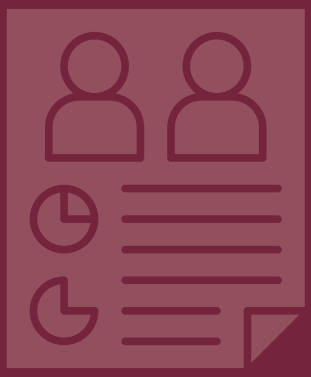
THE COLOMBO FORT LAND & BUILDING PLC



Annual Report 2025/2026

Contents

Group Financial Highlights	2
Chairman's Review	4
Directors' Profiles	6
Management Discussion and Analysis	9
SLFRS Sustainability - Related Financial Disclosures	13
Risk Management Review	39
Corporate Governance	40
Audit Committee Report	58
Related Party Transactions Review Committee Report	61
Remuneration Committee Report	62
Nominations and Governance Committee Report	63
Annual Report of the Board of Directors	66





Financial Statements

Independent Auditor's Report	70
Consolidated Statement of Profit or Loss & Other Comprehensive Income	74
Consolidated Statement of Financial Position	75
Consolidated Statement of Changes in Equity	76
Consolidated Statement of Cash Flows	77
Notes to the Financial Statements	79
Group Financial Summary	198
Share Information	199
Notice of Meeting	201
Form of Proxy	203
Corporate Information	IBC

Group Financial Highlights

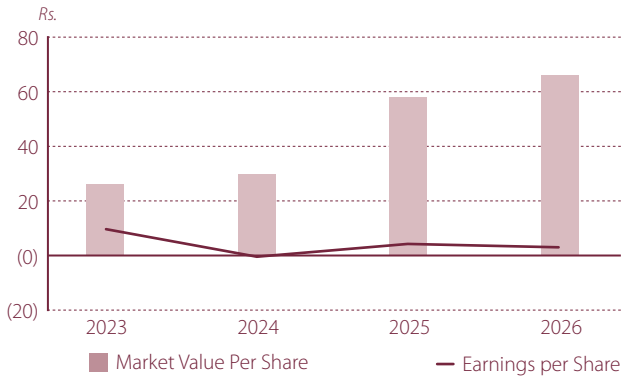
Financial Performance - For the year ended 31st March,		2026	2025	Change %
Revenue - Consolidated	Rs. million	93,987	88,889	6
Gross Profit	Rs. million	22,811	21,814	5
Share of Results of Associate/Joint Venture (Net of Tax)	Rs. million	227	210	8
Profit before Interest & Tax (EBIT)	Rs. million	6,732	7,914	(15)
Profit/(Loss) before Tax	Rs. million	3,359	4,426	(24)
Profit/(Loss) for the Year	Rs. million	1,799	2,541	(29)
Profit/(Loss) Attributable to-				
Owners of the Company	Rs. million	729	1,034	29
Non Controlling Interest	Rs. million	1,062	1,507	(30)

Financial Position - As at 31st March,		2026	2025	Change %
Total Assets	Rs. million	85,187	79,953	7
Total Shareholders' Funds	Rs. million	7,181	6,485	11
Non Controlling Interest	Rs. million	14,130	10,107	40
Total Equity	Rs. million	21,311	16,592	28
Total Debt	Rs. million	30,510	31,317	(3)
Total Capital Employed	Rs. million	51,821	47,909	8
Net Assets per Share	Rs.	29.92	27.02	11

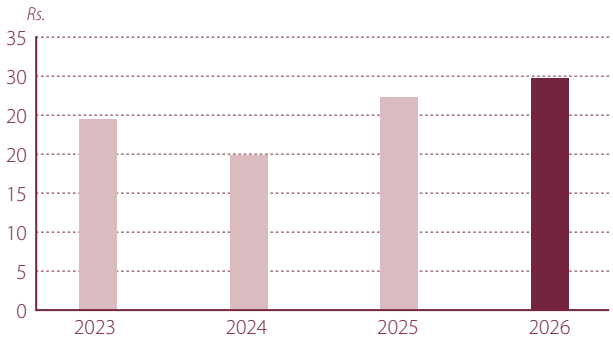
Market/Shareholder Information - As at 31st March,		2026	2025	Change %
Number of Shares in Issue	million	240	240	-
Market Price of Share	Rs.	66.00	58.00	14
Market Capitalisation	Rs. million	15,840	13,920	14
Price Earnings Ratio (PER)	No. of times	22	13	(61)

Key Financial Ratios - As at 31st March,		2026	2025	Change %
Gross Profit Margin	%	24.27	24.54	(1)
EBIT Margin	%	7.16	8.90	(20)
Interest Cover	No. of times	2.00	2.27	(12)
Net Profit Margin	%	1.91	2.86	(33)
Earnings per Share	Rs.	3.05	4.31	29
Return on Capital Employed	%	12.99	16.52	(21)
Return on Equity	%	8.44	15.32	(45)
Debt Ratio	%	74.98	79.25	(5)
Total Assets Turnover	No. of times	0.91	0.90	1
Current Ratio	No. of times	0.61	0.54	13

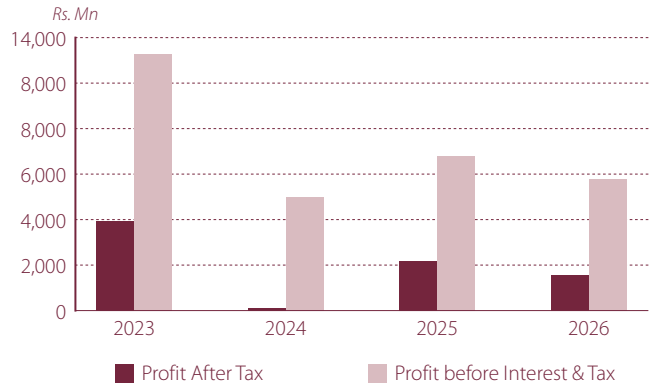
Market Value Vs. Earnings per Share



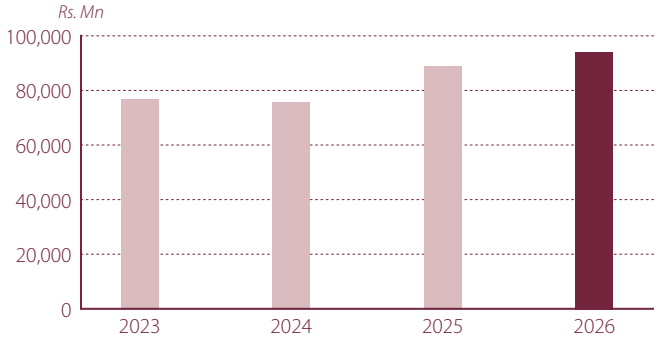
Net Assets Per Share



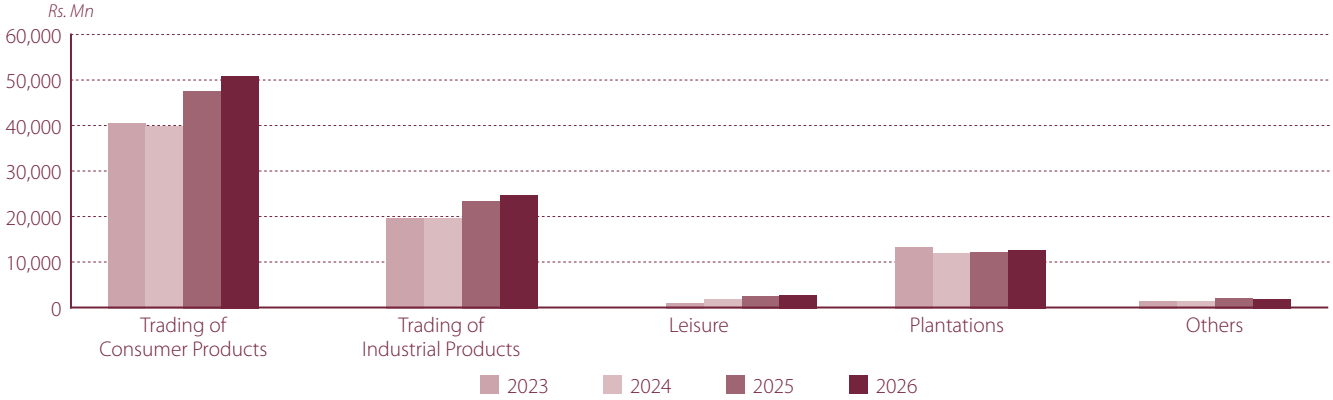
Profit Before Interest & Tax Vs. Profit After Tax



Revenue



Segment Contribution in the Group Revenue - (Gross)



Chairman's Message

On behalf of the Board of Directors, it gives me great pleasure to present to you the Annual Report and Audited Financial Statements of The Colombo Fort Land & Building PLC (CFLB) for the year ended 31 March 2026.

ECONOMIC OVERVIEW

Sri Lanka's economy sustained its recovery momentum during the period under review, recording a commendable performance despite a year of significant external challenges.

GDP expanded by approximately 5% in calendar year 2025, supported by growth across agriculture, industry and services sectors. This growth built on a strong rebound in all key sectors from the previous year, despite the severe damage caused by Cyclone Ditwah in November 2025 causing island-wide disruptions to economic activity. The impact was contained by the swift and collective national response, and early indicators in 2026 pointed to a strong recovery.

Despite the unforeseen event, macroeconomic conditions remained broadly stable throughout the year, underpinned by moderate interest rates, easing price pressures and a relatively stable exchange rate environment. By March 2026, headline inflation had risen modestly to 2.2% year-on-year, marking a return to mild positive inflation following the deflationary conditions of the previous year.

Fiscal consolidation remained on track, with Sri Lanka's engagement under the International Monetary Fund Extended Fund Facility continuing to progress, and the combined Fifth and Sixth Reviews successfully completed. These developments reinforced investor confidence and supported continued macroeconomic stability.

Meanwhile, the global environment remained volatile, following escalating tensions in the Middle East, the continuing Russia–Ukraine conflict and persistent uncertainty surrounding global tariff conditions, all of which pose risks to trade, commodity markets and investor sentiment.

GROUP PERFORMANCE

The Group delivered a strong top-line growth amid significant cost pressures across our operating environment. Group revenue increased by 5.7% Year-on-Year (YoY) to Rs. 94 billion while Profit before tax for the year reached Rs. 3.4 billion, as compared to Rs. 4.4 billion in the previous year. Profit for the year stood at Rs. 1.8 billion, against Rs. 2.5 billion in 2025.

CFLB continued to strengthen its balance sheet during the period under review, with total assets recording a positive growth of 6.5% YoY to Rs. 85.2 billion. Disciplined management of the Group's funding position also resulted in a reduction in net finance costs, while the diversified nature of the Group supported greater resilience in the face of global volatility.

At Company level, we recorded a revenue of Rs. 143.3 million, up 6.6% compared with the previous year. Other income rose to Rs. 1.5 billion from Rs. 445 million in the previous year. Notably, the Company recorded a profit for the year of Rs. 1.5 billion.

SEGMENT HIGHLIGHTS

The Group's performance during the period under review reflected varied conditions across our key sectors, with encouraging progress in certain segments, offset by significant external pressures in others.

CONSUMER PRODUCTS

Consumer Products, which represents our largest sector, achieved a revenue of Rs. 51.1 billion, up 7.1% YoY. Profit before tax remained stable at Rs. 3.1 billion, fueled by stronger market demand and supported by effective promotions, new products and variants, and favourable seasonal consumer trends.

The segment further strengthened its distribution capabilities through the expansion of dedicated channels, enabling greater focus, improved efficiency and deeper market penetration.

INDUSTRIAL PRODUCTS

Our Industrial Products sector recorded revenue of Rs. 24.5 billion, up 5.9% YoY supported by a revival in construction-related demand. The segment's loss before tax narrowed significantly to Rs. 565.4 million, from Rs. 916.4 million in the previous year, reflecting meaningful progress in the operational turnaround of this sector.

The paints business delivered a notable performance, achieving a 25% increase in sales volume, supported by product innovation including the certification of Sri Lanka's first low-carbon emulsion paint, and the attainment of internationally recognised certifications in industrial coatings.

LEISURE AND TOURISM

Our Leisure and Tourism sector delivered revenue of Rs. 2.9 billion, reflecting growth of 4.2% YoY with profit before tax rising by 4.6% to Rs. 607.2 million. Profit after tax for the segment stood at Rs. 403.8 million.

PLANTATIONS

The Plantation sector faced an exceptionally challenging year. Revenue rose by 3.9% YoY to Rs. 12.9 billion; however, profit before tax declined by 51.1% YoY to Rs. 974.9 million.

The decline in profitability was exacerbated by the absorption of two wage increases within the span of just two financial years, including the 35% increase effective from September 2024 and a further increase in January 2026 under the Government's 2026 Budget proposals, which raised daily wages from Rs. 1,350 to Rs. 1,750.

Compounding these cost pressures, prices at the Colombo Tea Auctions declined during the year together with direct and indirect impacts of Cyclone Ditwah and prolonged wet weather conditions. Notwithstanding these challenges, the sector continued to invest in mechanisation, factory modernisation, value-added production and crop diversification, positioning our plantation businesses for improved returns as market conditions normalise.

INVESTMENTS AND SERVICES

The Investments and Services segment recorded a relatively stable revenue of Rs. 2.1 billion, and a loss before tax of Rs. 773.2 million, as compared to the loss of Rs. 498.5 million in the previous year. The Group's share of results from Associates improved to Rs. 183.3 million, from Rs. 41.2 million in the previous year.

CORPORATE GOVERNANCE

During the year, the Board was strengthened with the appointment of Mr. S.S. Poholiyadde as a Non-Executive Director. I warmly welcome him to the Board and look forward to his counsel as we guide the Group forward.

The Board maintained continuous oversight of compliance with all applicable laws and regulations during the year. Details of the Group's governance framework and compliance position are set out in the Corporate Governance Report.

SUSTAINABILITY

This year marks an important milestone in the Group's sustainability journey, with the publication of our dedicated Environmental, Social and Governance report, which is presented within this Annual Report. This reflects our commitment to greater transparency and accountability in how we measure and manage our impact, and I invite our stakeholders to review this report for a comprehensive account of the Group's sustainability performance.

OUTLOOK

Looking ahead, Sri Lanka's economy is expected to grow in the range of 3% to 4% in the year ahead as the recovery matures, although global uncertainties, particularly acute geopolitical tensions and potential disruptions to energy markets, may pose challenges.

Within our key sectors, Sri Lanka's tea industry is projected to grow subject to favourable domestic weather and global demand conditions, while a recovery in natural rubber prices is anticipated on the strength of a growing global supply deficit. The continued revival of construction activity and tourism should support demand across our industrial, consumer and leisure businesses.

However, unpredictable global headwinds continue to present downside risks in the coming financial year. In this environment, our strategy remains focused on strengthening the leadership positions of our core businesses, pursuing operational efficiency and disciplined capital allocation, and leveraging the resilience of our diversified model to deliver sustainable, profitable growth.

APPRECIATION

I am grateful to my fellow Directors for their guidance through a year that demanded difficult judgements, and to our management and staff, whose commitment across our estates, factories and properties underpins everything reported in these pages. To our shareholders, customers and business partners, thank you for your continued confidence.

