in the country. His career spans across over 30 years in various industries and sectors such as Tea plantation (management), Dairy, beverage, frozen confectionary, Process meat & tea in Multinational contexts and owns an illustrious record in General Management for over 2 decades.

Mr. Jayasooriya's key management areas of interest include Supply Chain Management, Corporate Strategy & Creating Value Chain excellence. He was the past president of the All Island Dairy Association and the Dairy Advisory Committee of the Ministry of Industries.

Mr.E.A. P. Ekanayake
(Non-Executive/ Independent)

Priyadharshana Ekanayake is a Fellow of the Chartered Institute of Management Accountants (UK) with over 30 years' experience in financial leadership across Sri Lanka, India, Singapore and West Africa, including global remits spanning the United Kingdom, Brazil and the Philippines.

He served most recently as Chief Financial Officer for Unilever West Africa and Executive Finance Director of Unilever Ghana PLC (2020–2023), where he worked directly with the board, audit committee and regulators on financial reporting, internal control and regulatory compliance in a listed-company environment. Earlier appointments within the Unilever group include Executive Finance Director of Unilever Sri Lanka (2016–2020), and, based in India, Director of Finance Control for Unilever's global operations centers in India, the United Kingdom, Brazil and the Philippines (2015–2016). He also held finance business partnering roles at Hindustan Unilever Limited, Mumbai (2011–2015), and served as Regional Treasury Manager for Unilever's Asian companies, based in Singapore (2008–2011).

He has led organizational transformations and cost leadership programs in volatile and high-inflation markets. He also works hands-on with machine learning and autonomous agents to strengthen financial control, and board-level decision-making.

Directors' Profiles contd..

Throughout his career, Priyadharshana has held a number of key leadership roles within the Unilever group. These include CFO for Unilever West Africa and Executive Finance Director for Unilever Ghana PLC (June 2020 – October 2023), Executive Finance Director for Unilever Sri Lanka (June 2016 – June 2020), and Director of Finance Control for Unilever UniOps centers in India, the UK, Brazil, and the Philippines (April 2015 – May 2016). He has also served in finance business partnering roles at Hindustan Unilever Limited in Mumbai, India (2011 – 2015), and as Regional Treasury Manager for Unilever Asia companies based in Singapore (2008 – 2011).

Mr. A.M.P.C.K. Abeykoon
(Non-Executive / Independent Director)

Mr. A.M.P.C.K. Abeykoon is the Chairman/ Principal Consultant and founding director of Management Frontiers (Pvt) Limited, one of the leading companies in the field of management consultancy in Sri Lanka.

He holds a Master of Business Administration degree from the Postgraduate Institute of Management (PIM) and a Bachelor of Business Administration degree from the University of Jayewardenepura. He is also a fellow Member of the Institute of Chartered Accountants of Sri Lanka (ICASL) and the Certified Management Accountants (CMA) of Sri Lanka.

He counts over 20 years of experience in the field of consultancy and has served in many assignments in Sri Lanka, Malaysia, Pakistan, Vietnam, Nepal, Bangladesh, Lao PDR and Zimbabwe in various capacities such as the financial management specialist, results-based planning and budgeting specialist, public finance specialist and monitoring & evaluation specialist.

Mr. M. R. Ratnasabapathy
(Non-Executive/ Independent Director)

Mr. M. R. Ratnasabapathy is a Chartered Global Management Accountant (CGMA), a Fellow of the Chartered Institute of Management Accountants (FCMA, UK), and holds an MBA from the Postgraduate Institute of Management (PIM), University of Sri Jayewardenepura. He also holds a Master's Degree in Financial Economics from the University of Colombo. Mr. Ratnasabapathy has over 25 years of experience in finance, covering a wide range of industries including audit, trade, agribusiness, power and energy, and telecommunications most of which have been in senior leadership roles.

Mr. D.S. Arangala
(Non-Executive/ Independent)
Resigned with effect from 17th June 2025

Mr. Daya Sumith Arangala was appointed to the Board on 8th September 2023 as an Independent Non-Executive Director. He functioned as the Chief Executive Officer (CEO) of LVL Energy Fund PLC during the period May 2016 to August 2023 and of Lanka Ventures PLC during the period July 2002 to April 2016. Prior to that he functioned as the Assistant General Manager of Capital Devel-op-ment and Investment Company Limited, the pioneer venture capital company in Sri Lanka.

He commands considerable knowledge and experience in investing in private equity, venture capital and capital markets being associated with the industry for over 35 years. He is a Bachelor of Engineering from the Royal Melbourne Institute of Technology (RMIT), Melbourne, Australia and holds a Graduate Diploma in Quality Technology from the same institute. He is a Graduate member of the Institute of Engineers, Australia.

Fit and Proper Assessment Criteria

To ensure compliance with listing rule
9.7.1 each member of the board has declared conformity with the Fit and Proper assessment criteria outlined in listing rule number 9.7.3 by providing signed declaration for the year under review. Individuals who fail to comply with the criteria as per the above rule will no longer be eligible to serve as director of the Company.

Management Discussion and Analysis

OPERATING ENVIRONMENT

The global economy showed modest growth with 3.4% in CY2025, reflecting a cautious return to normalcy after several years of economic shocks; while emerging markets and developing economies expanded with India sustaining its position as the world's fastest-growing major economy and China showing modest growth in CY25, though subdued domestic consumption pointed to a continued moderation in its longer-term trajectory. While this marks a period of relative stability, growth remains lower than expected. The slower than expected global recovery was primarily driven by ongoing geopolitical tensions in various regions which disrupted global supply chains, contributed by heightened economic uncertainty. Global trade recovered modestly following the front-loading of exports ahead of US Liberation Day tariff measures in early 2025, though policy uncertainty remained a drag on investment sentiment.

The Sri Lankan economy also continued to recover steadily in 2025/26 as post-crisis reforms continued to deliver positive outcomes. After two years of annual contraction, the Sri Lankan economy rebounded strongly in CY2025 with a growth of 5%. The year reflected a phase of consolidation underpinned by sustained macroeconomic stabilization and the continued implementation of policy and structural reforms. Fiscal outcomes were supported by expenditure rationalization, and revenue measures were also significantly boosted.

Growth was mainly attributable to Industrial activities, driven by the revival of manufacturing and construction activities. Services activities also contributed supported by the sustained growth in tourism and transport activities. Meanwhile, Agriculture activities also contributed positively to the growth. The IMF backed ambitious reform agenda in Sri Lanka continues to deliver commendable outcomes, with fiscal and external performance consistently outpacing targets.
Headline inflation in early CY2025 remained in the negative territory. The deflationary phase concluded in mid 2025, driven by upward energy price adjustments, a recovery in demand following the relaxation of vehicle imports restrictions and supply-side disruptions from Cyclone Ditwah. By end of CY 2025, inflation was 2.2%.

The following aspects were discussed pertaining to the primary macro economic variables during the year under review and the resultant impacts on the performance of Renuka Foods PLC .

MOVEMENT	CAUSE	IMPACT TO RENUKA FOODS PLC
ECONOMY Sri Lankan economy recorded a growth of 5 percent in 2025/2026, compared to a similar growth of 5 percent recorded in the preceding year.	All sectors in the economy registered growth during the year. Agriculture sector of the economy registered a growth of 1.4 percent whilst Industrial sector by 7.8 percent and the Services sector by 3.3 percent. The performance of the agriculture sector was buoyed by the growth in the sub-categories of Plant propagation 28 percent, forestry and logging 10.7 percent, animal production 10.5 percent, and growing of oleaginous fruits 8.2 percent. The subcategories within industries sector, Construction by 9.2 percent, mining & quarrying by 16.9 percent. Most subcategories in the services sector also registered growth Main being Insurance 14.6 percent, IT and related activities 12.8 percent, accommodation, food & beverage serving activities 12.4 percent and Financial services 10.6 percent.	Due to the tightening of the supply chains, together with environmental factors, and the depreciation of the currency in the previous years, the Company had to face challenges in sourcing essential imported raw materials. As a result, there has been a noticeable increase in the prices of critical inputs. These supply constraints, coupled with currency fluctuations, have impacted the Company's ability to procure necessary materials, leading to higher costs. The Company is actively addressing these challenges while exploring alternative sourcing options to mitigate the impact on its operations.
INFLATION Broadly In line with the Central Bank's near-term projections, inflation accelerated in 2025. Inflation rose to 2.2 percent In CY2025, up from negative 2.6 percent in the previous year.	During the year inflation transitioned from deflationary conditions to positive 2.2 percent. This was driven by non-food costs (8 percent) particularly transport and utilities as Middle East conflict pressures began transmitting into domestic energy prices together with the administered prices of utilities and food costs by 1 percent.	The group was significantly impacted by the high cost of manufacturing, which posed challenges to its operations. To mitigate the negative effects on the group, measures were taken to improve product margins and enhance manufacturing efficiency.

Management Discussion and Analysis contd..

MOVEMENT	CAUSE	IMPACT TO RENUKA FOODS PLC
	The relative stability of the rupee parity maintained by the CBSL also contributed to the lower Inflation initially.	These steps were necessary to offset the increased costs and maintain competitiveness in the market. By implementing these strategies, the group aimed to safeguard its financial stability and maintain its position in the industry amid the challenging cost environment.
DOMESTIC INTEREST RATES Monetary conditions remained supportive in CY2025 as CBSL maintained an accommodative stance. Which helped maintain broader interest rates below 10%.	CBSL maintained an accommodative stance in its monetary policy. Although short term rates and Government security yields rose temporarily amid uncertainty in relation to funding requirements post Cyclone Ditwah, the improved sovereign risk perception stabilized the borrowing rates.	The Group successfully faced the high interest cost period and is now enjoying the fruits of the hardship in the past. These proactive measures enabled the Company to mitigate the financial impact of borrowing expenses, by optimizing product margins and streamlining manufacturing processes, The group demonstrated its resilience and ability to adapt to challenging market conditions. These efforts also contributed to maintaining the group's financial stability and competitiveness in the industry.
EXCHANGE RATES In 2025/26, the Sri Lanka rupee depreciated marginally against the US dollar by 8 percent from Rs. 292 as at 2025 to Rs. 315 as at end 2026.	Driven by higher levels of imports, particularly following the relaxation of motor vehicle import restrictions. was partially offset by sustained foreign exchange inflows from workers' remittances tourism earnings and exports, which supported overall foreign exchange liquidity.	The group made full use of the depreciation of the Rupee by judiciously managing its cashflows.
SHARE MARKET The Colombo Stock Exchange (CSE) recorded a growth of 33 percent in 2025/26, mainly responding to the general market sentiment and the interest rates prevailing in the market.	During the year ended 31st March 2026 the Colombo Stock Exchange (CSE) performance showed mainly an upward trend. The overall trend of the market reflected the evolving economic and global conditions, as well as various internal and external factors that influenced investor sentiment. In the first three quarters, the market experienced significant growth. However, as the year progressed, the market showcased significant decline. The performance of individual sectors in the CSE varied, with some sectors experiencing significant growth and others facing challenges. Factors such as changes in interest rates, government policies, corporate earnings, and global market dynamics played a role in shaping the market performance. Additionally, investor sentiment was influenced by domestic economic conditions, political developments, and global events.	Highest share price the company recorded was at Rs. 79.20 & lowest at Rs. 22.50 during the year under review. It closed at Rs 28.90 as at 31st March 2026.

Management Discussion and Analysis contd..

Capital Management Review
Managing our capital according to a structured process is key to our continued success. The capital reports below, gives a summary description of our capital resources.

Financial Capital
The Group achieved a revenue of Rs. 18 Bn, compared to previous year revenue of Rs.13.7 Bn The group recorded profit after tax Rs. 669 Mn.

Furthermore, the Group's gross profit reached Rs. 3,3Bn, reflecting an increase compared to the previous year. The company has in place bank facilities sufficient to meet its obligations as they become due as set out in the note on Loans & Borrowings. Due to the expiration of the tax losses and the concessionary rates of tax applicable to the company, the company provided for differed tax liability and as a result a charge of Rs 282Mn has been provided in the financials.

Manufactured Capital
Deriving 100% of our revenue from manufactured products we are conscious of the importance of ensuring that our manufacturing capabilities are expanded, upgraded and maintained according to carefully orchestrated plan to deliver growth and future sustainability. Our manufactured capital comprises of building, plant & machinery and other items including motor vehicles, furniture & fittings and tools and equipment.

Natural Capital
Environmental sustainability is highly regarded and embedded into the corporate governance framework of the Renuka Agri Sector whilst managing the natural resources and meeting corporate obligations towards protecting the environment around us. Through our organic certified plantation's and factories we ensure that our customers all around the world get organic coconut products which is sustainable in the long term as well. Focus on energy management, waste management, maintaining clean business environment, water management are a few initiatives taken by the Group during the year. We also continue to harness the benefits on "Net Plus" solar power project at our factory by installing roof top solar panels which reduced electricity consumption within the Group. We also provide guidance to farmers on sustainable agricultural practices with the objective of preserving soil health, forestry and bio diversity. Management of natural capital is a critical imperative as it accounts for significant portion of our total assets. We are heavily dependent on natural resources, water, energy and are significantly impacted by climate change in our plantations We also seek to manage our consumption of materials, water and energy to reduce cost of production and our impacts on the environment. Compliance with Central Environmental Authority License, which is obtained by all our factories, is strictly adhered to.

Human Capital
The Group strongly believes in people development and encourages knowledge sharing. As a result management launched its organization structures and strategy for 2025/26 to its senior management team and emphasized the roles that each one of our employee needs to play in the coming years. Having sought insights from internal and external stakeholders, some of the business processes, operations and departments reporting have been revisited and streamlined.

Social and Relationship Capital
In today's dynamic and competitive business environment, Corporate Sustainability links with the social responsibility and the strength of the stakeholder relationships. The companies in the Group mainly depend on the co-ordination of the society surrounding environment. In turn, it benefits all the companies in the Group in many ways.

Intellectual Capital
Intellectual Capital is the group of knowledge assets that are attributed to an organisation and most significantly contribute to an improved competitive position of an organisation by adding value to defined stakeholders. At Renuka Group, which this Company belongs to, trace its roots to 1866 and gradually built its solid businesses pillars owning many brands striving in local and export markets. Such a built up knowledge is used in many aspects and able to invest in wider range of business operations while growing the Group as a whole. Our intellectual capital enables us to compete effectively in local and global markets shaping our brand equity.

Outlook
Given the prevailing economic conditions, the country is currently facing significant challenges. However, the company has proactively tackled these operational difficulties by implementing effective working capital and capital management strategies. By carefully managing various capitals, the company aims to maximize returns and mitigate the impact of the challenging economic environment.

Despite the external challenges, the company remains committed to optimizing its operational efficiency and financial performance. Through diligent management of working capital and other resources, the company strives to navigate through the prevailing economic conditions and achieve sustainable growth. By adapting to the changing landscape and making strategic decisions, the company aims to position itself for long-term success in the face of economic uncertainties.

Statement by the Senior Independent Director

A brief Profile of Mr. M.R. Ratnasabapathy is given on Page No. 12 of this Report.

The Board of Directors have designated me in my capacity as the Senior Independent Director (SID) of the Company in compliance with the regulatory requirements of Section 9.6.3 of the Listing Rules of the Colombo Stock Exchange, given that the Chairman of the Board serves as an Executive Director. I continue to hold this position and provide guidance to the Chairman on matters pertaining to the Corporate Governance.

ROLE OF THE SENIOR INDEPENDENT DIRECTOR (SID)

In my capacity as SID, I ensure that transparency in governance related matters is consistently upheld. I also initiate an annual review of the effectiveness of the Board. Additionally, I remain available to Directors and Employees for confidential discussions on any concerns relating to the affairs of the Company, should the need arise.

ACTIVITIES DURING THE YEAR

During the year, in line with the regulatory requirements, I presided over the following meetings of the Independent Directors and the Non-Executive Directors and exercised my voting rights where necessary in accordance with the Company's Corporate Governance framework.

A meeting of the Independent Directors was held without the presence of the other Directors and provided an opportunity to discuss matters relating to the Board's effectiveness, governance, succession planning, Board dynamics and any concerns regarding the management and operations of the Company. The observations and recommendations arising from these discussions were communicated to the Chairperson and the Board for their consideration.

I also chaired the meeting of the Non-Executive Directors held without the Chairperson being present, during which the performance and effectiveness of the Chairperson and the Executive Directors were objectively assessed. The outcomes of these deliberations, together with recommendations for continuous improvement, were formally communicated to the Chairperson and the Board.

In addition, I initiated and oversaw the annual evaluation of the effectiveness of the Board and continued to remain available throughout the year to Directors and Employees for confidential discussions on governance related matters, whenever required.

The Company remains focused on navigating the challenges and opportunities ahead while maintaining the highest standards of corporate governance, effective Risk Management and sustainable value creation. I am satisfied that the governance processes established by Renuka Foods PLC continue to support an effective transparent and accountable Board.

The independence and objectivity of the Senior Independent Director, together with regular engagement with the Board, shareholders and other stakeholders, continue to contribute to maintaining confidence in the Company's governance framework. I remain of the view that I have discharged my responsibilities as the Senior Independent Director in accordance with the applicable Corporate Governance Rules and best practices.

The Company maintains a policy of strict compliance with all mandatory requirements while also embracing voluntary best practices. This approach is aimed at enhancing stakeholder confidence and contributing positively to long-term value creation.

I am of the view that I have fulfilled the responsibilities entrusted to me as the SID in accordance with the applicable Corporate Governance guidelines

Mr. M.R. Ratnasabapathy
Senior Independent Director
28th August 2026
Colombo

Report on the Corporate Governance

Corporate Governance is the system of rules, practices and processes by which a company is directed and controlled. Corporate Governance essentially involves balancing the interests of the many stakeholders in a company. These include its shareholders, management, customers, suppliers, financiers, the Government, and the community. Since Corporate Governance also provides the framework for attaining a company's objectives, it encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosures. The Company holds itself accountable to the highest standards of Corporate Governance and provides public access to Company information.

At Renuka Food Group, we set our framework of Corporate Governance in line with Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and the rules set out in the Colombo Stock Exchange Listing Rules and also comply with the Country's Legislative and Regulatory requirement.

INTERNAL GOVERNANCE STRUCTURE

BOARD OF DIRECTORS

The Board of Directors is the ultimate governing body of the Company, with diverse experience, professionalism, and a wide range of expertise in various fields, as set out on pages 11 to 12.

The Board is responsible for the ultimate supervision of the Group. In all actions taken by the Board, the Directors are expected to exercise their business judgment, considering the best interests of the Company. The Directors participate in defining the Group's goals, vision, strategies, and business targets.

The Board provides leadership in setting the strategic direction and establishing a sound control framework for the successful functioning of the Company. The Board's composition reflects a sound balance of independence.

COMPOSITION OF THE BOARD AND DIRECTORS INDEPENDENCE

Composition of the Board of Directors as at 31st March 2026 consisted of 8 members of which,

- 3 Executive Directors
- 5 Non-Executive Directors of whom 3 are Independent Directors

NAME OF THE DIRECTOR	Executive	Non-Executive	Independent
Dr. S. R. Rajiyah	x		
Mrs. I.R. Rajiyah	x		
Mr. S.V. Rajiyah	x		
Mr. V. Sanmugam		x	
Mr. R. F. N. Jayasooriya		x	
Mr. D.S. Arangala *		x	x
Mr.E.A.P. Ekanayake		x	x
Mr.A.M.P.C.K. Abeykoon		x	x
Mr. M.R. Ratnasabapathy **		x	x

***Mr. D.S.Arangala resigned with effect from 17th June 2025**

**** Mr. M.R. Ratnasabapathy appointed with effect from 17th June 2025**

BOARD RESPONSIBILITIES

The Board aims to fulfil its responsibilities by creating value for all stakeholders that is sustainable and beneficial. Under the direction of the Executive Directors and the oversight of the Board, the business of the Company is conducted by its managers, officers, and employees to enhance the long term value of the Company.

The Board meets regularly and gives full consideration to the following:

- Review strategic and operational issues
- Approve interim and annual budgets
- Review profit and working capital forecasts and monthly management accounts
- Provide advice and guidelines to senior Managers
- Approve major Investments
- Approve interim and annual reports

BOARD BALANCE

The balance of Executive, Non-Executive and Independent/ Non- Executive Directors on the Board who are professionals/academics/ business leaders holding senior positions in their respective fields ensures a right balance between executive expediency and independent judgment as no individual Director or small group of Directors dominate the Board discussion and decision making.

Report on the Corporate Governance contd..

Directors are provided with quarterly performance reports and the minutes of Board meetings and are given the specific documentation necessary in advance of such meetings.

There is a distinct and clear division of responsibilities between the Chairman and the Management to ensure that there is a balance of power and authority. The roles of the Chairman and the management are separated and clearly defined. The Chairman is responsible for ensuring Board effectiveness and conduct whilst the Management has overall responsibilities over the operating units, organizational effectiveness and implementation of Board policies and decisions.

BOARD MEETINGS AND ATTENDANCE

There were three Board Meetings for the year ended 31st March 2026 and attendance at the meetings were as follows;

NAME OF THE DIRECTOR	Eligible to Attend	Attended
Dr. S.R. Rajiyah -Chairman	3	3/3
Mrs. I.R.Rajiyah	3	3/3
Mr. S.V.Rajiyah	3	3/3
Mr. V.Sanmugam	3	3/3
Mr. R. F. N. Jayasooriya	3	3/3
Mr. D.S.Arangala*	1	1/1
Mr.M.R. Ratnasabathy**	2	2/2
Mr. E.A.P.Ekanayake	3	3/3
Mr. A.M.P.C.K. Abeykoon	3	3/3

*Mr. D.S. Arangala resigned w.e.f 17.06.2025
**Mr.M.R.Ratnasabapathy appointed w.e.f 17.6.2025

AUDIT COMMITTEE MEETINGS

The audit committee met Eight (08) times during the year from 01.04.2025 to 31.03.2026.

NAME OF THE DIRECTOR	Eligible to Attend	Attended
Mr. E.A.P.Ekanayake	8	8/8
Mr. A.M.P.C.K. Abeykoon	8	8/8
Mr. D.S.Arangala*	1	1/1
Mr. M.R. Ratnasabapathy	7	7/7

*Mr. D.S. Arangala resigned w.e.f 17.06.2025
**Mr.M.R.Ratnasabapathy appointed w.e.f 17.6.2025

RELATED PARTY REVIEW COMMITTEE MEETINGS

the Related Party Review Committee met Four (04) times on a quarterly basis during the financial year ending 31st March 2026.

NAME OF THE DIRECTOR	Eligible to Attend	Attended
Mr. E.A.P.Ekanayake - Chairman	4	4/4
Mr.A.M.P.C.K.Abeykoon	4	4/4
Mr.D.S.Arangala	1	1/1
Mr. M.R. Ratnasabapathy	3	3/3

*Mr. D.S. Arangala resigned w.e.f 17.06.2025
**Mr.M.R.Ratnasabapathy appointed w.e.f 17.6.2025

REMUNERATION COMMITTEE MEETING

NAME OF THE DIRECTOR	Eligible to Attend	Attended
Mr. D.S. Arangala* - Chairman	-	-
Mr. M.R. Ratnasabapathy** - Chairman	1	1/1
Mr. E.A.P.Ekanayake	1	1/1
Mr.A.M.P.C.K.Abeykoon	1	1/1

*Mr. D.S. Arangala resigned w.e.f 17.06.2025
**Mr.M.R.Ratnasabapathy appointed w.e.f 17.6.2025

NOMINATION & GOVERNANCE COMMITTEE MEETING

NAME OF THE DIRECTOR	Eligible to Attend	Attended
Mr. D.S. Arangala* - Chairman	-	-
Mr. M.R. Ratnasabapathy** - Chairman	1	1/1
Mr. E.A.P.Ekanayake	1	1/1
Mr.A.M.P.C.K.Abeykoon	1	1/1

*Mr. D.S. Arangala resigned w.e.f 17.06.2025
**Mr.M.R.Ratnasabapathy appointed w.e.f 17.6.2025

Report on the Corporate Governance contd..

APPOINTMENT RE-ELECTION OF DIRECTORS
The Company's Articles of Association call for one third of the Non- Executive Directors to retire at each Annual General Meeting and the Director who retires are those who have served for the longest period after their appointment/re-appointment.

PROCEDURE FOR DIRECTORS TO OBTAIN PROFESSIONAL ADVICE
The Directors obtain independent and professional advice with regard to decision making in their duties.

BOARD COMMITTEES
To assist the Board in discharging its duties various Board Committees are established. The functions and terms of references of the Board Committee are clearly defined and where applicable and comply with the recommendation of the Code of Best Practice on Corpo-rate Governance.

AUDIT COMMITTEE
The Audit Committee reviews issues of accounting policy and presentation for external audit function and ensures that an objective and professional relationship is maintained with the external auditors. Its principal function is to assist the Board in maintaining a sound system of internal controls. The Committee has full access to the external auditors who, in turn, have access at all times to the Chairman of the Committee. The Committee meets with the external auditors without any executive present at least once a year, in line with a good Corporate Governance Practice.

The Report of the Audit Committee is presented on Pages 27 to 28 and the duties of the Audit Committee are included therein.

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE
The Related Party Transactions Review Committee was established on 1st January 2016 with an objective of keeping in line with the Code of Best Practice on Corporate Governance and the requirement of the Listing Rules of Colombo Stock Exchange with a view to ensure that the interests of shareholders as a whole are taken into account by Renuka Foods PLC and its subsidiaries and are consistent with the Listing Rules of Colombo Stock Exchange when entering into Related Party Transactions and make required disclosures in a timely manner. The Related Party Transaction Committee of Renuka Foods PLC appointed by and responsible to the Board of Directors. It consists of three Non-Executive/ Independent Directors.

The Report of the Related Party Transactions Review Committee is Presented on Pages 29 to 30.

REMUNERATION COMMITTEE
The Remuneration Committee is responsible for developing the Groups remuneration policy and determining the remuneration packages of executive employees of the Group. The Committee recommends to the Board and its subsidiaries the remuneration to be paid to Key Management Personnel.

The Remuneration Committee of Renuka Foods PLC appointed by and responsible to the Board of Directors, it consists of three Non-Executive/ Independent Directors. The Managing Director may also be invited to join in the deliberation as required. The Chairman of the Committee is an Independent Non-Executive Director. The report of the remuneration committee is presented on Page No. 31.

NOMINATION & GOVERNANCE COMMITTEE
The nomination committee is responsible to identify suitable persons who could be considered to become a board member as a non Executive Director.

The Nomination & Governance committee of Renuka Foods PLC appointed by and responsible to the Board of Directors. The report of the nomination committee is presented on Pages 32 to 33.

SHAREHOLDER RELATIONS
The Board considers the Annual General Meeting as a prime opportunity to communicate with shareholders. The Shareholders are given the opportunity of exercising their rights at the Annual General Meeting. The notice of the Annual General Meeting and the relevant documents required are published and sent to the shareholders within the statutory period. The Company circulates the agenda for the meeting and shareholders vote on each issue separately. All shareholders are invited and encouraged to participate at the Annual General Meeting.

The Annual General Meeting provides an opportunity for shareholders to seek and obtain clarifications and information on the performance of the Company and to informally meet the Directors. The external Auditors are also present at the Annual General Meeting to render any professional assistance that may be required. Shareholders who are not in a position to attend the Annual General Meeting in person is entitled to have their voting rights exercised by a proxy of their Choice.

The Company publishes quarterly accounts in a timely manner as its principle communication with shareholders and others. This enables stakeholders to make a rational-judgment of the Company.

The company assigns a high priority to the communication of the results and prospects for the future to its share-holders as a responsible listed company on the Colombo Stock Exchange. The quarterly and Annual Reports are simultaneously updated on the company's website at www.renukagroup.com. If you have any question on accessing the digital copy of this report, please call 0112 314750, company secretaries.

Report on the Corporate Governance condt..

INTERNAL AUDIT AND CONTROL

The Board is responsible for the Group's internal control and its effectiveness. Internal control is established with emphasis placed on safeguarding assets, making available accurate and timely information and imposing greater discipline on decision making. It covers all controls, including financial, operational and compliance control and risk management. It is important to state, that any system can ensure only reasonable and not absolute assurance that errors and irregularities are prevented or detected within a reasonable time.

The Company's Internal Audit function is headed by the Manager Internal Audit. Internal Audit Reports together with management comments are reviewed with the Audit Committee. Majority of the Internal Audit work is outsourced to B.R. De Silva, Ernst & Young Chartered Accountants and Deloitte Advisory Services. Further at each meeting follow up issues from previous meetings are also discussed in order to ensure implementation of appropriate policies and procedures as a prevention mechanism.

EXTERNAL AUDIT

The Group uses three Professional Accounting Firms for its external audits. Some of them provide non-assurance services to the Group. The restrictions provided in terms of rulings issued by CSE and other commitments were taken into consideration when entering into engagements with the Group auditor.

The Knowledge and experience of the Audit Committee ensure effective usage of the expertise of the auditors, whilst maintaining independence, in order to derive transparent Financial Statements. This Group maintains independence from financial and non-financial interest between auditors and re-assesses the same on a regular basis.

MAJOR TRANSACTION

There were no major transactions during the year which fall within the definition of 'Major Transaction' in terms of the Companies Act.

GOING CONCERN

The Directors, upon making necessary inquiries and reviews including reviews of the Group budget for the following year, capital expenditure requirements and available financing facilities, have a reasonable expectation of the Company's existence in the foreseeable future. Therefore, the going concern basis is adopted in the preparation of the Financial Statements.

CORPORATE GOVERNANCE COMPLIANCE STATEMENT

Renuka Foods PLC has fully complied with the Corporate Governance listing requirement of the Colombo Stock Exchange and adheres to the applicable rules and regulations including the following;

- Companies Act No.7 of 2007
- Code of Best Practices on Corporate Governance issued jointly by the CA Sri Lanka and the Securities & Exchange Commission of Sri Lanka
- Inland Revenue Act
- Exchange Control Act
- Board of Investment Regulations
- Customs Ordinance

Report on the Corporate Governance contd..

COMPLIANCE SUMMARY

Statement of Compliance with the Listing Rules set out in Section 7.6 of the Colombo Stock Exchange's on Corporate Governance, are summarized below. (Mandatory Provisions – Fully Complied).

CSE RULE REFERENCE	CORPORATE GOVERNANCE PRINCIPLES	COMPLIANCE STATUS	COMPANY'S EXTENT OF ADOPTION
(i)	Names of persons who were Directors of the entity	Compliant	Refer Directors' Report on Pages 44 to 49 in this Annual Report.
(ii)	Principal activities of the entity during the year and any changes there in	Compliant	Refer Note 1 to Financial Statements.
(iii)	The names and the no. of shares held by the 20 largest holders of voting and non voting shares and the percentage of such shares held	Compliant	Refer Shareholders and Investor information and largest share holders on Pages 116 - 120 to this Annual Report.
(iv)	The public holding percentage	Compliant	Refer Shareholders and Investor information on Pages 115 - 119 to this Annual Report.
(v)	A Statement of each Director's holding and Chief Executive Officer's holding in shares of the entity at the beginning and end of each Financial year	Compliant	Refer Directors' Report on Pages 44 to 49 to this Annual Report.
(vi)	Information pertaining to material foreseeable risk factors of the Entity	Compliant	Refer Risk management Report on Pages 34 to 41 to this Annual Report.
(vii)	Details of material issues pertaining to employees and industrial relation of the Entity	Compliant	Refer Directors' Report on Pages 44 to 49 to this Annual Report.
(viii)	Extent, Locations, Valuations and the number of buildings of the Entity's land holding and investment properties	Compliant	Refer Real Estate Portfolio on Page 113 to this Annual Report.
(ix)	Number of shares representing the Entity's Stated Capital	Compliant	Refer Note 25 to Financial Statements
(x)	A distribution schedule of the number of holders in each class of equity securities and the percentage of their total holdings	Compliant	Refer Shareholders and Investor information on Pages 115 to 119 to this Annual Report.
(xi)	Financial Ratios and Market Price Information	Compliant	Refer five year summary on Page 114 this Annual Report.
(xii)	Significant change in the Company's fixed assets and market value of Land, if the value differs substantially from the book value as at the end of the year.	Compliant	Refer Note 14 to Financial Statements.

Report on the Corporate Governance contd..

CSE RULE REFERENCE	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA	COMPLIANCE STATUS	COMPANY'S EXTENT OF ADOPTION
9.1.3	Applicability of Corporate Governance Rules	All Listed Entities shall publish a statement confirming the extent of compliance with the Corporate Governance Rules set out herein, in the Annual Report of the Entity	Compliant	Please refer to Page No. 47 of the Annual Report of the Board of Directors.
9.2	Policies	Policies	Compliant	Please refer to Pages 55 to 112 of the Annual Report.
9.3	Board Committees	Board Committees		Please refer to Pages 44 to 49 of the Annual Report of the Board of Directors. The Company has established its own Audit Committee, Remuneration Committee, Nominations and Governance Committee, and Related Party Transactions Review Committee which are functioning effectively.
9.4.1	Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with shareholders	Listed Entities shall maintain records of all resolutions and information pertaining to its adoption	Compliant	The Company Secretaries maintain records of all resolutions and requisite information
9.4.2	Communication and Relations with shareholders and investors	Communications and Relations with shareholders and investors	Compliant	The Company has established and maintains a Policy on Shareholder Communication and relations which has been published on Renuka Group's website. The contact person is mentioned therein. The Policy includes a process whereby Directors are informed of major issues and concerns of shareholders. Please refer to Pages 44 to 49 of the Annual Report of the Board of Directors.
9.5	Policy on matters relating to the Board of Directors	Policy on matters relating to the Board of Directors of Renuka Foods PLC	Compliant	The Company has established and contains a Policy on matters relating to the Board of Directors which address the requirements in Rules 9.5.1 and 9.5.2, and the same has been published on Renuka Group's website.

Report on the Corporate Governance contd..

CSE RULE REFERENCE	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA	COMPLIANCE STATUS	COMPANY'S EXTENT OF ADOPTION
9.6.1	Chairperson and CEO	The Chairperson of every Listed Entity shall be a Non-Executive Director, and the positions of the Chairperson and CEO shall not be held by the same individual, unless other-wise a SID is appointed by such Entity in terms of Rule 9.6.3 below.	Compliant	SID has been appointed by the Company in terms of Rule 9.6.3.
9.6.2	Chairperson	Where the Chairperson of a Listed Entity is an Execu-tive Director such Entity shall make a Market Announcement.	Compliant	The market announcement has already been made
9.6.3 and 9.6.4	The Requirement for a SID	SID to be appointed, since the Chairperson is an Executive Director.	Compliant	SID has been appointed.
9.7	Fitness of Directors and CEOs	Fitness of Directors and CEO	Compliant	The Company obtained an annual declaration from the Directors confirming that they have continuously satisfied the specified Fit and Proper Assessment Criteria stipulated in the Listing Rules of the CSE.
9.8	Board Composition	The Board of Directors of a Listed Entity shall at a minimum consist of five (05) Directors.	Compliant	The Board comprises of Eight (08) Directors.
9.8.2./9.8.3 And 9.8.4. And 9.8.5	Independent Directors	Minimum no. of Independ-ent Directors. Criteria of determine independence, declaration and Disclosures relating to Directors.	Compliant	Please refer to Page 44 to 49 of the Annual Report.
9.9	Alternate Director	Alternate Director	Compliant	No Alternate Directors were appointed to the Board throughout the reporting period
9.10.4.(a) and 9.10.4(b)	Disclosure relating to Directors	Company shall publish a brief resume in the Annual Report	Compliant	Please refer the Profiles of the Directors on Pages 11 to 12.

Report on the Corporate Governance contd..