S.D.R. Arudpragasam
Chairman

31st August 2026

Directors' Profiles

S.D.R. Arudpragasam – Chairman

FCMA (U.K.)

Mr. S.D.R. Arudpragasam whilst being associated with The Colombo Fort Land & Building Group of companies since 1982 joined the Board on 11th December 2000, was appointed Deputy Chairman in November 2011 and as Chairman on 1st July 2022. He serves as Chairman of several subsidiaries of The Colombo Fort Land & Building PLC including C M Holdings PLC, Lankem Ceylon PLC and C.W. Mackie PLC. He also functions as Chairman/ Managing Director of E.B. Creasy & Company PLC, in addition to serving on the Boards of other companies in The Colombo Fort Land & Building Group. He also functions as a member of several Board Subcommittees of the CFLB Group.

Mr. Arudpragasam is a Fellow of the Chartered Institute of Management Accountants (UK).

C.P.R. Perera – Deputy Chairman

Mr. C.P.R. Perera was appointed to the Board on 14th May 2013 and was appointed Deputy Chairman with effect from 1st July 2022. He serves on the Boards of several subsidiaries of the CFLB Group. He also holds directorships in other private companies. He retired as Chairman of Forbes & Walker Ltd. and its subsidiary companies in June 2005 after almost 44 years of service. He is a past Chairman of the Sri Lanka Tea Board, Sri Lanka Insurance Corporation, PERC and Bank of Ceylon. Mr. Perera having held the Office of Chairman of Ceylon Tea Brokers PLC until 1st April 2022 continues to serve as a Non-Executive Director of the said Company. Mr. Perera has served as a Committee Member of the Ceylon Chamber of Commerce, The Planters Association of Ceylon, and on the Committee of Management of the Ceylon Planters Provident Society. He also served as an appointed Member on the Monetary Board of the Central Bank of Sri Lanka.

Anushman Rajaratnam – Group Managing Director

B.Sc (Hons.), CPA, MBA

Mr. Anushman Rajaratnam joined the Board on 28th November 2011 and functions in the capacity of Group Managing Director of The Colombo Fort Land & Building PLC since January 2017. In addition, he serves on the Boards of several subsidiary companies and also functions as a member on several Board Subcommittees of the CFLB Group. Prior to joining the CFLB Group, he worked oversees for a leading global Accountancy Firm. He holds a Bachelor of Science degree in Economics from the University of Surrey, UK, CPA Australia and MBA from the Massachusetts Institute of Technology, USA.

P.M.A. Sirimane - Director

FCA, MBA

Mr. P.M.A. Sirimane was appointed to the Board on 25th May 2017 and currently serves in the capacity of a Non-Executive Director.

He is a Fellow of the Institute of Chartered Accountants of Sri Lanka and also holds a Master's in Business Administration from the University of Swinburne, Victoria, Australia.

Mr. Sirimane also serves on the Boards of several subsidiary companies in the CFLB Group. He has also functioned as Chairman/ Member on certain Board Subcommittees of several subsidiary companies of the CFLB Group, and in certain other Listed and Unlisted Entities. Amongst other senior positions he has functioned as Managing Director/CEO of Mercantile Leasing Ltd., Group Finance Director of United Tractor & Equipment Ltd., Chief Finance Officer of Sri Lanka Telecom Ltd., and Director of SLT Hong Kong Ltd. He has served as a Member of several Committees of the Institute of Chartered Accountants of Sri Lanka and was an ex-officio member of the International Leasing Association.

Sanjeev Rajaratnam – Director

B.Sc., CA

Mr. Sanjeev Rajaratnam was appointed to the Board on 25th May 2017. He was appointed Joint Managing Director of E.B. Creasy & Company PLC in April 2018 and holds other Directorships in The Colombo Fort Land & Building Group. He functioned as a member of several Board Subcommittees within the CFLB Group. He currently serves as a member on the Board Subcommittees of certain other Listed Entities. Mr. S. Rajaratnam holds a Bachelor of Science Degree in Business Administration from Boston College, U.S.A. and is a member of the Institute of Chartered Accountants in Australia.

A.R. Rasiah - Director

B.Sc. (Cey.), FCA

Mr. A.R. Rasiah was appointed to the Board with effect from 8th June 2023. He is also a member of the Audit Committee and the Related Party Transactions Review Committee.

He is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and a finalist of the Chartered Institute of Management Accountants (UK). He is also a member of the Association of Chartered Certified Accountants (ACCA). He holds a Bachelor of Science Degree from the University of Colombo.

His illustrious career both in finance and commerce spans over thirty-five years. He began his career with Ernst and Young and went on to hold senior finance roles with diversified corporate groups in the region and overseas. He finally joined Nestle Lanka PLC as Director Finance in 1994, remaining with the group until his retirement in 2005 from executive roles.

He has also held several other leadership positions both in finance and commerce, including Chairman and Director roles in various private and public companies, and has served as a member of Audit Committees and Remuneration Committees of most of these companies.

In addition to his professional accomplishments, he represented Sri Lanka at the national level in Table Tennis. He was formally Sri Lankas's junior No 1 badminton player and a past veterans Doubles national tennis champion.

Amrit Rajaratnam - Director

LLB (Notts.), Barrister-at-Law

Mr. Amrit Rajaratnam was appointed to the Board on 29th November 2023. He holds a Bachelor's Degree in Law from the University of Nottingham and is a Barrister-at-Law (Lincoln's Inn). He began his career at the Law Firm Julius & Creasy and later joined Lankem Ceylon PLC. He also serves as Director of Colombo Investment Trust PLC, Colombo Fort Investments PLC, Sigiriya Village Hotels PLC, Marawila Resorts PLC, Beruwala Resorts PLC, York Arcade Holdings PLC and C M Holdings PLC in addition to holding other Directorships in The Colombo Fort Land & Building Group.

K.G. Punchihewa - Director

FCA, CPA (Aus.)

Mr. Kamal Punchihewa was appointed to the Board as an Independent Non-Executive Director on 20th February 2025. He began his career at M/s B. R. De Silva & Co., Chartered Accountants, in 1983 and became a partner in 1991.

He moved to the mercantile sector as Financial Controller of Kotagala Plantations Limited (under M/s George Steuarts Management Services) in 1992, and in 1997 was promoted to Group Financial Controller of the George Steuarts Group of Companies, as well as Director of Finance of George Steuart Auto Supplies (Private) Limited.

He rejoined the plantation sector as General Manager – Finance of Kahawatte Plantations Limited in 2002.

In 2005, he took his first overseas posting as Financial Controller of PT Agro Bukit Indonesia and was later promoted to Head of Finance, Plantation Operations, and Business Support for the entire Indonesian operation of Good Hope Asia Group, which comprised six oil palm plantation companies.

Mr. Punchihewa returned to Sri Lanka in 2011 and joined Lankem Tea & Rubber Plantations (Private) Limited (LT&RP) as Director/ Deputy CEO. He was appointed CEO of Agarapatana Plantations Limited in April 2014 and served on its board from 2012 to 2016.

In October 2016, he joined Browns Group as Group Chief Executive Officer – Plantation Sector, overseeing three regional plantation companies, and subsequently served as CEO of Maturata Plantations Limited within the same group until July 2020.

He joined Richard Pieris Group as Chief Financial Officer – Plantation Sector in August 2020 and was promoted to Chief Executive Officer of Maskeliya Plantations PLC in February 2021, a role he held alongside his existing responsibilities until March 2023.

He currently sits on the Boards of several other listed entities within the Colombo Fort Land & Building Group as an Independent Non-Executive Director, as well as on the boards of numerous unlisted entities within the CFLB Group.

He was appointed a member of the company's Board Sub-Committees effective 20th February 2025 and continues to act as Chairman or member of various sub-committees of several CFLB Group subsidiaries.

Mr. Punchihewa has been a Fellow of the Institute of Chartered Accountants of Sri Lanka (FCA) since 1988 and a member of CPA Australia since 2014.

S.B. Perera - Director

FCMA/CGMA(UK), B.Sc. Mech. Eng. (Hons.)

Mr. Shrihan B. Perera was appointed to the Board of The Colombo Fort Land and Building PLC on 20th February 2025.

He was the Chief Executive Officer of Teejay Group from April 2018 to December 2019. He also served as the Chief Executive Officer of Brandix Apparel Solutions Limited from January 2010 to March 2018. Mr. Perera previously held positions of Group Financial Controller and Treasurer, Group Accounts Manager and Finance Director at Unilever Sri Lanka while counting overall experience over 30 years both with engineering and finance exposure in and amongst competitive conditions and multidimensional challenges. He has wide exposure in FMCG, garment and textile manufacture and service industry.

Mr. Perera currently serves as an Independent Director of Teejay Lanka PLC, Teejay Lanka Prints (Private) Limited and Nubian Threads (Private) Limited. He also serves on the Boards of Fintrex Finance PLC, C.W. Mackie PLC and on the Boards of certain other listed and unlisted entities of The Colombo Fort Land & Building Group. In addition to serving as a member of the Board Subcommittees of CFLB, he also functions as the Chairman/ Member of certain Board Subcommittees of several subsidiary companies of the CFLB Group.

He holds a Bachelor of Science Degree in Mechanical Engineering 2nd Class Upper Honours from the University of Moratuwa and is a Fellow of the Chartered Institute of Management Accountants/ CGMA, UK.

S. Viran Corea, PC - Director

LL.B, LL.M

Mr. Viran Corea, PC was appointed to the Board on 28th March 2025. He is a senior legal practitioner, providing services as counsel in litigation in courts and fora for adjudication of legal rights/ dispute resolution, legal advice, drafting of agreements and legal consultancy. He possesses a Bachelor of Laws (LL.B) and Master of Laws (LL.M) degrees from the University of Colombo. Mr. Corea was called to the Bar as an Attorney-at-Law of the Supreme Court of Sri Lanka in 1997 and conferred Silk (President's Counsel) in December 2023.

Directors' Profiles contd.

Mr. Corea was a Non-Executive Director of Seylan Bank PLC, a licenced commercial bank regulated by the Central Bank of Sri Lanka until his retirement from the Board in May 2024 on completing 9 years. During that time, he served on several sub-committees of the bank, including its Board Governance and Compliance Committee, Related Party Transactions Review Committee and Board Sustainability Committee.

He has also served as a member of the Legislation Steering Committee of the Ceylon Chamber of Commerce (CCC) and completed the Board Leadership Director Certification Programme of the Sri Lanka Institute of Directors (SLID) to be eligible for SLID Graduate Membership. He is also a member of the Law Commission of Sri Lanka, a member the Board of Management of the Post Graduate Institute of Medicine (PGIM), a member of the Board of Management of the Legal Aid Unit of the Faculty of Law of the University of Colombo and legal advisor to several companies and organisations, including think tank Verite Research, Environmental Foundation Limited (EFL) and FactCheck.lk. He was a member of the drafting committee for the Prevention of Torture thematic area for formulation of the National Human Rights Action Plan NHRAP (2017-2021) of the Ministry of Foreign Affairs of Sri Lanka.

He commenced private practice in September 2002, after serving several years in public service as a State Counsel at the Attorney General's Department of Sri Lanka.

I.A. Wickramasinghe - Director

MBA., FCIM(UK)

Mr. Indrajit A. Wickramasinghe was appointed to the Board on 28th March 2025. He was the former Director/Chief Executive Officer of Union Bank for over nine years up to his retirement on 15th August 2024. He counts over 35 years of management experience having worked in both the financial services and FMCG sectors in local and multinational companies. He holds an MBA from the Post Graduate Institute of Management, University of Sri Jayewardenepura, and is a Fellow of the Chartered Institute of Marketing UK. He has been exposed to Executive Education Programmes at the National University of Singapore, The Said Business School of the University of Oxford UK and INCEAD (France). He is a member of the Oxford Business Alumni, University of Oxford UK.

Prior to his appointment as Director/CEO of Union Bank he served as the Chief Operating Officer of NDB Bank where he was responsible for all business areas including Retail Banking, Corporate Banking, SME Banking and Project Finance. Prior to joining the financial services sector, he was with the leading Multi National Company Reckitt and Colman where he held numerous senior management positions.

Mr. Wickramasinghe has also served on a number of boards as an Executive Director and Non-Executive Director. He was the Chairman of the Financial Ombudsman Sri Lanka (Guarantee) and a Director of the Credit Information Bureau of Sri Lanka.

He currently also serves on the boards of AIA Insurance Lanka, NDB Securities (Pvt) Ltd., Fintrex Finance Ltd, Three Acre Farms PLC, Ceylon Grain Elevators PLC, C.W. Mackie PLC, Overseas Realty Ceylon PLC and Diesel & Motor Engineering PLC.

He also functions as Chairman/ member of certain Board Subcommittees of several Listed Entities.

S.S. Poholiyadde - Director

F.I.P.M

Mr. Sunil Poholiyadde was appointed to the Board with effect from 1st January 2026.

He is the Managing Director of Kotagala Plantations PLC, Agarapatana Plantations PLC and also the Managing Director of Lankem Tea & Rubber Plantations (Pvt) Ltd. (LTRP), the Managing Agents of the aforesaid Plantation companies under the Colombo Fort Land Group. He has over four decades of experience in the Plantation Industry.

Mr. Poholiyadde is the current Chairman of the Planters' Association of Ceylon, a Former Chairman of the Colombo Rubber Traders' Association and has served as Chairman of the Plantation Services Group of the Employers Federation of Ceylon (EFC). He has been a member of the Board of Directors of the Sri Lanka Tea Board, the Rubber Research Board and a council member of the Ceylon Chamber of Commerce.

Mr. Poholiyadde has been the former Managing Director of the Plantations Sector and Head of Group Human Resources of the Richard Pieris Group. He was also the former CEO/Executive Director of Kegalle Plantations PLC, Namunukula Plantations PLC, Maskeliya Plantations PLC and an Executive Director of AEN Palm Oil Processing (Pvt) Ltd.

Mr. Poholiyadde is a Fellow of the National Institute of Plantation Management.

Management Discussion and Analysis

COMPANY OVERVIEW

The Colombo Fort Land & Building PLC (CFLB) was first established on 30 April 1895 as one of Sri Lanka's earliest commercial property developers. The company's origins trace back to the acquisition and development of the Leyden Bastian property to meet demand for high quality office accommodation.

Over time, the Company has evolved and grown through a combination of organic growth and strategic acquisitions into a strategically diversified conglomerate. Today, CFLB oversees a strategically diversified portfolio spanning consumer products, industrial products, leisure and tourism, plantations, and other investments and services.

MACROECONOMIC ENVIRONMENT

Sri Lanka's economy sustained its recovery through the period in review, recording growth of approximately 5.0% in calendar year 2025; marking a second consecutive year of expansion following the 2022 crisis.

Growth was broad-based, with agriculture, industry and services sectors expanding by 1.4%, 7.8% and 3.3% respectively. Within the industry sector, construction was the standout performer, expanding by 9.2% and directly supporting demand across the Group's industrial and building materials businesses.

Inflation returned to positive territory during the year, following the deflationary conditions that prevailed in the previous period. Headline inflation stood at 2.2% year-on-year (YoY) (CCPI) in March 2026, well below the Central Bank's 5% target.