CSE RULE REFERENCE		CRITERIA	COMPLIANCE STATUS	COMPANY'S EXTENT OF ADOPTION
9.11	Nominations and Governance Committee	Nominations and Governance committee	Compliant	The Nominations and Governance Committee Report is given on Pages 32 to 33 of this Annual Report.
9.12	Remuneration Committee	Remuneration Committee	Compliant	The Remuneration Committee matters are given in Page No. 31 of the Annual Report of the Board of Directors.
9.13	Audit Committee	Audit Committee	Compliant	The Audit Committee matters are given Pages 27 to 28 of the Annual Report of the Board of Directors
9.14	Related Party Transactions Review Committee	Related Party Transactions Review Committee	Compliant	The Related Party Transactions review Committee matters are given in Pages 29 to 30 of the Annual Report of the Board of Directors.
9.17(i)	Additional Disclosures	Board of Directors should declare all material interest in contracts involving the Entity and whether they have refrained from voting on matters in which they were materially interested	Compliant	Directors declared at a board meeting that they have no material interests in contacts involving the Company and there were no matters in which they were materially interested.
9.17 (ii)	Additional Disclosures	Board of Directors should conduct a review of internal controls covering financial and operational and compliance controls and risk management and have obtained reasonable assurance of their effectiveness and successful adherence therewith.	Compliant	The Board, having reviewed the system of internal controls covering financial, operational and compliance controls and risk management, is satisfied with the Company's adherence to and effectiveness of these controls for the period up to the date of signing the Financial Statements
9.17(iii)	The Board of Directors should make arrangements	Board of Directors should make arrangements to make themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions.	Compliant	The Board of Directors have declared that the Company and the Board of Directors have complied with applicable laws, rules and regulations and also are aware of changes particularly to the Listing Rules of the CSE and all other applicable capital market provisions.
9.17(iv)	Additional Disclosures	The Board of Directors should disclose relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdictions	Compliant	The Board of Directors have no disclosures to be made of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Company has operations.

Report on the Corporate Governance contd..

11.2. Disclosure in relation to the Directors as per Section 9.10.4 (e) of the Listing Rules of the Colombo Stock Exchange
Renuka Holdings PLC is the Ultimate Parent Company of Renuka Foods PLC.

NAME OF THE DIRECTOR	NAME OF THE COMPANY, FUNCTIONING CAPACITY, LISTED/UNLISTED
Dr. S.R. Rajiyah Chairman (Total No of Directorships - 24) (Total No. of Companies within Renuka Group where Dr. S.R. Rajiyah is a Director - 20)	He is the Executive Chairman and Key Management Personnel in the mentioned listed companies - Renuka Foods PLC, Renuka Agri Foods PLC He is the Executive Deputy Chairman and Key Management Personnel in the listed company mentioned - Renuka Holdings PLC. He is a Director in other unlisted companies within the Renuka Group. He is a Director in the mentioned unlisted companies - Galle Face Holdings (Pvt) Ltd, Renuka Lanka (Pvt) Ltd, Renuka Beach Hotels (Pvt) Ltd, Coco Ceylon (Private) Limited.
Mrs. I.R. Rajiyah (Total No of Directorships - 24) (Total No. of Companies within Renuka Group where Mrs. I.R. Rajiyah is a Director - 20)	She is the Executive Chairperson and Key Management Personnel in the listed company mentioned - Renuka Holdings PLC. She is the Executive Deputy Chairperson and Key Management Personnel in the listed companies mentioned - Renuka Agri Foods PLC and Renuka Foods PLC She is a Director in other unlisted companies within the Renuka Group. She is a Director in the mentioned unlisted companies - Galle Face Holdings (Pvt) Ltd, Renuka Lanka (Pvt) Ltd, Renuka Beach Hotels (Pvt) Ltd, Coco Ceylon (Private) Limited.
Mr. S,V. Rajiyah (Total No of Directorships - 28) (Total No. of Companies within Renuka Group where Mr. S.V. Rajiyah is a Director - 24)	He is an Executive Director and Key Management Personnel in the below mentioned listed companies - Renuka Holdings PLC, Renuka Foods PLC, Renuka Agri Foods PLC, Ceylon Land & Equity PLC and Galle Face Capital Partners PLC He is a Director in other unlisted companies within Renuka Group. He is a Director in the mentioned unlisted companies – Island Reality (Pvt) Ltd, Joella Ceylon (Pvt) Ltd, Tuckers (Pvt) Ltd, Action & Care Trust.
Mr. V.Sanmugam (Total No. of Directorships - 14) (Total No. of Companies within Renuka Group where Mr. V.Sanmugam is a Director- 14)	He is an Executive Director and Key Management Personnel in the mentioned listed companies - Renuka Holdings PLC, Renuka Foods PLC and Renuka Agri Foods PLC He is a Director in other unlisted companies within Renuka Group.
Mr. M.R Ratnasabapathy (Total No. of Directorships - 04) (Total No. of Companies within Renuka Group where Mr. Ratnasabapaththy is a Director - 04)	He is an Independent Non-Executive Director in the mentioned listed companies - Renuka Foods PLC, Renuka Agri Foods PLC, Ceylon Land & Equity PLC and Galle Face Capital Partners PLC
Mr. E.A.P.Ekanayake (Total No. of Directorships - 02) (Total No. of Companies within Renuka Group where Mr.E.A.P. Ekanayake is a Director - 02)	He is an Independent Non-Executive Director in the mentioned listed companies - Renuka Agri Foods PLC and Renuka Foods PLC
Mr. A.M.P.C.K. Abeykoon (Total No. of Directorships - 02) (Total No. of Directorships within Renuka Group where Mr. A.M.P.C. Abeykoon is a Director - 02)	He is an Independent Non-Executive Director in the mentioned listed companies - Renuka Foods PLC and Renuka Agri Foods PLC
Mr. D.S. Arangala Resigned from 17th June 2025 Total No. of Directorships - 02) (Total No. of Directorships within Renuka Group where Mr. D.S.Arangala is a Director - 02)	He is an Independent Non-Executive Director in the mentioned listed companies - Renuka Foods PLC and Renuka Agri Foods PLC
Mr. R. F. N. Jayasooriya (Total No of Directorships - 01) (Total No. of Companies within Renuka Group where Mr. R. F. N. Jayasooriya - 01)	He is an Independent Non-Executive Director in the mentioned listed company - Renuka Foods PLC

Report on the Corporate Governance contd..

Summary of compliance with the companies Act No 7 of 2007

SECTION	CORPORATE GOVERNANCE PRINCIPLES	COMPLIANCE STATUS	REFERENCES
168 (1) (a)	The state of the Company's affairs and nature of the business of the Company together with any change thereof during the accounting period	Compliant	Refer Note No. 01 to the Financial Statements.
168 (1) (b)	Signed Financial Statement of the Company for the accounting period completed	Compliant	Refer Pages 55 to 112 of this Annual Report.
168 (1) (c)	Auditors Report on Financial Statements of the Company	Compliant	Refer Pages 51 to 54 of this Annual Report.
168 (1) (d)	Accounting Policies and any changes therein	Compliant	Refer Note No. 03 to the Financial Statements.
168 (1) (e)	Particulars of the entries made in the Interests Register during the accounting period	Compliant	Refer Pages 44 to 49 of this Annual Report.
168 (1) (f)	Remuneration and other benefits paid to Directors of the Company during the accounting period	Compliant	Refer Note No. 10 to the Financial Statements.
168 (1) (g)	Corporate donations made by the Company during the accounting period	Compliant	Refer Pages 44 to 49 of this Annual Report.
168 (1) (h)	Names of the Directors of the Company at the end of the accounting period and name of Directors who ceased to hold office during the accounting period	Compliant	Refer Pages 44 to 49 of this Annual Report.
168 (1) (i)	Amounts paid/payable to the External Auditor as audit fees and fees for other services rendered during the accounting period	Compliant	Refer Page No. 49 of this Annual Report.
168 (1) (j)	Other relationships or any interest of Auditors with the Company.	Compliant	Refer Page No. 49 of this Annual Report.
168 (1) (k)	Acknowledgment of the content of this report and signature on behalf of the Board	Compliant	Refer Page No. 50 of the Annual Report for Report of the Board of Directors.

Report of the Audit Committee

The Audit Committee of Renuka Foods PLC is appointed by the Board of Directors and operates in line with the Code of Best Practice on Corporate Governance-issued jointly by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the Securities and Exchange Commission of Sri Lanka and the Listing Rules of the Colombo Stock Exchange.

The Group's Audit Committee Charter sets out the Committee's terms of reference in accordance with the above guidelines. The Audit Committee reviewed the Charter, adopted it for the Company, and obtained Board approval.During the 2025/26 financial year, the Committee directed its primary focus toward enhancing the financial reporting processes, strengthening the internal audit function, and establishing a formal risk management framework for the Company.

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee appointed by and responsible to the Board of Directors comprises three Non-Executive Directors of whom all three are independent during the financial year ended 31st March 2026 is as follows:

From 01.04.2025 to 17.06.2025

Mr. E.A.P.Ekanayake - Chairperson
Mr. A.M.P.C.K. Abeykoon
Mr. D.S.Arangala

From 17.06.2025 to 31.03.2026

Mr. E.A.P.Ekanayake - Chairperson
Mr. A.M.P.C.K. Abeykoon
Mr. M.R. Ratnasabapathy

(All are Non-Executive Independent Directors)

The composition complies with the Colombo Stock Exchange's Corporate Governance Rules for Listed Companies, which require at least two Independent Non-Executive Directors.

Brief profiles of each member are given on pages 11 to 12 of Annual Report.

Audit Committee Meeting attendance

MEMBER	Eligible to Attend	Attended
Mr. E.A.P.Ekanayake - Chairperson	8	8/8
Mr. A.M.P.C.K. Abeykoon	8	8/8
Mr. D.S.Arangala	1	1/1
Mr. M.R. Ratnasabapathy	7	7/7

Company Secretarial acts as the Secretary to the committee. Executive director, Deputy managing Director and Chief Financial Officer attend the Audit committee meeting by invitation.

FINANCIAL REPORTING

The Committee reviewed the quarterly and annual financial statements with Management, discussing the appropriateness of significant accounting policies and key judgements. It also examined management's check list for completion of accounts and compliance reports on social and welfare payments, tax, legal, secretarial, IT, Board of Investment regulations, and pending litigation. The committee inquired into significant changes in the reported financials and discussed the company's operations and financials with the management.

The Committee agreed on specific actions to strengthen financial reporting controls.

Discussions on checklists, compliance reports, the Company's operations and finances, and agreed actions were documented in the Committee's minutes. Implementation of these actions was ongoing at the end of the financial year, and the Committee will continue to monitor progress.

The above work and documentation together form the assurance of Executive director, Deputy managing director and CFO of the company's operations and finances.

INTERNAL AUDIT

The Internal Audit function provides independent assurance to the Board and the Audit Committee on the effectiveness of the Company's internal controls, risk management, and governance processes. The committee reviewed and approved the internal audit plans for the year.

The internal audit function was outsourced to M/s Ernst & Young, Deloitte and B R De Silva. All audits planned for 2025/26 has been completed except for the plantations which are rescheduled for 26/27.

The Audit Committee reviewed significant internal audit findings with management and identified management responses to audit recommendations, together with timely completion of agreed actions, as areas requiring improvement. This will be a focused area in 2026/27.

The Committee briefed the Board on significant internal audit matters and areas requiring improvement. The full Board also attended one complete internal audit review.

Report of the Audit Committee contd..

Compliance
Based on the above work, the committee is of the opinion that the company is in compliance with financial reporting requirements, information requirements under these Rules, the Companies Act and the SEC Act and other relevant financial reporting related regulations and requirements.

IT and Information Security
An independent, comprehensive IT and information security audit, including penetration testing, has not been conducted in the past two years. Management has advised that this audit will be carried out as part of the planned ERP and IT infrastructure upgrades, which are expected to strengthen the Company's security architecture.

THE RISK MANAGEMENT PROCESS
In line with Section 9 of the listing rules, the Board has formally delegated oversight of the company's Risk Functions to the Audit Committee, effective May 2025.

During the 2024/25 financial year, the Committee approved a programme to strengthen the Company's risk management process and establish a more comprehensive, enterprise-wide approach. The programme aims to build on existing practices and embed risk management more effectively into strategic planning and operational decision-making.

In 2025/26, The Committee noted improved prioritization within the risk register. However, The Committee noted that implementation of the enhanced enterprise risk management framework remains in progress.

EXTERNAL AUDITORS
Messrs. KPMG (Chartered Accountants) is the external auditors of the company. KPMG has been the auditors for the over 10 years. The partner has been engaged for the past one year.

Annual Accounts
The Audit Committee held a mid-audit review with the external audit team to monitor audit progress. The Committee also reviewed the audited financial statements with the External Auditors, who are responsible for expressing an opinion on whether the statements comply with Sri Lanka Accounting Standards. In addition, the Committee met with KPMG without the Executive Directors being present.

Independence
The Audit Committee evaluated the of the independence and objectivity of the external auditor and the effectiveness of the audit process. As far as the Audit Committee is aware, Auditors do not have any relationship (other than that of Auditors) with the Company. In addition, as required by the Company's Act No 07 of 2007, the Committee has received a declaration from Messrs. KPMG confirming that they do not have any relationship with the Company, which may have a bearing on their independence.

Accordingly, the Audit Committee recommended to the Board of Directors that Messrs. KPMG be appointed as Auditors for the financial year ending 31st March 2027 subject to the approval of the shareholders at the Annual General Meeting.

Sgd.
Mr. E.A.P.Ekanayake
Chairman
28th August 2026

Report of the Related Party Transactions Review Committee

The Board formed the Related Party Transaction Review Committee in compliance with Sections 9 and 9.14 of the Listing Rules of the Colombo Stock Exchange (the 'Rules'). The Committee's functions are as described in the Rules.

Composition of the
Related Party Transactions Review (RPTR) Committee
Related Party Transactions Review Committee Members as at 31st March 2026:

From 01.04.2025 to 17.06.2025

Mr. E.A.P.Ekanayake - Chairperson
Mr. A.M.P.C.K. Abeykoon
Mr. D.S.Arangala

(All are Non Executive Independent Directors)

From 17.06.2025 to 31.03.2026

Mr. E.A.P.Ekanayake - Chairperson
Mr. A.M.P.C.K. Abeykoon
Mr. M.R. Ratnasabapathy

(All are Non Executive Independent Directors)

The composition meets the requirements set out in the Rules. Brief profiles of the members are provided on pages 11 to 12 of the Annual Report.

Committee Meetings
The Committee has met four times during the year from 1st April 2025 to 31st March 2026.

MEMBER	Attended
Mr. E.A.P.Ekanayake - Chairperson	4/4
Mr. A.M.P.C.K. Abeykoon	4/4
Mr.M.R.Ratnasabapathy	3/3
Mr. D.S.Arangala	1/1

The Executive Director and Chief Financial Officer attended the meetings by invitation.

The Manager, Company Secretarial acts as the secretary to the Committee.

Activities of the Committee
In the meetings listed above, the Committee conducted a review of the non-recurrent and recurrent transaction lists submitted by the Chief Financial Officer and the Finance Manager.

The Committee identified and documented in the minutes that there were no related party transactions, recurrent or non-recurrent, in the list presented that exceeded the thresholds specified in the Rules.

Report of the Related Party Transactions Review Committee contd..

DUTIES AND RESPONSIBILITIES OF THE RPTR COMMITTEE

- Establish the definitions and set out the threshold values of each related party transaction as per the Code which require discussion and disclosure.
- Identify related party transactions that need pre approval from the Board of Directors, immediate market disclosures, transactions that need shareholder approval and disclosures in the Annual Report.
- Formulate a standard template to implement within the group to follow when documenting related party transaction and when presenting same to the Related Party Transaction Review Committee.
- Establish proper guidelines to identify recurrent & non-recurrent related party transactions by the Compa-ny and its Subsidiaries.
- Develop a process to access sufficient knowledge or expertise for evaluating all aspects of proposed related party transactions when necessary and to establish a method for obtaining appropriate professional and expert advice from qualified individuals.
- Periodic review by the Committee to ensure that required disclosures are made in the market or Annual Report as required by the Listing Rules of the Colombo Stock Exchange.

Sgd.

Mr. E.A.P.Ekanayake
Chairman
28th August 2026

Report of the Remuneration Committee

The Board has an established Remuneration Committee ('the Committee') which complies with Section 9.12 of the Listing Rules of Colombo Stock Exchange and the Code of Best Practice on Corporate Governance 2023 issued by the Institute of Chartered Accountants of Sri Lanka.

COMPOSITION OF THE COMMITTEE

The Remuneration Committee of Renuka Foods PLC is appointed by and responsible for the Board of Directors, consisting of Three Non-Executive Independent Directors. The Managing Director may also be invited to join in the deliberations as required. The Chairman of the Committee is an Independent Non-Executive Director.

REMUNERATION COMMITTEE MEMBERS

The Members who served on the Committee during the Financial Year 2025/26 are as follows;

Mr. M.R.Ratnasabapathy -Chairman
Mr. A.M.P.C.K.Abeykoon
Mr. E.A.P.Ekanayake

(All are Non Executive Independent Directors)

Brief profiles of the Directors are given on pages 11 to 12 of this Annual Report.

NAME OF COMMITTEE MEMBER	Date of Appointment	Meeting Attended
Mr. M.R. Ratnasabapathy	17th June 2025	1/1
Mr. A.M.P.C.K. Abeykoon	27th September 2024	1/1
Mr. E.A.P. Ekanayake	27th September 2024	1/1

The Company Secretary acts as the Secretary to the Committee.

The Remuneration Committee has well defined Terms of Reference outlining the Committee's composition, quorum, authority, responsibilities and meeting related matters. The Terms of Reference of the Committee were last reviewed and approved by the Committee in the 4th quarter. The Members of the Committee are free from business, operational, personal or other relationships which may interfere with their independent, unbiased judgement. The Chairman of the Company participated as an observer to the Committee. The Group Managing Director ('Group MD') assists the Committee by providing the relevant information and participates in its analysis and deliberations except when his own compensation packages are reviewed.

RESPONSIBILITIES AND DUTIES OF THE COMMITTEE

The Committee is responsible to the Board to determine the policy of the remuneration package of the Directors and Key Management Personnel.

The Committee evaluates, assesses and recommends to the Board of Directors on matters that may affect Human Resources Management of the Company and specifically include:

- Review and approve the Remuneration Policy of the Company and its specific application to the Directors and Key Management Personnel.
- Review the process of determination of the compensation of the Executive Directors and Key Management Personnel
- Review and approve guidelines, policies and parameters for the compensation structures for Key Management Personnel.
  Evaluate the performance of the Key Management Personnel against the predetermined targets and goals.
- Review information related to Executive Directors' and Key Management Personnel pay from time to time to ensure same is in par with the market/industry rates.
- Approve the guidelines and parameters for annual salary increments and bonuses.

REMUNERATION POLICY

A primary objective of remuneration packages of the Group is to attract, motivate and retain a highly qualified and experienced workforce, and reward performance. These remuneration packages should provide compensation appropriate for each business within the Group and commensurate with each employee's level of expertise and contribution, bearing in mind the business performance and long-term shareholder returns.

All Non-Executive Directors receive a fee for serving on the Board and serving on Board Sub-Committees. They do not receive any performance related incentive payments.

MEETINGS OF THE COMMITTEE

The Committee met once during the year ended March 31, 2026, and reviewed its Terms of Reference during the year and made its recommendations.

Sgd.

M.R.Ratnasabapathy
Chairman
28th August 2026

Report of the Nomination & Governance Committee

The Nomination & Governance Committee ("the Committee") is a Committee of the Board of Directors established in accordance with the Corporate Governance Rules of the Colombo Stock Exchange ("CSE") to assist the Board in ensuring that the composition, effectiveness and governance of the Board continue to support the long-term success of the Company.

The Committee operates under a formal "Terms of Reference" approved by the Board, which is reviewed periodically to ensure continued alignment with applicable regulatory requirements and governance best practices.
The Nomination & Governance Committee consists of Three Non-Executive / Independent Directors.

Composition of Nomination Committee as at 31st March 2026

Mr. M.R. Ratnasabapathy -Chairman
Mr. A.M.P.C.K. Abeykoon
Mr. E.A.P. Ekanayake
(All are Non Executive Independent Directors

NAME OF COMMITTEE MEMBER	Date of Appointment	Meeting Attended
Mr. M.R. Ratnasabapathy	17th June 2025	1/1
Mr. A.M.P.C.K. Abeykoon	27th September 2024	1/1
Mr. E.A.P. Ekanayake	27th September 2024	1/1

The Company Secretary acts as the Secretary to the Committee.

Committee's Responsibilities
The Committee's principal responsibilities include:

- Reviewing the structure, size and composition of the Board and Board Committees.
- Identifying and recommending suitably qualified candidates for appointment as Directors.
- Reviewing the succession plans for Directors and Key Management Personnel.
- Assessing the balance of skills, knowledge, experience, independence and diversity on the Board.
- Recommending appointments and re-appointments of Directors.
- Reviewing the independence of Independent / Non-Executive Directors.
- Overseeing the Company's corporate governance framework and recommending governance enhancements to the Board.
- Monitoring compliance with the Corporate Governance Rules of the Colombo Stock Exchange and other applicable regulatory requirements.

Nomination Policy and Process
The Company has adopted the Nomination Policy which establishes a transparent and structured process for the identification, evaluation, selection and appointment of Directors. Appointments are made on merit after considering:

- qualifications and professional competence;
- industry knowledge and experience;
- leadership capabilities;
- integrity and independence;
- diversity of skills, experience, gender and age;
- the strategic needs of the Company; and
- the ability to devote sufficient time to Board responsibilities.

During the year, the Committee reviewed the Board's competency requirements, assessed potential candidates against the approved selection criteria and made recommendations to the Board in accordance with the Nomination Policy.

Re-election of Directors
In accordance with the Articles of Association of the Company, One third of the Non-Executive Directors are to retire at each Annual General Meeting and the Directors who retires are those who have served for the longest period after their appointment / re-appointment.

Before recommending any Director for re-election, the Committee considers the Director's attendance, contribution, independence (where applicable), performance and continued suitability for office.

Accordingly, the Committee has recommended the re-election of Mr. R. F. N. Jayasooriya and Mr. V. Sanmugam, who retire by rotation.

Mr. R.F.N. Jayasooriya, Non Executive Director. His directorships and other principal commitments are given in the profile on pages 11 to 12.

Report of the Nomination & Governance Committee contd..

Mr. V. Sanmugam, Non- Executive Director. His directorships and other principal commitments are given in the profile on pages 11 to 12.

The Directors who are being proposed for re-election or their family members, have no relationship with the Directors of the Company or shareholders holding more than 10% of the shares of the Company.

Due to the invaluable contribution made to the Board as a result of many years of experience, industry knowledge and business acumen, the Committee has recommended to reappoint Dr. S.R. Rajiyah and Mrs. I.R. Rajiyah who are over seventy years of age and who retire in terms of Section 210 of the Companies Act No. 7 of 2007.

Board Diversity

The Committee recognizes that an effective Board benefits from an appropriate balance of skills, experience, age, gender, professional background and diversity of thought.

The Board comprises members possessing expertise in finance, accounting, strategy, corporate governance, risk management, manufacturing, international business and general management. The Committee continues to consider diversity as an important criterion when identifying future Board candidates while ensuring appointments remain merit-based and aligned with the Company's strategic objectives.

Board Evaluation

During the year, a formal evaluation of the effectiveness of the Board, its Committees, the Chairman and the Chief Executive Officer was undertaken using structured evaluation criteria approved by the Board.

The evaluation considered Board composition, governance, strategic oversight, risk management, information flow, decision-making processes and individual contributions. The results confirmed that the Board and its Committees continued to operate effectively, while recommendations for continuous improvement were incorporated into the Board's work plan.

Information Flow to Independent Directors

The Committee is satisfied that Independent/ Non-Executive Directors receive timely, accurate and comprehensive information to enable them to discharge their responsibilities effectively.

Independent Directors receive Board papers sufficiently in advance of meetings and have unrestricted access to the Senior Management, the Company Secretary and independent professional advice where necessary. Material, operational, financial, strategic, governance and risk matters are communicated promptly to the Board.

Director Induction and Continuing Development

New Directors participate in a structured induction programme covering the Company's business operations, strategy, governance framework, principal risks, regulatory obligations and Board procedures.

Existing Directors are provided with regular updates on changes to legislation, accounting standards, Corporate Governance Rules, sustainability reporting requirements and developments affecting the Company's business. Directors are also encouraged to participate in external professional development programmes to enhance their knowledge and effectiveness.

Independence of Directors

The Committee has reviewed the independence of each Independent/ Non-Executive Director against the independence criteria prescribed under the Corporate Governance Rules of the Colombo Stock Exchange and is satisfied that each Independent Director continues to satisfy those criteria and remains independent in character and judgement.

Corporate Governance Compliance

The Corporate Governance requirements stipulated under the Listing Rules of the Colombo Stock Exchange are met by the Company and details are given in pages 18 to 26.

Sgd.
Mr. M.R..Ratnasabapathy
Chairman
28th August 2026

Report on Risk Management

Board Statement on Risk

The Board of Directors of Renuka Foods PLC, as the parent company of the Group's Food and Beverage businesses, provides overall direction and oversight of the Group's risk management and internal control environment, supported by the Audit Committee. During the year, the Board approved a Risk Management Policy covering the Agri Food Exports and Consumer Brands segments, providing a common framework to further strengthen risk management across the Group. Risk matters continued to receive attention through management discussions, Audit Committee meetings and other relevant forums. The Group is continuing to enhance its Enterprise Risk Management framework, with greater focus on structured risk identification, assessment, monitoring and mitigation. Management, together with Internal Audit, will further develop the risk register and mitigation plans during FY 2026/27, with progress reviewed by the Audit Committee as part of its ongoing oversight.

Global Risk Landscape 2025/26

The Group's risk profile is influenced by developments in the wider global operating environment, including geopolitical and geoeconomic developments, commodity price volatility, supply chain disruption, cyber risks and climate-related impacts.

The World Economic Forum's Global Risks Report 2026 highlights geoeconomic confrontation, misinformation and disinformation, societal polarisation, extreme weather events and cyber insecurity among the significant risks shaping the global outlook. These external developments are considered, where relevant, as part of the Group's risk identification and assessment process.

SHORT-TERM (2 YEARS)	LONG-TERM (10 YEARS)
1. Geoeconomic confrontation	1. Extreme weather events
2. Misinformation and disinformation	2. Biodiversity loss and ecosystem collapse
3. Societal polarization	3. Critical change to earth systems
4. Extreme weather events	4. Misinformation and disinformation
5. State-based armed conflict	5. Adverse outcomes of AI technologies
6. Cyber insecurity	6. Natural resource shortages
7. Inequality	7. Inequality
8. Erosion of human rights	8. Cyber insecurity
9. Pollution	9. Societal polarization
10. Involuntary migration or displacement	10. Pollution

Our Approach to Enterprise Risk Management

Renuka Foods PLC is the parent company of the Group's Food and Beverage businesses, comprising the Agri Food Exports segment, including manufacturing and organic plantations, and the Consumer Brands segment, comprising Dairy and FMCG manufacturing and distribution.

This diversified portfolio exposes the Group to a broad range of financial, operational, strategic, compliance, technology, people and sustainability-related risks. These include export-market and commodity-price volatility, domestic demand, raw milk supply, food safety, cold-chain dependency, foreign exchange and regulatory requirements.

The Group's approach is to progressively strengthen risk management across both segments, while maintaining appropriate governance and oversight across the operating companies.

During the year, the developing ERM framework provided an important input into the Internal Audit planning process, supporting the prioritisation of areas with greater potential impact on the Group's objectives.

The Board-approved Risk Management Policy provides the formal foundation for the continued development and implementation of the Group's risk management framework.

Risk Governance: The Three Lines Model

The Group is progressively embedding the Three Lines Model to support clear accountability for risk management across its businesses:

- First Line – Operations - Heads of Departments and Process Owners are responsible for identifying, assessing and managing risks arising from their respective activities and processes.

- Second Line – Monitoring and Oversight - Functions including Finance, Risk Management, Quality Assurance, Supply Chain, IT and Compliance provide monitoring, guidance and specialist expertise in relation to risk management.

- Third Line – Independent Assurance - Internal Audit provides independent and objective assurance to the Board and the Audit Committee on the adequacy and effectiveness of risk management, internal controls and governance processes.

  Risk ownership remains with management. Internal Audit does not assume responsibility for managing risks and provides independent assurance over the effectiveness of risk management and controls.

Report on Risk Management contd..

Figure 1: The Company's Three Lines Model of risk governance

The Risk Management Process

The Group's risk management process is being progressively developed as a structured and continuous cycle covering the identification, assessment, prioritisation, mitigation, monitoring and reporting of significant risks.

Risk matters are considered through management discussions and relevant governance forums, with significant matters escalated to the Audit Committee and Board as appropriate.

During FY2026/27, the Group intends to further develop the risk review process, including a more structured risk register, documented mitigation plans and regular monitoring of significant risk exposures.

Figure 2: The Company's continuous Enterprise Risk Management cycle

Report on Risk Management contd..

Risk Assessment Methodology

Identified risks are assessed based on two principal dimensions – **impact** and **likelihood**. The combination of these factors determines the overall risk rating and supports the prioritisation of management attention and mitigation activities.

Impact	Definition	Likelihood	Definition
Significant	Serious impact on operations, reputation, earnings or shareholder value	**Very Likely**	Conditions indicate the event could occur in the immediate future
Moderate	Significant impact on operations, reputation, earnings or shareholder value	**Likely**	Conditions indicate the event could occur in the short-term future
Insignificant	Less significant impact on operations, reputation, earnings or shareholder value	**Unlikely**	Conditions indicate the event could occur only in the long-term future

Risk Prioritisation Matrix

LIKELIHOOD --> / IMPACT -->	Insignificant Impact	Moderate Impact	Significant Impact
Very Likely	*Moderate Risk*	*High Risk*	*High Risk*
Likely	*Lower Risk*	*Moderate Risk*	*High Risk*
Unlikely	*Lower Risk*	*Lower Risk*	*Moderate Risk*

- **Higher Risk**
  Immediate management action and Audit Committee oversight.
- **Moderate Risk**
  Active management mitigation and periodic monitoring.
- **Lower Risk**
  Acceptable risk, monitored through routine controls.

Figure 3: Risk Prioritisation Matrix applied across the Group

Key Enterprise Risk Categories

Risks identified through management's risk assessment process, informed by relevant internal and external developments, are grouped into seven enterprise-wide categories.

The categories recognise that risks may be interconnected and that strategic risks may have financial, operational, compliance, technology, people and sustainability-related implications.

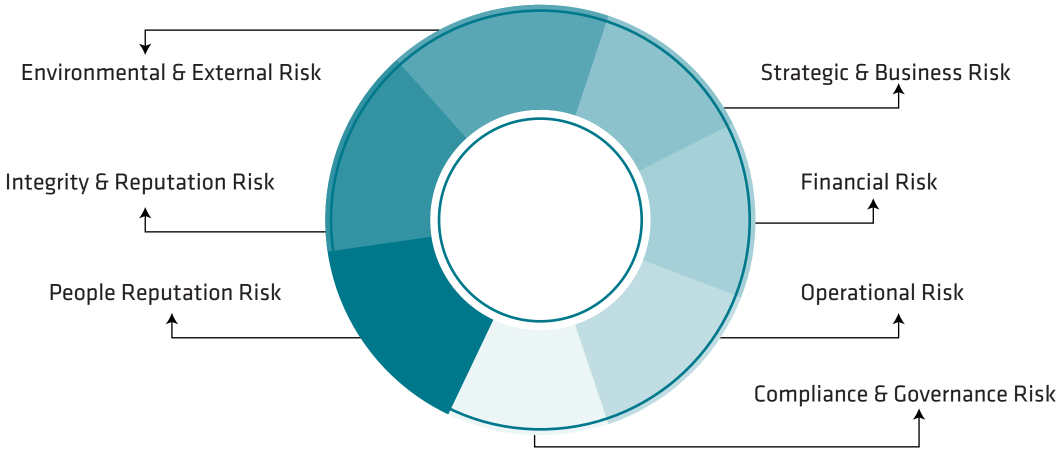


Figure 4: The Group's seven Enterprise Risk categories

Report on Risk Management contd..

Group Risk Management Functions

A number of specialist functions contribute to the identification, assessment, monitoring and management of risk across the Group. These functions support management and provide relevant information to the Audit Committee and Board as appropriate.

Function	Role in Risk Management
Group Treasury	Manages Group-wide foreign exchange exposure, funding costs and liquidity across the Agri Food Exports and Consumer Brands segments.
Group Quality Assurance	Establishes and monitors food safety and quality standards across dairy, FMCG and export manufacturing operations, including cold-chain and hygiene requirements.
Group Supply Chain & Sourcing	Supports raw milk collection networks, packaging and agricultural-input sourcing and supplier diversification across the
Group IT	Supports the security and continuity of milk collection, weighment, sales, distribution and ERP systems and coordinates cybersecurity-related matters across the Group.
Group Internal Audit	Provides independent assurance on the design and operating effectiveness of controls across Group operating companies and reports significant matters to the Audit Committee.
Group Sustainability / ESG	Monitors relevant environmental, social and sustainability matters, including farmer and animal welfare, water and waste management, packaging sustainability and climate-related risks and opportunities.

The Group's risk review process is expected to move towards a more regular quarterly management review cycle during FY2026/27, with significant matters reported to the Audit Committee and Board as appropriate.

Risk Interconnection Map

Risks rarely occur in isolation. The map below illustrates how selected principal and emerging risks interact with, and amplify, one another – helping the Board understand second-order effects rather than assessing each risk purely in isolation. Node size reflects the relative magnitude of impact:

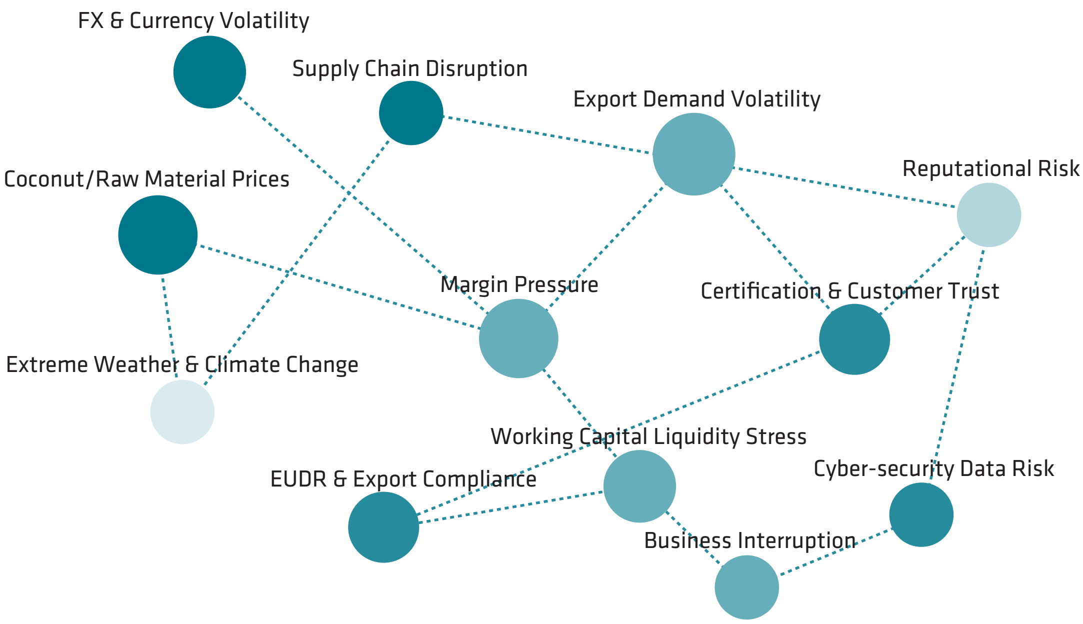


Figure 4b: Illustrative interconnection between selected principal risks facing the Group

Report on Risk Management contd..

FY 2025/26 Risk Heat Map

The Group's risk profile reflects the combined exposures of its Agri Food Exports and Consumer Brands segments. The Agri Food Exports segment is more directly exposed to global commodity prices, foreign exchange movements, export demand and international market requirements, while the Consumer Brands segment is more directly exposed to domestic demand, competitive conditions, raw milk supply, food safety and cold-chain requirements.

The diversified nature of the Group provides a degree of balance between these exposures. However, macroeconomic conditions, raw-material prices and fraud and governance risks remain areas requiring continued management attention and oversight.

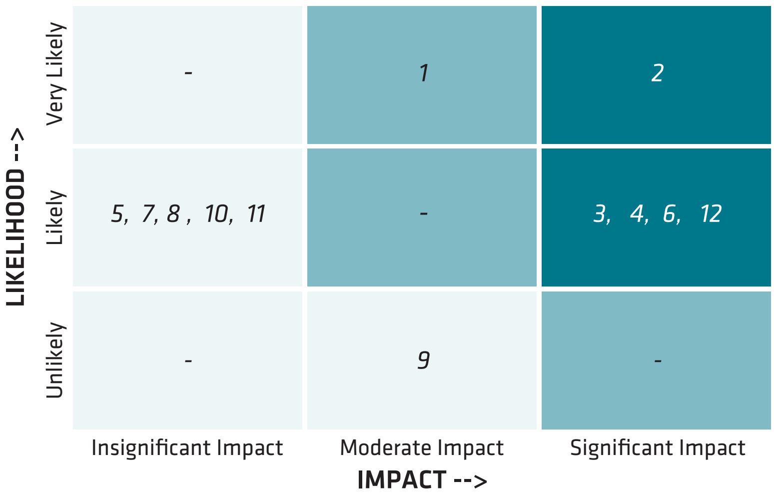


Figure 5: FY 2025/26 Risk Heat Map numbers correspond to the principal risks set out overleaf

The Board and Audit Committee will continue to monitor significant risks and the progress of agreed mitigation measures during FY2026/27.

Risk Distribution by Category

The chart below shows how the Company's FY 2025/26 principal risks map across the seven enterprise risk categories, providing the Board and Audit Committee with a visual view of where risk is concentrated:

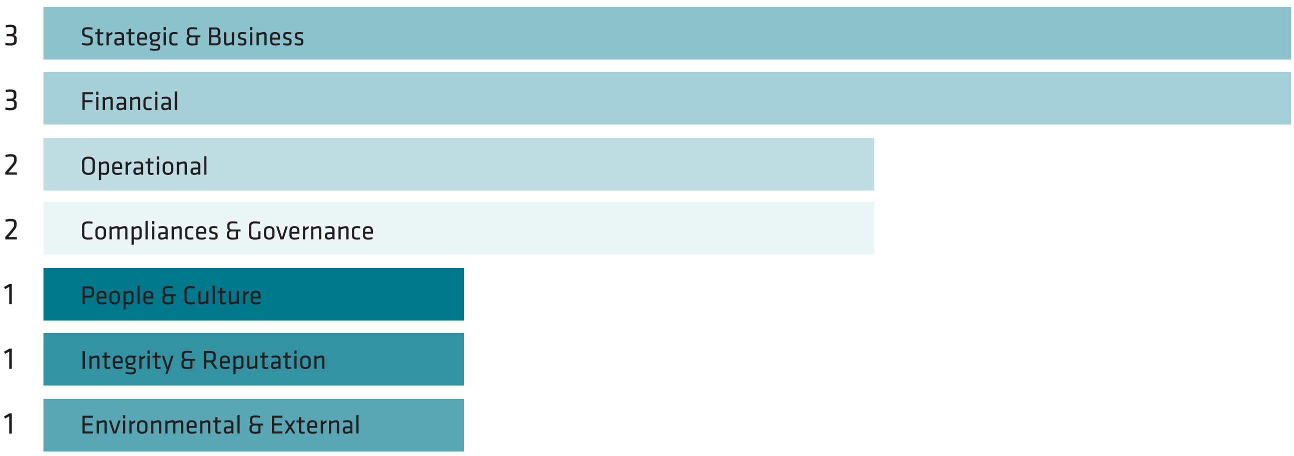


Figure 6: Distribution of Principal Risks by Enterprise Category

Report on Risk Management contd..

Principal Risks and Mitigation

The following table summarises the principal risks identified through the Group's FY2025/26 risk assessment, together with key mitigating actions, current risk ratings and the operating context within which each risk arises.

Each risk is also tagged with the capital(s) most affected, following the Integrated Reporting <IR> Framework's Six Capitals model.

Risk	Key Mitigating Actions	Rating	Momentum	Company-Specific Context
Macroeconomic & FX Risk **FC**	Continuous monitoring of macro indicators, proactive pricing reviews, treasury oversight of FX exposure, scenario-based forecasting.	High	Reducing	The Group is exposed to foreign exchange, inflation, interest rates and other macroeconomic conditions. Exposure is particularly relevant to the Agri Food Exports segment through export receipts and foreign currency movements, while the Consumer Brands segment remains exposed to inflation and financing-cost pressures.
Raw Material Price Volatility **FC · NC**	Supplier diversification, selective long-term sourcing arrangements, frequent input cost trend reviews.	High	Increasing	The Agri Food Exports segment is exposed to coconut price volatility across estates and third-party suppliers. The Consumer Brands segment is exposed to fluctuations in raw milk availability and pricing, packaging materials and other agricultural and production inputs.
Market & Demand Risk **FC · SC**	Market and customer diversification, entry into new geographies, brand investment, flexible production planning.	High	Increasing	The Agri Food Exports segment is exposed to export customer concentration and changes in global demand, while Consumer Brands operates in competitive domestic dairy and FMCG markets where changes in consumer demand and competitive intensity may affect volumes and margins.
Product Quality & Food Safety Risk **SC · IC**	Strengthened QA controls, compliance with SLS, FDA and export-market standards, routine audits, employee training.	High	Reducing	Food safety and product quality are critical across the Group. Consumer Brands is exposed to risks associated with raw-milk handling, processing and cold-chain hygiene, while Agri Food Exports is exposed to organic, FDA, EU and customer certification and audit requirements.
Credit Risk **FC**	Credit assessments, defined credit limits, debtor ageing reviews, proactive recovery monitoring.	Medium	Stable	The Consumer Brands segment has exposure through its distributor network and credit sales, while the Agri Food Exports segment has exposure to higher-value export customers and related receivables.
Counterparty & Third Party Risk **SC**	Vendor evaluation, service-level agreements, performance reviews, development of alternative suppliers.	Medium	Stable	The Group relies on milk transporters, chilling centres, cold-chain service providers, distributors, logistics partners, freight forwarders, shipping lines and other third parties for the continuity of its operations.
Compliance & Regulatory Risk **SC**	Compliance monitoring, engagement with tax and legal advisors, periodic internal audits, senior management oversight.	Medium	Stable	The Group is subject to a range of regulatory requirements relating to dairy, food safety, labour, tax, consumer protection, product labelling, BOI, exports, organic certification and other applicable requirements.
IT & Cyber Risk **IC**	Access controls, system reviews, data back-ups and disaster recovery planning, cyber-awareness training.	Medium	Increasing	The Group relies on IT systems supporting milk collection, weighment, laboratory operations, sales, distribution, finance, ERP and export documentation. The continued development of appropriate IT access and cybersecurity controls remains an area of focus.
ESG & Sustainability Risk **NC · SC**	Environmental compliance monitoring, safety programmes, sustainability initiatives, climate-risk assessments.	Medium	Stable	The Group's activities expose it to matters relating to farmer and animal welfare, water and waste management, packaging waste, workplace safety, plantation sustainability and climate-related developments.

Report on Risk Management contd..

Risk	Key Mitigating Actions	Rating	Momentum	Company-Specific Context
Fraud & Governance Risk FC · SC	Segregation of duties, internal audit reviews, whistle-blowing mechanisms, strengthened governance and tone-at-the-top.	High	Reducing	The Group's geographically dispersed operations create exposure to fraud and control-override risks, including milk-quantity and procurement risks, cash collection, inventory, sales incentives and export documentation. Continued strengthening of internal controls and management oversight remains an important area of focus.
HR & Talent Risk HC	Succession planning for key roles, competitive remuneration benchmarking, structured training and retention programmes.	Medium	Increasing	The Group relies on specialised production, quality, technical, plantation and export-documentation skills across its diversified Food and Beverage operations. The formal assessment and monitoring of HR and talent-related risks will be further developed as part of the ongoing enhancement of the Group's ERM framework.
AI & Emerging Technology Risk IC	Development of a policy for responsible use of AI tools, review of vendor and data governance arrangements, staff awareness sessions.	Medium	Increasing	The increasing use of AI and automation may provide opportunities to improve efficiency while also creating considerations relating to data security, confidentiality, accuracy and governance. The Group will continue to assess these emerging risks as part of the development of its risk management framework.

Capitals key: FC = Financial Capital • MC = Manufactured Capital • HC = Human Capital • IC = Intellectual Capital • SC = Social & Relationship Capital • NC = Natural Capital

Climate and Sustainability-Related Risks and Opportunities (SRROs)

As the parent company of a portfolio spanning plantation-based Agri Food Exports and Dairy and FMCG Consumer Brands, the Group is exposed to climate and sustainability-related risks from different aspects of its operations.

The Group is progressively developing its consideration of sustainability-related and climate-related risks and opportunities with reference to the disclosure principles of SLFRS S1 and SLFRS S2.

- **Outside-In Financial Materiality**
  How external sustainability and climate-related matters may affect the Group's financial performance, cash flows, assets and business activities.

- **Inside-Out Impact Materiality**
  The Group's impacts on the environment and society arising from its operations and value chains.

PHYSICAL RISKS OF CLIMATE CHANGE

The Group is exposed to physical climate-related risks across both segments.

Agri Food Exports: Changes in rainfall, temperature and weather patterns may affect coconut yields and raw-material availability and costs.

Consumer Brands: Weather conditions and heat stress may affect raw milk volumes from farmers, societies and bulk suppliers and may increase energy requirements associated with cold-chain operations.

Mitigating actions include:

- Monitoring relevant weather patterns across plantation and dairy catchment areas.
- Considering climate adaptation measures and farmer support programmes.
- Strengthening environmental management systems through relevant certification and compliance programmes.

Report on Risk Management contd..

TRANSITION RISKS OF CLIMATE CHANGE & REGULATION

The Group's businesses are subject to evolving environmental, sustainability and supply-chain requirements.

For Agri Food Exports, customers in the EU are subject to the EU Deforestation Regulation (EUDR), which is scheduled to apply from 30 December 2026 for large and medium-sized operators and from 30 June 2027 for other micro and small operators.

Consumer Brands is exposed to evolving domestic requirements relating to product labelling, consumer protection, packaging and environmental matters.

Mitigating actions include:

- Development of plantation-to-port traceability systems in preparation for EUDR requirements.
- Continued engagement with EU customers regarding evolving due-diligence requirements.
- Consideration of renewable-energy initiatives across manufacturing sites.
- Continued attention to emissions, water use and packaging and waste management.

Linkage to Internal Audit Planning
The Group's risk assessment process provides an important input into the development of the risk-based Internal Audit Plan.

Higher Risks -
Prioritised for appropriate audit coverage based on the approved Internal Audit Plan and risk assessment.

Moderate Risks -
Considered for periodic or thematic audit coverage, as appropriate.

Lower Risks -
Monitored through management controls and considered as part of risk-based audit planning.

Internal Audit does not own or manage risk. Its role is to provide independent and objective assurance on the effectiveness of risk management, internal controls and governance processes, review the progress of agreed mitigation actions, identify emerging areas requiring management attention and report significant matters to the Audit Committee.

OPPORTUNITIES

Alongside the risks set out above, the Board and management actively monitor opportunities across both segments that can drive long-term Group value creation:

Portfolio Balance & Diversification

- The natural balance between export-oriented Agri Food Exports and domestically-focused Consumer Brands continues to provide resilience against segment-specific shocks.

- Continued expansion of value-added product segments across both Agri Food Exports and Consumer Brands to reduce margin pressure.

Sustainable & Certified Production

- Early investment in EUDR-ready traceability systems to protect continued EU market access for Agri Food Exports.

- Growing consumer demand for traceable, sustainably-produced dairy and FMCG products supports premium Consumer Brands positioning.

Cold-Chain & Distribution Investment

- Continued investment in cold-chain infrastructure to reduce spoilage risk and support Consumer Brands distribution growth.

- Digitalisation of milk collection and distributor systems to improve visibility and reduce operational risk.

RISK MANAGEMENT PRIORITIES

The priority for FY 2026/27 is to move from a Board-approved Risk Management Policy to a properly formalised risk management process across both segments. This means carrying out a structured risk identification exercise, building a prioritised risk register with documented mitigation plans, and bringing this to the Audit Committee for review at least twice during the year. Areas that have not been adequately captured to date, including HR and talent risk, IT access control and cyber exposure, the security of key suppliers beyond price and volume, and the risks and opportunities arising from AI and other emerging technologies, will be brought into the register as this work progresses. The Audit Committee will track progress against these commitments at each of its scheduled meetings.

Report on Sustainability of the Company

Overview

We emphasize the importance of our stakeholders when developing our strategies through the competitiveness in order to achieve a common value.

Sustainability is the key element of our strategy for future growth where the utilization of resources efficiently, environmentally responsible manufacturing of product and provision of services that deliver sustainability benefits which can leverage commercial advantage for the group.

The key business drives for sustainability are internal operations and stakeholder engagement. The first focuses on our internal operations and manufacturing our products and provision of our services more efficiently using fewer resources. This approach helps us to reduce costs of goods manufactured and provision of services and at the same time reduces our impact on the environment. The second approach focuses on our partnerships with our stakeholders. Stakeholders are any individual or party that has an interest in our group, and who are affected by or can affect out organizational activities. Partnerships help to build trust amongst our key stakeholders and to reach better understanding on a variety of issues. It can also pave the way for more successful solutions to problems, concerns and challenges.

Renuka impact on economic performance

In Economic Performance, Group focused on operational excellence across all its business divisions and subsidiaries and value addition to economic development. Operational excellence measured in terms of efficiency and effectiveness of manufacturing process, process improvement and reduces waste. Further investment in IT/ERP helps measurement of operational results on time with increased accuracy. Group has made substantial investment during the year to improve value addition to economic development. These investments have helped to improve resource utilization as well as minimization of waste and pollution.

Renuka Sustainability Policy and guidelines

Management identify the stakeholders and rate them in line with the degree of influence and importance. Such stakeholders thus identified are,

- Investors
- Employees
- Customers
- Key suppliers and business partners
- The society
- Environment

Renuka has then formulated sustainability strategies to create value for those identified stakeholders. We have created formal and informal channels to develop effective communication systems and engagements programs to involve our stakeholders and implement continuous monitoring systems through the management team in order to gauge our impact on the stakeholders.

ENVIRONMENTAL IMPACT

Renuka has strived to ensure that all our manufacturing and production processes will not knowingly harm people and will minimize the negative impact our businesses will have on human life as well as environment. In fact, we promote organic products to our customers due to health and other environmental benefits. This has created awareness among the farmer community of the long term benefits of sustainable farming.

Our Stakeholder Engagement Process

Investors support Renuka business activities

Shareholder engagement is important to us to have access to growth capital and in the process we must make a sound return to them. In meeting global challenges and evolving consumer needs we must be geared to be proactive with new ideas and ready with the output as well. When we operate according to these principles the shareholders should realize a fair return.

Method of engagement

- We have open doors policy which enables shareholders to keep in contact, visit and obtain information from the Company Secretaries and engage in dialogue.
- Further e-mail address has been provided for comments and suggestions.
- Update with latest financials for shareholders/investor to take rational decisions which is very important.
- We produce company performance in timely and relevant manner through quarterly Financial reports and Annual Report published in the Colombo Stock Exchange web site.
- We hold Annual General and Extra Ordinary meetings to communicate with our shareholders.

Our Concern

Our concern is to increase the return on investment, sustainable profitability, good governance and transparency in carrying out group operations.

Report on Sustainability of the Company contd..

Employees at Renuka work place At Renuka we have created a work place policy and created employee awareness for the total group. With an employee base of over 1,300 creation of Group identity and belongings is priority. We care for our employees and health and safety is priority, giving much attention at work place including factories.

Method of engagement

- We have an open communication policy and have implemented a process to identify and report corruption within the business units.
- We have adopted effective two way communication system with employees and management through human resources division which has created short and long term benefits to the group.
- We also have adopted other communication methods like emails, presentations and team briefings on daily operations for betterment of the organization.
- Employees are also encouraged to access the corporate websites.
- We organize team building activities such as gettogethers, sports meets and CSR projects.
- Factories of the group companiesare equipped with ad- equate safety measures and have educated the employees to minimize accidents.

Our Concern
Our concern is to create a friendly environment to our employees who are motivated and talent developed to offer effective service.

World class quality products and customer satisfaction is our key with our customers. The group uses its competencies and decades of experience to identify the needs and wants of our customers in order to provide quality product and services creating value-formoney.

Method of engagement

- We engage our customers through regular meetings, visits and web portal.
- On going participation for Industry exhibitions and trade fairs locally and internationally.
- We allow buyer inspections and audits to ensure compliance with global quality standards

Our Concern
We are concerned about the quality of our products manufactured, are in compliance with global standards. We also create innovative products to cater to our customer needs.

Suppliers and business partners We have built lasting business relationships all over the world and not only centered in Sri Lanka. It is through our business partners that we co-exist to fulfil customer needs and wants.

Method of engagement

- We look at our business partners as a resource base to develop business efficiency and innovative products.
- Develop long term purchase contracts with our business partners & suppliers to support responsible supply chain.
- Participate in industry exhibitions and trade fairs.

Our Concern
We maintain effective long term relationship with our business partners and suppliers who benefit from our growth, and knowledge sharing.

Our society
Renuka has been actively involved in supporting the rural farmer network for our coconut division. Renuka procures over Rs. 1Bn worth of produce from our farmer network.

Method of engagement

- We conduct farmer training programs, medical camps, veterinary services which assist in improving the livelihood and wellness of the communities within Sri Lanka.
- Local engagement through purchasing.

Our Concern
We take measures to carryout our operations minimizing carbon foot print and saving energy by effective utilization of limited resources while reducing wastage in order that we have only a minimal negative impact on society and the environment.

Renuka considers engagement to be an increasingly important component of its corporate citizenship strategy. Our engagement efforts help Renuka identify those issues that are most material to our business operations and shape our approach to addressing a range of areas relating to the financial, social and environmental performance of the organization.

Report of the Board of Directors

Overview
The Board of Directors of Renuka Foods PLC have pleasure in presenting the Annual Report of the Company together with the Audited Consolidated Financial Statements for the year ended 31st March 2026. The details set out herein provide the required information under the Companies Act No. 7 of 2007, the Listing Rules of the Colombo Stock Exchange and the recommended best practices on Corporate Governance.

Renuka Foods PLC is a public limited liability Company, incorporated in Sri Lanka under the Companies Act No. 17 of 1982, quoted on the Colombo Stock Exchange and reregistered as required under the provisions of the Companies Act No. 7 of 2007.

Principal Activities of the Company and the Group
Renuka Foods PLC is a food and beverage Company that owns, directly and/or indirectly, investments engaged in Agri Business and FMCG Companies constituting the Renuka Foods Group. The Group consists of a portfolio of diverse business operations. The main subsidiaries of Renuka Foods PLC are listed on Note 18 to the Financial Statements.

The Principal activities of the Group are categorized into Agri business and Consumer Brands business segments and Segmental Reporting is provided in Note 42 to the Financial Statements.

Vision, Mission and Corporate conduct
The Corporate vision and mission are provided on Page No. 01 of this Report. In achieving its vision and mission, all Directors and Employees conduct their activities with the highest level of ethical standards and integrity.

Review of Business and Future Developments
The review of the Group's Progress and Performance during the year with comments on the financial results and prospects is contained in the Chairman's Review on page 10, as required under Section 168 (1) (a) of the Companies Act. This Report forms an integral part of the Report of the Directors and read together with the Audited Financial Statements of the Company, reflect the state of affairs of the Company.

Statement of Directors Responsibilities
The Statement of Director's responsibilities for the Financial Statements is given on Page No. 50.

Financial Statements of the Company and Group
The Financial Statements of the Company and the Group are given on Pages 55 to 112.

Accounting Policies and Changes During the Year
The Accounting Policies adopted in the preparation and presentation of the Financial Statements are given on Note No. 02.

Group Turnover
The Turnover of the Group was Rs. 18 Bn as compared with Rs. 13.7 Bn in the previous year. A detailed analysis of the Group Turnover is given on Note 6 to the Financial Statements.

Gross Profit
The Group Gross Profit for the year was Rs. 3,3 Bn, compared with the Group Gross Profit of Rs. 1.8 Bn for the previous year.

Net Profit
The Group profit after Taxation for the year was Rs. 669 Mn, compared with the Group Loss after Taxation of Rs. 377 Mn for the previous year.

Group Investments
Investment of the Company and the Group in Subsidiaries, Associates and other long term equity investment amounted to Rs. 4.6Bn (2025 - 3.8Bn). A detailed description of the Subsidiaries, Associates, and other long term equity investments held as at the Balance Sheet date are given in Note 18 to the Financial Statements.

Property, Plant and Equipment
The group has incurred Capital Expenditure during the year on Property, Plant & Equipment (including capital work-in-progress), Biological assets, Investment Properties and Intangible assets amounting to Rs. 461 Mn (2025 - Rs. 421Mn).

Detailed information relating to Capital Expenditure on Property, Plant & Equipment (including capital work-in-progress), Biological assets, Investment Properties and Intangible assets are given in Notes 14 to 17 to the Financial Statements.

contd..

Report of the Board of Directors contd..

Extent, Locations, No. of buildings and Valuations of the properties of the Group are given under the Real Estate Portfolio on page 114 and the market values of the Land and Buildings owned by the Company and Group are included on the basis of valuation carried out by a professionally qualified valuer is given in Notes 14 to 17 to the Financial Statements.

Stated Capital
The Stated Capital of the Company as at 31st March 2026 was Rs. 2,908Mn comprising of 360,010,634 Ordinary Voting Shares and 14,613,600 Non-Voting Ordinary shares.

Reserves
Total Group Reserves as at 31st March 2026 amounts to Rs. 3.6 Bn (2025 - Rs. 2.6 Bn) representing Revaluation Reserve and Retained Earnings.

A detailed movement of the Reserves is given in the Statement of Changes in equity in the Financial Statements in Page No. 57.

Major Shareholdings
Details of the twenty largest shareholders with the percentages of their respective holdings are given on Pages 119 to 120 together with a comparative shareholding as at 31st March 2026.

Public Holding
There were 6,260 (2025 -4, 182) registered voting shareholders and 4,986 (2025-815) registered non-voting shareholders 1,274 as at 31st March 2026, with the percentage of shares held by the public, as per the Colombo Stock Exchange Rules, being 31.99% (2025-21.82%) for voting shares and 74.84%. (2025-72.13%) for non-voting shares.

Share Holdings /Share Information
Information relating to earnings, dividends, net assets, market value per share, share trading and distribution of shareholding is given on Pages 115 to 118.

Ratios and Market Price Information
The ratios relating to equity, as required by the listing requirement of the Colombo Stock Exchange are given in Page No. 114 to this Report.

Equitable Treatment to all Shareholders
The Company has made every endeavor to ensure equitable treatment to all its shareholders and have adopted adequate measures to prevent information asymmetry.

Information to Shareholders
The Board strives to be transparent and provides accurate information to shareholders in all published material. The quarterly financial information during the year has been sent to the Colombo Stock Exchange in a timely manner.

NAME OF DIRECTOR	EXECUTIVE	NON-EXECUTIVE	INDEPENDENT
Dr. S. R. Rajiyah	x		
Mrs. I.R. Rajiyah	x		
Mr. S.V. Rajiyah	x		
Mr. V. Sanmugam		x	
Mr. R.F.N. Jayasooriya		x	
Mr. A. M. P. C. K. Abeykoon		x	x
Mr. E. A. P. Ekanayake		x	x
Mr. M. R. Ratnasabapathy		x	x

The basis on which Directors are classified as Independent / Non- Executive Directors is discussed in the Corporate Governance Report.

Directors
The names of the Directors who held office during the financial year ended 31st March 2026 are as given in the table above. The brief profiles of the members of the Board of Directors appear on Pages 11 to 12.

Report of the Board of Directors contd..

Recommendation for re-election

1) To re-elect Mr. R. F. N. Jayasooriya as a Director of the Company who retires by rotation in terms of Article 28 (1).

2) To re-elect Mr. V. Sanmugam as a Director of the Company who retires by rotation in terms of Article 28 (1).

3) To re-appoint Dr. S.R. Rajiyah who is over 70 years of age, as a director in terms of Section 211 of the Companies Act No. 7 of 2007 and it is specifically declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Dr. S.R. Rajiyah.

4) To re-appoint Mrs. I.R. Rajiyah who is over 70 years of age, as a director in terms of Section 211 of the Companies Act No. 7 of 2007 and it is specifically declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Mrs I.R. Rajiyah.

Entries in the Interest Register
The Company, in compliance with the Companies Act No. 7 of 2007, maintains an Interest Register. The Directors have made the declaration required by the said Act and they have been entered into the Interest register.

Directors' Interest in Transactions
The Company carried out transactions in the ordinary course of business with entities in which a Director of the Company is also a Director. The transactions with entities where a Director of the Company either has control or exercises significant influence have been classified as related party transaction and disclosed in Note No. 33 to Financial Statements.

The Directors have no direct or indirect interest in any other contact or proposed contract with the Company.

Directors Interest in Shares
Directors of the Company and its Subsidiaries who have relevant interest in the shares of their respective Companies have disclosed their shareholdings and any acquisitions/disposals to their Boards, in compliance with section 200 of the Companies Act.

Share dealings by Directors during the year were disclosed to the Colombo Stock Exchange as and when the need was arisen.

Remuneration of Directors
The remuneration of the Directors in respect of the Company for the year ended 31st March 2026 is given in Note 10 to Financial Statements.

Directors' holdings, in ordinary shares of the Company are given in the table below.

Directors Meetings
Details of Board Meetings and Board Subcommittee meetings are presented on pages 18 to 19 of the Annual Report.

Directors Responsibility for Financial Reporting
The Directors are responsible for the preparation of the Financial Statements of the Company to reflect a true and fair view of the state of its affairs. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Sri Lanka Accounting Standards (SLFRS/LKAS) issued by the Institute of Chartered Accountants of Sri Lanka, Companies Act No. 7 of 2007, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 and the Listing Rules of the Colombo Stock exchange.

Board Committees
The Board has established Committees for better monitoring and guidance of different aspects of operations and control.

NAME OF DIRECTOR	As at 31st march 2026		As at 31st march 2025	
	Voting	Non-Voting	Voting	Non-Voting
Dr. S. R. Rajiyah	-	-	-	-
Dr. S. R. Rajiyah & Mrs. I.R. Rajiyah (Jt)	18,005,650	-	-	-
Mrs. I.R. Rajiyah	-	-	-	-
Mr. S.V. Rajiyah	-	-	-	-
Mr. S.V. Rajiyah & Mrs. J.J.B.A. Rajiyah (Jt)	-	-	-	-
Mr. E. A. P. Ekanayake	-	-	-	-
Mr. A.M.P.C.K. Abeykoon	-	-	-	-
Mr. R.F.N. Jayasooriya	-	-	-	-
Mr. V. Sanmugam	-	-	-	-
Mr. M. R. Ratnasabapathy	-	-	-	-
Total	-	-	-	-

The composition of the Board Audit Committee comprising of three Non- Executive Directors is provided on Pages 27 and 28. The Executive Directors, Chief Financial Officer and External Auditors attend the meeting by invitation. A detailed scope of the Audit Committee and their work during the year is disclosed in the Audit Committee Report given on Pages 27 and 28.

Remuneration Committee
The composition of the Board Remuneration Committee, comprising of three Non-Executive Directors is provided on page 31.

The Remuneration Committee of Renuka Foods PLC, is appointed by and is responsible to the Board of Directors.

The Managing Director may also be invited to join in the deliberations as required. The Chairman of the Committee is an Independent / Non- Executive Director.

Related Party Transactions Review Committee
The composition of the Related Party Transactions Review Committee, comprising of three Non- Executive Directors is provided on Pages 29 to 30. The Executive Directors and Chief Financial Officer attend the meetings by invitation. A detailed scope of the Related Party Transaction Review Committee and their work during the year is disclosed in the Related Party Transactions Review Committee Report given on Pages 29 to 30.

The Company is in compliance with Rule 9 of the Listing Rules of the Colombo Stock Exchange, pertaining to the Related Party Transactions from 1st January 2016.

Non – Recurrent Related Party Transactions
All Non - Recurrent Related Party Transactions of which the aggregate value exceeds 10% of the equity or 5% of the total assets, whichever is lower, of the Company as per the Audited Financial Statements as at 31st March 2026, which required additional disclosures in the Annual Report of 2025/26 under Rule 9.3.2 of the Listing Rules of the Colombo Stock Exchange and Code of Best Practices on Related Party Transactions under the Securities and Exchange Commission directive issued under Section 13(c) of the Securities and Exchange Commission Act are disclosed under Note No. 33 to the Financial Statements.

Recurrent Related Party Transactions
All Recurrent Related Party Transactions, if any, in which the aggregate value exceeds 10% of the revenue of the Company as at 31st March 2026 Audited Financial Statements are disclosed under note 32 to the Financial Statements as required by Rule 9.3.2 of the Listing Rules of the Colombo Stock Exchange and the Code of Best Practices on Related Party Transactions under the Securities and Exchange Commission directive issued under Section 13(c) of the Securities and Exchange Commission Act.

Statutory Payments
The Directors, to the best of their knowledge and belief are satisfied that all statutory payments due to the government, other regulatory institutions and those related to employees have been made on time.

The declaration relating to statutory payments is made in the Statement of Directors Responsibilities on Page 50.

Compliance with Laws and Regulations
The Company has complied with all applicable laws and regulations. A compliance checklist is signed-off on a quarterly basis by the responsible officers and any violations therein are reported to the Board and the Audit Committee. Refer Pages 17 to 26 for a statement of compliance.

Code of Conduct
The Company demands impeccable standards of conduct from its Directors and Employees in the performance of their official duties in situations that could affect the Company's image.

System of Internal control
The Board of Directors have put in place an effective and comprehensive system of Internal Controls covering financial, operational and compliance controls and have obtained reasonable assurance of their effectiveness.

Corporate Governance
The Company has complied with the Corporate Governance rules as laid down under the Listing Rules of the Colombo Stock Exchange.

The Corporate Governance Report on Pages 17 to 26 discusses this in further detail.

Going Concern

The Directors are of the view that the Company has adequate resources to continue in operations and have applied the going concern basis in preparation of these Financial Statements.

Risk Management

The Board and the Management of the Company have put in place a comprehensive risk identification, measurement and mitigation processes.

The Group exposure to risk and structure to manage and mitigate risk, is discussed in more detail in the Risk Management Report on Pages 34 to 41.

Compliance with the transfer pricing regulations

All transactions entered into with associated persons during the year are on an arm's length basis, and are Comparable with transactions carried out with non associated persons.

Events after the Reporting period

No event of material significance that requires adjustment to the Financial Statements has occurred subsequent to the date of the Reporting date, other than those disclosed in Note No. 35 to the Financial Statements.

Capital Commitments

No significant capital commitments exist as at 31st March 2026, other than those disclosed in Note No. 36 to the Financial Statements.

Contingencies and Outstanding Litigation

In the opinion of the Directors and in consultation with the Company lawyers, litigation currently pending against the Company will not have a material impact on the Reported financial results or future operations of the Company.

Corporate Donations

No donations were made by the group for the year under review.

Employees and Industrial Relations

The Group has a structure to assess the competencies and commitment of its employees. There are no material issues pertaining to employees and industrial relations of the entity.

Report of the Board of Directors contd..

Auditors
Company's Auditors during the year under review were M/s KPMG, Chartered Accountants. Their Report on the Financial Statements is given on Pages 51 to 54 of the Annual Report.

The fee amounts paid/payable for the services provided to the Company during the year, with corresponding figures for the previous years are presented below. Based on the declaration from Messrs. KPMG and as far as Directors are aware, the Auditors do not have any other relationship or interest with the Company or its Subsidiaries other than that of an auditor of the Company.

	2026 (Rs.)	**2025 (Rs.)**
Audit and Audit related fees	615,000	560,000
Non audit fees	490,000	440,000

The retiring auditors have expressed their willingness to continue in office. A resolution to re-appoint them as Auditors of the Company and authorizing the Directors to fix their remuneration will be proposed at the Annual General Meeting.

Auditors' Report
Auditors Report on the Financial Statements is given on Pages 51 to 54 of this Annual Report.

Environmental Protection
The group's effort in minimizing and conserve scarce and non- renewable resources as well as environmental objectives are discussed in detail in the Sustainability Report on Page No. 42 to 43.

Employment Policies
The Group employment policies respect the individuals and offer equal career opportunities, regardless of sex, race or religion and consider the relationship with the employees to be good. The number of persons employed in the Company and its subsidiaries as at 31st March 2026 was 1,294 (2025 - 1,368).

Annual Report
The Board of Directors approved the Consolidated Financial Statement along with Company's Financial Statements on 28th August 2026. The appropriate number of copies of this Report will be submitted to the Colombo Stock Exchange and to the Sri Lanka Accounting and Auditing Standards Monitoring Board.

Annual General Meeting
Following the issuance of guidelines by The Colombo Stock Exchange (CSE) the 36th Annual General Meeting of Renuka Foods PLC will be held virtually on Thursday the 24th of September 2026 at 3.30pm.

The Notice of the Annual General Meeting appears on Page 121 to this Annual Report.

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

Sgd.
Dr. S.R. Rajiyah

Sgd.
Mr. S.V. Rajiyah

Sgd.
Renuka Enterprises (Pvt) Ltd
Company Secretaries
28th August 2026

Statement of the Directors' Responsibility

The responsibility of the Directors in relation to the Financial Statements for the year ended 31st March 2026, which have been prepared and presented in accordance with the requirements of the Sri Lanka Accounting Standards, the Listing Rules of the Colombo Stock Exchange and the Companies Act No. 7 of 2007, is set out in the following statement.

As per the provisions of the Companies Act No. 7 of 2007, the Directors are required to prepare Financial Statements which comprise the undernoted, for each financial year and present them before a General Meeting.

a. A statement of profit or loss and other comprehensive income of the Company and its subsidiaries which presents a true and fair view of the profit or loss of the Company for the financial year;

b. A statement of financial position, which presents a true and fair view of the state of affairs of the Company and its subsidiaries as at the end of the financial year together with explanatory notes to the Financial Statements;

c. A statement of changes in equity which presents a true and fair view of the changes in the Company's and its subsidiaries retained earnings for the financial year; and

d. A statement of cash flow which presents a true and fair view of the flow of cash in and out of the business for the financial year for the Company and its Subsidiaries and; notes to the Financial Statements, which comply with the requirements of the Act.

The Directors are of the view that, in preparing these Financial Statements;

a. The appropriate accounting policies have been selected and applied in a consistent manner, material deviations, if any, have been disclosed and explained;

b. All applicable Accounting Standards, in accordance with the Sri Lanka Accounting Standards (SLFRS/ LKAS) as relevant have been applied;

c. Reasonable and prudent judgements have been made so that the form and substance of transactions are properly reflected;

d. It provides the information required by and otherwise complies with the Companies Act No. 7 of 2007,the Listing Rules of the Colombo Stock Exchange and requirements of any other regulatory authority as applicable to the Company.

Further, the Directors have a responsibility to ensure that the Company maintains sufficient accounting records to disclose, with reasonable accuracy of the financial position of the Company and of the Group, also to reflect the transparency of transactions and to ensure that the Financial Statements presented comply with the requirements of the Companies Act.

The External Auditors, M/s KPMG, who were deemed reappointed in terms of the Companies Act No. 07 of 2007 were provided with every opportunity to undertake the inspections they considered appropriate to enable them to form their opinion on the Financial Statements. The Report of the Auditors, shown on Pages 51 to 54 set out their responsibilities in relation to the Financial Statements.

The Directors are also of the view that the Company has adequate resources to continue in operations and have applied the going concern basis in preparing these Financial Statements.

The Directors are also responsible for taking reasonable steps to safeguard the Assets of the Company and that of the Group and in this regard to give proper consideration to the establishment of appropriate internal control systems with a view to preventing and detecting fraud and other irregularities.

COMPLIANCE REPORT

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

By order of the Board
Renuka Enterprises (Pvt) Ltd

Sgd.
Company Secretaries
28th August 2026

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

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

Independent Auditor's Report

TO THE SHAREHOLDERS OF RENUKA FOODS PLC
Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of Renuka Foods 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 31st March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information, set out on pages 55 to 112.

In our opinion, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as at 31st 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 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.

Impairment Assessment of goodwill on consolidation, and investment in subsidiaries

Refer to Note 2.4 (Use of Estimates and judgements), Note 20 (Goodwill) and Note 18 (Investment in Subsidiaries) to the Financial Statements.