Monetary conditions remained accommodative, with the overnight policy rate at 7.75% as at end December 2025. However, the benefit of easing policy did not translate fully into commercial lending conditions; the Average Weighted Prime Lending Rate stood at 9.07%, 17 basis points higher, as credit demand strengthened during the latter part of the year.

The external sector strengthened further. Gross official reserves were built up to approximately US$ 6.8 billion by end 2025, from US$ 6.1 billion a year earlier, supported by workers' remittances, improved services exports and multilateral inflows.

The Sri Lankan rupee recorded a modest depreciation of 5.6% against the US dollar over calendar year 2025, closing at Rs. 309.99, and depreciated a further 1.6% during the first quarter of 2026 to Rs. 315.19 as at 31 March 2026.

Fiscal consolidation remained on course, with the primary balance recording a surplus for a third consecutive year, underpinned by revenue based consolidation measures. Sri Lanka's engagement with the International Monetary Fund under the Extended Fund Facility progressed with the successful completion of the 6th review on 27 May 2026.

It was against this broadly positive backdrop that Cyclone Ditwah struck at the end of November 2025, causing loss of life and island wide disruptions to economic activity, damage to infrastructure and significant human displacement.

The impact was contained by a swift collective response, and early indicators in 2026 pointed to a rapid recovery. Externally, the escalation of the Middle East conflict from late February 2026 introduced fresh uncertainty around energy security, shipping routes and input costs, compounding the continuing Russia–Ukraine war and unresolved global tariff conditions.

For the Group, these conditions produced a mixed effect. Improved consumer confidence and household purchasing power supported volumes across the consumer portfolio, while the construction revival lifted demand for industrial products. Exchange rate stability and improved reserve cover aided import planning across the distribution businesses. Conversely, elevated lending rates sustained the cost of capital, while the plantation businesses absorbed the combined weight of statutory wage increases, adverse weather and softening commodity prices.

INDUSTRY CONTEXT

Tea

Sri Lanka's tea industry sustained its output during the 2025 calendar year, with national production increasing to 264.12 million kg from 262.69 million kg in 2024.

Tea exports contributed US$ 1.51 billion to the national economy, compared with US$ 1.43 billion in the previous year.

Rubber and Oil Palm

Natural rubber prices remained depressed throughout 2025. Sri Lankan production declined to 66.4 million kg from 69.2 million kg.

Global demand is projected to exceed production for a sixth consecutive year in 2026, with the Association of Natural Rubber Producing Countries forecasting demand growth of 1.7% to 15.6 million MT, which is expected to firm prices.

Global palm oil production is expected to reach a record 80.7 million MT in 2025/26, up 3%, with consumption rising approximately 4% to 77.7 million MT. In Sri Lanka, the prohibition on oil palm cultivation remained in force, constraining the development of a demonstrably cost effective crop.

Consumer, Construction and Tourism

Improved macroeconomic stability, easing price pressures and recovering household purchasing power supported consumption across fast moving consumer goods categories, while competitive intensity and affordability constraints continued to require pricing discipline.

Construction activity expanded by 9.2% during 2025, driving demand for building materials, coatings and related industrial products. Tourism sustained its recovery, with international visitor arrivals and earnings continuing to increase through the year; although regional security concerns periodically influenced booking patterns.

COMPANY FINANCIAL REVIEW

CFLB recorded revenue of Rs. 143.3 million in FY 2025/26, an increase of 6.6% YoY. Other income rose substantially to Rs. 1,517.5 million, from Rs. 445 million in the previous year.

Administrative expenses increased by 25.7% to Rs. 128.7 million. Net finance cost declined sharply by 70.8% to Rs. 24.1 million, from Rs. 82.5 million, reflecting the reduction in the Company's net borrowing position.

Profit before tax rose by 133.3% to Rs. 1,487.7 million, while profit for the year stood at Rs. 1,498.2 million.

Earnings per share improved to Rs. 6.24, from Rs. 2.69 in the previous year. On the balance sheet, total equity reached Rs. 5,027.2 million. The Company's investment in subsidiaries increased to Rs. 4,493.8 million, from Rs. 3,249 million.

GROUP FINANCIAL REVIEW

The Group's revenue increased by 5.7% YoY to Rs. 94.0 billion, with growth recorded across four of the five operating segments. Cost of sales rose 6.1% to Rs. 71.2 billion, yielding gross profit of Rs. 22.8 billion, up 4.6% YoY.

Other income strengthened by 10.7% to Rs. 1.66 billion. Distribution and administrative expenses together totaled Rs. 17.3 billion, an increase of 13% over the previous year, with administrative expenses rising 19.5% to Rs. 8.62 billion.

Finance costs declined by 3% to Rs. 3.56 billion, while net finance costs reduced by 3.3% to Rs. 3.37 billion.

The Group's share of results from equity accounted investees improved markedly to Rs. 183.3 million, from Rs. 41.2 million, while the share of joint venture results contributed Rs. 44.0 million, compared with Rs. 168.8 million in the previous year.

Profit before interest and tax stood at Rs. 6.5 billion, a reduction of 14.9%. Profit before tax was Rs. 3.36 billion, as compared with Rs. 4.43 billion in the previous year, while profit for the year was Rs. 1.8 billion, against Rs. 2.54 billion. Total comprehensive income reached Rs. 1.81 billion. Earnings per share stood at Rs. 3.05, as compared with Rs. 4.31 in the previous year.

SEGMENTAL ANALYSIS

Segment revenue is stated before inter-segment eliminations. The Group's performance during the year reflected sharply divergent conditions across its sectors, with resilient volume growth in the consumer and industrial businesses set against significant cost and price pressure in plantations.

Consumer Products

Consumer Products remains the Group's largest sector and principal profit contributor. Supported by improved consumer confidence and recovering household purchasing power, the segment generated revenue of Rs. 66.9 billion, an increase of 8.1% over the previous year.

Profit before tax held steady at Rs. 3.12 billion, as compared with Rs. 3.27 billion, while profit after tax was Rs. 2.17 billion, against Rs. 2.39 billion in the previous year.

Growth was driven by stronger underlying market demand, reinforced by consumer and dealer promotions conducted during the year, the launch of new products and variants across the portfolio, and supportive seasonal trends. The segment further strengthened its route to market through the expansion of dedicated distribution channels, delivering greater category focus, improved operational efficiency and deeper geographic penetration. Margin performance continued to require active management of input costs, procurement efficiency and working capital, in a market characterised by intensifying competition and persistent affordability constraints.

Industrial Products

The Industrial Products segment recorded revenue of Rs. 24.9 billion, up 5.9% from Rs. 23.6 billion, supported by the revival in construction related demand. More significantly, the segment materially reduced its losses, recording a loss before tax of Rs. 565.4 million as compared with Rs. 916.4 million in the previous year, and a loss after tax of Rs. 642.3 million against Rs. 1.15 billion — a reduction of 44.1%. This improvement reflects tangible progress in the operational turnaround of the sector.

Within the paints business, sales volumes increased by 25% over the previous year, supported by the recovery in housing and construction activity, strengthened retail distribution and improved customer engagement. Product development remained a focus, with the certification of Robbialac CARBANO by the Sri Lanka Climate Fund, recognised for achieving approximately 30% lower carbon emissions than conventional emulsion paints and distinguished as Sri Lanka's first paint packaged in a biodegradable bucket. The division also secured internationally recognised ISO 12944-5:2019 and ISO 12944-6:2018 certifications for corrosion protection systems, strengthening its position in industrial and protective coatings. The sector continues to guard against risks arising from global input cost volatility and currency linked sourcing exposure.

Leisure & Tourism

The Leisure and Tourism segment delivered revenue of Rs. 2.91 billion, an increase of 4.2% YoY, supported by the continued recovery in international visitor arrivals. Profit before tax rose 4.6% to Rs. 607.2 million. Profit after tax, however, declined to Rs. 403.8 million from a

previous Rs. 502.6 million, the movement arising principally from a substantially higher segment tax charge.

Looking forward, the performance of the sector may be influenced by ongoing geopolitical tensions, rising operating costs, and any further disruption to global travel patterns.

Plantations

The Plantations segment faced a challenging year. While revenue rose 3.9% to Rs. 12.89 billion, from Rs. 12.40 billion; profit before tax declined by 51.1% to Rs. 974.9 million, from Rs. 1.99 billion, while profit after tax fell 40.7 % to Rs. 814.7 million, from Rs. 1.37 billion.

The sector absorbed two statutory wage increases within the space of two financial years — the 35% increase effective from September 2024, followed by a further increase in January 2026 under the Government's 2026 Budget proposals, which raised daily wages from Rs. 1,350 to Rs. 1,750.

Meanwhile, tea auction prices declined across all three elevations just as estates contended with the direct and indirect impacts of Cyclone Ditwah which impacted plant growth and leaf quality.

Against these headwinds, the segment continued to invest for the longer term, with capital expenditure of Rs. 1.12 billion, up 11.8%. Investment was directed towards factory modernisation and upgrading, field development and replanting, renewable energy, and mechanisation. Approximately 20% of plucking is now mechanised, with plans to double this proportion over the coming years, while other field operations such as pruning have been fully mechanised.

The Group's plantation businesses are progressively transitioning from bulk commodity sales towards value added platforms, with a premium value added tea range finalised during the year, Japanese Agricultural Standard organic certification secured at one estate, and a shift from the sale of standing timber to sawn timber for the construction market.

Crop diversification into oil palm, coconut and cinnamon continued in the low country, and the Padukka rubber factory was upgraded and prepared for European Union Deforestation Regulation audits to support access to EU markets under GSP+.

Climate variability, labour outmigration and the absence of a settled national policy position on the extension of Regional Plantation Company leases remain the principal structural risks facing this sector.

Others

Comprised of investment and specialised service activities, the segment recorded revenue of Rs. 2.1 billion, marginally below the previous year's Rs. 2.36 billion. The segment closed the year with a loss before tax of Rs. 773.2 million, as compared with a loss of Rs. 498.5 million in the previous year, and a loss for the year of Rs. 942.8 million, against Rs. 577.7 million. The Group's share of results from associates, which is reported within this segment, improved substantially to Rs. 183.3 million, from Rs. 41.2 million.

Market volatility remains a key risk for this segment, particularly in relation to income generated from investments and dividends. The Group continues to monitor changes in occupancy rates and rental yield cycles, together with any regulatory changes that could affect portfolio companies.

STRATEGIC INITIATIVES AND CAPITAL ALLOCATION

The Group invested Rs. 4.54 billion in property, plant and equipment during the year, an increase of 27.2% over the previous year's Rs. 3.57 billion. Consumer Products accounted for the largest share at Rs. 2.36 billion, an increase of 56.2%, followed by Plantations at Rs. 1.12 billion, Leisure at Rs. 540.3 million, Industrial Products at Rs. 439.5 million and Others at Rs. 83.8 million.

Within the consumer manufacturing platform, investment was directed towards capacity expansion, process optimisation and infrastructure upgrades across the factory network, with targeted capacity enhancement in detergent powder, dishwash bar and confectionery operations underpinned by investment in advanced manufacturing technologies. These initiatives were designed to strengthen operational efficiency, improve scalability and ensure readiness to support portfolio expansion.

A landmark investment during the year was the commissioning of a Single Super Phosphate fertiliser manufacturing facility at Oyamaduwa, Anuradhapura, representing an investment of approximately Rs. 2.5 billion. The facility commenced commercial operations towards the end of the financial year and significantly strengthens the Group's manufacturing capability, while supporting national objectives of agricultural productivity, food security and reduced dependence on imported fertilisers.

The Group's capital base was reinforced through capital raising at subsidiary level. Rights issues undertaken during the year were oversubscribed, reflecting shareholder confidence in the future potential of these businesses, with proceeds applied to the settlement of short term interest bearing borrowings and to further investment within the Group. Together with the conversion of short term borrowings into longer term facilities, these initiatives strengthened liquidity, improved financial flexibility and enhanced overall financial stability.

Investment in technology continued across the Group. Sales force automation, enhanced enterprise resource planning capability and digital customer engagement platforms improved operational visibility and strengthened customer service across multiple business units, while cloud based enterprise resource planning systems are being progressively introduced across the plantation businesses to improve operational control and planning. Enhanced environmental, social and governance data management systems were also introduced during the year in preparation for compliance with the Sri Lanka Sustainability Disclosure Standards.

Renewable energy investment expanded further, with approximately 2.8 megawatts of rooftop solar capacity installed across manufacturing and office locations, solar generation extended to the upcountry tea factories, and hydropower generation maintained at two plantation estates.

SUSTAINABILITY

The Group has expanded its sustainability reporting this year with the publication of a dedicated Environmental, Social and Governance report, which follows this section. Group companies have progressively adopted the Sri Lanka Sustainability Disclosure Standards, SLFRS S1 and S2, together with the governance frameworks required to support them, and have established independently verified greenhouse gas emissions baselines against which future reduction targets will be measured.

FUTURE OUTLOOK

The Central Bank, in its policy agenda for 2026, projects Sri Lankan GDP growth of between 4% and 5%, above the 3.6% forecast published by the World Bank. Inflation is expected to remain around the 5% target over the medium term, although supply driven movements are possible in the near term following the surge in global energy costs. Rising oil prices arising from the Middle East conflict have already fed through to domestic fuel prices and transport costs, and are expected to exert upward pressure on production costs and electricity tariffs in the near to medium term.

Within the Group's principal sectors, Sri Lanka's tea industry is projected to grow subject to favourable weather and global demand conditions, while a recovery in natural rubber prices is anticipated on the strength of a widening global supply deficit. The continued revival of construction activity and the sustained recovery in tourism should support demand across the industrial, consumer and leisure businesses. Access to European markets under GSP+, supported by compliance with the European Union Deforestation Regulation, presents a further opportunity for the rubber operations.

Against these opportunities sit material risks. Geopolitical instability continues to threaten commodity markets, shipping routes, energy costs and investor sentiment, with particular exposure through tea export markets in the Middle East. Unresolved global tariff conditions and the ongoing rebalancing of trade may affect both export performance and import costs. Domestically, elevated lending rates, further wage escalation, labour outmigration, climate variability and the absence of a settled policy position on Regional Plantation Company lease extensions all present continuing challenges. Affordability constraints and uneven demand recovery will require sustained pricing discipline across the consumer portfolio.

Accordingly, the Group maintains a cautiously optimistic view of the coming financial year, and will continue to prioritise operational efficiency, pricing discipline, cash generation and selective growth investment, while maintaining prudent funding and capital expenditure decisions.

SLFRS Sustainability-Related Financial Disclosures

1. BASIS OF PREPARATION

1.1 Reporting Entity, Organisation Boundary and Value Chain

Reporting Entity

The Colombo Fort Land & Building PLC (the Company) is a public limited liability company incorporated and domiciled in Sri Lanka. The Company was incorporated on 30th April 1895 under the provisions of the Joint Stock Companies Ordinance 1861 and 1888, and re-registered on 3rd July 2008 under the Companies Act No. 07 of 2007. Its Company Registration Number is PQ172 and its registered office and principal place of business is located at No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01. The ordinary shares of the Company are listed on the Colombo Stock Exchange.

Organisation Boundary

The sustainability-related financial disclosures presented in this section apply to The Colombo Fort Land & Building PLC and its subsidiaries (the Group) within the financial reporting boundary, in line with the Group's general purpose financial reports. The Group defines its organisational boundary using the financial control approach, ensuring consistency with the consolidated financial statements. The disclosures in this section are provided on a consolidated basis, unless otherwise stated.

The Group's three principal operating clusters are the EBC Cluster (Home Care and Confectionery), the Lankem Cluster (Agri Inputs, Industrial Coatings and Pest Control Services) and the Plantation Cluster (tea, rubber, oil palm and timber, represented by Agarapatana Plantations PLC and Kotagala Plantations PLC). The sustainability disclosures of these clusters have been consolidated and are presented at Group level in this report.

Value Chain

In line with SLFRS Sustainability Disclosure requirements, the Group identifies and reports on the climate-related risks and opportunities (CRROs) that could reasonably be expected to affect its prospects. The Group considers three main components of its value chain in this Sustainability Statement: upstream, operations and downstream.

Component	Description	Key Sustainability Risks
Upstream	Represents the indirect impacts arising from the Group's suppliers of materials, labour and energy inputs. Primary partners include raw, packing and trading material suppliers; agrochemical and fertiliser suppliers; contract labour providers; facilities management and logistics partners; professional service providers; energy providers; and bought green leaf and latex suppliers to the plantation estates.	• Input cost and availability volatility. • Sustainable biomass sourcing risk. • Disruption to agrochemical and fertiliser supply from regulatory phase-outs. • Climate-related disruption to plantation smallholder supply.
Operations	Refers to the direct impacts resulting from the Group's own operations and resource consumption, including manufacturing plants, estate operations, warehouses and head office functions. Key activities include manufacturing of consumer, chemical and industrial goods; plantation cultivation, harvesting and processing; product research and development; packaging, quality assurance and finished goods warehousing; and trading, repacking and labelling operations.	• Factory and estate operations affected by extreme weather. • Tightening environmental and chemical regulations. • Labour productivity and access challenges. • Energy cost volatility and transition to renewable energy.
Downstream	Represents the indirect impacts generated through the Group's distribution channels and end customers, including distributors, direct clients, retail outlets, the Colombo Tea Auction and export buyers. Key activities include last-mile distribution, retail handling and storage, marketing at dealer level, and returns and reverse logistics.	• Distribution network disrupted by climate events. • Rising ESG compliance demands from buyers and markets. • Market access barriers and reputational exposure. • Scope 3 emissions traceability requirements.

SLFRS Sustainability-Related Financial Disclosures contd.

1.2 Basis of Materiality

The Group discloses climate-related risks and opportunities that could reasonably affect its cash flows, access to finance, or cost of capital over the short, medium, or long term. Materiality is assessed using a structured approach that considers both quantitative and qualitative factors.

Quantitative Criteria

Quantitative materiality is determined using Group net revenue as the benchmark, with a threshold of +/- 1% of average net revenue calculated over the last three financial years (2023/24 to 2025/26), ensuring a stable and representative measure of financial impact.

+/- 1% of the Group's average net revenue over the last three financial years (2023/24 to 2025/26)

Qualitative Criteria

Qualitative materiality considers factors such as potential reputational impacts, risks to the Group's social licence to operate, exposure to non-compliance with sustainability-related and low-carbon regulations, stakeholder concerns, and alignment with environmental, social, and economic contexts under SLFRS Sustainability Disclosure Standards.

This combined approach ensures that both measurable financial impacts and broader sustainability considerations are systematically captured in the Group's disclosures. CRROs not meeting any of these thresholds or criteria are classified as non-material for the reporting period; however, they are retained in internal documents and monitored for changes in magnitude, likelihood or stakeholder relevance.

1.3 Functional Currency

The sustainability-related financial disclosures are presented in Sri Lankan Rupees (LKR), which is the functional and presentation currency of the Group. All financial information presented has been rounded to the nearest thousand, unless stated otherwise. There was no change in the Group's functional or presentation currency during the year under review.

1.4 Sources of Guidance

In preparing the sustainability-related financial disclosures under SLFRS S1 and S2, the Group has utilised the following authoritative frameworks and standards. This multi-layered approach ensures that disclosures are comprehensive, technically accurate, and aligned with both global best practice and national climate objectives.

Framework / Standard	Details
SLFRS Sustainability Disclosure Standards	Issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka). • SLFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information. • SLFRS S2: Climate-related Financial Disclosures.
Industry-Specific Standards (SASB)	Industry-based guidance on implementing SLFRS S2, as applicable to the Group's operating segments: • Consumer Goods: Household and Personal Products Sustainability Accounting Standard (Version 2023-12). • Food and Beverage: Food Retailers and Distributors Sustainability Accounting Standard (Version 2023-12). • Resource Transformation: Iron & Steel Producers Sustainability Accounting Standard (Version 2023-12). • Healthcare: Healthcare Distributors Sustainability Accounting Standard (Version 2023-12). • Chemicals and Agriculture Sectors Sustainability Accounting Standard. • Agricultural Products Sustainability Accounting Standard (Version 2023-12). • Chemicals Sustainability Accounting Standard (Version 2023-12).
National Policy and Energy Data	• Updated Nationally Determined Contributions (NDC 3.0) of Sri Lanka to the UNFCCC (2026-2035).

1.5 Reporting Period

This report covers the financial year from 1st April 2025 to 31st March 2026, consistent with the Group's financial reporting period.

1.6 Time Horizon

The Group uses the following standardised timeframes, aligned with internal planning cycles, to assess when the financial effects of each risk or opportunity are expected to emerge:

Time Horizon	Definition	Financial Year
Short Term	1 Year	2026/27
Medium Term	2 to 5 Years	2027/28 to 2030/31
Long Term	More than 5 Years	2031/32 onwards

1.7 Connected Information

The Group presents sustainability-related financial disclosures in a manner that demonstrates the interconnections between SRROs, governance, strategy, risk management, and metrics and targets. SRROs are assessed within the Group's Enterprise Risk Management framework and are considered in strategic decision-making, business planning, and performance management processes. Where relevant, sustainability-related financial disclosures are linked to information presented in the Annual Report, including the financial statements.

Cross-references have been used across the report to demonstrate links between sections and to support connectivity between sustainability-related and financial disclosures.

SLFRS S1 and S2 Section	Primary Location of Disclosures	Location of Connected Information
Governance	SLFRS S1 and S2 Disclosures, pages 16-18.	Corporate Governance, pages 40-57.
Risk Management	SLFRS S1 & S2 disclosures pages 26-27.	Risk Management Report page 39.

1.8 Transitional Relief

The Group has adopted the Climate First reporting approach in the current Annual Report and is availing of the following transitional reliefs permitted under SLFRS S1 and SLFRS S2:

Relief	Description
SLFRS S1: Disclosure of information on CRROs only	In the first annual reporting period in which an entity applies this Standard, the entity is permitted to disclose information on only climate-related risks and opportunities (in accordance with SLFRS S2) and consequently apply the requirements in this Standard only insofar as they relate to the disclosure of information on CRROs.
SLFRS S1: Disclosure of comparative information	In the first annual reporting period in which the entity applies this Standard, it is not required to disclose comparative information about its CRROs. In the second annual reporting period, it is not required to disclose comparative information about its sustainability-related risks and opportunities, other than its CRROs.
SLFRS S2: Disclosure of Scope 3 greenhouse gas emissions	Entities are required to initially report only Scope 1 and Scope 2 emissions. Full compliance with Scope 3 emissions disclosure becomes mandatory two years after the initial application date.
SLFRS S2: Disclosure of qualitative information regarding anticipated financial effects	Entities are permitted to defer the disclosure of qualitative information regarding the anticipated financial effects of CRROs for a period of two years following the mandatory application of the standard.
SLFRS S2: Disclosures on climate resilience	A relief period of two years is granted from the date of mandatory application to fully comply with the climate resilience disclosure requirement, including the conduct of climate scenario analysis.

1.9 Significant Judgements, Uncertainties and Proportionality

The Group's climate-related financial disclosures involve the application of professional judgement and estimation due to the forward-looking and evolving nature of CRROs. The Group has also relied on the skills, capabilities and resources available during the reporting period when assessing and disclosing the potential impacts of identified CRROs.

Key Areas of Professional Judgement

Identification of CRROs: Professional judgement was applied in identifying relevant physical and transition risks and opportunities that may affect the Group's operations, supply chains, and distribution activities across its diversified value chain, spanning consumer goods, agri-inputs, chemicals, pest control, and plantation operations.

Determining Sources of Guidance: In preparing climate-related disclosures, the Group applied relevant sustainability reporting frameworks and guidance to ensure consistency, comparability, and alignment with emerging reporting expectations across all three operating clusters.

Materiality Assessment: Judgement was exercised in determining whether identified CRROs could reasonably be expected to affect the Group's financial performance, position, or future cash flows over the short, medium, or long term, and therefore require disclosure at Group level.

Assessment of Significant Events: The Group assesses whether significant internal or external developments, such as regulatory changes, extreme weather events or market shifts, require reassessment of previously identified CRROs and their potential effects across the value chain.

Key Areas of Measurement Uncertainty

Greenhouse Gas Emissions Measurement: GHG emissions estimates rely on available activity data and emission factors and may involve estimation where direct measurement is not feasible. This is particularly relevant across the Group's diverse operations, which span multiple sectors with different emission profiles.

Emission Factors and Data Sources: Emission calculations are based on publicly available factors and internationally recognised methodologies, which may be updated as improved data become available. The Sri Lanka Energy Balance Report 2022 and the Ceylon Electricity Board Statistical Digest 2024 have been used as primary references for grid emission factors.

Climate-Related Financial Impacts: Amounts disclosed relating to climate-related investments and capital expenditure may be subject to estimation uncertainty due to evolving technology options, regulatory developments, and future operational adjustments across the Group's businesses.

Proportionality: Under the proportionality mechanisms available under SLFRS S2, the Group has tailored its climate disclosures to its specific circumstances, capabilities, and data availability without requiring undue cost or effort. Given the Group's diverse operating portfolio and the first-year nature of these disclosures, this proportionality principle has been applied in the identification, assessment and disclosure of CRROs at Group level.

Forward-Looking Statements and Limitations

This report contains forward-looking statements relating to sustainability-related risks, opportunities, strategies, and financial impacts that reflect the Group's current expectations, assumptions, and estimates as of the reporting date. These statements are provided to support investor decision-making but are inherently uncertain. Actual outcomes may differ materially from those described.

1.10 Statement of Compliance

This report represents the sustainability-related financial disclosures of The Colombo Fort Land & Building PLC Group for the year ended 31st March 2026. The Group's sustainability-related disclosures have been prepared in accordance with SLFRS Sustainability Disclosure Standards as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka), and constitute the first application of these standards by the Group.

2. GOVERNANCE

The Group recognises that effective governance is fundamental to the successful management of Sustainability-related Risks and Opportunities (SRROs) and to the creation of long-term value for all stakeholders. Strong governance enables the Group to identify, assess, monitor and respond to evolving sustainability-related matters in a timely and structured manner, ensuring that sustainability considerations are embedded within its overall business strategy and decision-making processes.

In line with the requirements of SLFRS S1 and SLFRS S2, the Board of Directors has overall responsibility for overseeing the Group's sustainability strategy, governance framework and risk management processes. The Board ensures that sustainability-related considerations, including climate-related risks and opportunities, are integrated into strategic planning, capital allocation, business operations and performance monitoring.

The Board is supported by the Audit Committee and the ESG Working Group Committee, each with clearly defined roles and responsibilities for implementing the Group's sustainability strategy and managing SRROs. These governance structures facilitate effective coordination across business functions, promote accountability at all levels of the organisation, and ensure that sustainability-related objectives are embedded into operational and business decisions.

Through established governance structures, delegated authorities and regular reporting mechanisms, the Group continuously monitors sustainability-related risks and opportunities, including climate-related matters, emerging regulatory developments, stakeholder expectations and market trends. This approach enables the Group to strengthen organisational resilience, enhance transparency and accountability, support regulatory compliance and create sustainable long-term value for shareholders and other stakeholders.

2.1 Governance Oversight Structure

The Group's governance framework ensures the effective identification, management, monitoring and reporting of SRROs. The structure comprises the Board of Directors, the Audit Committee and the ESG Working Group Committee, each with clearly defined roles and responsibilities.

2.1.1 Audit Committee

The Audit Committee comprises three Non-executive Independent Directors and is responsible for assisting the Board in fulfilling its oversight responsibilities. The Committee meets quarterly and reviews the effectiveness of the Group's sustainability governance framework and reporting processes. Members possess a blend of commercial experience, financial expertise and business acumen, enabling them to discharge their responsibilities efficiently and effectively. The Audit Committee Report is given on pages 58 of this Annual Report.

The Terms of Reference of the Audit Committee were amended during the financial year ended 31st March 2026, in line with the requirements of SLFRS S1 and SLFRS S2, and duly approved by the Committee and the Board to include sustainability-related responsibilities.

Responsibilities of the Committee

The Audit Committee's primary responsibilities in relation to sustainability are:

- Oversee the development and implementation of the Group's sustainability strategy and related policies, ensuring alignment with mandatory reporting frameworks, including the SLFRS Sustainability Disclosure Standards, and recognised global best practices.
- Ensure effective processes to identify, assess and manage SRROs, including climate-related risks and opportunities (CRROs).
- Monitor organisational capabilities, including skills and competencies, to manage sustainability-related matters.

- Ensure timely escalation of material SRROs and CRROs and keep the Board informed for strategic decision-making.
- Oversee the setting of sustainability targets and monitor performance, including integration with remuneration where appropriate.
- Advise the Board on emerging sustainability trends, regulatory developments, and related risks and opportunities.
- Oversee sustainability reporting to ensure compliance, transparency and alignment with best practices, including sustainability-related financial disclosures.
- Review the scope and effectiveness of external assurance on sustainability disclosures.
- Report regularly to the Board on key sustainability and climate-related developments, risks and progress.

2.1.2. Skills and Competencies

The Board determines whether appropriate skills and competencies are available to manage CRROs. Board members and relevant Committee members are expected to maintain, or seek access to, working knowledge of applicable sustainability reporting frameworks, including SLFRS S1 and S2, and an awareness of evolving ESG trends, regulatory developments, and the sustainability-related expectations of the Group's key stakeholders, including investors, lenders, regulators and the communities in which the Group operates.

The Board comprises members with diverse expertise, including industry knowledge, risk management, finance and strategic planning. The Audit Committee members collectively possess experience relevant to financial reporting, risk management and industry-specific sustainability matters, as required under its Terms of Reference.

A questionnaire-based assessment was conducted to evaluate the competencies of the Board and Audit Committee members, alongside a dedicated learning session to enhance their understanding of CRROs. The ESG Working Group Committee, which supports the Board and Audit Committee, is composed of senior management representatives from all business units and cross-functional departments, collectively bringing expertise across Home Care, Confectionery, Agri Inputs, Industrial Chemicals, Consumer Goods, Pest Control Services, Operations, Supply Chain, Finance, Marketing, Human Resources and Sustainability.