Risk Description	Our response
The Company has recorded investments in subsidiaries amounting to Rs. 4,665 Mn as at 31st March 2026. Further goodwill on consolidation of Rs. 238.8 Mn has been recognized in relation to these investment in subsidiaries in the consolidated financial statements as at 31st March 2026. The group has allocated the goodwill on consolidation to relevant CGUs. The recoverable amounts of these identified CGUs have been determined based on value-in-use calculations or fair value less cost to sell calculations as applicable. Carrying amounts of each investment in subsidiaries where indications existed have been tested for impairment and their recoverable amounts were determined based on value in use calculations or fair value less cost to sell calculations as at 31st March 2026. We considered the management's impairment assessment of goodwill and investment in subsidiaries to be a key audit matter due to the magnitude of the carrying amounts and use of significant judgments and estimates.	Our audit procedures included: • Obtaining an understanding of the management's impairment assessment process. • Evaluating the nature and background of the investments to identify impairment indications as per Sri Lanka Accounting Standards. • Assessing the appropriateness of key assumptions such as projected economic growth rates, inflation rates and discount rates used by the management in the impairment assessment process by comparing with external data or using our internal specialists as applicable. • Assessing the adequacy of disclosures in the Financial Statements in relation to impairment of investments in subsidiaries and goodwill on consolidation.

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 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 3029.

Chartered Accountants
Colombo, Sri Lanka

28th August 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31st March	NOTE	GROUP 2026 (Rs.)	GROUP 2025 (Rs.)	COMPANY 2026 (Rs.)	COMPANY 2025 (Rs.)
Revenue	6	**18,036,279,873**	13,767,168,008	**21,027,102**	42,173,204
Cost of Sales		**(14,725,926,677)**	(11,903,792,014)	**-**	-
Gross Profit		**3,310,353,196**	1,863,375,994	**21,027,102**	42,173,204
Other Income	7	**90,535,115**	125,665,328	**1,758,062,744**	-
Change in Fair Value of Investment Properties	16.1	**-**	36,727,427	**-**	-
Administrative Expenses		**(1,060,898,663)**	(1,074,224,407)	**(20,991,199)**	(59,232,463)
Selling and Distribution Expenses		**(1,118,423,091)**	(1,027,499,730)	**-**	-
Operating Profit/ (Loss)		**1,221,566,557**	(75,955,388)	**1,758,098,647**	(17,059,259)
Finance Income	8	**270,676,273**	158,146,608	**16,722,344**	4,744,611
Finance Costs	9	**(536,488,365)**	(551,692,563)	**(270,631)**	(3,728,217)
Net Finance Income/ (Costs)		**(265,812,092)**	(393,545,955)	**16,451,713**	1,016,394
Profit/ (Loss) before Tax	10	**955,754,465**	(469,501,343)	**1,774,550,360**	(16,042,865)
Income Tax (Expense)/ Reversal	11	**(286,619,154)**	92,069,034	**-**	-
Profit/ (Loss) for the year		**669,135,311**	(377,432,309)	**1,774,550,360**	(16,042,865)
Other Comprehensive Income					
Actuarial Gains/(Loss) on Retirement Benefit Plans	29.1	**(4,181,333)**	5,902,585	**445,788**	(95,165)
Revaluation of land and buildings		**13,820,998**	853,589,692	**-**	-
Foreign currency translation differences of foreign operations		**2,587,879**	-	**-**	-
Tax effect on Revaluation of land and buldings	27.1	**(4,146,299)**	(164,770,707)	**-**	-
Tax effect on changes in Fair Value of Investment	27.1	**-**	24,240,730	**-**	-
Tax effect on Acturial Gain / (Loss)	29.1	**2,342,577**	(1,276,355)	**-**	-
Other Comprehensive Income, Net of Tax		**10,423,822**	717,685,945	**445,788**	(95,165)
Total Comprehensive Income		**679,559,133**	340,253,636	**1,774,996,148**	(16,138,030)
Profit Attributable to;					
Owners of the Company		**568,103,287**	(341,822,396)	**1,774,550,360**	(16,042,865)
Non Controlling Interests		**101,032,024**	(35,609,913)	**-**	-
Profit/ (Loss) for the year		**669,135,311**	(377,432,309)	**1,774,550,360**	(16,042,865)
Total Comprehensive Income Attributable to;					
Owners of the Company		**575,169,893**	269,633,827	**1,774,996,148**	(16,138,030)
Non Controlling Interests		**104,389,240**	70,619,809	**-**	-
Total Comprehensive Income/ (Expense)		**679,559,133**	340,253,636	**1,774,996,148**	(16,138,030)
Earnings per Share					
Basic Earnings per Share (Restated)	13	**1.62**	(0.97)	**5.85**	(0.05)
Diluted Earnings per Share (Restated)	13.1	**1.62**	(0.97)	**5.85**	(0.05)

Figures in brackets indicate deductions.
The Notes on Pages 60 to 112 are an integral part of these Financial Statements.

Consolidated Statement of Financial Position

As at 31st March		GROUP		COMPANY	
	NOTE	**2026 (Rs.)**	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
ASSETS					
Non Current Assets					
Property, Plant and Equipment	14	**6,001,806,081**	5,868,475,794	**-**	-
Right of use assets	15	**183,922,288**	95,984,401	**-**	-
Investment Property	16	**361,630,038**	361,451,036	**-**	-
Biological Assets	17	**279,855,786**	244,171,903	**-**	-
Investment in Subsidiaries	18	**-**	-	**4,664,643,453**	3,802,628,352
Investment In Equity Instruments	19	**782,000,000**	-	**-**	-
Intangible Assets and Goodwill	20	**242,673,512**	209,038,418	**-**	-
Total Non Current Assets		**7,851,887,705**	6,779,121,552	**4,664,643,453**	3,802,628,352
CURRENT ASSETS					
Inventories	21	**2,872,391,782**	2,554,482,031	**-**	-
Trade and Other Receivables	22	**2,930,554,327**	3,322,448,888	**158,077,433**	148,398,000
Current Tax Assets		**343,944**	47,056,637	**338,158**	338,158
Amounts Due from Related Companies	23	**-**	-	**-**	1,142,232
Cash and Cash Equivalents	24	**1,503,988,135**	363,330,372	**883,599,610**	4,553,213
Total Current Assets		**7,307,278,188**	6,287,317,928	**1,042,015,201**	154,430,603
			-		
Total Assets		**15,159,165,893**	13,066,439,480	**5,706,658,654**	3,957,058,955
EQUITY & LIABILITIES					
Equity					
Stated Capital	25	**2,908,781,290**	2,908,781,290	**2,908,781,290**	2,908,781,290
Revaluation Reserve	26	**1,240,270,323**	1,288,586,681	**-**	-
Retained Earnings		**2,360,410,916**	1,300,023,901	**2,787,447,754**	1,012,451,606
Translation Reserve		**1,372,449**	-	**-**	-
Equity attributable to Owners of the Company		**6,510,834,978**	5,497,391,872	**5,696,229,044**	3,921,232,896
Non Controlling Interest		**2,418,042,916**	586,044,359	**-**	-
Total Equity		**8,928,877,894**	6,083,436,231	**5,696,229,044**	3,921,232,896
Non Current Liabilities					
Deferred Tax Liability	27	**902,954,001**	643,348,073	**-**	-
Interest Bearing Borrowings	28	**49,302,836**	143,054,600	**-**	-
Lease Liabilities	15.2	**220,728,868**	125,685,490	**-**	-
Retirement Benefit Obligation	29	**125,704,114**	112,648,760	**-**	3,509,516
Total Non Current Liabilities		**1,298,689,819**	1,024,736,923	**-**	3,509,516
Current Liabilities					
Trade and Other Payables	30	**1,315,314,422**	1,488,756,768	**5,144,607**	4,751,651
Amounts Due to Related Companies	31	**-**	-	**-**	22,279,889
Dividend Payable		**10,407,084**	10,407,084	**5,285,003**	5,285,003
Interest Bearing Borrowings	28	**3,403,914,850**	4,304,138,698	**-**	-
Lease Liabilities	15.2	**8,043,833**	14,275,083	**-**	-
Current Tax Payable		**4,322,475**	3,482	**-**	-
Bank Overdraft	24.2	**189,595,516**	140,685,211	**-**	-
Total Current Liabilities		**4,931,598,180**	5,958,266,326	**10,429,610**	32,316,543
Total Liabilities		**6,230,287,999**	6,983,003,249	**10,429,610**	35,826,059
Total Equity and Liabilities		**15,159,165,893**	13,066,439,480	**5,706,658,654**	3,957,058,955

The Financial Statements are to be read in conjunction with the related notes, which form a part of the Financial Statements of the Group set out on Pages 60 to 112.

I certify that the Financial Statements of the Group comply with the requirement of the Companies Act No, 07 of 2007

A.R.D. Perera
Chief Financial Officer

The Board of directors is responsible for preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board

S.V.Rajiyah
Director

M.R. Ratnasabapathy
Director

28th August 2026
Colombo

Consolidated Statement of Changes in Equity

Year ended 31st March	Stated Capital (Rs.)	Revaluation Reserve (Rs.)	Foreign Currency Translation Reserves (Rs.)	Retained Earnings (Rs.)	Total Controlling Interest (Rs.)	Non Controlling Interest (Rs.)	Total Equity (Rs.)
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
GROUP							
Balance as at 1st April 2024	2,289,278,770 -	669,402,484	-	1,035,007,701	3,993,688,955	1,003,982,588	4,997,671,543
Profit for the period	-	-	-	(341,822,396)	(341,822,396)	(35,609,913)	(377,432,309)
Other Comprehensive Income, net of tax	-	586,301,112	-	25,155,110	611,456,222	106,229,723	717,685,945
Total Comprehensive Income for the year	-	586,301,112	-	(316,667,286)	269,633,826	70,619,810	340,253,636
On Disposal of Subsidiary							
Impact due to changes in effective holdings of subsidiaries	-	32,883,085	-	581,683,486	614,566,571	(488,558,039)	126,008,532
Transactions with the owners							
Shares Issued during the year	619,502,520	-	-	-	619,502,520	-	619,502,520
Total transactions with the owners	619,502,520	-	-	-	619,502,520	-	619,502,520
				-	-	-	-
Balance as at 31 March 2025	2,908,781,290	1,288,586,681	-	1,300,023,901	5,497,391,872	586,044,359	6,083,436,231
Balance as at 1st April 2025	**2,908,781,290**	**1,288,586,681**	**-**	**1,300,023,901**	**5,497,391,872**	**586,044,359**	**6,083,436,231**
Profit for the period	**-**	**-**	**-**	**568,103,287**	**568,103,287**	**101,032,024**	**669,135,311**
Other Comprehensive Income, net of tax	**-**	**7,511,454**	**1,372,449**	**(1,817,298)**	**7,066,606**	**3,357,216**	**10,423,822**
Total Comprehensive Income for the year	**-**	**7,511,454**	**1,372,449**	**566,285,990**	**575,169,893**	**104,389,240**	**679,559,133**
Acquistion of Subsidiary with NCI (Note 18)	**-**	**-**	**-**	**-**	**-**	**(31,163,729)**	**(31,163,729)**
Impact due to changes in effective holdings of subsidiaries	**-**	**(55,827,812)**	**-**	**494,101,025**	**438,273,213**	**1,758,773,046**	**2,197,046,259**
Balance as at 31 March 2026	**2,908,781,290**	**1,240,270,323**	**1,372,449**	**2,360,410,916**	**6,510,834,978**	**2,418,042,916**	**8,928,877,894**

Figures in brackets indicate deductions
The Notes on Pages 60 to 112 are an integral part of these Financial Statements.

Consolidated Statement of Changes in Equity contd..

	EQUITY ATTRIBUTABLE TO OWNERS		
For the year ended 31st March 2026	**STATED CAPITAL Rs.**	**RETAINED EARNINGS Rs.**	**TOTAL EQUITY Rs.**
COMPANY			
Balance as at 1st April 2024	2,289,278,770	1,028,589,636	3,317,868,406
Loss for the Year	-	(16,042,865)	(16,042,865)
Other Comprehensive Income, net of Tax	-	(95,165)	(95,165)
Total Comprehensive Income for the year	-	(16,138,030)	(16,138,030)
Transactions with the owners			
Share issue During the year	619,502,520	-	619,502,520
Total transactions with the owners	619,502,520	-	619,502,520
Balance as at 31 March 2025	2,908,781,290	1,012,451,606	3,921,232,896
Balance as at 1st April 2025	2,908,781,290	1,012,451,606	3,921,232,896
Profit for the period	-	1,774,550,360	1,774,550,360
Other Comprehensive Income, net of Tax	-	445,788	445,788
Total Comprehensive Income for the year	-	1,774,996,148	1,774,996,148
Balance as at 31 March 2026	2,908,781,290	2,787,447,754	5,696,229,044

Figures in brackets indicate deductions
The Notes on Pages 60 to 112 are an integral part of these Financial Statements.

Statement of Cash Flows

FOR THE YEAR ENDED 31ST MARCH	Note	GROUP 2026 (Rs.)	GROUP 2025 (Rs.)	COMPANY 2026 (Rs.)	COMPANY 2025 (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES					
Profit/ (Loss) from continuing operation		**955,754,465**	(469,501,343)	**1,774,550,360**	(16,042,865)
Adjustments for :					
Depreciation on Property plant and equipments	14	**312,741,571**	306,958,796	**-**	-
Amortization of Intangible Assets	20	**1,626,939**	1,694,207	**-**	-
Amortization of ROU Asset	15.1	**12,458,042**	6,560,716	**-**	-
Gain on Derecognition of ROUA and Lease Liability	7	**(2,529,150)**	-	**-**	
Provision for Retiring Benefit Obligation	29.1	**27,034,756**	28,161,855	**350,952**	3,414,351
Provision/ (Reversal) for Obsolete Inventory	21.1	**121,900,830**	(42,125,227)	**-**	
Provision/(Reversal) for Trade Receivable & other receivable	22	**13,086,952**	17,827,782	**-**	-
Gain from Change in Fair Value of Investment Properties	16.1	**-**	(36,727,427)	**-**	-
Changes on fair value of Biological Assets	17	**(20,573,568)**	(66,022,635)	**-**	-
Gain on bargain purchase on acquistion of subsidiary	7	**(321,280)**	-	**-**	-
Revaluation loss recognized previous year		**-**	(308,000)	**-**	-
Unrealized Exchange Gain		**9,612,726**	(9,595,381)	**-**	-
Interest Expenses	9	**(415,420,011)**	383,574,816	**270,631**	3,728,217
Interest Income	8	**(32,616,550)**	(13,668,719)	**(16,722,344)**	(4,744,611)
Gain on disposal of Property, Plant & Equipment	7	**(3,580,508)**	-	**-**	-
Operating Profit/ (Loss) Before working Capital Changes		**979,175,214**	106,829,440	**1,758,449,599**	(13,644,908)
Working Capital Changes:					
Inventories	21	**(439,810,581)**	(95,065,377)	**-**	-
Trade and Other Receivables	22	**447,720,841**	(1,032,865,409)	**(9,679,433)**	(148,127,161)
Amount Due from Related Companies		**-**	729,496	**1,142,232**	(1,141,233)
Trade and Other Payables	30	**(139,785,871)**	(196,976,654)	**391,956**	1,296,573
Amount Due to Related Companies		**(173,442,346)**	-	**(22,279,889)**	11,348,726
Cash Generated/(Used in) from Operations		**673,857,257**	(1,217,348,504)	**1,727,673,513**	(150,268,003)
Interest Paid		**415,420,011**	(383,574,816)	**(270,631)**	(338,158)
Gratuity Paid	29	**(18,160,735)**	(19,937,958)	**(3,414,680)**	-
Taxation Paid		**22,214,737**	(46,368,679)	**-**	(3,728,217)
Net Cash Generated from/(Used in) Operating Activities		**1,093,331,270**	(1,667,229,957)	**1,724,339,154**	(154,334,378)
CASH FLOW FROM INVESTING ACTIVITIES					
Addition & transfers to Property, Plant and Equipment and Investment Property	14	**(385,492,301)**	(245,755,074)	**-**	-
Addition to Biological Assets	17	**(15,110,315)**	(17,162,460)	**-**	-
Interest income received	8	**32,616,550**	13,668,719	**16,722,344**	4,744,611
Addition of Investment Property	16	**(179,002)**	(1,580,399)	**-**	-
Acquisition of subsidiaries, net of cash	18.6	**(29,882,872)**	-	**-**	(478,386,067)
Amalgamation impact, net of cash		**-**		**-**	-
Proceeds from issue of rights issue		**-**	619,502,520	**-**	619,502,520
Investment in Equity Instruments	19	**(782,000,000)**	-	**-**	-
Disposal of Shares in Existing Subsidiaries		**2,197,046,259**	126,008,532	**-**	-
Net investment in subsidiaries		**-**	-	**(862,015,101)**	-
Proceeds from Disposal of Property, Plant and Equipment		**3,580,508**	-	**-**	-
Net Cash Generated from/(Used in) Investing Activities		**1,020,578,827**	494,681,838	**(845,292,757)**	145,861,064
CASH FLOW FROM FINANCING ACTIVITIES					
Lease Rental Paid	15.2	**(18,667,377)**	(3,744,969)	**-**	-
Proceeds from Borrowings	28	**16,096,328,003**	17,143,559,040	**-**	-
Repayment of Borrowings	28	**(17,102,411,144)**	(15,771,539,488)	**-**	-
Net Cash (Used in)/ Generated from Financing Activities		**(1,024,750,518)**	1,368,274,583	**-**	-
Net Increase/(Decrease) in Cash & Cash Equivalents		**1,089,159,579**	195,726,464	**879,046,397**	(8,473,314)
Cash & Cash Equivalents at the Beginning of the Period		**222,645,161**	26,918,697	**4,553,213**	13,026,527
Effect of foreign currcy translation differences		**2,587,879**	-	**-**	-
Cash & Cash Equivalents at the End of the Period (Note A)		**1,314,392,619**	222,645,161	**883,599,610**	4,553,213
Note A: Analysis of Cash and Cash Equivalents					
Cash at Bank & in Hand	24	**1,503,988,135**	363,330,372	**883,599,610**	4,553,213
Bank Overdraft		**(189,595,516)**	(140,685,211)	**-**	-
		1,314,392,619	222,645,161	**883,599,610**	4,553,213

Figures in brackets indicate deductions.
The Notes on Pages 60 to 112 are an integral part of these Financial Statements.

Notes to the Financial Statements

1 - REPORTING ENTITY

1.1 - Domicile and Legal Form
Renuka Foods PLC ("Company") is a quoted public limited liability company incorporated and domiciled in Sri Lanka under the Companies Act No. 17 of 1982, re registered under the Companies Act No. 07 of 2007. The registered office and the principal place of business is situated at No. 69. Sri Jinarathana Road, Colombo 2.

In the Annual Report of the Board of Directors' and in the financial statements, "the Company" refers to Renuka Foods PLC as the holding company and "the Group" refers to the Subsidiaries whose accounts have been consolidated therein.

1.2 - Principal Activities
The Principal activities of the Company is providing services to its subsidiary Companies and Manages a portfolio of holdings consisting of a range of diverse business operations. During the year. Principal activities of the Company and Subsidiaries are given in note 3.1.

1.3 - Parent Enterprise and Ultimate Parent Enterprise
The Company's immediate parent undertaking is Renuka Agro Exports (Pvt) Ltd. In the opinion of the Directors, the Company's ultimate parent entity is Renuka Holdings PLC, which is incorporated in Sri Lanka.

1.4 - Authorization of Financial Statements
The consolidated financial statements of the Group for the year ended 31st March 2026 were authorized for issue in accordance with a resolution of the Directors on 25th August 2026.

1.5 - Financial Year
Financial Year of the Company and Group entities ends on 31st March.

2 - BASIS OF PREPARATION

2.1.1 - Statement of compliance
The Statement of financial position, Statement of profit or loss and other comprehensive income, Statement of changes in equity and Statement of cash flows, together with Notes to the financial statements ("Financial Statements") of the Group as at 31st March 2026 and for the year then ended, comply with the Sri Lanka Accounting Standards (SLFRSs / LKASs) as laid down by the Institute of Chartered Accountants of Sri Lanka. These financial statements except for information on cash flows, have been prepared following accruals basis of accounting.

2.1.2 - Statement of Presentation
The Financial Statements of the Group and Company have been presented in compliance with the requirements of Companies Act No.07 of 2007 and provide appropriate disclosures as required by the Listing Rules of the Colombo Stock Exchange.

2.1.3 -
Directors' Responsibility for the Financial Statements
The Board of Directors is responsible for the preparation and presentation of these Financial Statements as per the provisions of the Companies Act No. 07 of 2007 and SLFRS.

The Board of Directors acknowledges their responsibility as set out in the "Annual Report of the Board of Directors on the Affairs of the Company", "Statement of Director's Responsibilities" and the "Statement of Financial Position".

2.2 - Basis of measurement
The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- Biological assets are measured at fair value less costs to sell
- Investment property is measured at fair value
- Land and Buildings are carried at fair value
- Liability for Defined Benefit Obligations is recognized as the present value of the defined benefit obligation.

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

2.4 - Use of estimates and judgments
The preparation of the consolidated financial statements in conformity with Sri Lanka Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 16 - Measurement of investment property
- Note 17 - Measurement of Biological Assets
- Note 29 - Measurement of defined benefit obligations
- Note 34 - Contingencies
- Note 27 - Deferred tax liabilities

2.5 - Going Concern
The Board of Directors has made an assessment on the Group's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, Board of Directors is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern.

3 - MATERIAL ACCOUNTING POLICIES
The Group has consistently applied the following Material accounting policies to all periods presented in the Financial Statements by the Group, except as mentioned otherwise.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated Financial Statements, and have been applied consistently by Group entities.

3.1 - Basis of consolidation
The Financial Statements of the Group represents the consolidation of the Financial Statements of the Company and of its subsidiaries listed below,

- **Renuka Agri Foods PLC**
  Manufacture & export coconut based products
- **Renuka Developments (Pvt) Ltd.**
  Investment in plantation/farm and vertical integration projects
- **Kandy Plantations Ltd**
  Engaged in Organic Certified Cultivation of Agriculture Produce
- **Ceylon Botanicals (Pvt) Ltd**
  Planting and Managing Forestry, Cultivation of Agricultural produce.
- **Richlife Dairies Ltd**
  Manufacturing of dairy & fruit juice based products.
- **Shaw Wallace Ceylon Ltd**
  Manufacturing & distribution of Fast Moving Consumer Goods.
- **Shaw Wallace Properties (Pvt) Ltd**
  Providing warehousing facilities.
- **Renuka Agri Organics Ltd**
  Manufacture & export of coconut based products.
- **Coco Lanka (Pvt) Ltd**
  Plantation.
- **Renuka Trading (Pvt) Ltd**
  Providing warehousing facilities.
- **Cocomi Foods Ltd**
  Manufacture & Distribute and Warehousing of imported agriculture product in Europe & North America

3.1.1 - Business combinations
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 consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

3.1.2 - Acquisitions of non- controlling interests

Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognized as a result. Adjustments to non- controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

3.1.3 - Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

3.1.4 - Loss of control

On the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss.

3.1.5 - Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3.2 - Foreign Currency

Foreign currency transactions

All transactions in foreign currencies are translated at the rate of exchange prevailing at the time the transaction was effected. All monetary assets and liabilities in foreign currencies at the year-end are translated at the rate prevailing on the Reporting date. Non monetary assets and liabilities which are carried in terms of historical cost or fair value denominated in foreign currencies are translated using the exchange rate at the date of transaction. Non monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to reporting currency using the exchange rate that was prevailing on the date the fair value was determined. The resulting gains or losses on translations are dealt within the Statements of Comprehensive Income.

3.3 - Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity. Receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Recognition and initial measurement

A 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 a 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.

On initial recognition, a financial asset is classified as below:

- As measured at amortised cost
- Fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their initial recognition unless the Company 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.

As measured at amortised cost
A financial asset is measured at amortised cost if both of the following conditions are met and is not designated as 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.

Fair value through other comprehensive income (FVOCI)
The Financial assets is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

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

Financial Assets Classified as FVOCI
FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income and impairment losses in the statement of profit and loss.

Financial assets -
Subsequent measurement and gains and losses

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.

FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income and impairment losses in the statement of profit and loss.

Derecognition - Financial assets
Financial Assets are derecognised when the contractual rights to the cash flows from the 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, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Classification and subsequent measurement of financial liabilities
The Group classifies financial liabilities at amortised cost.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Derecognition - Financial Liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.4 - Determination of Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1 -** Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- **Level 2 -** Inputs other than quoted prices excluded in Level 1 that are observable for the assets or liabilities either directly or indirectly.

- **Level 3 -** Inputs of the assets or liabilities that are not based on observable market data (Unobservable inputs).

Level 1

When available, the Group measures the fair value of an instrument using active quoted prices or dealer price quotations without any deduction for transaction costs. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions.

Level 2

If a market for a financial instrument is not active, then the Group establishes fair value using a valuation technique. Valuation techniques include using recent transactions between knowledgeable,willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses, credit models, option pricing models and other relevant valuation models.

The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Company, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments.

Level 3

Certain financial instruments are recorded at fair value using valuation techniques in which current market transactions or observable market data are not available. Their fair value is determined by using valuation models that have been tested against prices or inputs to actual market transactions and also using the best estimate of the most appropriate model assumptions.

3.5 - Stated capital

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

3.6 - Property, plant and equipment

3.6.1 - Recognition and measurement
Plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the Property, plant and equipment when that cost is incurred, if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Land and buildings are measured at fair value less accumulated depreciation on buildings. Where land and buildings are subsequently revalued, the entire class of such assets is revalued at fair value on the date of revaluation.

Valuations are performed every 5 years to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the income statement, in which case the increase is recognised in the income statement. A revaluation deficit is recognised in the income statement, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Capital expenditure incurred in relation to fixed assets which are not completed as at the reporting date are shown as capital work-in-progress and is stated at cost. On completion, the related assets are transferred to property, plant and equipment. Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

3.6.2 - Subsequent costs
The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

3.6.3 - Depreciation
Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.
Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.
Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The useful life of the property plant and the equipment for current and comparative periods are as follows;

Buildings	40 Years
Motor Vehicles	5 Years
Office Equipment	10 Years
Plant, Machinery & Others	10 Years

Depreciation of an asset begins when it is available for use whereas depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.6.4 Reclassification to investment property
When the use of a property changes from owner occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this re-measurement is recognised in profit or loss to the extent that it reverses a previous losses on the specific property, with any remaining gain recognised in OCI and presented in the revaluation reserve. Any loss is recognised in profit or loss.

However, to extent that an amount is included in the revaluation surplus for the property, the loss is recognised on OCI and reduces the revaluation surplus with in equity.

3.7 - Intangible assets and goodwill

3.7.1 - Goodwill
Goodwill that arises upon the acquisition of subsidiaries is presented with intangible assets. For the measurement of goodwill at initial recognition, refer note 3.1.1.

3.7.2 - Computer Software
Acquired computer software licenses are capitalized on the basis of the cost incurred to acquire and bring to use the specific software.

3.7.3 - Other intangible assets
Other intangible assets, including trademarks and that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

3.7.4 - Subsequent expenditure
Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

3.7.5 - Amortization
Except for goodwill, intangible assets are amortized on a straight line basis in profit or loss over their estimated useful lives, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

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

- Software - 5 years.
- Trade Mark - 10 years.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.8 - Premium paid on Leasehold premises
The premium paid by the subsidiary for leasehold premises represents prepaid rental charges which are amortized over 50 years, commencing from the second year of operation with initial adoption of SLFRS 16 - Leases, the premium paid on Leasehold Premises have been transferred to Right of Use Assets.

3.9 - Biological assets
Biological assets are measured at fair value less costs to sell, with any change therein recognized in profit or loss. Costs to sell include all costs that would be necessary to sell the assets, including transportation costs.

3.10 - Investment property
Investment property is properly held either to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognized in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labor, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalized borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

When the use of a property changes such as that it is reclassified as property, plant, equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Where the Group companies occupy a significant portion of the investment property of a subsidiary such investment properties, are treated as property, plant and equipment in the consolidated Financial Statements, Accounted for in accordance with LKAS 16 - Property, Plant and Equipment.

3.11 - Inventories
The cost of each category of inventory of the Company and its subsidiaries are determined on the following basis.

- Raw Material - At cost determined at the factory on weighted average cost method.

- Finished Goods - At factory cost of direct materials, direct labor and appropriate proportion of fixed production overheads at normal operating capacity.

- Goods in transit - At the actual cost

- Harvested Crops - Inventory of harvested crop sold has been valued at realized price. Unsold harvested crop have been valued at estimated realizable value net of direct selling expenses.

  Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.12 - Impairment

3.12.1 - Financial assets
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future Cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.

The Group follows ‘simplified approach’ for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECLs) at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

3.12.2 - Non-financial assets
The carrying amounts of the Group's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets.
For the purposes of goodwill impairment testing, goodwill acquired in a business combination is allocated to the Group of CGUs that is expected to benefit from the synergies of the combination.

This allocation is subject to an operating segment ceiling test and reflects the lowest level at which that goodwill is monitored for internal reporting purposes. The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis. An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortization, if no impairment loss had been recognized.

3.13 - Employee benefits
3.13.1 - Defined contribution plan EPF and ETF
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

All employees who are eligible for Employees Provident Fund contribution and Employees Trust Fund contribution are covered by relevant contribution funds in line with respective statutes and regulations.

The Company contributes 12% and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

3.13.2 - Defined benefit plan- Gratuity
A defined benefit plan is a post employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The retirement benefit plan adopted is as required under the Payment of Gratuity Act No.12 of 1983.

Provision for gratuity on the employees of the Company and Group are based on actuarial valuation as recommended by Sri Lanka Accounting Standard No. 19 'Employee Benefits' (LKAS - 19). The actuarial valuation was carried out by professionally qualified firm of actuaries, as at 31 March 2026. The valuation method used by the actuary is 'Projected Unit Credit Method'.

The Group recognizes any actuarial gains & losses arising from defined benefit plan immediately in other comprehensive income.

When the benefits of a plan are changed or when a plan is curtailed the resulting change in benefits that relates to Past service or gain or loss an curtailment is recognized immediately in Profit or loss. The Company recognizes gain or loses on the settlement of a defined plan when the settlement occurs.

The present value of defined benefit obligation is determined by discounting the estimated future cash flows using the interest rates of high quality corporate bonds that are denominated in currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement obligations.

The key assumptions used in the computation are stated in the Note 29 to the Financial Statements.

However, according to the Payment of Gratuity Act No.12 of 1983, the liability for gratuity payment to an employee arises only after the completion of five years continued service with the Company.

This liability is not externally funded nor actuarially valued. The item is grouped under non-current liabilities in the Statement of Financial Position.

3.13.3 - Short-term Employee Benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus if the company has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.14 - Bills Payable
The Group account for the liability on receipt of documents for clearance.

3.15 Provisions
A provision is recognized if as a result of a past event the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre- tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3.16 - Revenue

3.16.1 - Revenue Recognition
SLFRS 15 "Revenue from Contracts with Customers" outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found across several Standards and Interpretations within SLFRS. It establishes a new five-step model that will apply to revenue arising from contracts with customers.

Step 1: Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that create enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

Step 2: Identify the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the customer that is distinct.

Step3: Determine the transaction price: Transaction price is the amount of consideration to which the entity expects to be entitled to in exchange for transferring the promised goods and services to a customer, excluding amounts collected from third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the entity will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the entity expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation,

a) **Dividend income**
Dividend income is recognized when the right to receive the dividend is established.

3.17 - Lesses

3.17.1 - As a Lessee
At commencement or on modification of a contract that contains a lease component, the Group allocate the consideration in the contract to each lease component on the basis of its relative stand alone prices.

However, for the lease 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 recognized a right of use asset and a lease liability at the lease commencement date. The right of use assets 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 cost incurred and an estimates 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 incentive received.

The right of use asset is subsequently depreciated using 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 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 if use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The Lease liability is initially measured at the present values 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 assets 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 a n index or a rate, initially measured using the index or rate as at commencement date;
- amounts expected to be payable under residual value guaranteed; 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 and 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 amortized cost using effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or ratee, 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 payments.

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.

The Group presents right of use assets that do not meet the definition of investment property in 'Right-of-Use Assets' in lease liabilities in the statement of financial position.

3.18 - Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in profit or loss, using the effective interest method. Finance costs comprise interest expense on borrowings, bank loans and leases.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method. Foreign currency gains and losses are reported on a net basis.

3.19 - Income tax

Income tax expense comprises current and Deferred Tax. It is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or OCI.

The Group has determined that interest and Penalties related to income taxes, including uncertain tax treatments, do not meet the definition of contingent Liabilities and contingent Assets.

Current tax

Current income tax assets and liabilities for the current and prior period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted by the Reporting Date.

The provision for income tax is based on the elements of the income and expenditure as reported in the financial statements and computed in accordance with the provision of the Inland Revenue Act No. 24 of 2017 and its subsequent amendments thereto.

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base of assets and liabilities, which is the amount attributed to those assets and liabilities for tax purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted by the reporting date.

Deferred tax assets including those related to temporary tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. 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 realized.

Notes to the Financial Statements contd..

3.20 - Segment Reporting
The Group has two reportable segments, as described below which are the Group's strategic divisions. The strategic divisions offer different products and services and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis. The Group's reportable segments are as follows;

- Agri Foods
- Consumer Brands (FMCG)

3.21 - Earnings per share
The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

4 - DETERMINATION OF FAIR VALUES
A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non- financial assets and liabilities. Fair values have been determined for measurement and/ or disclosure purposes based on the following methods.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific- to that asset or liability.

The fair value of immature timber plantations is based on the present value of the net cash flows expected to be generated by the plantation at maturity.

4.1 - Investment property
An external, independent valuation company, having appropriate recognized professional qualifications and recent experience in the location and category of property being valued, values the Group's investment property portfolio once a year. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in transaction after proper marketing where in the parties had each acted knowledgeably and willingly.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property.

A yield that reflects the specific risks inherent in the net cash flows then is applied to the net annual cash flows to arrive at the property valuation. Valuations reflect, when appropriate, the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, the allocation of maintenance and insurance responsibilities between the Group and the lessee, and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices, and when appropriate counter-notices, have been served validly and within the appropriate time.

4.2 - Inventories
The fair value of inventories acquired in a business combination is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

4.3 - Equity
The fair value of equity is determined by reference to their quoted closing bid price at the reporting date, or if unquoted, determined using a valuation technique. Valuation techniques employed include market multiples and discounted cash flow analysis using expected future cash flows and a market-related discount rate.

4.4 - Trade and Other Receivables
The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

5 - NEW/ AMENDMENTS TO ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE AS AT THE REPORTING DATE

The Institute of Chartered Accountants of Sri Lanka has issued the following amendments to Sri Lanka Accounting Standards (SLFRSs/LKASs) which will become applicable for Financial periods begining on or after 1st April 2026.

Accordingly, the Group has not applied these amendments in preparing these Financial Statements. The following amendments are not expected to have a significant impact on the Company's Financial Statements.

- General Requirements for Disclosure of Sustainability related Financial Information (SLFRS S1)

- Climate-related Disclosures (SLFRS S2)

Notes to the Financial Statements contd..

Year ended 31 March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
6 - Revenue				
Export Sales	**9,722,713,401**	6,270,529,238	**-**	-
Local Sales	**8,294,598,853**	7,482,454,982	**-**	-
Provision of Services	**18,967,619**	14,183,788	**21,027,102**	42,173,204
	18,036,279,873	13,767,168,008	**21,027,102**	42,173,204
6.1 - Timing of Revenue Recognition				
Products trasnferred at a point in time	**18,036,279,873**	13,767,168,008	**21,027,102**	42,173,204
Total Revenue from contract with customers	**18,036,279,873**	13,767,168,008	**21,027,102**	42,173,204
7 - Other Income				
Profit on disposal of Propety, Plant & Equipment	**3,580,508**	-	**-**	-
Gain on derecognition of lease liability	**2,529,150**	-	**-**	-
Gain on disposal of Investment	**-**	-	**1,758,062,744**	-
Rental Income	**32,180,793**	40,304,982	**-**	-
Change in fair value of Biological Assets (Note 17)	**20,573,568**	66,022,635	**-**	-
Gain on bargain purchase on acquistion of subsidiary (Note 18.6)	**321,280**	-	**-**	-
Sundry Income	**31,349,816**	19,337,711	**-**	-
	90,535,115	125,665,328	**1,758,062,744**	-

The company has disposed 183,399,759 of shares during the year ended 31st March 2026. The resulting gain was recorded under other income in seperate financial statement. Loss of control to the group is accounted within the statement of changes in equity as an adjustment to the non-controlling interest.