2.1.3 Inform and Address

The Audit Committee reports on climate-related topics to the Board every quarter. The following matters are regularly reported to the Board:

- Progress on key ESG initiatives and the effectiveness of sustainability strategies, including achievement of KPIs and targets.
- Emerging sustainability-related risks and opportunities, including regulatory developments and market trends.
- Status of strategic sustainability initiatives and their integration into business operations.
- Review and assessment of external communications and sustainability disclosures.

CRROs are addressed in strategy making through feedback from business-unit management and material risk assessments. The Board integrates climate-related considerations into strategic decision-making through review and approval of the Group's climate transition plan, resilience strategy and significant related policies, and by ensuring that climate considerations inform capital allocation decisions, investment appraisals and major transactions.

2.1.4 Monitor

The Audit Committee oversees the process for setting and monitoring progress against targets related to SRROs and CRROs, including the appropriate integration of sustainability performance metrics into remuneration policies where relevant. Progress is reported to the Board quarterly.

The Audit Committee reviews the adequacy and effectiveness of internal control and risk management frameworks as they relate to identifying, assessing, measuring, managing and reporting SRROs and CRROs. Defined KPIs including climate-related targets are monitored by the ESG Working Group Committee and reported through the governance chain, with progress against targets regularly evaluated.

The Group is considering how to integrate climate-related performance into the remuneration framework. Currently, remuneration is not formally linked to specific CRROs. However, remuneration policies of Key Management Personnel are linked to performance targets, including CRRO-related targets, while other relevant employees are subject to annual performance evaluations against targets.

2.2 Management Role

ESG Working Group Committee

Day-to-day management of sustainability issues, including climate-related risks and opportunities, is delegated through the ESG Working Group Committee. The Committee is responsible for driving the Group's sustainability strategy, policies, performance and reporting on environmental, social and governance matters. It manages SRROs and integrates ESG strategy into the Group's growth, decision-making, operations and stakeholder engagement.

The ESG Working Group Committee's responsibilities include:

- Oversee the development and implementation of the Group's ESG and sustainability strategy, policies and supporting processes.
- Integrate ESG principles into the Group's business model, operations, value chain and corporate culture.
- Incorporate sustainability and climate-related risks and opportunities into the Group's overall risk management framework and set measurable targets.
- Guide business units in implementing ESG initiatives while strengthening internal capabilities and competencies.
- Monitor ESG performance, improve sustainability disclosures

and oversee sustainability reporting and external assurance processes.

- Engage stakeholders and provide updates and recommendations to the Audit Committee on ESG matters, risks and regulatory developments.

During the current reporting period (FY 2025/26), the Group made a substantive change to its risk governance structure by formally establishing sustainability and climate-related committees at Board and management level. This marks the first occasion on which climate-related risks and opportunities have been embedded within a dedicated governance framework, ensuring that CRROs are systematically identified, assessed and escalated through defined reporting structures to the Board.

2.2.1 Delegation

The Board has delegated specific oversight activities to the Audit Committee, while retaining final approval and strategic decision-making authority. The Audit Committee in turn delegates operational execution to the ESG Working Group Committee, which is responsible for implementing the Group's sustainability strategy across all business units and functions.

The ESG Working Group Committee operates a formal escalation framework to ensure that material SRROs and CRROs are identified, assessed and brought to the attention of the appropriate governance bodies in a timely and structured manner. Material sustainability and climate-related risks identified at the operational level are first assessed by the Committee against established materiality thresholds. Risks assessed as moderate, significant or severe are escalated to the Audit Committee for review, deliberation and recommended action. The Audit Committee determines whether the matter warrants immediate Board-level attention or can be managed within delegated authority.

Matters with strategic implications, including those affecting the Group's climate transition plan, capital allocation priorities or public disclosures, are escalated to the full Board without delay. In the event of an acute or rapidly evolving climate or sustainability-related risk, an ad hoc escalation pathway is available, enabling direct and immediate reporting to the Board Chair and relevant Board members outside the regular quarterly cycle.

2.2.2 Policies and Procedures

CRROs are reflected in Board-approved policies on environmental protection and the Terms of Reference of the ESG Working Group Committee. The Group manages climate-related risks and opportunities through established governance structures and operational practices embedded within the overall risk management and sustainability framework.

Climate-related matters are integrated into the Group's Enterprise Risk Management (ERM) process, which is subject to regular review by the ESG Working Group Committee, with oversight provided by senior management and escalation to the Audit Committee where material risks or opportunities are identified. Key operational controls include systematic monitoring of energy consumption, fuel usage and greenhouse gas emissions across manufacturing facilities and business units; implementation of targeted energy efficiency measures; and ongoing evaluation of renewable energy deployment opportunities including solar photovoltaic installations at priority sites.

Capital allocation decisions incorporate environmental and climate considerations, including energy efficiency, water security and facility resilience against extreme weather events. Environmental performance data, including GHG emissions, water intensity and progress against climate-related targets, is reviewed quarterly to ensure alignment with the Group's sustainability strategy and compliance with mandatory reporting requirements under SLFRS S1 and SLFRS S2.

3. STRATEGY

Classification of Climate-Related Risks and Opportunities

CRR 1: EXTREME WEATHER EVENTS			
Description			
Increased frequency and severity of extreme weather events, including heavy rainfall, flooding, cyclonic storms and prolonged drought, are causing direct and immediate disruption across the Group's diversified operations. Across the EBC Cluster (Home Care and Confectionery), the Lankem Cluster (Agri Inputs, Industrial Coatings and Pest Control Services) and the Plantation Cluster (tea, rubber, oil palm and timber), these events are damaging crops, infrastructure and inventory, disrupting manufacturing and harvesting operations, interrupting supply chains and distribution networks, and driving volatile demand. This may lead to an increased frequency of emergency repair requirements, delays in production and distribution, loss or damage to goods and produce, and consequent pressure on revenue and profitability across the Group's segments.			
Time Horizon	| Medium Term | Long Term	Nature of CRRO	Physical Risk: Acute and Chronic
Business Model and Value Chain			
Current Effects on Business Model and Value Chain			
There was no material impact on the Group's consolidated financial position, financial performance or cash flows from extreme weather events for the year ended 31st March 2026.			

ANTICIPATED EFFECTS ON BUSINESS MODEL AND VALUE CHAIN

The Group anticipates increasing exposure to acute physical risk (storms and flooding) and chronic physical risk (prolonged drought and rising temperatures) across all three clusters.

EBC Cluster

Business Model

- Reduced combustion efficiency of biomass-fuelled thermic heaters.
- Reduced efficiency of climate-sensitive drying operations.
- Extended production cycles.
- Increased fuel consumption.
- Higher risk of production wastage.

Value Chain

- **Upstream:** Raw material supply volatility affecting Home Care and Confectionery inputs.
- **Operation:** Risk of operational interruption and infrastructure stress during flood events across manufacturing plants and factories, labour productivity challenges from workforce access disruption, and inventory exposure at flood-prone warehouses and storage sites.
- **Downstream:** Disruption to the Group's island-wide distribution network, temporary demand fluctuations and stock returns, and credit risk arising from extended distributor financing during recovery periods.

Lankem Cluster

Business Model

- Increased investment in climate-resilient manufacturing facilities, water management and protection of critical assets.
- Continued development of climate-resilient agricultural inputs and adaptive pest control solutions to address changing climatic conditions and customer needs.
- Optimisation of manufacturing locations, distribution networks and market focus to minimise climate-related operational risks.
- Ongoing management of rising costs arising from supply chain disruptions, raw material price volatility, logistics challenges and regulatory changes.
- Strengthened climate risk management across operations and the value chain to support long-term resilience and sustainable growth.

Value Chain

- **Upstream:** Adverse weather conditions are expected to affect the availability and cost of raw materials, resulting in increased supply chain volatility. This may require enhanced supply chain monitoring, diversified sourcing strategies and closer engagement with suppliers and farming communities to ensure long-term supply resilience.
- **Operation:** Risk of operational interruption and infrastructure stress during flood events across manufacturing plants and factories, labour productivity challenges from workforce access disruption, and inventory exposure at flood-prone warehouses and storage sites.
- **Downstream:** Adverse weather conditions are expected to impact distribution networks, customer requirements and market dynamics, requiring enhanced logistics resilience, strengthened customer support through climate adaptation solutions, and consideration of climate-related risks in customer credit assessments.

SLFRS Sustainability-Related Financial Disclosures contd.

Plantation Cluster
Business Model
Excessive rainfall or extended dry periods are expected to result in:
- Reduced tea yields.
- Decline in tea quality.
- Disrupted plucking intervals.
- Lower dry rubber content.
- Reduced number of rubber tapping days.
- Increased need for irrigation and drainage infrastructure.

Value Chain
- **Upstream:** Volatility in the price and availability of bought green leaf and latex, fertiliser, agrochemicals and fuelwood.
- **Operation:** Risk of operational interruption and infrastructure stress during flood events across estates, labour productivity challenges from workforce access disruption, and inventory exposure at flood-prone warehouses and storage sites.
- **Downstream:** Disruption to the Colombo Auction based sale of tea and rubber, temporary demand fluctuations and credit risk arising from extended farmer financing during recovery periods.

WHERE IS IT CONCENTRATED?

Risk is concentrated at identifiable nodes across each cluster.

EBC Cluster
- Flood risk within the Kelani river basin affects warehouses at Sapugaskanda, Mabima, Biyagama and Kotikawatta.
- Home Care and Confectionery manufacturing plants that depend on biomass boilers and dryers.
- Lankem Cluster
- Jaela paint manufacturing facility (flood-prone; ten days of production interruption during Cyclone Ditwah).
- Pannala agrochemical formulation and packing facility (highest concentration of regulated chemical storage).
- Sapugaskanda, Ekala and Peliyagoda chemical storage sites (flood-prone).
- Agri Inputs demand is the most materially exposed segment, with approximately one million people requiring agricultural support following Cyclone Ditwah.
- Pest Control service delivery constrained by shifting infestation patterns and regulatory delays on key termiticide supply.
- Colombo Port and road infrastructure (supply chain and logistics exposure).

Lankem Cluster
- Jaela paint manufacturing facility (flood-prone; ten days of production interruption during Cyclone Ditwah).
- Pannala agrochemical formulation and packing facility (highest concentration of regulated chemical storage).
- Sapugaskanda, Ekala and Peliyagoda chemical storage sites (flood-prone).
- Agri Inputs demand is the most materially exposed segment, with approximately one million people requiring agricultural support following Cyclone Ditwah.
- Pest Control service delivery constrained by shifting infestation patterns and regulatory delays on key termiticide supply.
- Colombo Port and road infrastructure (supply chain and logistics exposure).

Plantation Cluster
- Estate access roads and bridges.
- Smallholder green leaf and latex supply lines.
- Estate labour and housing.
- Water availability underpinning cultivation across both upcountry and low country estates (chronic risk).

STRATEGY AND DECISION-MAKING: PLANS TO RESPOND

EBC Cluster
- Plans are progressing for a centralised warehouse facility to reduce reliance on multiple third-party, flood-exposed warehouses.

Lankem Cluster
- Physical hardening underway at the highest-risk sites, including flood defences, raised storage, secondary containment and improved drainage at Pannala.
- Supply chain agility prioritised over inventory buffers: supplier diversification across distinct climate zones, with target of at least two qualified suppliers per critical raw material; alternative sourcing pathways maintained for import-dependent materials.
- R&D focus on climate-adaptive agri-input solutions including drought-tolerant products, high-efficiency fertilisers and soil health products; agile product introduction for weather-related pest and disease pressures.
- Continuous refinement of Pest Control treatment protocols based on shifting pest ecology; proactive early-warning systems for clients; enhanced technician training on climate-driven pest behaviour.

Plantation Cluster
- Climate-sensitive assets and infrastructure being identified and geohazard mapped, drawing on NBRO directives at estate level.
- Agricultural resilience measures including shade trees, drip and gravity-fed irrigation and rainwater harvesting.
- Estate drainage, desilting, contour planting and bamboo cultivation along river banks.
- Regular maintenance of estate roads, housing and factory infrastructure.

HOW THE GROUP IS RESOURCING AND PLAN TO RESOURCE ACTIVITIES

EBC Cluster
- Capital and operational budgets allocated for infrastructure upgrades, preventive measures and sustainability projects.
- External expertise engaged where specialised skills are required.
- Resources will increase proportionately as the level of risk and potential financial impact increases.

Lankem Cluster

- Resilience investment embedded within regular three- to five-year CAPEX and OPEX planning cycles.
- Highest-risk sites prioritised first.
- Lower-cost initiatives, including training, vulnerability assessments, supplier qualification and protocol updates, funded through normal functional operating budgets.

Plantation Cluster

- Measures funded through estate budgets and resourced through estate labour.

PROGRESS (QUALITATIVE AND QUANTITATIVE)

EBC Cluster

- Planning for a centralised warehouse facility serving all Group companies is underway.

Lankem Cluster

- Vulnerability assessments scheduled for three major manufacturing sites.
- Alternative sourcing identified for eight high-priority materials including key Pest Control inputs.
- Mapped climate vulnerability of existing supplier locations for critical raw materials. Initiated qualification of alternative suppliers in distinct climate zones for Biflex and other single-source materials to ensure continuity during region-specific weather events.
- Dynamic sourcing model developed, adjusting lead times and supplier selection based on seasonal weather risk patterns.
- Cross-functional Climate Resilience Working Group established and meeting quarterly, with progress reported to the Audit Committee.

Plantation Cluster

- All scheduled field and drainage maintenance for the year completed on target.
- Irrigation, shade-tree planting and rainwater harvesting targets met and remain operational.

FINANCIAL EFFECTS

Current year financial effects to Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows: There was no material impact on the Group's consolidated financial position, financial performance or cash flows from extreme weather events for the year ended 31st March 2026.

Significant risk of material adjustments to carrying value of assets and liabilities in the next financial year: There is no significant risk of material adjustments to carrying value of assets and liabilities in the next financial year.

Anticipated financial effect over short, medium and long term to Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows: Refer to Transitional Relief on page 15 (Note 1.8)

Judgements and Uncertainties Refer to Judgements and Uncertainties on pages 15 (Note 1.9)	Climate Resilience **Resilience Assessment Using Climate Scenario Analysis:** The Group is utilising the two-year transitional relief available under SLFRS S2 in respect of climate resilience disclosures and scenario analysis. Refer to Transitional Relief on page 15 (Note 1.8)`

CRR 2: TRANSITION IN RESPONSE TO EVOLVING LOCAL AND GLOBAL CLIMATE AND SUSTAINABILITY REGULATIONS			
Description			
Tightening climate regulations and rising sustainability requirements, together with increasing expectations from consumers, buyers and regulatory frameworks demanding emissions reduction and low-carbon operations, are increasing the cost of compliance and system implementation across the Group. Compliance may require investment in low-carbon technologies, infrastructure upgrades, process adjustments, product reformulation and capability development, including research and development. In parallel, commitments to sustainable sourcing and packaging, alignment with international chemical conventions and export market certification standards, and mandatory sustainability disclosure under SLFRS S1/S2, may require changes to suppliers, packaging design, production processes and reporting systems across the Group's consumer, agri-input, industrial coatings and pest control businesses. These transition requirements may lead to higher input costs, transitional inefficiencies, increased capital and operating expenditure, and in some cases stranded inventory or restricted market access, placing pressure on revenue and profitability during the transition period.			
Time Horizon	Medium Term | Long Term	Nature of CRRO	Transition Risk
Business Model and Value Chain			
Current Effects on Business Model and Value Chain			
No material impact on the Group's consolidated financial position, financial performance or cash flows from transition risks was identified for the year ended 31st March 2026.			

ANTICIPATED EFFECTS ON BUSINESS MODEL AND VALUE CHAIN

EBC Cluster

Business Model

- Business model expected to progressively integrate low-carbon technologies, sustainable sourcing practices and environmentally friendly packaging.
- Capital allocation directed toward emissions reduction and energy efficiency.

Value Chain

- Upstream: Sourcing of sustainable raw materials and packaging may increase input costs.
- Operation: Continued investment in energy-efficient machinery, renewable energy systems and sustainable packaging.
- Downstream: Growing consumer and buyer demand for low-carbon, certified and traceable products; margin pressure may arise where the additional cost of compliance cannot be fully absorbed or passed through to customers.

Lankem Cluster

Business Model

- Portfolio rationalisation in Agri Inputs driven by regulatory alignment with Codex Alimentarius and EU maximum residue limits; reformulation of existing products and phase-out of molecules with greener alternatives will be required.
- Accelerated substitution of solvent-based paints and coatings with water-based and low-VOC alternatives; proactive R&D investment and new registrations required to protect market share.
- Increased compliance costs from SLFRS S1/S2 disclosure, enhanced CEA environmental permitting requirements and product stewardship obligations.
- Chemical storage facilities face elevated spill risk during extreme weather, potentially triggering regulatory enforcement actions and third-party liability claims.

Value Chain

- **Upstream:** Procurement transitioning toward strategic partnerships with suppliers of compliant, future-proofed molecules; increased supplier due diligence on sustainability practices.
- **Operation:** Reformulation, new product registration and facility modification required to meet tightening environmental standards.
- **Downstream:** Sales model evolving toward solutions-centric delivery with technical advisory services as a key differentiator; digital traceability expected by institutional buyers.

WHERE IS IT CONCENTRATED?

EBC Cluster

- Consumer, industrial and other segments dependent on polyethylene-based packaging materials.

Lankem Cluster

- Agri Inputs portfolio: products containing internationally flagged active ingredients; export-oriented crop segments will transition fastest; conventional fertiliser portfolio facing displacement from enhanced-efficiency alternatives.
- Paints and Coatings (Robbialac): solvent-based coatings facing substitution pressure; premium urban and export-oriented segments are leading the shift to water-borne alternatives.

- Pest Control: conventional chemical treatments facing competition from Integrated Pest Management and biological control approaches.
- Pannala, Sapugaskanda and Jaela manufacturing facilities, which carry the highest concentration of regulatory and disclosure exposure.

STRATEGY AND DECISION-MAKING: PLANS TO RESPOND

EBC Cluster

- Integrate sustainable, low-carbon packaging into product and brand strategy by gradually shifting toward recyclable, biodegradable or renewable options.
- Minimise plastic leakage and microplastic generation.
- Strengthen supplier partnerships to secure the right materials at the right cost.
- Embed plastic-related risks into the enterprise risk management framework.

Lankem Cluster

- Regulatory intelligence and proactive portfolio management, including a traffic light classification of active ingredients and structured phase-out planning.
- Strategic compliance capital expenditure and facility hardening, including flood resilience at Pannala and expansion of water-based paint production at Jaela.
- Green portfolio transformation, including biostimulants, enhanced efficiency fertilisers and water-borne coatings.
- Disclosure readiness and stakeholder engagement to meet SLFRS S1/S2 requirements.
- Litigation risk management and incident preparedness.

HOW THE GROUP IS RESOURCING AND PLAN TO RESOURCE ACTIVITIES

EBC Cluster

- Internal teams and capital investment support the transition toward reduced plastic use, including refill packs and trialled plastic collection points.
- Managed within existing budgets, supplemented by partnerships such as the Ocean Strainers.

Lankem Cluster

- Transition investments, including research and development, product registrations and facility vulnerability assessments, embedded within three-year CAPEX and OPEX planning cycles.
- Prioritised by regulatory urgency.
- Governed by a cross-functional Regulatory Transition Working Group reporting quarterly to the Audit Committee.
- Supported by regulatory consultants, academic partnerships and industry associations.

PROGRESS (QUALITATIVE AND QUANTITATIVE)

EBC Cluster

- Refill packs introduced for selected Home Care products, achieving an approximate 70% reduction in carbon emissions compared to conventional plastic bottles.

Lankem Cluster

- Systematic regulatory intelligence function established.
- Initial traffic light risk assessment of more than 150 active ingredients completed.
- Phase-out plans initiated for yellow-rated molecules.
- Robbialac Water-based decorative paint range expanded.
- Pest vector control protocol piloted with corporate hotel clients.
- Scope 1 and Scope 2 GHG inventory substantially completed in preparation for SLFRS S1/S2 disclosure.

FINANCIAL EFFECTS

Current year financial effects to PL, BS and CF: No material financial impacts have been identified for the current financial year.

Significant risk of material adjustments to carrying value of assets and liabilities in the next financial year: There is no significant risk of material adjustments to carrying value of assets and liabilities in the next financial year.

Anticipated financial effect over short, medium and long term to PL, BS and CF: Refer to Transitional Relief on page 15 (Note 1.8)

Judgements and Uncertainties Refer to Judgements and Uncertainties on pages 15 (Note 1.9)	**Climate Resilience Resilience Assessment Using Climate Scenario Analysis:** The Group is utilising the two-year transitional relief available under SLFRS S2 in respect of climate resilience disclosures and scenario analysis. Refer to Transitional Relief on page 15 (Note 1.8)

CRO 1: TRANSITIONING FROM FOSSIL FUEL TO RENEWABLE ENERGY SOURCES			
Description			
The Group has identified a climate-related opportunity to transition fossil fuel-based and grid-dependent energy systems toward renewable sources, including biomass, solar photovoltaic and hydro power, across the EBC Cluster, the Lankem Cluster and the Plantation Cluster. While the transition requires upfront capital investment, it is expected to deliver long-term operational cost efficiencies through lower fuel costs, reduced exposure to energy price volatility and improved cost predictability. The transition supports the reduction of Scope 1 and Scope 2 greenhouse gas emissions, enhances energy resilience, and contributes positively to operating margins and competitiveness while aligning with the Group's low carbon transition strategy.			
Time Horizon	| Medium Term | Long Term	Nature of CRRO	Opportunity
Business Model and Value Chain			
Current Effects on Business Model and Value Chain			
The current impact on the Group's business model and value chain is not material, as the transition to renewable biomass remains at the feasibility stage.			

ANTICIPATED EFFECTS ON BUSINESS MODEL AND VALUE CHAIN

EBC Cluster

Business Model

- Improved operational resilience.
- Reduction in long-term energy costs.
- Strengthened sustainability profile.

Value Chain

- **Upstream:** Local sourcing of biomass feedstock.
- **Operation:** Equipment upgrades, process adjustments and staff training to support biomass adoption.
- **Downstream:** Strengthened sustainability profile expected to support market access and competitiveness.

Lankem Cluster

Business Model

- Business model expected to operate on a diversified energy mix of solar, hydro and fossil fuel sources.
- Lower energy risk.
- Improved cost competitiveness.
- Stronger market access through a more sustainable image.

Value Chain

- **Upstream:** Phased rooftop solar installation and resource efficiency upgrades at manufacturing sites.
- **Operation:** Energy efficiency improvements, including lighting, motor and compressed air upgrades, alongside solar PV rollout.
- **Downstream:** Extension of co-invested or fully funded solar energy systems to top-performing clients to reduce their Scope 2 emissions and deepen partnerships.

Plantation Cluster

Business Model

- Shift away from full dependence on fossil fuel and grid electricity expected to reduce energy risk and operating costs.
- Expected to expand production capacity over the long term.

Value Chain

- **Upstream:** Diversified energy inputs, including hydro, solar and biomass fuelwood, across plantation estates and factories.
- **Operation:** Continued integration of mini hydro, solar and biomass energy sources into estate and factory operations, supported by improved land and water utilisation.
- **Downstream:** Strengthened sustainability profile expected to support market access.

WHERE IS IT CONCENTRATED?

EBC Cluster

- Home Care operations, where biomass-fuelled thermic heaters and drying processes are the primary target for transition.

Lankem Cluster

- Energy-intensive manufacturing: Robbialac Paint manufacturing facility and Pannala agro factory.
- Water-stressed and flood-exposed locations: Pannala (water conservation); Sapugaskanda/Ekala (flood resilience investments); Peliyagoda (solvent storage flood-proofing and water efficiency).
- Product portfolio: N-Shield and biopesticides in Agri Inputs; water-based coatings and low-VOC formulations in Robbialac; ULV fogging technology and IPM protocols in Pest Control.

Plantation Cluster

- Tea and rubber factories across upcountry and low country estates.
- Waverly Power mini hydro facility (Agarapatana Plantations PLC).

STRATEGY AND DECISION-MAKING: PLANS TO RESPOND

EBC Cluster

- Conduct energy audits across Home Care and Confectionery operations to identify high-energy-use processes.
- Secure local, sustainable biomass supply through supplier partnerships.
- Pilot and optimise biomass solutions, including replacing diesel dryers with a biomass boiler.
- Scale implementation through equipment upgrades, staff training and capital expenditure planning.

Lankem Cluster

- Phased rooftop solar PV rollout, beginning with feasibility studies and progressing to implementation and commissioning.
- Client empowerment programme offering co-invested or fully funded solar systems to top-performing clients.
- Systematic energy efficiency programme covering lighting, motors and compressed air systems.
- Setting of Group-wide renewable energy and efficiency targets aligned with national NDC commitments.
- Water security: comprehensive water balance assessments at Pannala and Jaela; water conservation initiatives; site-specific water intensity reduction targets expected by FY2026/27.
- Green portfolio: scale N-Shield coated fertilisers; expand drought-tolerant seed cultivars; introduce bio-stimulants; expand Robbialac water-based decorative and industrial ranges; deploy ULV fogging technology in Pest Control to replace diesel-based thermal fogging.

Plantation Cluster

- Develop a diversified energy mix of solar, hydro and fossil fuel sources, beginning with solar adoption at upcountry tea factories.
- Cultivate dedicated energy plantations.
- Expand solar power to low country factories.
- Construct additional mini hydro plants over the long term.
- Reduce dependence on the national grid.

HOW THE GROUP IS RESOURCING AND PLAN TO RESOURCE ACTIVITIES

EBC Cluster

- Teams, capital and operational expertise deployed to support the transition to locally sourced renewable biomass.
- Resources planned for phased scaling alongside partnerships with local biomass suppliers.

Lankem Cluster

- Renewable energy and efficiency investments embedded within the regular five-year CAPEX and OPEX planning cycle, phased by priority.
- Technical consultants engaged selectively for solar feasibility and energy audits.
- Progress coordinated through a cross-functional Climate Working Group reporting to the Investment Committee.

Plantation Cluster

- Renewable energy investment funded through internal funds and bank loans.

PROGRESS (QUALITATIVE AND QUANTITATIVE)

EBC Cluster

- Feasibility study for the Home Care biomass project is ongoing to guide process optimisation and energy transition planning.

Lankem Cluster

Solar PV feasibility studies completed for Pannala; LED lighting upgrade and compressed air audit completed at Jaela; systematic energy efficiency programme underway at the Jaela paints factory.

- Water risk assessment at Jaela and Pannala scheduled for FY2026/27; water metering installed at Pannala factory; alternative water supply identified for drought preparedness.
- Agri Inputs: N-Shield coated urea in market; two microbial biopesticide registration dossiers submitted; three botanical formulations in field trials; two bio-stimulant products under trial with target launch FY2028.
- Paints (Robbialac): water-based decorative range expanded by four SKUs; low-VOC industrial coating work initiated. Supply chain: climate risk screening underway for top 50 suppliers.

Plantation Cluster

- FY2025/26 targets for installing solar panels met at Agarapatana Plantations PLC and Kotagala Plantations PLC.
- Kotagala Plantations PLC's target for adopting rubber wood as biofuel met.

FINANCIAL EFFECTS

Current year financial effects to PL, BS and CF: No material financial impacts have been identified for the current financial year.

Significant risk of material adjustments to carrying value of assets and liabilities in the next financial year: There is no significant risk of material adjustments to carrying value of assets and liabilities in the next financial year.

Anticipated financial effect over short, medium and long term to PL, BS and CF: Refer to Transitional Relief on page 15 (Note 1.8)

Judgements and Uncertainties Refer to Judgements and Uncertainties on pages 15.	*Climate Resilience* **Resilience Assessment Using Climate Scenario Analysis:** The Group is utilising the two-year transitional relief available under SLFRS S2 in respect of climate resilience disclosures and scenario analysis. Refer to Transitional Relief on page 15 (Note 1.8)

4. RISK MANAGEMENT

4.1 Processes and Policies Relating to Climate-Related Risks and Opportunities

Climate-related risk, as defined by the Group's ESG Policy and Procedure, refers to the potential for environmental and climate-related factors to adversely affect the Group's operations, supply chains, and markets. These impacts may arise directly or indirectly, including through their influence on other established risk categories, and may result in both financial and non-financial consequences.

Climate risk is recognised as a material risk category within the Group's Enterprise Risk Management (ERM) Framework. Climate risks manifest through physical risks, arising from extreme weather events or long-term climatic shifts such as flooding, drought and rising temperatures, and transition risks, stemming from changes in environmental policy, evolving stakeholder expectations, technological advancement and shifting market preferences in the move toward a low-carbon economy. Given the Group's diversified operations spanning consumer goods, chemicals, agri-inputs, pest control and plantation activities across Sri Lanka, the Group is exposed to climate-related dynamics across multiple value chain nodes.

Beyond risk, the evolving sustainability landscape also presents meaningful climate-related opportunities, including the transition from fossil fuel-based energy to sustainable renewable energy sources.

4.2 Identification, Assessment, Prioritisation and Monitoring of CRROs

Identification

The Group has undertaken a comprehensive assessment to identify key CRROs. These risks have been classified into transition risks and physical risks, with physical risks further categorised as acute and chronic, in line with SLFRS S2.

Risk Identification Sources

Material ESG risks and opportunities are identified using inputs from:

- Climate data, including rainfall intensity, temperature anomalies and long-term variability, sourced from the World Bank Climate Change Knowledge Portal.
- The Ministry of Environment, Sri Lanka: Updated Nationally Determined Contributions (NDC 3.0) (2026-2035) and the National Adaptation Plan.
- Sri Lanka Country Climate and Development Report (CCDR), World Bank (2025).
- The Institute of Chartered Accountants of Sri Lanka: Preparer's Guide to SLFRS S1 and S2 (Climate-related Disclosures).
- Operational data and management experience at cluster and business-unit level across the EBC, Lankem and Plantation Clusters.