8 - Finance Income				
Interest Income	**23,097,293**	12,994,503	**7,286,794**	3,534,711
Interest Income from Related parties	**9,519,257**	674,216	**-**	-
Exchange Gain	**238,059,723**	144,477,889	**9,435,550**	1,209,900
	270,676,273	158,146,608	**16,722,344**	4,744,611
9- Finance Costs				
Interest on Bank Overdrafts	**1,347,342**	8,382,022	**11,869**	52,542
Interest on Borrowings	**399,959,705**	366,554,329	**258,762**	534,387
Interest on Lease Liability	**14,112,964**	8,164,274	**-**	-
Exchange Losses	**118,715,563**	163,754,888	**-**	-
Interest on Related Party Balances	**2,352,791**	4,362,859	**-**	-
	-	474,191	**-**	3,141,288
	536,488,365	551,692,563	**270,631**	3,728,217
Net Finance Income/ (Costs)	**(265,812,092)**	(393,545,955)	**16,451,713**	1,016,394
10 - Profit/ (Loss) before Taxation				
Profit/ (Loss) before Taxation is stated after charging all expenses including the following;				
Directors & Key Management Personel Remuneration	**264,614,000**	100,417,680	**1,150,000**	730,000
Auditors' Remuneration				
Audit Services	**6,573,065**	5,554,705	**615,000**	563,000
Non Audit services	**871,670**	861,000	**490,000**	447,000
Provision/(reversal) on Obsolete Stocks (Note 21.1)	**121,900,830**	(42,125,227)	**-**	-
Depreciation on Property, plant and equipment (Note 14)	**312,741,571**	306,958,796	**-**	-
Amortisation of right of use assets (Note 15.1)	**12,458,042**	6,560,716	**-**	-
Amortization of Intangible Assets (Note 20.2, 20.3)	**1,626,939**	1,694,207	**-**	-
Impairment charge/ (Reversal) on Trade receivables (Note 22.1)	**508,393**	(4,067,451)	**-**	-
Impairment charge on Other receivables (Note 22.2)	**12,578,559**	21,895,233	**-**	-
Writeoff of Inventory	**65,174,887**	35,303,410	**-**	-
Personnel Cost (Note 10.1)	**1,145,754,378**	1,079,272,155	**11,705,064**	51,103,433
10.1 - Personal Cost				
Salaries, Wages and Other related costs	**802,761,324**	857,744,763	**10,484,070**	42,926,380
Defined Benefit Plan Cost- Retirement Gratuity (Note 29)	**27,034,756**	28,161,855	**-**	3,414,351
Defined Contribution Plan Cost - EPF & ETF	**315,958,298**	193,365,557	**1,220,994**	4,762,702
	1,145,754,378	1,079,272,155	**11,705,064**	51,103,433

Notes to the Financial Statements contd..

Year ended 31 March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
11 - TAXATION				
Income Tax Expense (Note 12.3)	**28,816,948**	3,176,913	**-**	-
Over provision in respect of previous years	**-**	(873,696)	**-**	-
Origination and Reversal of Defferred Tax (Note 27)	**257,802,206**	(94,372,251)	**-**	-
	286,619,154	(92,069,034)	**-**	-

12 - TAX RATES APPLICABLE TO THE COMPANY AND ITS SUBSIDIARIES

12.1 - Current Tax

12.1.1 - The Company

Income tax has been provided as per the rates legislated in accordance with the Inland Revenue Act, No. 24 of 2017 and it's amendments thereto. In terms of the above the income tax provision has been calculated on the adjusted profit at the standard rate of 30%. As per Inland Revenue amendment Act No. 45 of 2022, the dividend income received is exempted.

12.1.2 - Renuka Agri Foods PLC

In terms of the agreement with the Board of Investment of Sri Lanka (BOI), business profit of the Company was exempted from income tax for a period of 12 years from the date of commencement of its business, which came to an end in the year of assessment 2011/12. Subsequently by a supplementary agreement the said exemption period was extended for another 3 years of assessment ending 2014/15. After the expiration of said tax exemption period, the Company will be liable for taxation at the rate of 15%. In terms of section 59 L of the Inland Revenue Act No. 10 of 2006, the Renuka Agri Foods PLC was entitled to a 50% tax credit on the income tax liability of the business of food processing (both export and local sales).

The company is liable for tax at the rate of 30% (2025: 15%).

12.1.3 - Renuka Developments (Private) Limited

According to the agreements entered into with the Board of Investment of Sri Lanka, the profit and income of the Company were exempt from income tax for a period of five (5) years. This tax holiday period expired on 31st March 1999. From the year of assessments 2006/2007, under section 16 of the inland revenue act No. 10 of 2006, the Company's profit was exempted from income tax for a period of five years upto the year of assessment 2010/11. The Company is now liable to income tax at 30% (2025: 30%).

12.1.4 - Renuka Agri Organics Limited

The enterprise be entitled for a tax exemption period of 4 years in terms of the Inland Revenue Act No.10 of 2006 as amended by the Inland Revenue (amendment) Act No. 8 of 2012 (Section 16C). This Tax exemption period ended by the year of assesment 2017/18.

The Company's Profits and other income is liable for income tax at 30% (2025: 30%).

12.1.5 - Shaw Wallace Ceylon Limited

The Company is liable to income tax at the rate of 30% as per the Inland Revenue (amendment) Act No 45 of 2023.

12.1.6 - Coco Lanka (Pvt) Limited.

The company is liable for Income Tax at rate 30% (2025: 30%).

12.1.7 - Richlife Dairies Ltd

Richlife Diaries ltd has entered in to an agreement with the Board Of Investment of Sri Lanka under Sec 17 in 1995. Currently the company is liable to income tax at the prevailing rate of 30%.

12.1.8 - Ceylon Botanicals (Pvt) Limited
In accordance with the provisions of Section 17 of the Board of Investment of Sri Lanka (BOI) Law No. 4 of 1978, the Company will be entitled to the following exemptions/benefits with regard to income tax:

(i) For a period of eight (08) years reckoned from the Year of Assessment as may be determined by the BOI, Sri Lanka, profit of the Company is exempt from income tax.. For the above purpose, the year of assessment shall be reckoned from the year in which the Company commences to make profits or any year of assessment not later than two (02) years reckoned from the date of commencement of commercial operations whichever year is earlier, as specified in a certificate issued by the BOI, Sri Lanka.

(ii) After the expiration of the aforesaid tax exemption period, referred to in subclause (i) above, the profits and income of the Company shall for each year of assessment be charged at the rate of ten per centum (10%) for a period of two (2) years ("concessionary period") immediately succeeding the last date of the tax exemption period during which the profits and income of the Company is exempted from the income tax.

(iii) After the expiration of the aforesaid concessionary period referred to in subclause (ii) above, the profits and income of the Company shall be charged for any year of assessment at the rate of twenty per centum (20%).

The Department of Inland Revenue has issued a notice No. PM/IT/2020-03 (Revised) dated 8 April 2020, proposing to amend the existing Inland Revenue Act, No 24 of 2017 effective from 1 January 2020.

Accordingly, the company is liable for Income Tax at the rate of 30% on its business income and other income.

12.1.9 - Kandy Plantations Limited
According to the agreement with the BOI of Sri Lanka, the Profits and Income of Kandy Plantations Ltd were exempt for a period of 5 years from the year of assessment in which the enterprise commences to make profit (i.e. 2003/2004). Accordingly, the said tax holiday period was expired on 31st March 2008. However, the profit from agriculture of the Company continued to be exempted from income tax for further 3 year of assessments ending 2010/2011, under section 16 of the Inland Revenue Act No. 10 of 2006. This tax holiday was expired on 31st March 2011.

The Department of Inland Revenue has issued a notice No. PM/IT/2020-03 (Revised) dated 8 April 2020, proposing to amend the existing Inland Revenue Act, No 24 of 2017 effective from 1 January 2020. Proposed notice also provides concessionary tax rate and income tax exemptions to agro-processing & manufacturing and agro-farming respectively.

The company is liable for Income Tax at rate 30% (2025: 30%).

12.1.10 - Shaw Wallace Properties Limited
In terms of an agreement entered into with the board of Investment of Sri Lanka, under section 17 of the Board of Investment of Sri Lanka (BOI) Law No. 04 of 1978, the Company is exempted from income tax for a period of five years commencing 01 April 2009. After the expiration of the said tax exemption period the profits and income of the Company shall be charged at the rate of 10% for a period of two years immediately succeeding the last date ot the tax exemption period. After the expiration of the aforesaid concessionary tax rate of 10%, the profits and income of the Company shall for any year ot assessment be charged at the rate of 20% under transitional provisions to the new Inland Revenue Act No. 24 of 2017.

The Company is liable to income tax at the rate of 20% (2025: 20%) for business profit and other income at the rate of 30% (2025: 30%).

12.1.11 - Renuka Trading (Pvt) Ltd
The Company is liable to income tax at the rate of 30%

Notes to the Financial Statements contd..

For the year ended 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
12.2 - Reconciliation between Taxable Profit/ (Loss) and the Accounting Profits/ (Loss)				
Profit/ (Loss) Before Taxation	**955,754,465**	(469,501,343)	**1,774,550,360**	(16,042,865)
Consolidation Adjustments	**1,777,934,145**	58,573,144	**-**	-
Profit before Taxation after Consolidation Adjustments	**2,733,688,610**	(410,928,199)	**1,774,550,360**	(16,042,865)
Aggregate Disallowed Items	**332,236,176**	301,562,492	**957,302**	-
Aggregate Allowable Items	**(388,590,672)**	(486,634,658)	**(2,800,000)**	-
Aggregate Other income	**(1,784,284,184)**	(15,939,925)	**(1,765,349,538)**	-
Exempt Income	**(20,029,094)**	(65,266,019)	**-**	-
Adjusted Business Profit/ (Loss)	**873,020,836**	(677,206,309)	**7,358,124**	(16,042,865)
Tax losses incurred during the year (Note 12.3)	**347,589,622**	668,328,206	**-**	16,042,865
Exempt Business Profit	**-**	14,432,259	**-**	-
Statutory Income/(Loss) from Business	**1,120,610,458**	5,554,156	**7,358,124**	-
Brought Forward Loss Claimed during the Year	**(1,152,431,426)**	(10,904,372)	**(14,644,918)**	-
Other sources of taxable income	**27,877,462**	15,939,925	**7,286,794**	-
Total Statutory Income/ (Loss)	**96,056,494**	10,589,709	**-**	-
Income Tax at 30%	**28,816,948**	3,176,913	**-**	-
Income Tax on Current Year Profits	**28,816,948**	3,176,913	**-**	-
12.3 - Accumulated Tax Losses				
Tax Losses Brought Forward	**2,076,290,378**	1,457,307,313	**16,042,865**	-
Adjustments to opening balance	**(265,742,457)**	(38,440,769)	**-**	-
Tax Losses incurred during the year	**347,589,622**	668,328,206	**-**	16,042,865
Tax Losses Utilised	**(1,152,431,426)**	(10,904,372)	**(14,644,918)**	-
Tax Losses Carried Forward	**1,005,706,117**	2,076,290,378	**1,397,947**	16,042,865

13 - Earnings/ (Loss) Per Share

The calculation of Earnings/ (Loss) per Share is based on the Profit/ (Loss) after taxation over the weighted average number of shares outstanding during the year.

Year ended 31 March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.) (Restated)	**2026 (Rs.)**	2025 (Rs.) (Restated)
Profit attributable to the Ordinary Shareholders (Rs.)	**568,103,287**	(341,822,396)	**1,774,550,360**	(16,042,865)
Weighted Average Number of Ordinary Shares as at year end	**351,702,020**	351,702,020	**351,702,020**	351,702,020
Earnings Per Share (Rs.)	**1.62**	(0.97)	**5.05**	(0.05)

13.1 - Diluted earnings per share

Subsequant to obtaining the approval of the Board of Directors on 06th February 2026 for the Sub-division of shares, the number of shares of the Company were sub-divided follows.

No of shares prior to the sub division	187,312,117
No of share after the sub division	374,624,234

The denominator for the purposes of calculating both basic and diluted earnings per share and net asset per share have been adjusted to reflect the share split made as disclosed above.

Diluted earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the number of ordinary shares outstanding during the year after adjustment for the effects of all dilutive potential ordinary shares.

As at 31 March 2026 & as at 31 March 2025 there were no dilutive potential ordinary shares. Hence, diluted earnings/ (loss) per share is same as basic earnings/ (loss) per share.

Notes to the Financial Statements contd..

14 - Property, Plant and Equipment
14.1 - GROUP

As at 31st March

	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Electrical Installation	Furniture Fittings & Equipment	Motor Vehicles	Land Development Cost	Capital Work In Progress	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Cost/ Valuation										
As at 01 of April 2024	1,412,323,219	183,483,421	2,117,937,778	2,859,856,923	210,711,266	812,032,564	107,410,107	16,360,923	93,777,020	7,813,893,221
Additions during the year	-	-	6,583,879	74,430,936	27,072,240	55,704,174	-	-	81,963,845	245,755,074
Revaluation gain during the year	376,038,500	31,000,000	446,859,191	-	-	-	-	-	-	853,897,691
Revaluation adjustment	-	-	(259,871,057)	-	-	-	-	-	-	(259,871,057)
Transfers/ Disposals during the year	(232,591,320)	232,591,320	(243,639)	40,752,444	-	762,454	-	-	(44,022,504)	(2,751,245)
As at 31st March 2025	1,555,770,399	447,074,741	2,311,266,152	2,975,040,303	237,783,506	868,499,192	107,410,107	16,360,923	131,718,361	8,650,923,684
As at 01 of April 2025	**1,555,770,399**	**447,074,741**	**2,311,266,152**	**2,975,040,303**	**237,783,506**	**868,499,192**	**107,410,107**	**16,360,923**	**131,718,361**	**8,650,923,684**
Additions during the year	**46,758,560**	**-**	**21,758,506**	**162,115,735**	**5,530,533**	**40,316,790**	**700,001**	**5,969,277**	**149,101,458**	**432,250,860**
Revaluation during the year	**6,000,000**	**-**	**7,820,998**	**-**	**-**	**-**	**-**	**-**	**-**	**13,820,998**
Disposals during the year	**-**	**-**	**-**	**(11,363,065)**	**-**	**-**	**-**	**-**	**-**	**(11,363,065)**
As at 31 March 2026	**1,608,528,959**	**447,074,741**	**2,340,845,656**	**3,125,792,973**	**243,314,039**	**908,815,982**	**108,110,108**	**22,330,200**	**280,819,819**	**9,085,632,477**
Accumulated Depreciation										
As at 01 of April 2024	-	4,758,541	208,573,424	1,768,059,402	99,513,776	542,589,479	107,410,107	7,206,667	-	2,738,111,396
Charge for the year	-	-	57,712,155	155,860,327	21,552,191	69,704,681	-	2,129,442	-	306,958,796
Revaluation Adjustment	-	-	(259,871,057)	-	-	-	-	-	-	(259,871,057)
Disposals during the year	-	-	(2,751,245)	-	-	-	-	-	-	(2,751,245)
As at 31st March 2025	-	4,758,541	3,663,277	1,923,919,729	121,065,967	612,294,160	107,410,107	9,336,109	-	2,782,447,890
As at 01 of April 2025	-	**4,758,541**	**3,663,277**	**1,923,919,729**	**121,065,967**	**612,294,160**	**107,410,107**	**9,336,109**	**-**	**2,782,447,890**
Charge for the year	-	**-**	**58,683,902**	**153,990,421**	**22,268,594**	**73,519,467**	**129,300**	**4,149,887**	**-**	**312,741,571**
Disposals during the year	-	**-**	**-**	**(11,363,065)**	**-**	**-**	**-**	**-**	**-**	**(11,363,065)**
As at 31 March 2026	-	**4,758,541**	**62,347,179**	**2,066,547,085**	**143,334,561**	**685,813,627**	**107,539,407**	**13,485,996**	**-**	**3,083,826,396**
Carrying Amount										
As at 31 March 2026	**1,608,528,959**	**442,316,200**	**2,278,498,477**	**1,059,245,888**	**99,979,478**	**223,002,355**	**570,701**	**8,844,204**	**280,819,819**	**6,001,806,081**
As at 31st March 2025	1,555,770,399	442,316,200	2,307,602,875	1,051,120,574	116,717,539	256,205,302	-	7,024,814	131,718,361	5,868,475,794

14.1.1 - Property, Plant and Equipment include fully depreciated assets having a gross amount of Rs. 2,107,780,133/- as at 31 March 2026. (Rs 1457,924,342 as at 31 March 2025)

14.1.2 -There were no restrictions on the title of the Property, Plant and Equipment as at 31 March 2026 other than disclosed in Note 28.

14.1.3 - There were no temporary idle items of Property, Plant and Equipment as at 31 March 2026.

14.1.4 - The capital work in progress represents projects in progress relating to Rs. 280,819,819.

14.1.5 - During the year under review, the Group has not capitalized any borrowing cost.

14.1.6 - During the financial year,the Group has acquired property,plant & equipment to the aggregate value of Rs.432,250,860/- (2025 – Rs. 245,755,075/-) cash payments amounting to Rs.432,250,860/- (2025 – Rs. 245,755,075/-) were made during the year for purchase of property, plant & equipment.

14.1.7 - The Subsidiaries' Investment Property has been accounted for as property, plant and equipment in the Financial Statements of the Group in view of it being owner occupied property from the Group's point of view, and thereby changes in fair value adjusted respectively.

14.1.8 -The carried amount of the revalued assets that would have been included in the Financial Statements had the assets being carried at cost are as follows;

Group

As at 31st March 2026	Cost Rs.	Accumulated Depreciation Rs.	Carrying Amount Rs.
Land	314,474,151	-	314,474,151
Building	1,113,326,367	(283,913,899)	829,412,468

14.2 Company

As at 31st March 2026	Motor Vehicles (Rs.)	Total 2026 (Rs.)	Total 2025 (Rs.)
Cost / Valuation			
As at 01 of April 2025	2,598,113	2,598,113	2,598,113
As at 31 March 2026	2,598,113	2,598,113	2,598,113
Accumulated Depreciation			
As at 01 of April 2025	2,598,113	2,598,113	2,598,113
As at 31 March 2026	2,598,113	2,598,113	2,598,113
Carrying Value			
As at 31 March 2026	-	-	-
As at 31st March 2025	-	-	-

14.2.1 - Property, Plant and equipment of the Company include fully depriciated asset having a gross amount of Rs. 2,598,113 as at 31 March 2026. (Rs. 2,598,113 as at 31 March 2025).

14.3 - Revaluation of Land & Building – Method of Valuation
The value of land and Buildings which have been revalued by independently qualified valuer are indicated below together with the last date of revaluation. Valuations were performed by Mr. A.A.M. Fathihu, Chartered Valuation Surveyor-UK and W.M. Chandrasena FIV Sri Lanka.

The Market value has been used as the fair value of the property. In determining the revaluation, the current condition of the properties and future usability have been considered. Further valuer has made reference to market evidence of transaction price for similar properties, with appropriate adjustment for size, usage and location. Accordingly, the land and buildings were valued on an open market value on existing use basis.

All revaluations are based on market values and based on the aforesaid valuations. Kandy plantations limited has revalued Matale land as at 31st March 2022. The directors are of the view that fair value of land and buildings have not changed significantly during the year ended 31st March 2026.

14.3 - Revaluation of Land & Building - Method of Valuation contd..

				FAIR VALUE			
Company	**Location**	**Last Revaluation Date**	**Land Extent**	**Land**	**Free Hold Buildings**	**Number of Buildings**	**Level of Fair value Hierarchy**
Renuka Agri Foods PLC	Unagahadeniya	31st March 2025	0A - 1R - 30.40P	30,000,000	1,800,000	1	Level 3
	Wathupitiwala	31st March 2025	0A - 3R - 30P	60,000,000	621,200,000	11	Level 3
Renuka Developments (Pvt) Ltd	Unagahadeniya	31st March 2025	1A - 3R - 23.30P	129,000,000	43,000,000	7	Level 3
Renuka Agri Organics Ltd	Wathupitiwala	31st March 2025	-	-	351,000,000	3	Level 3
Shaw Wallance Ceylon Ltd	Colombo - 8	31st March 2025	0A - 1R - 0P	447,000,000	779,600,000	1	Level 3
	Colombo - 9	31st March 2025	0A - 0R - 4.7P	18,800,000	-	-	Level 3
	Ekala	31st March 2025	1A - 2R - 34.55P	179,000,000	90,000,000	2	Level 3
Shaw Wallace Properties (Pvt) Ltd	Peliyagoda	31st March 2025	0A - 2R - 12.59P	496,000,000	246,000,000	3	Level 3
	Peliyagoda	31st March 2026	0A - 2R - 12.59P	503,000,000	247,000,000	3	Level 3
RichLife Daries Ltd	Wadduwa	31st March 2025	5A - 2R - 06P	210,020,000	210,454,000	6	Level 3
		31st March 2022	-	-	6,000,000	4	Level 3
Kandy Plantation Ltd	Matale	31st March 2022	20A - 0R - 18P	70,031,194	-	-	Level 3
	Matale	31st March 2025	67A - 3R - 2P	183,000,000	-	-	Level 3
	Matale	31st March 2026	67A - 3R - 2P	189,000,000			Level 3
	Matale	28th May 2025	20A - 1R - 20P	46,758,560	-	-	Level 3
Coco Lanka (Pvt) Ltd	Puttalam	31st March 2025	165A - 1R - 05P	236,000,000	9,000,000	5	Level 3
Renuka Trading (Pvt) Ltd.	Colombo-09	31st March 2025	0A - 1R - 35P	280,000,000	78,000,000	1	Level 3

Kandy Plantations Ltd has revalued Matale Land (Value of Rs. 70,301,194) as at 31st March 2022 [valuation carried out by Mr. A. A. M. Fathihu - FIV(Sri Lanka)] and has revalue Matale Land (Value of Rs. 183,000,000) as at 31st March 2025 [valuation carried out by Mr. W.M. Chandrasena - FIV(Sri Lanka)].

Valuation technique and significant unobservable inputs

Valuation Techniques	**Significant Unobservable Inputs**	**Inter -Relationship between Significant unobservable inputs and Fair value measurement**
Market comparable method; this method considers the selling price of a similar property within a reasonabaly recent period of time in determining the fair value of the property being revalued. This involves evaluation of recent active market prices if similar assets, making appropriate adjustments for differences in size, nature, location, condition of specific property in this process outlier transactions, indicative of particulary motivated buyers of sellers are too compensated for since the price may not adequately reflect the fair market value.	Price per perch for Land Price per square feet	Estimated fair value would Increase/ (decrease) if Price per perch increases/(decreases) Price per square foot increases/(decreases)

Notes to the Financial Statements contd..

14.3 - Revaluation of Land & Building - Method of Valuation contd..

		LAND					BUILDING		
Company	Location	Market Value (Rs.)	Extent	Per Perch Value (Rs.)	Increase +10% (Rs.)	Decrease -10% (Rs.)	Market Value (Rs.)	Increase +10% (Rs.)	Decrease -10% (Rs.)
Renuka Agri Foods PLC	Unagahadeniya	30,000,000	0A-1R-30.40P	425,000	3,000,000	(3,000,000)	1,800,000	180,000	(180,000)
	Wathupitiwala/ Giriulla	60,000,000	0A-3R-30P	400,000	6,000,000	(6,000,000)	621,200,000	62,120,000	(62,120,000)
Renuka Developments (Pvt) Ltd	Unagahadeniya	129,000,000	1A-3R-23.30P	425,000	12,900,000	(12,900,000)	43,000,000	4,300,000	(4,300,000)
Kandy Plantations Ltd	Giriulla	-	-	-	-	-	6,000,000	600,000	(600,000)
	Matale	72,601,194	20A-0R-18P	21,875	7,260,119	(7,260,119)	-	-	-
	Matale	189,000,000	67A-3R-2P	16,875	18,900,000	(18,900,000)	-	-	-
	Matale	46,758,560	20A-1R-20P	14,343	4,675,856	(4,675,856)	-	-	-
Coco Lanka (Pvt) Ltd	Cocowatte Estate,Puttalam	236,000,000	165A-1R-05.00P	9,375	23,600,000	(23,600,000)	9,000,000	900,000	(900,000)
Renuka Agri Organics Ltd	Wathupitiwala	-	-	-	-	-	351,000,000	35,100,000	(35,100,000)
Shaw Wallace Ceylon Ltd	Colombo - 8	447,000,000	0A-1R-0P	8,000,000	4,470,000	(4,470,000)	570,126,375	57,012,638	(57,012,638)
	Colombo - 9	18,800,000	0A-0R-4.7P	4,000,000	1,880,000	(1,880,000)	-	-	-
	Ekala	39,000,000	0A-1R-19.8P	650,000	3,900,000	(3,900,000)	30,000,000	3,000,000	(3,000,000)
	Ekala	140,000,000	1A-1R-14.75P	650,000	14,000,000	(14,000,000)	60,000,000	6,000,000	(6,000,000)
Richlife Dairies Ltd	Wadduwa	210,020,000	5A-2R-06P	250,000	21,002,000	(21,002,000)	210,454,000	21,045,400	(21,045,400)
Shaw Wallace Properties (Pvt) Ltd	Peliyagoda	503,000,000	0A-0R-12.59P	2,700,000	50,300,000	(50,300,000)	247,000,000	24,700,000	(24,700,000)
Renuka Trading (Pvt) Ltd	Colombo-09	280,000,000	0A-1R-35P	3,733,333	28,000,000	(28,000,000)	78,000,000	7,800,000	(7,800,000)

15 - RIGHT OF USE ASSET/LEASE LIABILITIES

The Group has leased factory/office premises and estates. The Lease typically run for period of two to Fifty years, with an option to renew the lease after the date. Lease payments are renegotiated every 3–5 years to reflect the market rentals. Some leases provide for additional rent payments that are based on changes in local price indices.

The leases arrangements were entered into many years ago as combined leases of land and buildings. Previously these leases were classified as operating leases under LKAS 17.

Information about leases for which the Group is a lessee presented below;

Renuka Agri Foods PLC – BOI Land Wathupitiwala, Head Office Building, Colombo 2
Kandy Plantations Ltd – Giriulla Estate
Ceylon Botanicals (Pvt) Ltd – Wiharagama Estate
Renuka Agri Organics Ltd – BOI Land Wathupitiwala, Land and Building at Dankotuwa and Unagahadeniya
Richlife Diaries (Pvt) Ltd - Wadduwa
Shaw Wallace Ceylon Ltd - Ekala, Colombo 8

Notes to the Financial Statements contd..

15 - RIGHT OF USE ASSET/LEASE LIABILITIES contd..

15.1 - The carrying amounts of right-of-use assets recognised and its movements during the year:

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Cost				
Balance As at 01 of April 2025	**219,808,494**	219,808,494	**-**	-
Additions during the year	**104,955,351**	-	**-**	-
Derecognition of right of use assets	**(11,398,552)**	-	**-**	-
Balance as at 31 March 2026	**313,365,293**	219,808,494	**-**	-
Accumulated amortisation				
Balance As at 01 of April 2025	**123,824,093**	117,263,377	**-**	-
Disposals / write-offs during the year	**(6,839,130)**	-	**-**	-
Charge for the year	**12,458,042**	6,560,716	**-**	-
Balance as at 31 March 2026	**129,443,005**	123,824,093	**-**	-
Net book value as at 31 March 2026	**183,922,288**	95,984,401	**-**	-

15.2 - The carrying amounts of lease liabilities (included under current and non current liabilities) and its movements during the year:

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Balance As at 01 of April 2025	**139,960,573**	153,300,923	**-**	-
Remeasurement during the year	**104,955,351**	-	**-**	-
Derecognition of lease liability	**(7,088,572)**	-	**-**	-
Accretion of interest	**14,112,964**	12,368,638	**-**	-
Payments	**(32,780,341)**	(16,113,607)	**-**	-
Exchange loss/ (gain)	**9,612,726**	(9,595,381)	**-**	-
Balance as at 31 March 2026	**228,772,701**	139,960,573	**-**	-
Current	**8,043,833**	14,275,083	**-**	-
Non- current	**220,728,868**	125,685,490	**-**	-
Balance as at 31 March 2026	**228,772,701**	139,960,573	**-**	-
15.3 - Amount recognized in profit or loss				
Interest on lease liabilities	**14,112,964**	12,368,638	**-**	-
Amortization of Right of Use Asset	**12,458,042**	6,560,716	**-**	-
15.4 - Amount recognized in Statement of cash flows				
Total Cash Outflow for leases	**32,780,341**	16,113,607	**-**	-

Notes to the Financial Statements contd..

16 - Investment Property

16.1 - Group	**Land (Rs.)**	**Buildings (Rs.)**	**2026 (Rs.)**	2025 (Rs.)
Balance as at the beginning of the Year	**43,440,942**	318,010,094	**361,451,036**	323,143,210
Additions During the year	**-**	179,002	**179,002**	1,580,399
Change in Fair Value	**-**	-	**-**	36,727,427
Balance as at the end of the Year	**43,440,942**	318,189,096	**361,630,038**	361,451,036

Valuation Techniques	Significant Unobservable Inputs	Inter -Relationship between Significant unobservable inputs and Fair value measurement
Investment method; This method involves capitalisation of the expected rental income at an appropriate rate for years since purchased, currently characterised by the for rental property market.	Gross Monthly Rental Years	Estimated fair value would Increase/ (decrease) if Gross annual rental increases/ (decreases) Years Purchase increases/ (decreases) Void Period increase/ (decrease)

16.1.1 - Rental Income earned from Investment Property by the group amounted to Rs.32,180,793/- (2024/25- 18,441,420/-)

16.1.2 - Fair value of the Investment Property is ascertained by annual independent valuation carried out by A.A.M.FATHIHU-MRICS- (Sri Lanka) as at 31 March 2025.

The Market value has been used as the fair value in determining the fair value. The current condition of the properties and future usability have been considered. Also valuer has made reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size, usage an location.

		Rented-out Warehouse				
Company	**Location**	**Market Value as at 31st March 2026(Rs.)**	**Extent**	**Per Sq.ft. Perch Value (Rs.)**	**Increase +10% (Rs.)**	**Decrease -10% (Rs.)**
Renuka Trading	Building	78,000,000	30,545 (Sq.ft.)	2,554	7,800,000	(7,800,000)
(Pvt) Ltd.	Land	280,000,000	75.61 (Perch)	3,703,214	28,000,000	(28,000,000)

The Board of Directors assesed the fair value of the investment property and determined that fair value as not changed compared to 31st March 2025.

17 - BIOLOGICAL ASSETS

	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Balance as at 01 April	**244,171,903**	160,986,808	**-**	-
Additions during the year	**15,110,315**	17,162,460	**-**	-
Gain on fair value during the year	**20,573,568**	66,022,635	**-**	-
	279,855,786	244,171,903	**-**	-

Represented By	**2026**	2025	**2026**	2025
Biological Assets at fair value	**157,388,257**	136,225,520	**-**	-
Biological Assets at cost less accumulated depreciation	**119,506,329**	105,314,819	**-**	-
Immature pepper plantation	**2,961,200**	2,631,564	**-**	-
	279,855,786	244,171,903	**-**	-

17.1.1 - Kandy Plantations Ltd.

Lease have been executed for 3 estates (Primarily coconut) comprising 33 contiguous allotments of Land called and known as "Giriulla Estate" in Giriulla situated in the Gampaha District, Western Province.

As per Survey Plan No. 45/27, prepared in May 1926 and April 1927 by Mr. L.H.Croos Dabrera, this contiguous allotments of Land comprise a total extent of 640A-3R-32P. This lease has been executed for a period of 30 years under 2 separate lease agreements. The first lease agreement relates to 10 years period from 1st April 2003 to 31st March 2013 and the second lease agreement relates to the next 20 years commencing from 1st April 2013 and ending on 31st March 2033 which was extended up to 30th September 2058.

A valuation report dated 11th October 2003 prepared by Leon M.P. Perera Dip.In.Val.F.I.V. indicates only the method of ascertaining the maximum amount payable to the owner of the Estate for the 30 years period which was Rs. 88,000,000/-.

The agreed amount payable of Rs. 82.5Mn had been capitalized on the basis that it represents the value of immovable assets as owned by Kandy Plantations Ltd.

With the initial application of SLFRS 16-Leases this has been adjusted to reflect the application of SLFRS 16-Leases.

During the year, the Company has incurred Rs.1,126,319/- (2025-Rs.2,539,113/-) in planting coconut nursery. The nursery is for in plant vacant areas of the plantation held by the Company.

The biological asset is carried out at cost as at the reporting date, since the nursery has just started its operation and the expected useful life is estimated to be 7 years.

17.1.2 - Coco Lanka (Pvt) Ltd

Managed trees include commercial teak timber plantations, coconut and cashew nurseries on the estate in Ambalam village in Puttalam. The cost of immature trees up to 5 years from planting are treated as approximate fair value particularly on the grounds of little biological transformation has taken place and impact of the biological transformation on price is not material.

When such plantation become mature, the additional investment since taken over to bring them to maturity are transferred from immature to mature.

The fair value of managed trees (Timber) was ascertained in accordance with LKAS 41 - "Agriculture". The Valuation was carried out by an independent Chartered Valuation Surveyor Mr. W.M. Chandrasena FIV (SL) MRICS (UK), Chartered valuation surveyor using discounted Cash Flows (DCF) method.

Notes to the Financial Statements contd..

17.1.3 - Ceylon Botanicals (Private) Ltd

The biological asset is on the land owned by Ceylon Botanicals (Private) Limited, for which rent has been paid by Ceylon Forestry (Private) Limited. The total extent of the land is 67 A-3R-03 00P. The timber planted area is 42 acres and pepper is 5 acres. Number of timber trees are 11,924 and Pepper trees are 3,500.

Managed trees include commercial teak timber plantations and pepper plantation cultivated on the estates in Matale. The cost of immature trees up to 5 years from planting are treated as approximate fair value particularly on the grounds of little biological transformation has taken place and impact of the biological transformation on price is not material.

When such plantation become mature, the additional investment since taken over to bring them to maturity are transferred from immature to mature.

The fair value of managed Timber trees was ascertained in accordance with LKAS 41 - "Agriculture" which is applicable only for managed agricultural activity in terms of the ruling issued by the Institute of Chartered Accountants of Sri Lanka. The Valuation was carried out by an independent Chartered Valuation Surveyor Mr. W.M. Chandrasena FIV (SL) MRICS (UK) using discounted Cash Flows (DCF) method.

Valuation of biological assets are considered as a level III valuation, and details of the valuation are given below;

17.1.4 - Factors considered in valuations are as follows;

Variable	Comment
Timber Content	Estimated based on the girth (range between 30 to 48 inch), height (range between 15 to 39 nears) and considering the growth and present age of the trees of each species in different geographical regions, factoring all the prevailing statutory regulations enforced against harvesting of timber coupled with forestry plan of the Company approved by the Forestry Department.
Economic Useful Life	Estimated based on normal life (25-35 years) span of each species by factoring the forestry plan of the Company approved by the Forestry Department.
Selling Price	Estimated based on prevailing Sri Lankan market prices is Rs. 950/- to Rs. 3,000/- per cubic ft.(2025- Rs.950/- to Rs. 3,000/-) factoring all the conditions to be fulfilled in bringing the trees in to salable condition
Discount Rate	Future cash flows are discounted at the rate of 16% (2024 / 25 -16%)

The valuations, as presented in the external valuation models based on net present values, take into account the long-term exploitation of the timber plantation. Because of the inherent uncertainty associated with the valuation at fair value of the biological assets due to the volatility of the variables, their carrying value may differ from their realizable value. The Board of Directors retains their view that commodity markets are inherently volatile and that long-term price projections are highly unpredictable. Hence, the sensitivity analysis regarding selling price and discount rate variations as included in this note allows every investor to reasonably challenge the financial impact of the assumptions used in the LKAS 41 against his own assumptions.