Use of Climate-Related Scenario Analysis

The Group has taken transition relief and does not conduct climate scenario analysis to identify CRROs.

(Refer Note 1.8 on page 15)

Assessment

The Group's sustainability risk management processes follow a bottom-up approach in risk identification and management and a top-down approach in review and monitoring. Business-level CRROs are reported to the Audit Committee and Sustainability Management Committee, and key risks are aggregated at Group level to facilitate a holistic overview of the Group's risk exposures.

- Nature
- Transition Risks: Risks related to the transition to a lower-carbon economy.
- Physical Risks: Risks related to the physical impacts of climate change.
- Climate-related opportunities relate to efforts to mitigate and adapt to climate change, such as resource efficiencies and cost savings, the adoption of low-emission energy sources, the development of new products and services, access to new markets, and building resilience along the supply chain.
- Likelihood:

Probability of occurrence based on historical patterns, emerging data, and expert review.

Likelihood of Occurrence	Probability of Occurrence
Very Likely	81% to 100%
Likely	61% to 80%
Possible	41% to 60%
Unlikely	21% to 40%
Very Unlikely	0% to 20%

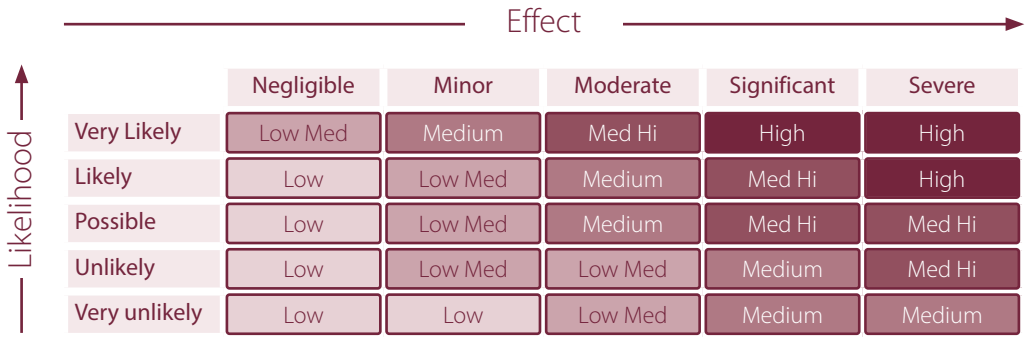
- Severity of the Effect

Severity of Effect	Financial Impact
Severe	3% impact to Group net revenue
Significant	1% impact to Group net revenue
Moderate	0.5% impact to Group net revenue
Minor	0.1% impact to Group net revenue
Negligible	Less than 0.1% impact to Group net revenue

Prioritisation

The Group prioritises CRROs using a structured assessment framework based on financial impact, likelihood, time horizon, operational exposure, strategic relevance, regulatory and compliance significance, and stakeholder implications. Each CRRO is evaluated relative to other enterprise risks to identify the most material issues affecting operations, assets, and long-term value creation.

Management-level committees are responsible for monitoring, mitigating, and implementing measures to address high-priority CRROs effectively.



Monitoring

A structured system is in place for the quarterly monitoring, review, and reporting of CRROs by the Audit Committee. This system enables early identification, timely escalation, and consistent oversight of material climate-related risks across all levels of governance. The Audit Committee monitors progress and current performance against identified CRROs, while key risk areas are also monitored at business-unit and cluster level.

Changes in the Process

As this is the first year of implementation of SLFRS S1 and S2 at Group level, there have been no changes to the Group's processes arising from climate-related activities or policy changes during the reporting period.

4.3 Integration into the Overall Risk Management Framework

CRROs are managed through the Group's established risk management processes. These processes identify, assess, and monitor CRROs alongside other strategic and operational risks, with their potential financial, operational, and transitional impacts reflected in risk registers and strategic decision-making. Responsibilities for oversight and escalation are delegated to relevant management-level committees, ensuring that CRROs are systematically captured and considered in line with the Group's risk governance and decision-making practices.

The approach to integrating CRROs remains consistent across all entities within the organisational boundary. The risk infrastructure is designed to identify, evaluate and mitigate risks within the following principal categories: Strategic Risk, Operational Risk, Financial Risk, Legal and Compliance Risk, Credit risk and Business Risk. Climate-related risks are recognised within these categories, particularly under Operational Risk, Financial Risk and Legal and Compliance Risk, and are escalated accordingly through the Group's established governance structures.

5. METRICS AND TARGETS

5.1. Metrics

5.1.1 Greenhouse Gas Emissions (GHG)

The Group measures its GHG emissions in accordance with GHG protocol and ISO 14064-1:2018 and reports as per the SLFRS S2 standard requirements. These disclosures cover all consolidated operations within the operational control boundary, and financial control approach and include Scope 1, Scope 2.

The Financial control approach has been adopted for GHG measurement, as it reflects the Group's ability to direct the financial and investment policies of its subsidiaries, including major capital decisions related to energy and emissions.

During the reporting period, the Group has measured its absolute gross GHG emissions, expressed in metric tonnes of CO_2 equivalent (tCO_2e), to better understand its climate impact and to guide mitigation initiatives across the Group's GHG emissions reduction journey. The measurement covers two main categories of emissions.

Scope 1 Emissions: These are direct emissions from fuel combustion from company owned vehicles, generators and boilers, fugitive emissions and other on-site process emissions of the company.

Scope 2 Emissions: These are indirect emissions resulting from the generation of purchased electricity consumed by the company. Measuring these helps Group evaluate energy efficiency opportunities and the potential for switching to renewable sources.

Scope 3 Emissions: In accordance with the transition relief (Note 1.8.3), the Group will not be reporting its Scope 3 GHG emissions during the current financial reporting cycle.

Basis of Determination of Organisational Boundary and Operational Boundary

The organisational boundary for GHG quantification of the Group is defined using the financial control approach in accordance with the GHG Protocol. Under this approach, the Group accounts for 100% of GHG emissions from operations over which it has financial control.

SLFRS Sustainability-Related Financial Disclosures contd.

This approach ensures alignment with financial reporting principles and provides a comprehensive representation of emissions attributable to the Group's controlled operations.

Methodology Used for the Measurement and Disclosure of GHG Emissions

The Group measures its GHG emissions using the Greenhouse Gas Protocol to ensure consistency, accuracy and comparability across all emission scopes

GHG Measurement Standards Applied

The following standards and guidance are applied in developing the Group's GHG inventory:

- Greenhouse Gas (GHG) Protocol: Corporate Accounting and Reporting Standard (2004).
- GHG Protocol Scope 2 Guidance, an amendment to the Corporate Accounting and Reporting Standard.
- ISO 14064-1:2018 standard.
- SBTi FLAG Guidance

GHG Disclosures

GHG-related disclosures are prepared in alignment with SLFRS S2: Climate-related Disclosure Standard.

The summary of GHG emissions, disaggregated by scope is presented in the tables below.

Summary of GHG Emissions

Scope	2025/26 ($mtCO_2e$)
Scope 1	20,157
Scope 2	16,363
Scope 3 (Refer Note 1.8)	N/A
Total	**36,520**

GHG Scope 1 and Scope 2 Emissions

Description	Greenhouse gas emissions (metric tonnes CO2e) 2024/25		
	Scope 1	Scope 2	Total
Consolidated accounting group	20,039	16,228	36,267
Other investee (investment in associate, joint ventures)	118	135	253
Total (Financial control approach)	**20,157**	**16,363**	**36,520**

Key Assumptions and Sources of GHG Measurement

Scope	Emission Sub-category	Activity	Data Source		Source of GWP Values
Scope 1	Stationary combustion	Diesel, LPG, fuelwood, Petrol and other biomass fuels and furnace oil used for stationary, Oxy-acetylene cutter in workshop operations thermal applications	Fuel purchase records, Furnace oil consumption LP Gas consumption Biomass measuring records and Oxy acetylene consumption	2006 IPCC V2_2_ Ch2_, DEFRA Conversion Factors 2025 IPCC AR6 Report - 2024	IPCC (AR6) 2024 , Department for Energy Security and Net Zero (DESNZ), GHG Conversion Factors 2025 Intergovernmental Panel on Climate Change (IPCC). (2024).
Scope 1	Mobile combustion	Petrol, Diesel used in company vehicles and forklifts	Fuel purchase records	2006 IPCC V2_3_ Ch3_ DEFRA Conversion Factors 2025	IPCC (AR6) 2024 Department for Energy Security and Net Zero (DESNZ), GHG Conversion Factors 2025
Scope 1	Process combustion	Acetylene ,Firewood consumption and Direct emissions from mobile petrol	SAP Records and Petrol Consumption Records	2006 IPCC V2_3_ Ch3 Case-Specific Emission Factor	IPCC (AR6) 2024
Scope 1	Fugitive Emissions	Refrigerant and air conditioning refilled, emissions from fire suppression equipment	Supplier refill Invoices, Maintenance records	IPCC AR6 Report – 2024 SLSEA Grid Emission Factors – 2022 and 2024	IPCC (AR6) 2024
Scope 2	Electricity Consumption	Electricity use	Monthly CEB bills	SLSEA Grid Emission Factors – 2022 and 2024	IPCC (AR6) 2024 Sri Lanka Sustainable Energy Authority. (2022-2024).

5.1.2 Climate-Related Physical Risks

The Group has not assessed the amount and percentage of assets or business activities vulnerable to climate-related physical risks as of 31st March 2026.

5.1.3 Climate-Related Transition Risks

The Group has not assessed the amount and percentage of assets or business activities vulnerable to climate-related transition risks as of 31st March 2026.

5.1.4 Climate-Related Opportunities

As of 31st March 2026, the Group has not yet quantified the amount and percentage of assets or business activities aligned with climate-related opportunities. However, the Group continues to explore opportunities arising from the transition from fossil fuels to renewable energy sources across its operations.

5.1.5 Capital Expenditure

The Group did not incur any material capital expenditure during the period ended 31st March 2026.

5.1.6 Internal Carbon Pricing

The Group has not established an internal carbon price for its emissions in the current reporting period.

5.1.7 Remuneration

As of financial year end, the Group does not currently operate a dedicated ESG-linked remuneration framework within its

organisational structure. The Group's existing remuneration structures are primarily governed by financial performance metrics and broader corporate governance principles, without the formal incorporation of environmental, social, and governance-related key performance indicators as part of incentive or compensation arrangements.

Nevertheless, the Group acknowledges the growing global emphasis on integrating sustainability performance into remuneration practices, recognising that such alignment can serve as a powerful mechanism for embedding ESG accountability at the highest levels of organisational leadership.

In this context, the Group is actively evaluating the feasibility and structure of incorporating ESG-related considerations into its remuneration frameworks, with the intent to develop a more comprehensive and forward-looking approach in future reporting periods, consistent with evolving best practices in corporate sustainability governance.

5.2 Industry Specific Metrics

In identifying its industry-based metrics, Group referred to the industry-based Guidance on Implementing SLFRS S2 and assessed the applicability of relevant sector-specific standards to its diversified operations. Based on this assessment, the Group has identified industry-based metrics relevant to its operating segments, including emissions intensity, energy intensity, water withdrawal and consumption, refrigerant management, packaging intensity, and land use impacts, drawing from the SASB-aligned standards applicable to household and personal products, food retailers and Distributors, Iron and Steel Producers, Health Care Distributors and Chemicals.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

Household & Personal Products Sustainability Accounting Standard

Table 1: Sustainability Disclosure Topics & Metrics

Topic	Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Water Management	1) (1) Total water withdrawn, (2) Total water consumed; percentage of each in regions with high or extremely high baseline water stress	Quantitative	Thousands cubic metres (m3), Percentage (%)	CG-HP- 140a.1	(1(1) 25 (103 m3) (2(2) 11 (103 m3) No facilities are currently located in High or Extremely High-water stress areas.
	Description of water management risks and discussion of strategies and practices to mitigate those risks.	Discussion and Analysis	N/A	CG-HP- 140a.2	The product range of Home Care and Personal Care sector are not water intense the majority of which are dry products.Therefore, this is not relevant to business model and value chain
Environmental & Social Impacts of Palm Oil Supply Chain	Amount of palm oil sourced, percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as, (1) Identity Preserved, (2) Segregated, (3) Mass Balance or (4) Book & Claim.	Quantitative	Metric tons (t), Percentage (%)	CG-HP- 430a.1	Palm oil is not used as raw material of Home Care and Personal Care sector therefore this is not relevant to business model & value chain.

Table 2: Activity Metrics

Activity Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Units of products sold, total weight of products sold	Quantitative	Number, Metric tons (t)	CG-HP-000.A	(1) 328,962,849 (2) 21,874 t
Number of manufacturing facilities	Quantitative	Number	CG-HP-000.B	6

FOOD RETAILERS & DISTRIBUTORS SUSTAINABILITY ACCOUNTING STANDARD

Table 1: Sustainability Disclosure Topics & Metrics

Topic	Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Fleet Fuel Management	Fleet fuel consumed, percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-FR-110a.1 , FB-AG-250a.1	(1) the sector does not own and operate vehicle fleets to deliver products between its distribution and retail locations (2) Renewable fuel is not used for fleet vehicles
Air Emissions from Refrigeration	Gross global Scope 1 emissions from refrigerants	Quantitative	Metric tons (t) CO2-e	FB-FR-110b.1	34 tCO2-e
	Percentage of refrigerants consumed with zero ozone-depleting potential	Quantitative	Percentage (%) by weight	FB-FR-110b.2	94%
	Average refrigerant emissions rate	Quantitative	Percentage (%)	FB-FR-110b.3	66%
Energy Management	(1) Operational energy consumed, (2) Percentage grid electricity and (3) Percentage renewable and (4) total self-generated energy 1	Quantitative	Gigajoules (GJ), Percentage (%)	FB-FR-130a.1	(1) 12,290 GJ (2) 19% (3) 2% (The renewable energy (2%) represents solar-generated energy/ on-grid solar system)

SLFRS Sustainability-Related Financial Disclosures contd.