Inter-relationship between key unobservale inputs and fair value measurement	The estimated average future sales price of timber may increase or decrease within a +10% to -10% range
	The risk-adjusted discount rate of 18% may stimulate an increase or a decrease between the range +1% to -1%

17.1.4 - Sensitivity Analysis

Sensitivity variation on sales price
Values as appearing in the Statement of Financial Position are very sensitive to price changes with regard to the average sales prices applied. Simulations made for timber, shows that an increase or a decrease by 10% of the estimated future selling price has the following effect on the net present value of biological assets:

Sales price fluctuation Manage Timber	**+10% (Rs.)**	**2026 (Rs.)**	**-10% (Rs.)**
As at 31st March 2026	**168,182,116**	**152,892,833**	**137,603,550**
As at 31st March 2025	145,390,784	132,173,440	118,956,096

Sensitivity variation on discount rate
Values as appearing in the Statement of Financial Position are very sensitive to changes of the discount rate applied. Simulations made for timber, shows that an increase or a decrease by 1% of the estimated discount rate has the following effect on the net present value of biological assets:

	+1% (Rs.)	**2026 (Rs.)**	**-1% (Rs.)**
As at 31st March 2026	**163,094,971**	**152,892,833**	**143,484,428**
As at 31st March 2025	142,172,172	132,173,440	123,024,081

Biological Assets at cost less depreciation include coconut nursery. The nursery is for replant vacant areas of the plantation held by Kandy Plantations Ltd and Coco Lanka (Private) Limited.

18. INVESTMENT IN SUBSIDIARIES

COMPANY	**Number of Shares**	**Effective Holding**		**Company**	
		2026	2025	**2026 (Rs.)**	2025 (Rs.)
Direct-Subsidiaries					
Renuka Agri Foods PLC	**423,649,427**	**53.03%**	75.99%	**1,014,041,846**	1,453,025,162
Shaw Wallace Ceylon Ltd.	**291,772,271**	**98.91%**	85.94%	**1,995,601,607**	1,244,603,190
Richlife Dairies Ltd	**40,580,000**	**100.00%**	100.00%	**1,105,000,000**	1,105,000,000
Renuka Trading (Pvt) Ltd.	**110,000,000**	**76.52%**	89.94%	**550,000,000**	-
Sub-Subsidiaries					
Renuka Agri Organics (Pvt) Ltd	**2,000,000**	**53.03%**	79.07%	**-**	-
Renuka Developments (Pvt) Ltd	**15,509,660**	**53.03%**	65.12%	**-**	-
Kandy Plantation Ltd	**22,550,000**	**52.00%**	75.57%	**-**	-
Ceylon Botanicals (Pvt) Ltd	**210,000**	**31.20%**	45.34%	**-**	-
Shaw Wallace Properties Limited	**7,333,335**	**98.91%**	89.94%	**-**	-
Cocomi Foods Ltd	**189,600**	**53.03%**	-	**-**	-
Coco Lanka (Pvt) Ltd	**2,850,000**	**52.24%**	76.12%	**-**	-
				4,664,643,453	3,802,628,352

Renuka Trading (Pvt) Ltd was a sub subsidiary as at 31st March 2025.

Consolidation of entities in which the Group holds less than a majority of voting rights

For consolidation of entities in which the Group holds less than a majority of voting rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

Notes to the Financial Statements contd..

18.1 - GROUP INVESTMENTS / DIVESTMENTS IN SUBSIDIARIES

The following transactions were made by the group during the year.

Renuka Agri Food PLC
On 7 July 2025, Renuka Foods PLC Sold 7,575,000 number of Renuka Agri Foods PLC shares to Third party for a consideration of Rs. 27,429,634.

On 9 September 2025, Renuka Foods PLC Sold 1,615,000 number of Renuka Agri Foods PLC shares to Third party for a consideration of Rs. 8,710,932.

On 14 Novemeber 2025, Renuka Foods PLC sold 9,546,054 shares of Renuka Agri Foods PLC to third party for a consideration of Rs. 80,441,890.

On 20 Novemeber 2025, Renuka Foods PLC sold 970,000 shares of Renuka Agri Foods PLC to third party for a consideration of Rs. 8,152,656.

On 17 December 2025, Renuka Foods PLC sold 45,000,000 shares of Renuka Agri Foods PLC to third party for a consideration of Rs. 471,721,035.

On 9 January 2026, Renuka Foods PLC sold 45,000,000 shares of Renuka Agri Foods PLC to third party for a consideration of Rs. 589,854,250.

On 27 February 2026, Renuka Foods PLC sold 73,693,705 shares of Renuka Agri Foods PLC to Third parties for a consideration of Rs. 1,010,735,663.

Kandy Plantation Ltd
26th June 2025, Kandy Plantation Ltd issued 1,500,000 and 1,000,000 shares to Renuka Agri Organics Ltd and Renuka Development (Pvt) Ltd respectively.

Shaw Walace Ceylon Ltd
On 12 January 2026, Shaw Walace Ceylon Ltd sold 33,121,450 shares of Renuka Trading (Pvt) Ltd to Renuka Foods PLC for a consideration of Rs. 331,214,500.

Renuka Trading (Pvt) Ltd
On 4th March 2026 Renuka Foods PLC acquired 21,878,550 shares for a consideration of Rs. 218,785,500 from Shaw Wallace Ceylon Ltd.

On 27th March 2026 Renuka Trading (Pvt) Ltd issued 55,000,000 shares to Renuka Developments (Pvt) Ltd for a consideration of Rs. 550,000,000.

Coco Lanka (Pvt) Limited
On 1st March 2026, Coco Lanka (Pvt) Limited issued 200,000 shares to Kandy Plantation Ltd for a consideration of Rs. 20,000,000.

Shaw Walace Ceylon Limited
During the Q3 of 2025/26, Shaw Walace Ceylon Limited sold 3,101,932 shares of Renuka Developments (Pvt) Ltd to Renuka Agri Foods PLC.

Notes to the Financial Statements contd..

18.2 - Principal Subsidiaries

The following disclosure excerpt highlights the Group composition and the proportion of ownership interests held by NCI.

		AS AT 31 MARCH 2026				AS AT 31 MARCH 2025		
Company	**Principal Activities**	**Class of Shares held**	**Proportion of Class Held**	**Group Interest %**	**Non Controlling Interest %**	**Proportion of Class Held**	**Group Interest %**	**Non Controlling Interest %**
Renuka Agri Foods PLC	Manufacture & export of coconut based products	Ordinary	53.03%	53.03%	46.97%	75.99%	75.99%	24.01%
Renuka Agri Organics Ltd	Manufacture & export of coconut based products	Ordinary	53.03%	53.03%	46.97%	76.87%	76.87%	23.13%
Shaw Wallace Ceylon Ltd	Manufacturing & distribution of Fast Moving Consumer Goods	Ordinary	98.91%	98.91%	1.09%	89.94%	89.94%	10.06%
Richlife Dairies Ltd	Manufacturing of dairy & fruit juice based products	Ordinary	100.00%	100.00%	0.00%	100.00%	100.00%	0.00%
Renuka Developments (Pvt) Ltd	Organic certification licence holder and investment in plantation / farm & vertical integration projects	Ordinary	53.03%	53.03%	46.97%	65.12%	65.12%	34.88%
Kandy Plantations Ltd	Engaged in organic certified cultivation of agriculture	Ordinary	52.00%	52.00%	48.00%	75.57%	75.57%	24.43%
Ceylon Botanicals (Pvt) Ltd	Planting & managing of forestry, Cultivation of Agricultural produce	Ordinary	31.20%	31.20%	68.80%	45.34%	45.34%	54.66%
Shaw Wallace Properties (Pvt) Ltd	Providing warehousing facilities	Ordinary	98.91%	98.91%	1.09%	89.94%	89.94%	10.06%
Coco Lanka (Pvt) Ltd	Plantation, Cultivation of Agricultural produce	Ordinary	52.24%	52.24%	47.76%	76.12%	76.12%	23.88%
Renuka Trading (Pvt) Ltd	Providing warehousing facilities	Ordinary	76.52%	76.52%	23.48%	89.94%	89.94%	10.06%
Cocomi Foods Ltd	Distribute & Warehousing of Imported Agri food products	Ordinary	53.03%	46.97%	-	-	-	-

Notes to the Financial Statements contd..

18.2 - Principal Subsidiaries contd..

Non-controlling interest represent the equity in subsidiaries that are not attributable, directly or indirectly to the parent Company. Profit or loss and each component of other comprehensive income are attributed to the Company and non-controlling interests. Losses are attributed to non-controlling interests even if the noncontrolling interests balance reported in the consolidated statement of financial position in negative.

Non-controlling interests are directly recognized as the difference between the proceeds received and the carrying amount of the acquired interests. The difference is recorded as a reduction or increase in equity under transactions with non-controlling interests. Upon disposal of rights in a subsidiary that does not result in a loss of control, an increase or decrease in equity is recognized as the difference between the consideration received by the Group and the carrying amount of the non-controlling interests in the subsidiary adjusted for the disposal of goodwill in the subsidiary, if any, and amounts recognized in other comprehensive income, if any. Transaction costs in respect of transaction with non-controlling interests as also recorded in equity.

Significant inter group balances and transaction and gain or loss resulting from intergroup transactions are eliminated in full in the consolidated financial statements.

The financial statement of the Company and of the consolidated investees are prepared as of the same date and period. The accounting policies in the financial statements of those investees are applied consistently and uniformly with the policy applied in the financial statement of the Company.

18.3 - Non Controlling Interest(NCI)

The following table summarises the information relating to the Group's subsidiaries that have material NCI.

	Renuka Agri Foods PLC	**Renuka Agri Organics Ltd**	**Shaw Wallace Ceylon Ltd**
NCI Percentage	**46.97%**	**46.97%**	**1.09%**
	(Rs.)	**(Rs.)**	**(Rs.)**
Non Current Assets	4,052,703,230	643,766,168	1,768,904,882
Current Assets	2,916,388,103	547,195,197	763,898,085
Non Current Liabilities	(463,488,772)	(119,577,403)	(290,403,256)
Current Liabilities	(2,568,439,634)	(275,313,636)	(474,777,173)
Net Assets	3,937,162,927	796,070,326	1,767,622,538
Net Assets attributable to NCI	1,849,136,352	373,884,090	19,340,361
Revenue	8,541,810,645	1,287,328,102	2,111,048,881
Profit for the year	676,113,630	78,820,704	(398,450,348)
Other Comprehensive Income/ (Expenses)	(431,223)	243,855	(972,831)
Total Comprehensive Expenses	**675,682,407**	**79,064,559**	**(399,423,179)**
Profit allocated to NCI	**317,544,972**	**37,019,100**	**(4,359,626)**
OCI allocated to NCI	**(202,529)**	**114,529**	**(10,644)**
Cash flows from / (used in) operating activities	**1,223,467,828**	**50,120,194**	**(483,167,494)**
Cash flows from / (used in) investment activities	**(585,966,152)**	**(42,069,275)**	**722,782,019**
Cash flows from / (used in) finance activities	**(506,617,548)**	**17,457,784**	**(253,262,300)**

18.4 - Changes in interest without a change in control contd..

	Renuka Agri Foods PLC	Renuka Trading (Pvt) Ltd	Shaw Wallace Ceylon (Pvt) Ltd	Kandy Plantations Ltd	Coco Lanka (Pvt) Ltd	Total
Change in effective interest of NCI (%)	22.96%	9.62%	-12.77%	0.67%	14.66%	
Consideration Paid / (Received) (Rs.)	(2,197,046,060)	768,785,500	-	-	-	(1,428,260,560)
Carrying amount of NCI (Acquired)/Disposed (Rs.)	903,319,993	(138,437,676)	15,432,595	(9,120,315)	41,220,406	812,415,003
Increase in equity attributable to owners of the Company (Rs.)	(1,293,726,067)	630,347,824	15,432,595	(9,120,315)	41,220,406	(615,845,557)

As a result the effective interest of the subsidiaries has change the Group effective interest of the following subsidiaries

	Change in NCI Effective Holding %	Change in NCI (Rs.)
Renuka Agri Organic (Pvt) Ltd	24.63%	203,095,922
Shaw Wallace Ceylon (Pvt) Ltd	4.33%	86,670,186
Renuka Trading (Pvt) Ltd	3.80%	13,193,163
Renuka Developments (Pvt) Ltd	25.75%	520,224,211
Kandy Plantation Ltd	24.04%	126,643,093
Ceylon Botanicals (Pvt) Ltd	14.82%	21,479,086
Shaw Wallace Properties Limited	-8.96%	(58,938,145)
Coco Lanka (Pvt) Ltd	10.33%	33,990,528
Increase in equity attributable to owners of the Company (Rs.)		**946,358,044**
Net increase in equity attributable to owners of the Company (Rs.)		**1,758,773,047**

The net increase in equity attributable to owners of the Company comprised of;
- a decrease in the revaluation reserves of Rs. 55,827,814; and
- a increase in the retained earnings of Rs. 494,101,025

Notes to the Financial Statements contd..

18.5 - IMPAIRMENT OF INVESTMENT IN SUBSIDIARIES
Impairment of Investment in Subsidiaries have been tested by considering the assumptions disclosed under Note No. 20.1.2. Accordingly, no provision for impairment is required as at the reporting date.

18.6 - On 1st April 2025 Cocomi Foods Limited, incorporated in the United Kingdom, alloted 189,700 shares to Renuka Agri Foods PLC against the consideration that was paid in advance on 4th September 2024. This advance payment was recorded under other receivables as at 31st March 2025. The financial information of the aquiree as at 31st May 2025 was considered in calculating the goodwill on consolidation since, the aquiree prepares its financial statements on a year end of 31st May. The Board of Directors of Renuka Agri Foods PLC, determined that transaction between the aquisition date and 31st May 2025 of the aquiree were immaterial.

On 1st July 2025, Kandy Plantation Limited purchased 400,001 number of shares (100% equity) of Agro Spices Ltd.

Subsequent to the acquisition, on 2nd July 2025, Agro Spices Ltd amalgamated its operations with Kandy Plantations Limited resulting in Kandy Plantations Limited being the surviving entity. This amalgamation was not considered on a business combination under common control. As a result this was recorded under acquisition accounting inline with SLFRS 3. Again on bargain purchase amounting to Rs. 377,732 was recorded in the Profit/ (Loss) statement for the year.

	Cocomi Foods Ltd (Rs.)	Agro Spices (Rs.)	Total (Rs.)
A. Consideration transferred			
Cash consideration paid	148,173,600	50,000,000	198,173,600
Total Consideration	148,173,600	50,000,000	198,173,600
B. Identifiable assets acquired, and liabilities assumed			
The following information summarizes the recognized amount of assets acquired and liabilities assumed at the date of acquisition.			
Assets			
Property, Plant and Equipment	-	46,758,560	46,758,560
Trade and Other Receivables	68,913,230	-	68,913,230
Cash and Cash Equivalents	164,620,018	3,670,710	168,290,728
	233,533,248	**50,429,270**	**283,962,518**
Liabilities			
Loans and Borrowings	(12,107,529)	-	(12,107,529)
Trade and Other Payables	(139,741,871)	(44,000)	(139,785,871)
	(151,849,400)	(44,000)	(151,893,400)
Total identifiable net assets as at acquisition date	**81,683,848**	**50,385,270**	**132,069,118**
C. Goodwill			
Goodwill arising from the acquisition has been recognized as follows;			
Total cash consideration transferred (A)	148,173,600	50,000,000	198,173,600
(-) Cash consideration attributable to NCI	(69,591,530)	(24,001,916)	(93,593,445)
Cash consideration attributable to Parent	**78,582,070**	**25,998,084**	**104,580,155**
NCI at acquisition, based on their proportionate net assets acquired	38,363,811	24,065,906	62,429,716
(-) Fair value of identifiable net assets acquired (B)	(81,683,848)	(50,385,270)	(132,069,118)
Goodwill/(Gain on Bargain Purchase) Arising from the business combination	**35,262,033**	**(321,280)**	**34,940,753**
D. Cash flow as a result of acquisition of subsidiary			
Consideration paid	(148,173,600)	(50,000,000)	(198,173,600)
Cash and cash equivalents acquired	164,620,018	3,670,710	168,290,728
Cost of acquisition of subsidiary, net of cash acquired	**16,446,418**	**(46,329,290)**	**(29,882,872)**

Notes to the Financial Statements contd..

19 - INVESTMENT IN EQUITY INSTRUMENTS

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Renuka Enterprises (Pvt) Ltd	**782,000,000**	-	**-**	-
	782,000,000	-	**-**	-

The Group has acquired 6,800,000 shares of Renuka Enterprises (Private) Limited which amounts to 16% of ownership.

20 - INTANGIBLE ASSETS

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Goodwill (Note 20.1)	**238,860,949**	203,598,916	**-**	-
Computer Software (Note 20.2)	**599,610**	716,549	**-**	-
Trade Marks (Note 20.3 , 20.4)	**3,212,953**	4,722,953	**-**	-
	242,673,512	209,038,418	**-**	-
20.1 - Goodwill				
Balance as at the beginning of the year	**203,598,916**	203,598,916	**-**	-
On Acquisition during the year (Note 18.6)	**35,262,033**	-	**-**	-
Balance as at the end of the year	**238,860,949**	203,598,916	**-**	-

20.1.1 - The Group goodwill has been allocated to the following cash generating units, for impairment testing.

Renuka Agri Foods PLC (Note 20.1.2)	**28,455,402**	28,455,402
Richlife Dairies Ltd (Note 20.1.3)	**133,024,682**	133,024,682
Shaw Wallace Ceylon Ltd (Note 20.1.4)	**40,062,623**	40,062,623
Ceylon Forestry (Pvt) Ltd	**1,519,005**	1,519,005
Kandy Plantations Ltd	**537,204**	537,204
Cocomi Foods Ltd (Note 20.1.5)	**35,262,033**	-
	238,860,949	203,598,916

20.1.2 - Renuka Agri Foods PLC

The recoverable amount of this CGU was based on value in use computation, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used. Estimated Recoverable value exceeded carrying value by Rs.571Mn.

The key assumptions used in the estimation of the recoverable amount are set out below. Key assumptions are determined based on management experience, expectation of future outcome taking into account past experience adjusted for anticipated growth, historical data and industry norms.

Discount rate	10%
Revenue growth rate	Year 2 to Year 6 - 10%
Terminal growth rate	1%

20.1.3 - Richlife Dairies Limited
The recoverable amount of this CGU was based on value in use computation, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used. Estimated Recoverable value exceeded carrying value by Rs.130 Mn.

The key assumptions used in the estimation of the recoverable amount are set out below. Key assumptions are determined based on management experience, expectation of future outcome taking into account past experience adjusted for anticipated growth, historical data and industry norms.

Discount rate	10%
Revenue growth rate	Year 2 to Year 6 - 10%
Terminal growth rate	2.5%

20.1.4 - Shaw Wallace Ceylon Limited
The recoverable amount of this CGU was based on value in use computation, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used.Estimated Recoverable value exceeded carrying value by Rs.175Mn

The key assumptions used in the estimation of the recoverable amount are set out below. Key assumptions are determined based on management experience, expectation of future outcome taking into account past experience adjusted for anticipated growth, historical data and industry norms.

Discount rate	10%
Revenue growth rate	Year 2 to Year 6 - 10%
Terminal growth rate	2.5%

20.1.5 - Cocomi Foods Ltd
The recoverable amount of the CGU was based on value in use computation, estimated using discounted cashflows. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used. Estimated Recoverable value exceed carrying value by Rs. 130Mn.

The key assumptions used in the estimation of the recoverable amount are set out below. Key Assumptions are determined based on management experience, expectations of future outcome taking into account past experience adjusted for anticipated growth, historical data and industry norms.

Discount rate	6%
Revenue growth rate	Year 2 to Year 6 - 5%
Terminal growth rate	3%

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
20.2 - Computer Software				
Balance as at the Beginning of the Year	**716,549**	900,757	**-**	-
Amortization during the year	**(116,939)**	(184,208)	**-**	-
Balance as at the End of the Year	**599,610**	716,549	**-**	-
20.3 - Trade Marks				
Balance as at the Beginning of the Year	**4,722,953**	6,232,952	**-**	-
Amortization during the year	**(1,510,000)**	(1,509,999)	**-**	-
Balance as at the End of the Year	**3,212,953**	4,722,953	**-**	-

Mayfair Foods (Pvt) Ltd has acquired the "Mayfair" trade mark for a sum of Rs. 15Mn during the year 2016/17. The Management is of the opinion that the trade mark has a useful economic life of 10 years. With the amalgamation with Shaw Wallace Ceylon Limited, the same is reflected in Shaw Wallace Ceylon Limited.

Notes to the Financial Statements contd..

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
21 - INVENTORIES				
Raw Materials & Consumables	**520,191,563**	363,105,545	**-**	-
Finished Goods	**1,438,724,173**	967,187,796	**-**	-
Harvested Crops	**-**	1,562,208	**-**	-
Spares & Consumables	**581,659,092**	590,312,534	**-**	-
Packing Material & Chemicals	**454,819,119**	601,536,047	**-**	-
Work in Progress	**14,828,980**	12,775,030	**-**	-
Goods in Transit	**27,286,861**	61,220,047	**-**	-
	3,037,509,788	2,597,699,207	**-**	-
Provision for Slow moving items (Note 21.1)	**(165,118,006)**	(43,217,176)	**-**	-
	2,872,391,782	2,554,482,031	**-**	-
21.1 - Provision for Obsolete Inventories				
Balance as at 1st April	**43,217,176**	85,342,403	**-**	-
Provision/(Reversal) made during the year	**121,900,830**	(42,125,227)	**-**	-
Balance as at 31st March	**165,118,006**	43,217,176	**-**	-
22 - TRADE & OTHER RECEIVABLES				
Trade Debtors & Bills Receivable	**2,011,577,329**	2,281,912,266	**-**	-
Provision for doubtful debts (Note 22.1)	**(32,847,594)**	(32,339,201)	**-**	-
	1,978,729,735	2,249,573,065	**-**	-
VAT Recoverable	**-**	4,560,809	**-**	-
Deposits & Pre-Payments	**395,340,593**	545,543,156	**180,000**	180,000
Taxes Recoverable	**17,710,811**	3,698,810	**-**	-
WHT Recoverable	**105,802,503**	13,914,914	**301,983**	58,100
Advances Payments	**199,471,851**	318,026,585	**157,595,450**	148,159,900
Staff Loan and Advances	**5,375,640**	15,970,388	**-**	-
Other Receivables	**262,596,986**	193,056,394	**-**	-
Impairment Provision for other receivable (Note 22.2)	**(34,473,792)**	(21,895,233)	**-**	-
	2,930,554,327	3,322,448,888	**158,077,433**	148,398,000
22.1 - Provision for Impairment on Trade Receivables				
Balance as at 1st April	**32,339,201**	36,406,652	**-**	-
Provisions/ (Reversal) made during the year	**508,993**	(4,067,451)	**-**	-
Balance as at 31st March	**32,847,594**	32,339,201	**-**	-
22.2 - Provision for Impairment on Other Receivables				
Balance as at 1st April	**21,895,233**	-	**-**	-
Charge during the year	**12,578,559**	21,895,233	**-**	-
Balance as at 31st March	**34,473,792**	21,895,233	**-**	-
23 - AMOUNTS DUE FROM RELATED COMPANIES				
Renuka Agri Foods PLC	**-**	-	**-**	1,141,232
	-	-	**-**	1,141,232

Notes to the Financial Statements contd..

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
24 - CASH & CASH EQUIVALENTS				
24.1 - Favourable Balances				
Call Deposits	**883,033,428**	36,999,935	**875,638,220**	-
Cash at bank & in hand	**620,954,707**	326,330,437	**7,961,390**	4,553,213
	1,503,988,135	363,330,372	**883,599,610**	4,553,213
24.2 - Unfavourable Balances				
Bank Overdraft	**(189,595,516)**	(140,685,211)	**-**	-
Cash & Cash Equivalents for Cashflow Purpose	**1,314,392,619**	222,645,161	**883,599,610**	4,553,213

Cash and cash equivalents include bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

	GROUP		COMPANY	
25 - STATED CAPITAL	**2026**	2025	**2026**	2025
No of Shares Issued				
Voting Shares				
At the Beginning of the year	**180,005,317**	120,003,545	**180,005,317**	120,003,545
Right issue during the year (25.1)	**-**	60,001,772	**-**	60,001,772
Sub division of shares during the year	**180,005,317**	-	**180,005,317**	-
At the End of the year	**360,010,634**	180,005,317	**360,010,634**	180,005,317
Non Voting Shares				
At the Beginning of the year	**7,306,800**	4,871,200	**7,306,800**	4,871,200
Issue during the year	**-**	2,435,600	**-**	2,435,600
Sub division of shares during the year	**7,306,800**	-	**7,306,800**	-
At the End of the year	**14,613,600**	7,306,800	**14,613,600**	7,306,800
	374,624,234	187,312,117	**374,624,234**	187,312,117

The holders of ordinary shares are entitled to receive dividends as declared from time to time and only voting shareholders are entitled to one vote per individual present of meetings of the shareholders or one vote per share in the case of a poll.

	GROUP		COMPANY	
25.1 - Value of Issued and Fully Paid Ordinary Shares	**2026 (Rs.)**	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
At the Beginning of the year	**2,908,781,290**	2,289,278,770	**2,908,781,290**	2,289,278,770
Right issued during the year	**-**	619,502,520	**-**	619,502,520
At the End of the year	**2,908,781,290**	2,908,781,290	**2,908,781,290**	2,908,781,290

	GROUP		COMPANY	
26 - Reserves	**2026 (Rs.)**	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Revaluation Reserve (Note 26.1)	**1,240,270,323**	1,288,586,681	**-**	-
	1,240,270,323	1,288,586,681	**-**	-
26.1 - Revaluation Reserve				
Balance as at Beginning of the Year	**1,288,586,681**	669,402,484	**-**	-
Other Comprehensive Income, net of tax	**7,511,454**	586,301,112	**-**	-
Impact due to changes in effective holdings of subsidiaries	**(55,827,812)**	32,883,085	**-**	-
Balance as at end of the year	**1,240,270,323**	1,288,586,681	**-**	-

Revaluation reserve relates to the revaluation of land and buildings.

Notes to the Financial Statements contd..

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
27 - DEFERRED TAX LIABILITY				
Balance As at 1st April	**643,348,073**	595,913,992	**-**	-
Provision during the year (Note 27.2)	**259,605,928**	47,434,081	**-**	-
Balance as at the End of the Year	**902,954,001**	643,348,073	**-**	-

27.1 - Provision for Deferred Tax is attributable to the followings.

As at 31st March	**2026 Temporary Differences Rs.**	**2026 Tax Effect Rs.**	2025 Temporary Differences Rs.	2025 Tax Effect Rs.
On Property Plant and Equipment	**2,898,236,869**	**543,749,397**	1,581,591,725	317,532,523
On Right of use Asset	**357,161,986**	**62,834,861**	95,984,401	30,156,247
On Investment properties	**711,653,851**	**213,496,155**	779,633,974	247,056,196
On Revaluation of Land & Building	**1,749,462,926**	**493,512,994**	1,619,222,313	465,433,508
On Retirement Benefit Obligation	**(195,065,450)**	**(37,988,940)**	(112,648,760)	(24,102,474)
On Carried Forward Tax Losses	**(738,199,523)**	**(170,003,471)**	(1,704,578,003)	(325,263,139)
On lease libiliity	**(1,032,820,671)**	**(167,815,056)**	(139,960,573)	(40,979,678)
On Provision for bad debts/ Stocks	**(141,987,416)**	**(34,831,939)**	(75,556,377)	(26,485,111)
	3,608,442,573	**902,954,001**	2,043,688,700	643,348,073

27.2 - Reconciliation of Deferred Tax Provision

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Recognized in Profit or Loss	**(257,802,206)**	94,372,251	**-**	-
Recognized in OCI	**(1,803,722)**	(141,806,332)	**-**	-
Tax Effect	**(259,605,928)**	(47,434,081)	**-**	-

The Company has not recognized deferred tax asset of a Rs. 1,397,947/- on accumulated losses as at 31st March 2026 due to the uncertainty regarding the availability of future taxable profits against which the deferred tax asset would be utilized.

27.3 - The Group has not recognized the deferred tax asset on accumulated tax losses of Rs 18,660,060/- in Ceylon Botanicals (Pvt) Ltd. Rs 27,451,969/- in Renuka Development (Pvt) Ltd, Rs. 111,962,141/- in Shaw Wallace Ceylon Ltd. Since such Companies do not expect to generate taxable profits in the foreseeable future.

Deferred tax assets and liabilities shall be measured based on the tax rate that have been enacted or substantially enacted by the end of the reporting period in accordance with the Inland Revenue Act No. 24 of 2017. The Group has used tax rate of 30%.

Notes to the Financial Statements contd..

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
28 - INTEREST BEARING BORROWINGS				
Balance as at the Beginning of the year	**4,447,193,298**	3,075,173,746	**-**	-
Addititon During the year	**16,108,435,532**	17,143,559,040	**-**	-
Payments made during the year	**(17,102,411,144)**	(15,771,539,488)	**-**	-
	3,453,217,686	4,447,193,298	**-**	-
Payable within one year	**3,403,914,850**	4,304,138,698	**-**	-
Payable after one year	**49,302,836**	143,054,600	**-**	-
	3,453,217,686	4,447,193,298	**-**	-

28.1 Details of loans obtained by the Group are set out below.

Financial Institution	Facility Obtained	Outstanding Balance 2026 (Rs.)	Outstanding Balance 2025 (Rs.)	Repayment Terms	Assets Pledged
Renuka Agri Foods PLC					
Sampath Bank PLC	Short Term Loan	405,000,000	409,000,000	Repayable on Demand	Negative pledge over Coconut milk processing plant for UHT
Hatton National Bank PLC	Short Term Loan	980,000,000	1,250,000,000	Repayable on Demand	-
Hatton National Bank PLC	Term Loan	62,500,000	137,500,000	Commencing from March 2021	Negative pledge over Coconut milk processing plant for UHT
Commercial Bank of Ceylon PLC	Term Loan	80,554,600	113,888,200	71 monthly installements of Rs. 2,777,800/- & Rs. 2,776,200 as final.	Rs. 200 mn. Corporate Guarantee from Renuka Foods PLC
National Development Bank PLC	Term Loan	390,000,000	501,805,098	60 monthly installements of USD10,250/-	Term Loan 69 - agreement for USD 327,903/=
		1,918,054,600	**2,412,193,298**		

SHAW WALLACE CEYLON LTD

Financial Institution	Facility Obtained	Outstanding Balance (Rs) **2026**	2025	Repayment Terms	Assets Pledged
Hatton National Bank PLC	Short term money market loan	348,000,000	520,000,000	Payable within 120 days from draw down date.	Board Resolution dated 4th January 2021
Commercial Bank of Ceylon PLC	Term Loan	10,000,000	80,000,000	Payable within 90 days from draw down date.	Board Resolution dated 21st July 2023
		358,000,000	**600,000,000**		

COCOMI FOODS LTD

Financial Institution	Facility Obtained	Outstanding Balance (Rs) **2026**	2025	Repayment Terms	Assets Pledged
Hongkong and Shanghai Banking Corporation	Short Term loan	2,081,836	-	Working capital Requirement	
		2,081,836	**-**		

RENUKA AGRI ORGANICS LTD

Financial Institution	Facility Obtained	Outstanding Balance (Rs) **2026**	2025	Repayment Terms	Assets Pledged
Seylan Bank	Short Term loan	182,000,000	155,000,000	Repayable on Demand	
		182,000,000	**155,000,000**		

RICHLIFE DAIRIES LTD

Financial Institution	Facility Obtained	Outstanding Balance (Rs) **2026**	2025	Repayment Terms	Assets Pledged
Commercial Bank	Term Loan	275,000,000	430,000,000	Payable within 90 days from draw down date.	
Sampath Bank PLC	Term Loan	300,000,000	110,000,000	Payable within 90 days from draw down date.	
Hatton National Bank PLC	Term Loan	418,081,250	740,000,000		
		993,081,250	**1,280,000,000**		
Total Term Loan - Group		**3,453,217,686**	**4,447,193,298**		

Notes to the Financial Statements contd..

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
29 - RETIREMENT BENEFIT OBLIGATION				
At the beginning of the year	**112,648,760**	110,327,448	**3,509,516**	-
Charge to Profit or Loss (Note 29.1)	**27,034,756**	28,161,855	**-**	3,414,351
Charge to OCI (Note 29.1)	**4,181,333**	(5,902,585)	**(445,788)**	95,165
Payment made during the year	**(18,160,735)**	(19,937,958)	**(3,063,728)**	-
	125,704,114	112,648,760	**-**	3,509,516

29.1 - Movement in the Present Value of Defined Benefit Obligation

Balance as at 01st April	**112,648,760**	110,327,448	**3,509,516**	-
Interest Cost for the period	**11,528,601**	12,411,878	**350,952**	275,859
Current Service Cost for the period	**15,506,155**	15,749,977	**-**	3,138,492
Gratuity payments transferred to Renuka Agri Foods PLC	**-**	-	**(614,680)**	-
Payments during the year	**(18,160,735)**	(19,937,958)	**(2,800,000)**	-
Acturial (Gain)/ Loss	**4,181,333**	(5,902,585)	**(445,788)**	95,165
Benefit obligation as at 31st March	**125,704,114**	112,648,760	**-**	3,509,516

29.2 -Gratuity Liability is based on the Actuarial Valuation carried out by Mr Poopalanathan, M/S. Actuarial and Management Consultants (Pvt) Limited. On 31 March 2026, as per the LKAS 19 Employee Benefits. The Principle assumptions used in the 2025 actuarial valuation are as follows;

	2026	2025
Retirement Age	**60**	60
Discounting Rate	**9.5%-10%**	10%
Salary Increment Rate	**10%**	10% - 15%
Withdrawal Rate assuemed	**0%**	30%
Demographic Assumptions	**A 1967/70 Mortality**	A67/70 Mortality

Weighted Average Duration of the Defined Benefit Obligation is 2.9 years.
The above rates were changed to reflect the market rates.

A long-term treasury bond rate of 10% (2025-10%) has been used to discount future liabilities taking in to consideration the remaining working life of the eligible employees. The effect of this change resulted in an actuarial loss as the liability was higher due to lower discounting of the liability to the valuation date

29.3 -Sensitivity of assumptions employeed in Acturial Valuation
Reasonably possible changes at the reporting date to one of the relevent acturial assumptions, holding other assumptions constant, would affect the defined benefit obligation by the amounts shown below.

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Discount Rate - (1% Increase)	**(95,676,114)**	(109,799,805)	**-**	(3,389,139)
Discount Rate - (1% decrease)	**120,501,723**	115,675,469	**-**	3,638,625
Salary Increment Rate - (1% Increase)	**120,756,761**	115,935,569	**-**	3,650,924
Salary Increment Rate - (1% decrease)	**(95,428,542)**	(109,501,762)	**-**	(3,375,701)

Maturity Analysis
The following payments are expected on employee benefit plan - gratuity in future years

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Within the next 12 months	**29,159,011**	38,400,756	-	845,487
Between 1-2years	**21,884,062**	33,825,658	-	1,088,390
Between2-5 years	**17,052,290**	24,869,257	-	418,150
Between5-10 years	**6,588,227**	13,913,560	-	1,157,489
Beyond 10 years	**700,265**	1,639,529	-	-
Total	**75,383,855**	112,648,760	-	3,509,516

Notes to the Financial Statements contd..

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
30 - TRADE AND OTHER PAYABLES				
Trade Creditors	**632,708,043**	516,949,584	**-**	-
Accrued Expenses	**344,954,866**	387,786,770	**4,971,792**	3,418,804
Other Payables	**337,591,513**	584,020,414	**172,815**	1,332,847
	1,315,314,422	1,488,756,768	**5,144,607**	4,751,651

31 - AMOUNTS DUE TO RELATED COMPANIES

Renuka Trading (Pvt) Ltd	**-**	-	**-**	20,119,529
Richlife Dairies Limited	**-**	-	**-**	1,511,226
Shaw Wallace Ceylon Ltd	**-**	-	**-**	649,134
	-	-	**-**	22,279,889

32 - RELATED PARTY DISCLOSURES

Related Party Transactions

The company Carries out transactions with parties who are defined as related parties in Sri Lanka Accounting Standard 24 'Related Party Disclosures',the details of which are reported below.

32.1 - Parent and Ultimate Control Party

The parent of the company is Renuka Agro Exports (Pvt) Ltd and ultimate parent of the company is Renuka Holdings PLC.

32.2 Transactions With Related Companies

32.2.1 Transactions with Related Companies – Recurring Transactions – Group

RELATED COMPANY	RELATIONSHIP	NAME OF THE COMMON DIRECTOR/S	NATURE OF TRANSACTIONS	AGGREGATE VALUE OF RELATED PARTY TRANSACTIONS ENTERED IN TO DURING THE FINANCIAL YEAR	AGGREGATE VALUE OF RELATED PARTY TRANSACTIONS AS A % OF NET REVENUE/ INCOME	BALANCE OUTSTANDING BALANCE AS AT 31ST MARCH		TERMS AND CONDITIONS OF THE RELATED PARTY TRANSACTION
As at 31st March					%	2026 (Rs.)	2025 (Rs.)	
Kandy Plantations Limited	Subsidiary of Ultimate Parent Renuka Holdings PLC	Dr.S.R.Rajiyah	Payment for Coconuts	(35,780,415)	0.37%	-	1,721,600	Settlement based on Market Rate
		Mrs.I.R.Rajiyah	Net Coconut Purchase	34,058,815	0.15%			Comparable Uncontrolled Price / arm's length transaction
		Mr.S.V.Rajiyah						Interest @ AWPLR
		Mr.S.Vasantha Kumar						
		Mr. R.F.N. Jayasooriya						
Richlife Dairies Limited	Subsidiary of Ultimate Parent Renuka Holdings PLC	Dr.S.R.Rajiyah	Net of Fund (Received)/Payments	(15,780,726)	0.90%	-	(1,448,631)	Interest @ AWPLR
		Mrs.I.R.Rajiyah	Contract packing	14,332,094	0.96%			Actual Basis
		Mr.S.V.Rajiyah						Comparable Uncontrolled Price / arm's length transaction
		Mr. S. Vasantha Kumar						
		Mr. R.F.N. Jayasooriya						
Renuka Enterprises Ltd	Subsidiary of Ultimate Parent Renuka Holdings PLC	Dr.S.R.Rajiyah	Reimbursement of Expenses	(13,884,000)	-0.42%	-	-	Resale Price Method / arm's length transaction
		Mrs.I.R.Rajiyah	Net of Fund (Received)/Payments	13,884,000	-0.42%			
		Mr. S.V. Rajiyah						
Shaw Wallace Ceylon Limited	Subsidiary of Ultimate Parent Renuka Holdings PLC	Dr.S.R.Rajiyah	Sales	663,967,960	12.58%	-	-	
		Mrs.I.R.Rajiyah	Net of Fund (Received)/Payments	(663,967,960)	13.48%			Resale Price Method / arm's length transaction
		Mr. S.V. Rajiyah						Actual Basis
		Mr. S. Vasantha Kumar						
		Mr. R.F.N. Jayasooriya						
Renuka Agri Organics Ltd	Subsidiary of Ultimate Parent Renuka Holdings PLC	Dr.S.R.Rajiyah	Net of Fund (Received)/Payments	(243,560,199)	0.88%	-	(1,602,301)	Actual Basis
		Mrs.I.R.Rajiyah	Purchase of materials					Actual Basis
		Mr. S.V. Rajiyah		241,957,838	-1.63%			Comparable Uncontrolled Price / arm's length transaction
		Mr. S. Vasantha Kumar						
Renuka Agri Foods PLC	Subsidiary of Ultimate Parent Renuka Holdings	Dr.S.R.Rajiyah	Net of Fund (Received)/Payments	(8,314,530)		-	(1,141,232)	Actual Basis
		Mrs.I.R.Rajiyah	Shared Service	7,173,298				Intreset @ AWPLR
		Mr. S.V. Rajiyah						
		Mr. S. Vasantha Kumar						
Renuka Development Ltd.	Subsidiary of Ultimate Parent Renuka Holdings	Dr.S.R.Rajiyah	Loan	(48,000,000)		(48,000,000)	-	Actual Basis
		Mrs.I.R.Rajiyah						
		Mr. S.V. Rajiyah						
		Mr. S. Vasantha Kumar						
Renuka Lanka Ltd.	Director	Dr.S.R.Rajiyah	Rent Expenses	14,400,000		-	-	Comparable Uncontrolled Price
		Mrs.I.R.Rajiyah						
Renuka International Ltd	Director	Mr. S.V.Rajiyah	Royalty Payments	89,274,668		-	-	Comparable Uncontrolled Price

Notes to the Financial Statements contd..

32.3 - Transactions with Key Management Personnel

According to Sri Lanka Accounting Standards 24 - Related Party Disclosures, Key Management Personnel, are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Board of Directors (including Executive & Non-Executive Directors) of the Company has been classified as Key Management Personnel of the Company. The transactions with Key Management Personnel are as follows.

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Short Term Employee Benefits	**264,614,000**	168,760,000	**1,150,000**	730,000
Rent Paid	**14,400,000**	14,400,000	**-**	-
	379,014,000	183,160,000	**1,150,000**	24,600,000

32.3.1 - Transactions, Arrangements and Agreements Involving KMP and their Close Family Members (CFM)

CFM of a KMP are those family members who may be expected to infuence, or be influenced by, that KMP in their dealings with the entity. They may include KMP's domestic partner and children, children of the KMP domestic partner and dependants of the KMP or the KMP domestic partner. CFM are related parties to the Group. There were no transacton carried out with above parties.

The Board of Directors declared that no related party transactions falling within the scope of the code was entered into by the company during the financial year 2025/26 other than those disclosed in note 33 of the financial statements above.

DIRECTORATE OF GROUP COMPANIES

NAME OF DIRECTOR	RF	RAF	RAO	RDL	KPL	COCO	CBL	RLDL	SWCL	SWPL	RTL
Mrs. I. R. Rajiyah	√	√	√	√	√	√	√	√	√	√	√
Dr. S. R. Rajiyah	√	√	√	√	√	√	√	√	√	√	√
Mr. S.V. Rajiyah	√	√	√	√	√	√	√	√	√	√	√
Mrs. J.J.B.A.Rajiyah	-	-	√	-	-	-	-	√	√	-	-
Mr. V. Sanmugam	√	√	√	√	√	√	√	√	√	√	√
Mr. R. F. N. Jayasooriya	√	-	-	-	√	√	√	√	√	-	-
Mrs. S. T. R. E. Wijesuriya	-	-	√	-	-	-	-	√	-	-	-
Mr. T. A. P. Peiris	-	-	-	-	√	√	√	-	-	-	√
Mr. K. Liyanagamage	-	-	-	-	-	-	-	-	-	-	-
Mr. A.M.P.C.K.Abeykoon	√	√	-	-	-	-	-	-	-	-	-
Mr. E.A.P. Ekanayake	√	√	-	-	-	-	-	-	-	-	-
Mr. M.R. Ratnasabapathy	√	√	-	-	-	-	-	-	-	-	-
Ms. D. L. Embogama								√			

RF - Renuka Foods PLC
RAF - Renuka Agri Foods PLC
RAO - Renuka Agri Organics Ltd
RDL - Renuka Developments (Private) Limited
KPL - Kandy Plantations Limited
RT - Renuka Trading Pvt Ltd
COCO - Coco Lanka (Pvt) Ltd
CBL - Ceylon Botanicals (Pvt) Ltd
(Previously known as Ceylon Forestry (Pvt) Ltd)
RLDL - Richlife Dairies Limited
SWCL - Shaw Wallace Ceylon Limited
SWPL - Shaw Wallace Properties Limited

Notes to the Financial Statements contd..

33 - CONTINGENT LIABILITIES
There were no significant contingent liabilities as at the reporting date which require adjustments or disclosures in the Financial Statements other than the following;

KANDY PLANTATIONS LIMITED
Case 01: Land Reform Commission has filed a case in the District Court of Attanagalla against the Trustees of John Leo De Cross Trust for which Kandy Plantation is a respondent. In the opinion of the Lawyers, that there is a strong likelihood of the outcome of this case being in favour of the trustees The John Leo De Croos Trust.

Case 2:Kandy Plantation Limited has filed a case against the former watcher (Security) and his wife had been substituted to the case after his death. Kandy Plantation Limited filed the case demanding that the watchers family should vacate the land owned by the company premises and pay a rent of Rs. 1000/- per day until the land is reinstated starting from 21st April 2011. The case was postponed until 24th June 2026.

34 - CAPITAL COMMITMENTS
There were no material commitments as at the reporting date that require disclosure in the Financial Statements.

35 - EVENTS OCCURRING AFTER THE REPORTING PERIOD
The Board of Directors of the Company has declared a final scrip dividend of Rs.0.09 per share and a cash dividend of Rs. 0.10 per share for the financial year ended 31 March 2026, subject to shareholder and other approvals. In accordance with LKAS 10, Events after the reporting period, the final dividend has not been recognized as a liability in the financial statements as at 31st March 2026.

Subject to the foregoing, subsequent to the reporting date, no material circumstances have arisen which would require adjustment to or disclosure in the financial statements.

36 - GOING CONCERN OF SUBSIDAIRIES
The Management has made an assessment on the Company's and Group's 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 my cast significant doubt upon the Company's and Group's ability to continue as a going concern.

37 - FINANCIAL RISK MANAGEMENT

Overview
The Group has exposure to the following risks arising from financial instrument:

- Market risk
- Credit risk
- Liquidity risk

The note presents information about the Group's exposure to each of the above risk, the Group's objectives, policies and processes for measuring and managing risk, and the group's management of capital.
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 policies 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 policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

37. Financial Risk Management contd..

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Exposure to Credit Risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Carrying Amount	
	2026 (Rs.)	2025 (Rs.)
Trade Receivables and Bills receivable	**2,183,577,226**	2,281,912,266
Other Receivables	**262,596,986**	193,056,394
Cash at Bank	**1,503,988,135**	363,330,372
	3,950,162,347	2,838,299,032

Trade and other receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk.
Each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

Impairment Losses
The Group establishes an allowance for impairment that represents its estimate for incurred losses in respect of trade & other receivable. The main components of this allowance are a specific component that relate to individually significant exposures, and a collective loss component established for Groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

The aging of Trade and Other Receivables at the reporting date was as follows;

	2026			2025		
Group	**Gross Carrying Value (Rs.)**	**Loss Allowance (Rs.)**	**Impaired**	**Gross Carrying Value (Rs.)**	**Loss Allowance (Rs.)**	**Impaired**
Current (not past due)	**1,362,632,553**	**-**	**No**	1,035,933,215	-	No
31-60 days past due	**273,788,637**	**-**	**No**	605,157,056	-	No
61-90 days past due	**207,799,708**	**-**	**No**	309,905,803	-	No
91-180 days past due	**132,882,640**	**-**	**No**	230,936,427	-	No
More than 180 days	**34,473,972**	**34,473,972**	**Yes**	99,979,765	32,339,201	Yes
	2,011,577,329	**34,473,972**		2,281,912,266	32,339,201	

The gross inflows /(outflows) disclosed in the previous table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and are which are usually not closed out prior to contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash settled and are gross cash inflows and outflow amounts for derivatives that have simultaneous gross cash settlements, e.g. forward exchange contracts.

37. Financial Risk Management contd..

It is not expected that the cash flows included in the maturity analysis would not occur significantly earlier or at significantly different amounts.

The maximum exposure to credit risk for trade & other receivables at the reporting date by geographic region was as follows.

	Carrying Amount	
	2026 (Rs.)	2025 (Rs.)
Domestic	**843,956,700**	1,010,095,828
Europe	**1,084,837,910**	1,114,146,599
Middle East	**14,359,560**	8,564,549
Asia	**53,030,689**	49,515,123
United State	**7,851,240**	93,184,667
Africa	**-**	6,405,500
Australia	**7,541,227**	-
	2,011,577,329	2,281,912,266

Cash and Cash Equivalents

The Group held cash and cash equivalents of Rs. 1,314,392,619 at 31st March 2026 (Rs. 222,645,161 as at 31st March 2025) which represents its maximum credit exposure on these assets.

Respective credit ratings of banks which company cash balances held are as follows:

Hatton National Bank PLC - A-(lka)
People's Bank- A-(lka)
Commercial Bank of Ceylon PLC-A-(lka)
National Development Bank PLC - A-(lka)
Seylan Bank PLC - A-(lka)
Nations Trust Bank PLC - A(lka)
Habib Bank LTD -A+(lka)
Sampath Bank PLC -AA-(lka)

(ii) 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.

	Carrying Value (Rs.)	Contractual Cash flow (Rs.)	0-12 Months (Rs.)	More than 1 year (Rs.)
As at 31st March 2026				
Financial Liabilities (Non-Derivate)				
Interest Bearing Borrowings	3,453,217,686	3,453,217,686	3,403,914,850	49,302,836
Lease liability	228,772,701	525,465,004	22,120,087	503,344,917
Trade and other Payables	1,315,314,422	1,315,314,422	1,315,314,422	-
Bank Overdrafts	189,595,516	189,595,516	189,595,516	-
Total	5,186,900,325	5,483,592,628	4,930,944,875	552,647,753
As at 31st March 2025				
Financial Liabilities (Non-Derivate)				
Interest Bearing Borrowings	4,447,193,298	4,583,501,638	4,421,318,192	162,183,446
Lease liability	133,960,573	178,362,580	25,390,555	152,972,025
Trade and other Payables	1,488,756,768	1,488,756,768	1,488,756,768	-
Bank Overdrafts	140,685,211	140,685,211	140,685,211	-
Total	6,210,595,850	6,391,306,197	6,076,150,726	315,155,471

37. Financial Risk Management contd..

The following table sets out a maturity analysis of interest bearing borrowings and lease liability.

	Interest Bearing Borrowings		Lease Liability	
As at 31st March	**2026 (Rs.)**	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Less than one years	**3,403,914,850**	4,304,138,698	**7,745,885**	25,390,555
One to Two year	**49,302,836**	95,833,600	**6,376,465**	19,500,116
Two to Three year	**-**	33,333,600	**7,339,969**	3,546,935
Three to Four year	**-**	13,887,400	**7,887,821**	4,446,075
Four to Five years	**-**	-	**8,488,847**	4,853,759
More than five years	**-**	-	**220,102,450**	76,089,635
Total	**3,453,217,686**	**4,447,193,298**	**257,941,437**	**133,827,075**

The gross inflows /(outflows) disclosed in the previous table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and are which are usually not closed out prior to contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash settled and are gross cash inflows and outflow amounts for derivatives that have simultaneous gross cash settlements, e.g. forward exchange contracts.

It is not expected that the cash flows included in the maturity analysis would not occur significantly earlier or at significantly different amounts.

(iii) Market Risk
Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates 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 optimizing the return.

a. Currency Risk
The risk that the fair value or future cash flows of financial instruments fluctuates due to changes in foreign exchange rates.

The Group is exposed to currency risk on sales, purchases that are denominated in a currency other than Sri Lankan Rupees (LKR). The currencies in which these transactions primarily are denominated is US Dollars.

Exposure to currency Risk
The Company's exposure to foreign currency risk was as follows based on notional amounts.

The Company and the Group involves with foreign exchange transactions and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency.

	2026 (USD)	2025 (USD)
Trade and other Payables	(227,279)	(478,541)
Trade and other Receivables	3,204,003	4,335,401
Cash and cash equivalets	1,237,883	573,225
Gross Statement of Financial Position Exposure	**4,214,607**	**4,430,085**

Notes to the Financial Statements contd..

37. Financial Risk Management contd..

The following significant exchange rates were applicable during the year.

	Average Rate		Reporting Date Spot Rate	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
US Dollars	**304.36**	297.89	**315.19**	296.32

Sensitivity Analysis

A strengthening of the LKR, as indicated below, against the US Dollar and at 31st March 2026 would have increased/ (decreased) the equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Strengthing Profit or Loss (Rs.)	Weakening Profit or Loss (Rs.)
31st March 2026 USD (10% movement)	**132,840,575**	**(132,840,575)**
31st March 2025 USD (10% movement)	131,967,802	(131,967,802)

b. Interest rate risk

The risk that the fair value or future cash flows of a financial instrument fluctuates due to changes in market interest rates. At the reporting date, the Company's interest-bearing financial instruments were as follows:

	Carrying Amount - Group		Carrying Amount - Company	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Fixed Rate Instruments				
Financial Assets				
Bank Deposits	**1,503,988,135**	363,330,372	**883,599,610**	4,553,213
Variable Rate Instruments				
Financial Liabilities				
Loans and borrowings	**(3,453,217,686)**	(4,447,193,298)	**-**	-
Bank Overdrafts	**(189,595,516)**	(140,685,211)	**-**	-
	(3,642,813,202)	(4,587,878,509)	**-**	-

37. Financial Risk Management contd..
Cash flow sensitivity analysis for variable rate instruments

Sensitivity Analysis
Interest Rate Risk

Interest rate risk is the risk that the fair value of the cash flows of financial instruments will fluctuate because of changes in market interest rates. Interest rate risk arises on Interest bearing financial instruments recognized in the Statement of financial position.

The interest rate risk of the Company and the Group arises from financial instruments which art exposed to variable or fixed rate interest rates. Variable interest rates expose the Company and the Group to cash flow due to the impact on the quantum of interest payable. Financial instruments with fixed interest rates are subject To variations in fair values due to market interest movements.

The Group closely monitors market interest rate movements and implement appropriate strategies in order to minimize the interest rate risk dissociated with financial instruments with rates

Profile
At the end of the reporting period the interest rate profile of the Company's interest bearing financial instruments were as follows,

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Variable rate instruments Financial Asset				
Cash at Bank	**1,503,988,135**	363,330,372	**883,599,610**	4,553,213
Financial liabilities				
Loans and borrowings	**(3,453,217,686)**	(4,447,193,298)	**-**	-
Bank Overdrafts	**(189,595,516)**	(140,685,211)	**-**	-
	(3,642,813,202)	(4,587,878,509)	**-**	-
Net Exposure	**(2,138,825,067)**	**(4,224,548,137)**	**883,599,610**	**4,553,213**

Interest Rate Sensitivity Analysis
At the reporting date the interest rate sensitivity profile of the Group's financial instruments were on follows;

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Decrease of 100 basis points in rupee interest rate	**36,428,132**	45,878,785	**-**	**-**
increase of 100 basis points in rupee interest rate	**(36,428,132)**	(45,878,785)	**-**	**-**

(iv) Capital management risk
The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of the ordinary shares, retained earnings and non controlling interest of the Group. The Board of Directors monitors the return on capital as well as the level of dividends to the ordinary shareholders. The Group's net debt to adjusted equity ratio at the reporting date was as follows The following significant exchange rates were applicable during the year.

Notes to the Financial Statements contd..

37. Financial Risk Management contd..

As at 31st March	GROUP		COMPANY	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Borrowings & Lease	**3,871,585,903**	4,587,153,871	**-**	-
Total Equity	**8,928,877,894**	6,083,436,231	**5,696,229,044**	3,921,232,896
Net Debt to Equity Ratio	**43.36%**	77.72%	**0.00%**	0.00%

(v) Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Company's operations.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions
- Requirements for the reconciliation and monitoring of transactions
- Documentation of controls and procedures
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- Development of contingency plans
- Training and professional development

38. FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

Accounting classifications and fair values
The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Fair Value Hierarchy
The Group uses the following hierarchy for determining and disclosing financial instruments by valuation techniques.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Group

	CARRYING AMOUNT			FAIR VALUE			
31st March 2026	Financial Assets at Amortised cost (Rs.)	Other financial Liabilities (Rs.)	Total (Rs.)	Level 1 (Rs.)	Level 2 (Rs.)	Level 3 (Rs.)	Total (Rs.)
Financial assets not measured at fair value							
Trade and other receivables	2,011,577,329	-	2,011,577,329	-		2,011,577,329	2,011,577,329
Amounts due from related companies	-	-	-	-	-	-	-
Cash and cash equivalents	1,503,988,135	-	1,503,988,135	-	1,503,988,135	-	1,503,988,135
	3,515,565,464	-	3,515,565,464	-	1,503,988,135	2,011,577,329	3,515,565,464
Financial liabilities not measured at fair value							
Bank overdraft	-	189,595,516	189,595,516	-	-	189,595,516	189,595,516
Secured bank loans	-	3,453,217,686	3,453,217,686	-	-	3,453,217,686	3,453,217,686
Lease Liabilities	-	228,772,701	228,772,701	-	-	228,772,701	228,772,701
Trade & Other Payables	-	632,708,043	483,659,373	-	-	632,708,043	632,708,043
	-	4,504,293,946	4,355,245,276	-	-	4,504,293,946	4,504,293,946

	CARRYING AMOUNT			FAIR VALUE			
31st March 2025	Financial Assets at Amortised cost (Rs.)	Other financial Liabilities (Rs.)	Total (Rs.)	Level 1 (Rs.)	Level 2 (Rs.)	Level 3 (Rs.)	Total (Rs.)
Financial assets not measured at fair value							
Trade & other receivables	2,474,968,660	-	2,474,968,660	-	-	2,474,968,660	2,474,968,660
Cash in hand and at Bank	363,330,372	-	363,330,372	-	363,330,372	-	363,330,372
	2,838,299,032	-	2,838,299,032	-	363,330,372	2,474,968,660	2,838,299,032
Financial liabilities not measured at fair value							
Bank overdrafts	-	140,685,211	140,685,211	-	140,685,211	-	140,685,211
Secured bank loans	-	4,447,193,298	4,447,193,298	-	4,447,193,298	-	4,447,193,298
Lease liabilities	-	139,960,573	139,960,573	-	-	139,960,573	139,960,573
Trade and Other payables	-	516,949,584	516,949,584	-	-	516,949,584	516,949,584
	-	5,244,788,666	5,244,788,666	-	4,587,878,509	656,910,157	5,244,788,666

38. FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

Accounting classifications and fair values
The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Fair Value Hierarchy
The Company uses the following hierarchy for determining and disclosing financial instruments by valuation techniques.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Company

	CARRYING AMOUNT			FAIR VALUE			
31st March 2026	**Financial Assets at Amortised cost (Rs.)**	**Other financial Liabilities (Rs.)**	**Total (Rs.)**	**Level 1 (Rs.)**	**Level 2 (Rs.)**	**Level 3 (Rs.)**	**Total (Rs.)**
Financial assets not measured at fair value							
Cash in hand and at Bank	883,599,610	-	883,599,610	-	883,599,610	-	883,599,610
	883,599,610	-	883,599,610	-	883,599,610	-	883,599,610
Financial liabilities not measured at fair value							
Trade & Other Payables	-	5,144,607	5,144,607	-	-	5,144,607	5,144,607
	-	5,144,607	5,144,607	-	-	5,144,607	5,144,607

	CARRYING AMOUNT			FAIR VALUE			
31st March 2025	**Financial Assets at Amortised cost (Rs.)**	**Other financial Liabilities (Rs.)**	**Total (Rs.)**	**Level 1 (Rs.)**	**Level 2 (Rs.)**	**Level 3 (Rs.)**	**Total (Rs.)**
Financial assets not measured at fair value							
Amounts due from related parties	1,141,232	-	1,141,232	-	-	1,141,232	1,141,232
Cash and Cash equivalent	4,553,213	-	4,553,213	-	4,553,213	-	4,553,213
	5,694,445	-	5,694,445	-	4,553,213	1,141,232	5,694,445
Financial liabilities not measured at fair value							
Trade and Other payables	-	4,751,651	4,751,651	-	-	4,751,651	4,751,651
	-	4,751,651	4,751,651	-	-	4,751,651	4,751,651

Notes to the Financial Statements contd..

38.1 - Fair Value Hierarchy

38.2 - Non financial assets - Group

Level 1 - Quoted (unadjusted) Market prices in active markets for identical assets or liabilities

Level 2 - Valuation techiques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measirement is unobservable

	Level 1		Level 2		Level 3	
	2026 (Rs.)	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)	**2026 (Rs.)**	2025 (Rs.)
Asset measured at Fair value						
Land & Buildings	-	-	-	-	**3,949,374,616**	4,244,461,451
Investment property	-	-	-	-	**361,630,038**	361,451,036
Investment in fair value through OCI	-	-	-	-	**782,000,000**	-

In determining the fair value, highest and best use of the property including the current condition of the properties, future usability and associated redevelopment requirements have been considered. Also, the values have made reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size and location. The appraised fair values are rounded within the range of values.

Notes to the Financial Statements contd..

39. OPERATING SEGMENTS

Segment Information is presented in respect of the group's operating segments. Operating Segments are based on the Group's management and Internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment Capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than a period of one year.

The Group comprises the following main operating segments:
Agri Business
FMCG

	AGRI FOODS		CONSUMER BRANDS (FMCG)		GROUP	
As at 31st March	**2026 Rs.**	2025 Rs.	**2026 Rs.**	2025 Rs.	**2026 Rs.**	2025 Rs.
Revenue	**10,890,043,794**	7,219,811,416	**7,928,554,069**	7,302,126,971	**18,818,597,863**	14,521,938,387
Inter Segment Revenue	**(677,150,531)**	(107,287,574)	**(105,167,459)**	(647,482,805)	**(782,317,990)**	(754,770,379)
Segment Revenue	**10,212,893,263**	7,112,523,842	**7,823,386,610**	6,654,644,166	**18,036,279,873**	13,767,168,008
Cost of Sales	**(8,903,507,080)**	(6,561,653,489)	**(5,822,419,597)**	(6,096,908,904)	**(14,725,926,677)**	(12,658,562,393)
Inter Segment cost	**-**	107,287,574	**-**	647,482,805	**-**	754,770,379
Gross Profit	**1,309,386,183**	658,157,927	**2,000,967,013**	1,205,218,067	**3,310,353,196**	1,863,375,994
Other Income	**61,606,793**	85,827,656	**28,928,322**	39,837,672	**90,535,115**	125,665,328
Administrative Expenses	**(574,444,045)**	(585,635,961)	**(486,454,618)**	(488,588,446)	**(1,060,898,663)**	(1,074,224,407)
Change in Fair Value of Investment Properties	**-**	36,727,427	**-**	-	**-**	36,727,427
Selling & Distribution Expense	**(221,895,027)**	(211,689,688)	**(896,528,064)**	(815,810,042)	**(1,118,423,091)**	(1,027,499,730)
Operating Profit	**574,653,904**	(16,612,639)	**646,912,653**	(59,342,749)	**1,221,566,557**	(75,955,388)
Finance Income	**241,356,648**	148,233,759	**29,319,625**	9,912,849	**270,676,273**	158,146,608
Finance Costs	**(367,147,612)**	(404,589,157)	**(169,340,753)**	(147,103,406)	**(536,488,365)**	(551,692,563)
Profit before Tax	**448,862,940**	(272,968,037)	**506,891,525**	(196,533,306)	**955,754,465**	(469,501,343)
Income Tax Expense	**(239,994,706)**	54,754,043	**(46,624,448)**	37,314,991	**(286,619,154)**	92,069,034
Profit	**208,868,234**	(218,213,994)	**460,267,077**	(159,218,315)	**669,135,311**	(377,432,309)

Notes to the Financial Statements contd..

39. OPERATING SEGMENTS Contd..

As at 31st March	AGRI FOODS 2026 Rs.	AGRI FOODS 2025 Rs.	CONSUMER BRANDS (FMCG) 2026 Rs.	CONSUMER BRANDS (FMCG) 2025 Rs.	GROUP 2026 Rs.	GROUP 2025 Rs.
Property, Plant and Equipment	**2,602,958,666**	2,559,779,860	**3,398,847,415**	3,308,695,934	**6,001,806,081**	5,868,475,794
Right of use assets	**183,922,288**	105,131,213	**-**	(9,146,812)	**183,922,288**	95,984,401
Investment Property	**361,630,038**	373,800,000	**-**	(12,348,964)	**361,630,038**	361,451,036
Segment Property, Plant and Equipment & Investment Property	**3,148,510,992**	3,038,711,073	**3,398,847,415**	3,287,200,158	**6,547,358,407**	6,325,911,231
Biological Assets	**183,914,181**	161,245,640	**95,941,605**	82,926,263	**279,855,786**	244,171,903
Investment In Equity Instruments	**-**	-	**782,000,000**	-	**782,000,000**	-
Intangible Assets and Goodwilll	**2,597,430**	2,690,277	**240,076,082**	206,348,141	**242,673,512**	209,038,418
Segment Other Non Current Assets	**186,511,611**	163,935,917	**1,118,017,687**	289,274,404	**1,304,529,298**	453,210,321
Segment Total Non Current Assets	**3,335,022,603**	3,202,646,990	**4,516,865,102**	3,576,474,562	**7,851,887,705**	6,779,121,552
Inventories	**1,555,217,779**	1,273,091,198	**1,317,174,003**	1,281,390,833	**2,872,391,782**	2,554,482,031
Trade and Other Receivables	**1,670,899,179**	2,123,989,508	**1,259,655,148**	1,198,459,380	**2,930,554,327**	3,322,448,888
Current Tax Assets	**5,786**	-	**338,158**	47,056,637	**343,944**	47,056,637
Cash and Cash Equivalents	**582,043,032**	220,501,465	**921,945,103**	142,828,907	**1,503,988,135**	363,330,372
Segment Current Assets	**3,808,165,776**	3,617,582,171	**3,499,112,412**	2,669,735,757	**7,307,278,188**	6,287,317,928
Total Segment Assets	**7,143,188,379**	6,820,229,161	**8,015,977,514**	6,246,210,319	**15,159,165,893**	13,066,439,480
Liabilities						
Deferred Tax Liability	**381,283,800**	153,135,221	**521,670,201**	490,212,852	**902,954,001**	643,348,073
Interest Bearing Borrowings	**49,302,836**	143,054,600	**-**	-	**49,302,836**	143,054,600
Lease Liabilities	**220,728,868**	135,264,262	**-**	9,578,772	**220,728,868**	144,843,034
Retirement Benefit Obligation	**78,250,305**	66,172,910	**47,453,809**	46,475,850	**125,704,114**	112,648,760
Segment Non Current Liabilities	**729,565,809**	497,626,993	**569,124,010**	546,267,474	**1,298,689,818**	1,043,894,467
Trade and Other Payables	**828,526,493**	910,579,465	**486,787,929**	578,177,303	**1,315,314,422**	1,488,756,768
Dividend Payable	**5,016,081**	5,016,081	**5,391,003**	5,391,003	**10,407,084**	10,407,084
Current Portion of Interest Bearing Borrowings	**2,052,833,600**	2,424,138,698	**1,351,081,250**	1,880,000,000	**3,403,914,850**	4,304,138,698
Lease Liabilities	**6,769,341**	8,141,584	**1,274,492**	6,133,499	**8,043,833**	14,275,083
Current Tax Payable	**4,315,868**	-	**6,607**	3,482	**4,322,475**	3,482
Bank Overdraft	**113,742,674**	39,968,631	**75,852,842**	100,716,580	**189,595,516**	140,685,211
Segment Current Liabilities	**3,011,204,057**	3,387,844,459	**1,920,394,123**	2,570,421,867	**4,931,598,180**	5,958,266,326
Total Segment Liabilities	**3,740,769,866**	3,885,471,452	**2,489,518,133**	2,116,689,341	**6,230,287,998**	7,002,160,793

Real Estate Portfolio

COMPANY	LOCATION	LAND / BUILDING	LAND EXTENT (PERCHES)	BUILDING		CLASSIFIION COMPANY	CLASSIFIION GROUP	ORIGINAL COST OF PURCHASE (Rs.)	WDV AS AT 31.03.2026 (Rs.)
			FREE HOLD	NO OF BUILDINGS	BUILDING IN SQ.FT				
Renuka Agri Foods PLC	Unagahadeniya	Land	150	-	-	PPE	PPE	17,203,000	60,000,000
		Land	70.4	-	-	-	-	21,428,000	30,000,000
		Building	-	2	4,088	-	-	-	1,755,000
	EPZ, Wathupitiwela	Building	-	11	113,987	PPE	PPE	158,452,264	619,298,362
	Giriulla	Building	-	2	8,031	-	-	-	8,775,000
Renuka Developments (Pvt) Ltd	Unagahadeniya	Land	303.3	-	-	PPE	PPE	22,702,880	129,000,000
		Building	-	8	17,789	PPE	PPE	23,851,270	42,302,875
Kandy Plantations Ltd	Mahawatta Estate, Indigolla Estate, Kurundugolla Estate, at Nalla Diuldeniya	Building	-	3	10,598	PPE	PPE	15,927,250	5,700,000
	Matale	Land	3,218	-	-	PPE	PPE	57,900,000	70,301,194
	Matale West	Land	3,260	-	-	PPE	PPE	203,750	46,758,560
	Matale	Land	10,843	-	-	PPE	PPE	167,200,000	189,00,000
Coco Lanka (Pvt) Ltd	Cocowatte Estate,	Land	26,445.10	-	-	PPE	PPE	127,482,760	235,000,000
	Puttalam	Building	-	5	6,447	PPE	PPE	-	8,655,650
Renuka Agri Organics Ltd	Export Processing Zone, Wathipitiwala	Building	-	3	69,225	PPE	PPE	74,073,652	342,225,000
Shaw Wallace Ceylon Ltd	Colombo 08	Land	40			PPE	PPE	132,199	447,000,000
	Colombo 08	Building		1	66828	PPE	PPE	289,341,098	756,033,939
	Ekala	Land	59.8			PPE	PPE	16,445,000	39,000,000
	Ekala	Building		2	10185	PPE	PPE	36,555,000	29,090,909
	Ekala	Land	214.75			PPE	PPE	104,691,840	140,000,000
	Ekala	Building		11	40,698	PPE	PPE	9,721,060	58,181,818
Shaw Wallace Properties (Pvt) Ltd	Peliyagoda	Land	215.59			IP	PPE	95,000,000	503,000,000
		Building		3	62,714	IP	PPE	119,980,471	247,000,000
Renuka Trading (Pvt) Ltd	Colombo 09	Land	75.61			IP	PPE	69,418,872	280,000,000
		Building		3	31,363	IP	PPE	250,273,302	78,000,000
Richlife Dairies Ltd	Wadduwa	Land	886				PPE	128,552,000	210,020,000
		Building		6	63,986	PPE	PPE	194,843,169	203,438,867

Five Year Summary

Year Ended 31st March	2026 Rs. '000	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000
a) Summary of Operation					
Revenue	18,036,280	13,767,168	14,178,550	17,135,331	10,695,305
Gross Profit	3,310,353	1,863,376	1,712,933	3,251,938	1,780,786
Profit/ (Loss) before net Finance Cost and Tax	1,221,567	-75,955	-166,905	1,488,704	804,926
Profit/ (Loss) before Taxation	955,754	-469,501	-941,158	755,930	870,153
Taxation	-286,619	92,069	-142,089	-256,471	-136,881
Profit/(Loss) after Tax	669,135	-377,432	-799,068	499,460	733,272
Profit/ (Loss) attributable to Equity Holders of the Company	**568,103**	**-341,822**	**-611,074**	**367,859**	**554,351**
b) Summeryof Financial Position					
Capital and reserves					
Stated Capital	2,908,781	2,908,781	2,289,279	2,241,842	2,241,842
Revaluation Reserve	1,240,270	1,288,587	669,402	662,164	737,310
Retained Earnings	2,360,411	1,300,024	1,035,007	1,935,564	1,616,234
Shareholders' Fund	6,510,835	5,497,392	3,993,688	4,839,570	4,595,386
Minority Interest	2,418,043	586,044	1,003,982	1,393,855	1,309,461
Total Equity	**8,928,878**	**6,083,436**	**4,997,671**	**6,233,425**	**5,904,848**
Liabilities					
Non-Current Liabilities	1,298,689	1,024,737	1,106,831	1,258,254	1,168,710
Current Liabilities	4,931,598	5,958,266	4,816,076	5,279,123	3,784,531
Total Liabilities	6,230,288	6,983,003	5,922,907	6,537,377	4,953,240
Total Equiy and Liabilities	**15,159,166**	**13,066,439**	**10,920,579**	**12,770,802**	**10,858,088**
Assets					
Property,Plant and Equipment	6,001,806	5,868,476	5,075,781	4,578,092	4,672,435
Investment Properties	361,630	361,451	323,143	350,955	320,758
Investments	-	-	-	556,573	1,140,676
Other Non-Current Assests	1,488,452	549,195	474,265	458,891	461,580
Current Assests	7,307,278	6,287,318	5,047,389	6,826,290	4,262,639
Total Assests	**15,159,166**	**13,066,439**	**10,920,579**	**12,770,802**	**10,858,088**
c) Key Indicators					
Earnings per Share (Rs.)	1.62	0.97	-4.89	2.95	4.52
Net Profit Margin (%)	3.71%	-2.74%	-5.60%	2.91%	6.86%
Net Assets Value Per Share (Rs.)	46.03	34.59	40.02	50.79	48.11
Dividends Per Share (Rs.)	-	-	-	0.41	-
Dividends Payout (%)	-	-	-	13.70%	-
Dividends Cover (Times)	-	-	-	7.3	-
Interest Cover (Times)	2.93	0.19	-0.21	0.85	4.4
Current Ratio (Times)	1.48	1.06	1.04	1.29	1.13
Gearing Ratio (%)	53.95%	80.90%	66.70%	37.84%	30.50%
Return on Equity (%)	7.49%	-6.20%	-15.99%	8.01%	12.42%

Shareholders' and Investors' information

SHARE INFORMATION	Year 2026 Voting	Year 2026 Non-voting	Year 2025 Voting	Year 2025 Non-voting
Total No of Shareholders	5,092	1,276	4,182	815
Total No of Shares	360,010,634	14,613,600	180,005,317	7,306,800

PUBLIC SHARE HOLDING

The percentage of Shares held by the Public	Year 2026	Year 2025
Voting	31.99%	21.82%
Non-voting	74.83%	72.13%

SHARE TRADING INFORMATION - VOTING

31st March 2026 No. of Shares Holders	No. of Share Held	Total Holdings
3,558	1 - 1,000	0.36%
1,065	1,001 - 10,000	0.99%
344	10,001 - 100,000	2.90%
102	100,001 - 1,000,000	11.55%
23	Over 1,000,000	84.20%
5,092		**100.00%**

31st March 2026 No. of Share Held	No. of Share Holder	No. of Shares	%
Individuals	4,887	60,234,986	15.73%
Institutions	205	299,775,648	83.27%
Total	5,092	360,010,634	100.00%

31st March 2025 No. of Share Held	No. of Share Holder	No. of Shares	%
Individuals	4,038	16,403,717	9.11%
Institutions	144	163,601,600	90.89%
Total	4,182	180,005,317	100.00%

31st March 2026 No. of Share Held	No. of Share Holder	No. of Shares	%
Resident	5,072	300,639,812	83.52%
Non Resident	20	59,370,822	16.48%
Total	5,092	360,010,634	100%

31st March 2025 No. of Share Held	No. of Share Holder	No. of Shares	%
Resident	800	6,718,588	91.96%
Non Resident	15	588,212	8.04%
Total	815	7,306,800	100%

31st March 2026 No. of Share Held	No. of Share Holder	No. of Shares	%
Renuka Holdings PLC & Affiliate Companies	4	196,721,554	54.64%
Directors & Spouses	2	18,005,650	5.00%
Holding of 10% or more	-	-	-
Public	4,986	115,164,262	31.99%
Total	5,092	360,010,634	100%

31st March 2025 No. of Share Held	No. of Share Holder	No. of Shares	%
Renuka Foods PLC & Affiliate Companies	5	125,672,248	69.82%
Directors & Spouses	1	2,826	00.00%
Holding of 10% or more	1	15,059,583	8.37%
Public	4,175	39,270,660	21.82%
Total	4,182	180,005,317	100.00%

Shareholders’ and Investors’ information contd..

SHARE TRADING INFORMATION - NON VOTING

31st March 2026 No. of Shares Holders	No of Share Held	Total Holdings
763	1 - 1,000	1.18%
386	1,001 - 10,000	9.49%
105	10,001 - 100,000	21.14%
20	100,001 - 1,000,000	43.02%
2	Over 1,000,000	25.17%
1,276		**100.00%**

31st March 2026

No. of Share Held	No. of Share Holder	No. of Shares	%
Individuals	1,212	6,423,202	43.95%
Institutions	64	8,190,398	56.05%
Total	1,276	14,613,600	100.00%

31st March 2025

No. of Share Held	No. of Share Holder	No. of Shares	%
Individuals	765	4,215,410	57.69%
Institutions	50	3,091,390	42.31%
Total	815	7,306,800	100.00%

31st March 2026

No. of Share Held	No. of Share Holder	No. of Shares	%
Resident	1,263	13,548,700	92.72%
Non Resident	13	1,064,900	7.28%
Total	1,276	14,613,600	100.00%

31st March 2025

No. of Share Held	No. of Share Holder	No. of Shares	%
Resident	800	6,718,588	91.96%
Non Resident	15	588,212	8.04%
Total	815	7,306,800	100.00%

31st March 2026

No. of Share Held	No. of Share Holder	No. of Shares	%
Renuka Holdings PLC & Affiliate Companies	1	2,440,102	16.97%
Directors & Spouses	-	-	-
Holding of 10% or more	1	1,236,288	8.47%
Public	1,274	10,937,210	74.84%
Total	1,276	14,613,600	100.00%

31st March 2025

No. of Share Held	No. of Share Holder	No. of Shares	%
Renuka Foods PLC & Affiliate Companies	1	1,220,051	16.70%
Directors & Spouses	-	-	-
Holding of 10% or more	1	816,192	11.17%
Public	813	5,270,557	72.13%
Total	815	7,306,800	100.00%

Shareholders’ and Investors’ information contd..

Share Information	Year 2026 Voting	Year 2026 Non-voting	Year 2025 Voting	Year 2025 Non-voting
Highest	79.20	68.90	15.50	12.70
Lowest	22.50	20.00	9.70	9.50
As at 31st March (Last Trade)	28.90	23.10	11.00	10.70

Market Capitalization				
As at 31st March (Rs)	374,624,234		2,058,241,247	
Float Adjusted Market Capitalization (Rs)	3,518,552,570		488,372,220	
No.of Trades	9,987	4,551	5,540	3,864
No.of Shares Traded	44,344,217	4,285,201	14,934,375	17,891253
Value of Shares Traded (Rs)	2,990,713,497.80	223,965,968.50	188,117,638	237,683,984

Option the Listed Entity complies with the Minimum Public Holding requirement

The Company complied with option 5 of the listing rule 7.13.1 (i) (a) - which requires a minimum public Holding of 20% for a company having a float adjusted market capitalization of less than Rs.2.5Bn.

The Company has over 20% public shareholding and over 500 public shareholders meeting the minimum thresholds for compliance on minimum public holding, under option 5 as per the directive issued in terms of section 13(c) and 13(cc) of the Securities & Exchange Commission of Sri Lanka Act No.36 of 1987 (as amended).

20 Largest Shareholders

No.	Name.	Voting as at 31.03.2026 No. of Shares	%	Voting as at 31.03.2025 No. of Shares	%
1.	Renuka Enterprises (Pvt) Ltd	165,807,568	46.06%	9,184,975	5.00%
	Renuka Agro Exports Ltd*			65,730,280	37.00%
2.	CJ Patel & Company Ltd	30,119,166	8.37%	15,059,583	8.00%
3.	Eagle View Management Ltd	27,234,062	7.56%	13,617,031	8.00%
4.	Renuka Holdings PLC	19,839,258	5.51%	13,000,000	7.00%
5.	Dr. S. R. Rajiyah, Mrs. I. R. Rajiyah and	18,000,000	5.00%	9,000,000	5.00%
6.	Ms. A. L. Rajiyah (Joint)				
	The Cargo Boat Investment Company Ltd	11,000,000	3.06%	9,000,000	5.00%
7.	Hatton National Bank PLC	3,868,442	1.07%	-	0.00%
8.	Capital Alliance Quantitative Equity Fund				
	People S Leasing And Finance PLC/	2,676,904	0.74%	-	0.00%
9.	Nagoya Ceylon Trading (Pvt) Ltd				
	Renuka Hotels PLC	2,447,804	0.68%	1,223,902	1.00%
10.	Mrs. S. Vignarajah, Ms. K.R. Vignarajah (Joint)	2,257,528	0.63%	1,128,764	1.00%
11.	Ranavav Holdings (Pvt) Ltd	2,100,000	0.58%	-	
12.	Mr. L.D.N. Nayana	2,075,480	0.58%	-	
13.	Almas Holdings (Private) Limited	2,000,000	0.56%	-	0.00%
14.	Seylan Bank PLC/ A.C.Senanka	2,000,000	0.56%	-	0.00%
15.	Seylan Bank PLC/ K.L.G.Udayananda	2,000,000	0.56%	-	0.00%
16.	Est.of Late K.C. Vignarajah	1,627,730	0.45%	813,865	0.00%
17.	Seylan Bank PLC/ JN Lanka Holdings (Pvt) Ltd	1,600,000	0.44%	-	0.00%
18.	Citizens Development Business Finance Acct No 01	1,400,000	0.39%	500,000	0.00%
19.	Mrs M.J.Nihara	1,358,375	0.38%	-	0.00%
20.	Mrs. L.E.N. Yaseen	1,317,400	0.31%	-	0.00%
		299,317,342	**83.16%**	**138,258,400**	**76.81%**

* Renuka Agro Export Ltd amalgamated with Renuka Enterprises (Pvt) Ltd on 27th March 2026.

20 Largest Shareholders

No.	Name.	Non Voting as at 31.03.2026 No. of Shares	%	Non Voting as at 31.03.2025 No. of Shares	%
1.	Renuka Enterprises (Pvt) Ltd	2,440,102	16.70%	1,220,051	16.70%
2.	Hatton National Bank PLC/ Almas Holdings (Pvt) Ltd	1,236,288	8.46%	1,232,050	16.86%
3.	Seylan Bank PLC/ S.R. Fernando	651,600	4.46%	325,800	4.46%
4.	Est. Of Late K.C. Vignarajah	612,300	4.19%	306,150	4.19%
5.	Best Real Invest Co Services (Pvt) Ltd	602,270	4.12%	-	0.00%
6.	HNB Investment Bank (Pvt) Ltd/ J.Tharshana	600,000	4.11%	300,000	4.11%
7.	Tranz Dominion,L.L.C	540,000	3.70%	270,000	3.70%
8.	Dialog Finance PLC/ R.Gukenthiran	453,760	3.11%	-	0.00%
9.	Mrs. S. Vignarajah/ Ms K.R.Vignarajah (Joint)	288,002	1.97%	144,001	1.00%
10.	Mrs. S. Umeshwary	239,964	1.64%	119,982	1.97%
11.	Mr. M.Z. Rasheed	235,607	1.61%	-	0.00%
12.	Seylan Bank PLC/ N.D.Dias	231,787	1.59%	-	0.00%
13.	Mr. V.T.H. Vitharana	223,978	1.53%	117,000	1.60%
14.	Mr. A.A.A. De Silva	216,868	1.48%	-	0.00%
15.	Mr. R. Gautam	216,200	1.48%	-	0.00%
16.	Amana Bank PLC/ Mr. Abdul Majeed Mohammadu Risvi	211,718	1.45%	175,860	2.41%
17.	Almas Holdings (Pvt) Ltd	202,200	1.38%	206,715	2.83%
18.	Mr. N. Krishnakumar	189,024	1.29%	115,000	1.57%
19.	Mrs. F.R. Buhardeen	177,658	1.22%	88,829	1.22%
20.	Hatton National Bank PLC/ Dawi Investment Trust (Pvt) Ltd	160,000	1.09%	-	0.00%
		9,729,326	66.58%	4,621,438	63.25%

* Renuka Agro Export Ltd amalgamated with Renuka Enterprises (Pvt) Ltd during the quarter

Notice of Meeting - Annual General Meeting

Notice is hereby given that the Thirty Sixth (36th) Annual General Meeting (AGM) of Renuka Foods PLC (the 'Company') will be held on vertually Thursday, 24th September, 2026 at 3.30 p.m. for the following purposes:

1. To receive and consider the Annual Report of the Board of Directors on the affairs of the Company, the statement of Compliance and the Financial Statement for year ended 31st March 2026 with the Report of the Auditors thereon.

2. To declare a dividend as recommended by the Board of Directors and to consider to pass the following resolutions:

a. Declaration of a first and final dividend

THAT a first and final dividend consisting of a scrip dividend of Rs. 0.09 per voting share and a cash dividend of Rs. 0.10 per voting share, be declared, the scrip dividend of Rs. 0.09 per voting share to be satisfied by the issue of 1,222,677 fully paid ordinary voting shares constituting a total sum of Rs. 32,400,957.06 and the cash dividend of Rs. 0.10 per voting share to amount to a total sum of Rs. 36,001,063.40 based on the issued ordinary voting shares as at 25th August 2026.;

That a first and final dividend consisting of a scrip dividend of Rs. 0.09 per nonvoting share and a cash dividend of Rs. 0.10 per nonvoting share, be declared, the scrip dividend of Rs. 0.09 per share to be satisfied by the issue of 58,715 fully paid ordinary non-voting shares constituting a total sum of Rs. 1,315,224 and the cash dividend of Rs. 0.10 per nonvoting share to amount to a total sum of Rs.1,461,360 based on the issued ordinary non voting shares as at 25th August 2026

THAT the shareholders entitled to such dividend would be those shareholders, whose names have been duly regis-tered in the Shareholders' Register maintained by the Registrars of the Company [i.e. SSP Corporate Services (Pvt) Ltd., No. 101, Inner Flower Road, Colombo 03] and also those shareholders whose names appear on the Central Depository Systems (Pvt) Ltd. ('CDS') as at end of trading on the Record Date [i.e. the Second (2nd) market day from and excluding the date of the meeting] (the 'Entitled Shareholders');

THAT subject to the shareholders approving the proposed allotment and issue of new ordinary shares by passing the resolutions set out below, the declared That

(i) first and final scrip dividend of Rs.0.09 per voting share and a cash dividend of Rs.0.10 per Voting share, be distributed and satisfied by the allotment and issue of new ordinary voting shares (the "distribution scheme") based on the share price of ordinary voting shares as at 25th August 2026, to the Entitled Shareholders whose names appear on the Central Depository Systems (Pvt) Ltd. ('CDS') as at end of trading on the Record Date [i.e. the Second (2nd) market day from and excluding the date of the meeting]

(ii) first and final scrip dividend of Rs.0.09 per nonvoting share and a cash dividend of Rs.0.10 per nonvoting share, be distributed and satisfied by the allotment and issue of new ordinary nonvoting shares (the "distribution scheme") based on the share price of ordinary nonvoting shares as at 25th August 2026, to the Entitled Shareholders whose names appear on the Central Depository Systems (Pvt) Ltd. ('CDS') as at end of trading on the Record Date [i.e. the Second (2nd) market day from and excluding the date of the meeting]

• The allotment and issue of new ordinary voting and nonvoting shares of Rs.0.09 cents per share dividend entitlement (subject to applicable government taxes).

THAT aaccordingly and subject to the approval of the shareholders being obtained in the manner afore-men-tioned the implementation of the said distribution scheme shall be as follows:

By way of the allotment and issue of new shares:

The sum of:
i) The sum of Rs. 32,400,957.06 to which the ordinary voting shareholders are entitled (subject to applicable government taxes); and

shall be satisfied by the allotment and issue of new ordinary voting shares to the entitled shareholders of the ordinary voting shares respectively, on the basis of the following ratios:

• 1 new fully paid ordinary voting share for every 294.44459493 existing issued and fully paid voting ordinary shares calculated on the basis of the market value of the ordinary voting shares as at end of trading on 25th August 2026;

Notice of Meeting - Annual General Meeting contd..

II) The sum of Rs.1.315,224 to which the ordinary non voting shareholders are entitled (subject to applicable government taxes); and shall be satisfied by the allotment and issue of new ordinary non voting shares respectively, on the basis of the following rations:

• 1 new fully paid ordinary non voting share for every 248.89040279 existing issued and fully paid non voting ordinary shares calculated on the basis of the market value of the ordinary non voting shares as at end of trading on 25th August 2026;

THAT the ordinary residual share fractions, respectively, arising in pursuance of the aforementioned allotment and issue of new ordinary shares after applying the formulas referred to in the sub heading "Residualfractions of shares" in the "Circular to the shareholders on the first and final dividend for 2026" dated 25th August 2026. will be allotted to trustees to be nominated by the Board and such shares will be sold and the net sale proceeds arising therefrom be distributed to a charity/ charities approved by the Board of Directors.

THAT the new shares to be issued in pursuance of the said distribution scheme constituting a total issue of new ordinary voting shares 1,222,677 and 58,715 ordinary nonvoting shares based on the issued and fully paid ordinary shares as at 25th August 2026, shall, immediately consequent to due allotment thereof to the entitled shareholders rank equal and pari passu in all respects with the existing issued and fully paid ordinary shares and the existing issued and fully paid ordinary shares of the Company respectively including the entitlement to participate in any dividend that may be declared after the date of allotment thereof and shall be listed on the Colombo Stock Exchange; and

a. Dividend Resolution No. 2 (i): (ordinary resolution)

THAT a new issue of shares provided for by Article 12 of the Articles of Association of Renuka Foods PLC (the 'Company'), be and is hereby issue of new shares to be effected by the Company for purposes of satisfying in first and final dividend for the year ended March 31, 2026:

"The allotment and issue of 1,222,677.62 new ordinary voting shares and 58,715.35 nonvoting shares, credited as fully paid to entitled shareholders 'as at end of trading on the Record Date [i.e. the Second (2nd) market day from and excluding the date of the meeting]' and which new shares shall rank equal and pari passu with the existing issued and fully paid ordinary shares of the Company including the right to participate in any dividend which may be declared after the date of allotment of such shares".

b. Dividend Resolution No. 2 (ii): (Ordinary Resolution)

THAT a first and final dividend of Rs.36,001,063.40 for voting shares and Rs.1,461,360 for nonvoting shares as the cash distribution for the financial year ended March 31, 2026, be and is hereby declared and paid in cash to the shareholders whose names appear in the Register of Members of the Company as at the close of trading on the Record Date [i.e. the Second (2nd) market day from and excluding the date of the meeting].

c. Approval of an issue of ordinary shares (Dividend Resolution No. 2 (iii))(Ordinary Resolution):

THAT the proposed allotment and issue of 1,222,677 new ordinary voting shares and 58,715 new ordinary nonvoting shares credited as fully paid to entitled share-holders as at end of trading on the Record Date [i.e. the Second (2nd) market day from and excluding the date of the meeting]' and which new shares shall rank equal and pari passu with the existing issued and fully paid ordinary shares of the Company including the right to participate in any dividend which may be declared after the date of allotment of such shares be and is hereby approved in pursuance of Article 12 of the Articles of Association of the Company; and

THAT accordingly the Company's management be and is hereby authorized to take all necessary steps to give effect to the aforesaid proposed issue of newordinary shares of the Company

3. To re-elect Mr. R.F.N. Jayasooriya as a director who retires by Rotation in terms of Article 28(1).

4. To re-elect Mr. V. Sanmugam as a director who retires by Rotation in terms of Article 28(1).

5. To re-appoint Dr, S.R. Rajiyah as a Director of the Company in terms of Sec.211 of the Companies Act No. 07 of 2007 and it is specially declared at the age limit of 70 years referred to in section 210 of the companies Act No. 7 of 2007 shall not applied to the said Dr. S.R. Rajiyah.

6. To re-appoint Mrs. I.R. Rajiyah as a Director of the Company in terms of Sec.211 of the Companies Act No. 07 of 2007 and it is specially declared at the age limit of 70 years referred to in section 210 of the companies Act No. 7 of 2007 shall not applied to the said Mrs. I.R. Rajiyah.

7. To appoint Messrs KPMG, Chartered Accountants, as recommended by the Board of Directors as the Company's Auditors for the financial year ending March 31, 2026; and

8. To authorize the Board of Directors to determine the remuneration of the Auditors for the financial year ending March 31, 2026.

9. To authorize the Board of Directors to determine donations for the year 2026.

By Order of the Board of
Renuka Foods PLC
Renuka Enterprises (Pvt) Ltd Company Secretaries
28th August 2025 - Colombo

(i) A duly registered and entitled holder of the Company's ordinary voting shares is entitled to participate at the meeting, speak and vote at the AGM and is entitled to appoint a proxy holder to participate speak, and vote in his/her stead.

(ii) A duly registered and entitled holder of the Company's ordinary (non-voting) shares is entitled only to participate at the meeting and speak at the AGM and to vote only on the resolutions set out in items 2 (i), 2 (ii) and 2 (iii) of the Notice of Meeting. Such a shareholder is entitled to appoint a proxy holder to participate at the meeting and speak on his/her behalf and to vote only on the resolutions set out in items 2 (i), 2 (ii) and 2 (iii) of the Notice of Meeting.

(iii) A proxy holder need not be a shareholder of the Company.

(iv) A Form of Proxy is sent along with this Report. The Form of Proxy should be completed legibly and forwarded to the Company, Company Secretary, to No. 69, Sri Jinaratana Road Colombo 02, not later than forty eight (48) hours before the time appointed for the holding of the AGM.

Circular to the Shareholders on the First and Final Dividend for 2026

Dear Shareholder/s,

First and Final Dividend for the year ended March 31, 2026 to be Satisfied by the Allotment and Issue of New Shares.

The Board of Directors of the Company is pleased to inform its Shareholders that a first and final dividend of for the financial year ended March 31, 2026, has been recommended for declaration at the Annual General Meeting ('AGM') to be held on 24th September 2026 at 3.30 pm as virtual.

This dividend consists of:

- a scrip dividend of Rs. 0.09 per voting and nonvoting share , to be satisfied by the allotment of new ordinary shares out of the dividend received by the Company; and

- a cash dividend of Rs. 0.10 per voting and nonvoting share, to be paid out of the profits of the Company for the financial year ended March 31, 2026, subject to applicable government taxes.

The Board of Directors is confident that, the Company will be able to satisfy the solvency test set out in Section 57 of the Companies Act No. 07 of 2007 (as amended) ['CA 2007'] immediately post allotment of such dividend. A Certificate of Solvency has been requested by the Company's Auditors, Messrs KPMG, Chartered Accountants.

Subject to obtaining the approval of the Shareholders, the said dividend will be satisfied in accordance with a distribution scheme where by:

(i) New ordinary shares will be allotted and issued, in satisfaction of the dividend entitlement, constituting a total sum of Rs. 32,400,957.06 for voting shares and Rs.1,315,224 for Nonvoting shares based on the issued and fully paid shares of the Company as at 31st March 2026.

Accordingly, and in pursuance of the aforesaid distribution scheme, the Company proposes to issue:

1,222,677 number of new ordinary voting shares and 58,715 number of new ordinary nonvoting shares calculated based on the issued and fully paid ordinary shares as at 31st March 2026 and on the basis of their market value (closing price) as at end of trading on 25th August 2026;

(ii) The balance dividend of Rs. 0.10 per voting and nonvoting share, amounting to a total cash distribution of Rs. 36,001,063.40 for voting shares and Rs.1,461,360 for nonvoting shares will be paid to the Shareholders entitled thereto, subject to applicable government taxes.

The said shares shall be issued in the following ratios to the entitled Shareholders of the Company:

a. 1 new fully paid ordinary voting share for every 294.44459493 existing issued and 1 new fully paid ordinary non voting share for every 248.89040279 calculated on the basis of market value (closing price) of the ordinary shares as at end of trading on 25th August 2026;

The above share ratio is based on a value of Rs. 0.09 Cents per ordinary voting and non voting shares (subject to applicable government taxes) as at the end of trading on 25th August 2026. The Board of Directors is satisfied that the aforementioned values which constitute the consideration for which the new shares are to be allotted and issued is fair and reasonable to the Company and to all its existing Shareholders.

Entitled Shareholders

Shareholders entitled to participate in the said dividend are those who are duly registered in the Company's Share Register and also those shareholders whose names appear on the Central Depository Systems (Pvt) Ltd ('CDS') as at end of trading on the Record Date [i.e. the Second (2nd) market day from and excluding the date of the meeting] (the 'Entitled Shareholders').

In calculating the number of shares held by a shareholder-r as at the relevant date for the proposed allotment and issue of new shares the shareholding of the shareholder as appearing in the CDS and the Shareholders' Register maintained by the Registrars of the Company (SSP Corpo-rate Services (Pvt) Ltd, No. 101, Inner Flower Road, Colombo 03) will not be aggregated. However, if a shareholder holds shares with multiple stockbrokers, the shares held with multiple stockbrokers will be aggregated for calculation purposes, and the shares arising as a result of the proposed issue and allotment of new shares will be uploaded proportionately to the respective CDS accounts held with each broker. The Company has obtained the approval in principle of the Colombo Stock-Exchange ('CSE') for the proposed allotment and issue of new shares.

Residual Fractions of Shares

The residual fractions arising from the aforementioned allotment and issue of new ordinary shares respectively, will be aggregated and the shares arising consequent thereto will be allotted to trustees to be nominated by the Board and subject to receiving the approval of the Shareholders therefor, such shares will be sold and the net sale proceeds arising therefrom be distributed to a charity/ charities approved by the Board of Directors. The donation will be effected by the Company within a reasonable period of time.

Residual fractions of ordinary shares above mentioned shall mean the above mentioned fractions arising after applying the following formula:

$$\frac{\text{Number of voting shares held by a shareholder as at end of trading on the Record Date X 1}}{294.44459493}$$

$$\frac{\text{Number of non voting shares held by a shareholder as at end of trading on the Record Date X 1}}{248.89040279}$$

Status of the New Shares

The new ordinary shares to be so issued, immediately consequent to due allotment thereof to the entitled Shareholders, shall rank equal and pari passu in all respects with the existing issued and fully paid ordinary shares, of the Company.

Cash Dividend

A cash dividend of Rs. 0.10 per share will be distributed to the entitled Shareholders. The total cash dividend amounts to Rs. 36,001,063.40 for voting ordinary shares and Rs. 1,461,360 for nonvoting ordinary shares as at 25th August 2026).

The cash dividend will be paid, subject to applicable government taxes, to the entitled Shareholders on a date to be notified in due course.

Listing approval
An application has been made to the CSE for listing, has been approved 'in principle' by the CSE.

Shareholder Approvals
The proposed method of satisfying the above mentioned first and final dividend is subject to Shareholders granting approval therefor by passing the resolutions set out in the attached Notice of Meeting pertaining to the following matters:

1.Authorization to satisfy the first and final dividend by an allotment and issue of new shares:

Article 12 of the Company's Articles of Association and Companies Act No. 7 of 2007, the Board is empowered to pay a dividend by way of shares. The Board seeks the authorization of Shareholders for the satisfaction of the first and final dividend by the issue of new ordinary shares in the manner set out above.

The relevant resolution to be passed by the Shareholders in this regard is set out in item 2(i) of the attached Notice of Meeting.

2. Authorization to distribute the balance portion of the first and final dividend by way of a cash dividend:

In addition to the scrip dividend, the Board has recommended that the balance portion of the first and final dividend amounting to Rs. 0.10 per voting and nonvoting share be paid in cash out of the profits of the Company for the year ended 31st March 2026, subject to applicable government taxes. The payment of the said cash dividend requires the approval of the Shareholders at the AGM.

As mentioned previously, the first and final dividend is proposed to be satisfied, by the allotment and issue of new ordinary shares in the manner set out above and on the above-mentioned application of the above mentioned share proportion.

The Company is required, in compliance with the above provisions, to seek Shareholder approval by an ordinary resolution for the proposed method of satisfaction of the first and final dividend by an allotment and issue of new ordinary shares in the manner set out above.

The relevant ordinary resolution to be passed by the Shareholders in this regard is set out in item 2(ii)of the attached Notice of Meeting.

Confirmation of Compliance
The Board of Directors hereby confirms that the allotment and issue of new shares is incompliance with the Articles of Association of the Company, the Listing Rules of the CSE and the provisions of the CA 2007.

Allotment of the New Shares
The Board of Directors emphasizes that the aforementioned allotment and issue of new shares is in satisfaction of the first and final dividend for the year ended March 31st , 2026 and shall be dependent on and subject to the Shareholders passing the requisite resolutions.

Uploading of Shares in to CDS Accounts
In the event that the requisite resolution declaring the dividend (including its manner of satisfaction there of) by way of the issue and allotment of new shares is passed by the Shareholders, the accounts of the Shareholders whose shares are deposited in the CDS would be directly uploaded with the new shares to the extent that such Share- holder has become entitled there to.

Circular to the Shareholders on the First and Final Dividend for 2026 contd..

The shares would be uploaded within five (05) market days from and excluding the Record Date. If a Shareholder holds multiple CDS accounts the total entitlement will be directly deposited to the respective CDS accounts propor-tionately. Pursuant to a Direction issued by the Securities and Exchange Commission of Sri Lanka ('SEC') under circular n No. 08/2010 dated November 22,2010 and circular No. 13/2010 dated November 30, 2010 issued by CDS.. Pertaining to the dematerialization of listed securi-ties, the Shareholders who hold shares in scrip form (i.e. Share Certificates) as per the Share Register maintained by the Registrars of the Company, will not be issued Share Certificates for the new shares allotted and issued in their favour. Such Shareholders are accordingly requested to open an account with the CDS and to depos-it their Share Certificates in the CDS prior to the date of the AGM of the Company. This will enable the Company to deposit the new shares directly into the Shareholder's CDS Account.

If a Shareholder fails to deposit his/her existing ordinary shares in the CDS prior to the date of the AGM, such Shareholder's entitlement of new ordinary shares will be deposited by the Company after such Shareholder has opened a CDS Account and has informed the Company's Registrars in writing of his/her CDS account number. Until such CDS account is opened by a Shareholder as afore- mentioned, the new ordinary shares that are allotted in his/ her favour will be registered in such share-holder's account in the Share Register maintained by the Registrars of the Company.

Consequent to the opening of the CDS account by such Shareholder, the new shares will be credited to such CDS account. Direct uploads pertaining to written requests received from Shareholders to deposit such shares will be done on a weekly basis.

Annual General Meeting (AGM)

The Annual Report comprising the Notice convening the AGM for September 24th, 2026 thereof, the relevant resolutions to be passed by the Shareholders in the above regard.

Form of Proxy

Shareholders who are unable to participate at the meet-ing are entitled to appoint a proxy to participate at the said meeting by and speak and also vote on their behalf, depending on their voting rights. If you wish to appoint such a proxy, kindly complete and return the enclosed Form of Proxy (in accordance with instructions to No. 69 Sri Jinaratana Road, Colombo 02, not later than forty eight (48) hours before the time appointed for the holding of the AGM.

Yours faithfully,

By Order of the Board of Renuka Foods PLC

Renuka Enterprises (Pvt) Ltd
Company Secretaries
28th August 2026

Form of Proxy

I / We.. of
....being a member/members
of Galle Face Capital Partners PLC, hereby appoint; ....
.... (NIC No. ....) of ....
....
Or failing her/him

Dr. S.R. Rajiyah, or failing him
Mrs. I.R. Rajiyah, or failing her
Mr. S.V. Rajiyah, or failing him
Mr. V. Sanmugam, or failing him
Mr. R.F.N.Jayasooriya, or failing him
Mr. A.M.P.C.K.Abeykoon, or failing him
Mr. E. A. P. Ekanayake, or failing him
Mr. M.R. Ratnasabapathy

as my/ our proxy to represent me / us and to speak and to vote on my / our behalf at the Annual General Meeting of the Company to be held on the 24th of September 2026 and at any adjournment thereof and at every poll which may be taken in consequence thereof.

		For	Against
1.	To receive and consider the Report of the Directors and the Statement of the Audited Financial Statements for the year ended 31st March 2026 with the Report of the Auditors thereon.		
2.	To re-elect Mr. R. F. N. Jayasooriya as a Director of the Company in terms of Article 28 (1) of the Articles of Association of the Company.		
3.	To re-elect Mr. V. Sanmugam as a Director of the Company in terms of Article 28 (1) of the Articles of Association of the Company.		
4.	To re-appoint Dr. S.R. Rajiyah as a Director of the Company in terms of S. 211 of the Companies Act No. 07 of 2007.		
5.	To re-appoint Mrs. I.R. Rajiyah as a Director of the Company in terms of S. 211 of the Companies Act No. 07 of 2007.		
6.	To approve a First & Final Dividend consisting of; a. A Scrip Dividend of Rs 0.09 per share, and b. A Cash Dividend of Rs. 0. 10 per share		
7.	To re-appoint M/s KPMG, Chartered Accountants as Auditors to the Company and authorise the Directors to determine their remuneration.		
8.	To authorise the Directors to determine contributions to charity for the ensuing year.		

28th August 2026

....
Signature of Shareholder

Note:
(a) A proxy need not be a member of the Company.
(b) Instructions regarding completion appear overleaf.

INSTRUCTIONS AS TO COMPLETION OF THE FORM OF PROXY

1. To be valid, the completed Form of Proxy should be deposited at the Registered Office of the Company 3.00 pm 22nd September 2026, being not less than 48 hours before the commencing of the Meeting.

2. In perfecting the Form of Proxy, please ensure that all the details are legible.

3. Please indicate with an 'X' in the space provided how your proxy to vote on each resolution. If no indication is given the proxy, in his discretion, will vote, as he thinks fit.

4. In the case of a Company / Corporation, the proxy must be under its Common Seal which should be affixed and attested in the manner prescribed by its Articles of Association.

5. In the case of proxy signed by the Attorney, the Power of Attorney must be deposited at the Registered Office at "Renuka House", No. 69, Sri Jinaratana Road, Colombo 2, for registration.

Corporate Information

Name of the Company
Renuka Foods PLC

Registration No.
PQ 216

Legal Form
Quoted Public Company with Limited Liability

Activity
It is the holding Company for subsidiaries engaged in the business of Agri Food and Consumer Brands.

Board Of Directors – Company
Dr. S. R. Rajiyah - Chairman
Mrs. I. R. Rajiyah
Mr. S. V. Rajiyah
Mr. A.M.P.C.K. Abeykoon
Mr. V. Shanmugam
Mr. R.F.N. Jayasooriya
Mr. E. A. P. Ekanayake
Mr. M. R. Ratnasabapathy

Audit Committee
Mr. E. A. P. Ekanayake - Chairman
Mr. A.M.P.C.K. Abeykoon
Mr. M.R. Ratnasabapathy

Related Party Transaction Review Committee
Mr. A E. A. P. Ekanayake - Chairman
Mr. A.M.P.C.K. Abeykoon
Mr. M.R. Ratnasabapathy

Remuneration Committee
Mr. M.R. Ratnasabapathy - Chairman
Mr. A.M.P.C.K. Abeykoon
Mr. E. A. P. Ekanayake

Nomination & Governance Committee
Mr. M.R. Ratnasabapathy - Chairman
Mr. A.M.P.C.K. Abeykoon
Mr. E. A. P. Ekanayake

Company Secretaries
Renuka Enterprises (Pvt) Ltd
No.69, Sri Jinarathana Road, Colombo 2

Registrar
S S P Corporate Services (Pvt) Ltd
546, Galle Road, Colombo 3.

Ultimate Parent Company
Renuka Holding PLC

Registered Office
"Renuka House"
69, Sri Jinarathana Road, Colombo 2, Sri Lanka.
Telephone: 00941-11-2314750-5
Fax: 0094 11-2445549
Email: info@renukagroup.com

Postal Address
P.O. Box 1403, Colombo, Sri Lanka.
Stock Exchange Listing
Colombo Stock Exchange

Auditors
KPMG Chartered Accountants

Legal Consultant
Nithya Partners- Attorneys at Law
Heritage Partners - Attorneys at law
Varners - Attorney at Law

Bankers
Commercial Bank of Ceylon PLC
Hatton National Bank PLC
National Development Bank PLC
Nations Trust Bank PLC
Sampath Bank PLC
Seylan Bank PLC

RENUKA FOODS PLC
“RENUKA HOUSE” No. 69, Sri Jinarathana Road, Colombo 02, Sri Lanka.
Telephone: 0094-11-2314750-5 Fax: 009411-2445549
Email: inquiries@renukagroup.com Website: www.renukagroup.com