Topic	Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Management of Environmental & Social Impacts in the Supply Chain	Revenue from products third-party certified to environmental or social sustainability sourcing standards	Quantitative	Presentation currency	FB-FR-430a.1	Group is in the initial stage of assessing the applicability to certify environmental or social sustainability sourcing standards.
	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	Discussion and Analysis	N/A	FB-FR-430a.3	Group is in the initial stage of assessing the applicability of animal welfare and assessing supply chain environmental and social risk management processes.
	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	N/A	FB-FR-430a.4	The Group aims to reduce the environmental impact of packaging through sustainable materials, optimised packaging, and waste reduction initiatives

Table 2: Activity Metrics

Activity Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Number of (1) retail locations and (2) distribution centres	Quantitative	Number	FB-FR-000.A	1) The Company does not own or operate any retail locations. (Both Candy Delights Limited and Darley Bakery operate from a single location.)
Total area of (1) Retail space and (2) distribution centres	Quantitative	Square metres (m2)	FB-FR-000.B	(1) The Company does not own or operate any retail locations. (2) 1,073 m^2
Number of vehicles in commercial fleet	Quantitative	Number	FB-FR-000.C	The sector does not own and operate vehicle fleets to deliver products between its distribution and retail locations
Tonne-kilometres travelled	Quantitative	Tonne-kilometres	FB-FR-000.D	The sector does not own and operate vehicle fleets to deliver products between its distribution and retail locations

IRON & STEEL PRODUCERS SUSTAINABILITY ACCOUNTING STANDARD

Table 1: Sustainability Disclosure Topics & Metrics

Topic	Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions limiting regulations	Quantitative	Metric tons (t), CO2-e, Percentage (%)	EM-IS-110a.1	(1) 1,988 tCO2e (2) There is no limiting regulations
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	N/A	EM-IS-110a.2	The organisation is currently in its first year of emissions reporting. Establishment of reduction targets and strategies for both long-term and short-term emission management are currently being discussed at the management level
Energy Management	(1) Total energy consumed (2) percentage grid electricity and (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	EM-IS-130a.2	(1) 32,187 GJ (2) No coal, natural gas and the renewable on-grid solar system with a total annual generation capacity of 591,317 kWh
Water Management	(1) Total water withdrawn, (2) total water consumed; Percentage of each in regions with high or extremely high baseline water stress	Quantitative	Thousand cubic metres (m3), Percentage (%)	EM-IS-140a.1	(1) 27 (103 m^3) (2) 22 (103 m^3) No facilities are currently located in high or extremely high-water stress areas
Supply Chain Management	Discussion of the process for managing iron ore or coking coal sourcing risks arising from environmental and social issues	Discussion and Analysis	N/A	EM-IS-430a.1	This is not relevant to process of Lanka Special Steels Limited

Table 2: Activity Metrics

Activity Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Raw steel production, percentage from: (1) basic oxygen furnace processes, (2) electric arc furnace processes	Quantitative	Metric tons (t), Percentage (%)	EM-IS-000.A	The company does not produce raw steel and does not operate basic oxygen furnace (BOF) or electric arc furnace (EAF) processes. Accordingly, this disclosure is not applicable.
Total iron ore production	Quantitative	Metric tons (t)	EM-IS-000.B	There is no iron ore processing at Lanka Special Steels Limited
Total coking coal production	Quantitative	Metric tons (t)	EM-IS-000.C	There is no coal use in production process

HEALTHCARE DISTRIBUTORS SUSTAINABILITY ACCOUNTING STANDARD

Table 1: Sustainability Disclosure Topics & Metrics

Topic	Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Fleet Fuel Management	Payload fuel economy	Quantitative	Litres/RTK	HC-DI-110a.1	The Company does not own or operate vehicles. Product distribution is managed by distributors who collect goods directly from the Company's warehouse. Since these logistics activities fall outside the Company's control, payload fuel economy is not disclosed.
	Description of efforts to reduce the environmental impact of logistics	Discussion and Analysis	N/A	HC-DI-110a.2	The Company does not own or operate vehicles

Table 2: Activity Metrics

Activity Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Number of pharmaceutical units sold by product category	Quantitative	Number	HC-DI-000.A	116,640,840 items
Number of medical devices sold by product category	Quantitative	Number	HC-DI-000.B	There is no material sale in device section

AGRICULTURAL PRODUCTS SUSTAINABILITY ACCOUNTING STANDARD

Topic	Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Greenhouse Gas Emissions	1) Gross global Scope 1 emissions	Quantitative	Metric tonnes (t) CO_2-e	FB-AG-110a.1	2,103.15
	Discussion of long and short term strategy to manage Scope 1 emissions, emissions reduction targets, and performance against targets	Discussion and Analysis	N/A	FB-AG-110a.2	Scope 1 and Scope 2 GHG emissions are routinely monitored and calculated in alignment with SLFRS S2 standards. All up-country manufacturing facilities hold ISO 14064-1:2018 (Carbon Footprint) certification, supported by ongoing investment in solar energy generation, energy efficiency measures, and environmental conservation initiatives to reduce operational carbon intensity.
	Fleet fuel consumed, percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-AG-110a.3	Nil
Energy Management	1) Operational energy consumed, (2) percentage grid electricity and (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-AG-130a.1	Nil

SLFRS Sustainability-Related Financial Disclosures contd.

Topic	Metric	Category	Unit of Measure	Code	Disclosure reference and/ or response
Water Management	1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic metres (m^3), Percentage (%)	FB-AG-140a.1	Currently we are not collecting this information
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A	FB-AG-140a.2	
	Number of incidents of noncompliance associated with water quality permits, standards and regulations	Quantitative	Number	FB-AG-140a.3	
Food Safety	Global Food Safety Initiative (GFSI) Audit (1) non-conformance rates and (2) associated corrective action rates for (a) major and (b) minor nonconformances	Quantitative	Rate	FB-AG-250a.1	The Group has not obtained GFSI-benchmarked certification (e.g., BRCGS, FSSC 22000, SQF) during the reporting period. Food safety and quality assurance are currently managed through ISO and Rainforest Alliance certification frameworks, which the Group considers appropriate to its current market and buyer requirements.
	Percentage of agricultural products sourced from suppliers certified to a Global Food Safety Initiative (GFSI) recognised food safety certification programme	Quantitative	Percentage (%) by cost	FB-AG-250a.2	
	1) Number of recalls issued and (2) total amount of food product recalled 1	Quantitative	Number, Metric tonnes (t)	FB-AG-250a.3	

Topic	Metric	Category	Unit of Measure	Code	Disclosure reference and/ or response
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	Quantitative	Rate	FB-AG-320a.1	Currently we are not collecting this information
Environmental & Social Impacts of Ingredient Supply Chain	1) Percentage of agricultural products sourced that are certified to a third-party environmental or social standard, and (2) percentages by standard	Quantitative	Percentage (%) by cost	FB-AG-430a.1	0%
	Suppliers' social and environmental Responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor nonconformances	Quantitative	Rate	FB-AG-430a.2	Nil
	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	Discussion and Analysis	N/A	FB-AG-430a.3	
GMO Management	Discussion of strategies to manage the use of genetically modified organisms (GMOs)	Discussion and Analysis	N/A	FB-AG-430b.1	We do not use GMOs in our operations
Ingredient Sourcing	Identification of principal crops and description of risks and opportunities presented by climate change	Discussion and Analysis	N/A	FB-AG-440a.1	0%

Table 2: Activity Metrics

Activity Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Production by principal crop	Quantitative	MT	FB-AG-100.A	Kotagala Plantations PLC – 12.765 MT Agarapatana Planatations PLC – 6.199 MT
Number of processing facilities	Quantitative	Number	FB-AG-100.B	Kotagala Plantations PLC – 21 Agarapatana Planatations PLC – 17
Total land area under active production	Quantitative	Hectares	FB-AG-100.C	Kotagala Plantations PLC –6,336.18 Ha Agarapatana Planatations PLC – 10,192.02 Ha
Cost of agricultural products sourced externally	Quantitative	Currency	FB-AG-100.D	Kotagala Plantations PLC –Rs.506 Mn Agarapatana Planatations PLC – Rs.410 Mn

CHEMICALS (RT-CH) SUSTAINABILITY ACCOUNTING STANDARD

Topic	Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions limiting regulations	Quantitative	Metric tonnes (t) CO_2-e	RT-CH-110a.1	2,818.209 Tonne CO_2e
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self-generated energy 1	Quantitative	Gigajoules (GJ), Percentage (%)	RT-CH-130a.1	(1) 19902.019* (2) 7.36 %*
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with high or extremely high Baseline Water Stress	Quantitative	Thousands cubic metres (m^3), Percentage (%)	RT-CH-140a.1	(1) 6916*

* These figures are from Lankem Ceylon PLC

5.3 Climate-Related Targets

The Group recognises that meaningful climate targets must be grounded in accurate data and thorough analysis. The organisation is currently engaged in the groundwork necessary to establish credible, well-informed targets in the coming period.

Risk Management Review

OVERVIEW

Risk management involves identifying potential risks faced by the Group and implementing proper risk management techniques to mitigate such risks.

The Colombo Fort Land & Building Group is involved in a diverse range of business activities. Whilst this diversification provides a hedge against the positive correlation of business and environmental risks, it also exposes the Group to a wider range of risks and opportunities. Therefore, a disciplined approach to risk management is important in order to ensure successful execution of strategic objectives and to express acceptance towards risk management which has been adequately compensated.

COMPANY'S APPROACH TO RISK

Risk management is an important function of our Group. The Group reviews and assesses significant risks on a regular basis and has implemented an oversight programme to ensure that there is a system of internal controls in place. It is more important to identify risks that may prevent a business from realising its potential, and to manage them in order to minimise adverse effects and maximise positive outcomes.

The risk management process involves identifying the risks, analysing and evaluating the risks and treating such risks by taking steps to reduce and eliminate the losses which may be faced by the Group. As a part of the Risk Management process, at the Group level, the Board reviews its strategies, processes, procedures and guidelines on a continuous basis to effectively identify, assess and respond to such risks.

The Group assesses risk at the individual transaction level and evaluates aggregated risk at the customer, industry, geographic and collateral-type levels, where appropriate. Risk assessment and risk management are the responsibilities of management. The risk infrastructure is designed to identify, evaluate and mitigate risks within each of the following categories;

RISK FACTORS

Strategic Risk

Strategic risk relates to the Group's future business plans and strategies, and includes risks associated with the markets and industries in which the Group operates, demand for products and services, competitor threats, technology and product innovation, mergers and acquisitions and public policy.

Operational Risk

Operational risk relates to the risk arising from the execution of business operations. The Group has established sound internal control systems in all its operations and continuously reviews and monitors those procedures to ensure accountability and transparency in all its operations.

The Group faces a number of operational risks on an ongoing basis, including: Stock management; Supply chain management; Key supplier failure; and IT security. The Group is continuously focusing on improving its controlling and monitoring processes to ensure smooth functioning of all its operations.

Financial Risk

Financial risk relates to the ability to meet financial obligations and mitigate credit risk, liquidity risk and exposure to broad market risks, including volatility in foreign currency exchange rates, interest rates and commodity prices. Liquidity risk is the risk of being unable to accommodate liabilities at maturity, fund asset growth and meet contractual obligations through access to funding at reasonable market rates. Credit risk is the risk of financial loss arising from a customer or counterparty failing to meet contractual obligations.

Legal and Compliance

Legal and compliance risk relates to changes in the Government and regulatory environment, compliance requirements with policies and procedures, including those relating to financial reporting, environmental health and safety and intellectual property risks. Government and regulatory risk is the risk that the Government or Regulators' actions which will impose additional cost or cause the Group to change its business models or practices.

New Business and Acquisitions

Innovation is encouraged across CFLB businesses and activities. Therefore, it is important that all elements of new business initiatives are well understood before commencement. All new business initiatives must be approved by all Directors prior to commencement. The new business approval process is a formal process whereby all relevant risks (e.g. market, credit, equity, legal, compliance, taxation, accounting, operational and systems issues) are reviewed to ensure that the transaction or operation can be managed properly and will not create unknown or unwanted risks for CFLB in the future.

Credit Risk

Credit Risk is defined as the risk of a counterparty failing to complete its contractual obligations when they fall due. The consequent loss is either the amount of the loan being unpaid, or the loss incurred in replacing a trading contract with a new counterparty.

Business Risk

New entrants into the markets and the intensification of competition from existing players in these markets, variation in consumer spending patterns and effects of the weather conditions for seasonal businesses are the significant business risks that the Group encounters.

Corporate Governance

The Colombo Fort Land & Building PLC's (CFLB) Corporate Governance policy has ensured transparency and accountability towards our valuable stakeholders. The core objective of all Corporate Governance rules and regulations is to ensure that the interests of all stakeholders are reasonably safeguarded. Thus, the Board strives to take all possible steps to comply with best practices on Corporate Governance as it builds trust among stakeholders and establishes a basis for responsible conduct.

Our values have been applicable at all levels and this guarantees the business transparency towards our valuable stakeholders and corporate society.

THE BOARD

Board Composition

Currently the Board comprises of one Executive Director and eleven Non-Executive Directors of whom four are Independent. The Directors possess the necessary expertise in the fields of finance, corporate management and legal with varied business and professional experience in order to direct, lead and control the Company's business activities successfully.

The Directors who held office during the financial year and are currently in office are as follows.

Mr. S.D.R. Arudpragasam - *Chairman - Non-Executive*
Mr. C.P.R. Perera - *Deputy Chairman - Non-Executive*
Mr. Anushman Rajaratnam - *Group Managing Director – Executive*
Mr. A.M. de S. Jayaratne - *Non-Executive (Deceased 10.07.2025)*
Mr. P.M.A. Sirimane - *Non-Executive*
Mr. Sanjeev Rajaratnam - *Non-Executive*
Mr. A.R. Rasiah - *Non-Executive*
Mr. Amrit Rajaratnam - *Non-Executive*
Mr. K.G. Punchihewa- *Independent Non-Executive*
Mr. S.B. Perera - *Independent Non-Executive*
Mr. S. Viran Corea, PC - *Independent Non-Executive*
Mr. I.A. Wickramasinghe - *Independent Non-Executive*
Mr. S.S. Poholiyadde - *Non-Executive (Appointed w.e.f. 01.01.2026)*

Mr. A.M. de S. Jayaratne, who served as an Independent Non-Executive Director until the close of business on 31st December 2024, and continued to serve as a Non-Executive Director of the Company effective from 1st January 2025 passed away on 10th July 2025.

Mr. S.S. Poholiyadde was appointed as a Non-Executive Director with effect from 1st January 2026.

Decision Making of the Board

The Board discusses matters relating to formulation and implementation of sound business strategies, ensuring an effective system to secure integrity of information, internal controls and risk management.

The Board has met on five occasions during the year under review. In addition to the decisions taken at Board Meetings, matters are referred to the Board and decided by resolutions in writing. The Board collectively and the Directors individually, act in accordance with the laws of the country, which are applicable to the business enterprise.

The attendance at Board meetings was as follows:

Mr. S.D.R. Arudpragasam	5/5
Mr. C.P.R. Perera	5/5
Mr. Anushman Rajaratnam	3/5
Mr. A.M. de S. Jayaratne *(Deceased 10.07.2025)*	2/2
Mr. P.M.A. Sirimane	4/5
Mr. Sanjeev Rajaratnam	4/5
Mr. A.R. Rasiah	4/5
Mr. Amrit Rajaratnam	4/5
Mr. K.G. Punchihewa	5/5
Mr. S.B. Perera	5/5
Mr. S. Viran Corea, PC	5/5
Mr. I.A. Wickramasinghe	5/5
Mr. S.S. Poholiyadde *(Appointed w.e.f. 01.01.2026)*	0/1

Board Responsibilities

- Formulation of short and long term strategies towards sustainable growth.
- Enhancing shareholder value.
- Identifying principal risks of the business.
- Overseeing systems of internal control.
- Approval of interim and annual financial statements.
- Ensuring compliance with laws and regulations.
- Authorizing all material contracts, acquisitions or disposal of subsidiaries and approving capital projects.
- Ensure compliance with Company policies.

The Directors have made themselves aware of applicable laws, rules and regulations and are aware of changes particularly to the Listing Rules and applicable Capital Market provisions.

Fit & Proper Assessment

The Company's fit and proper assessment for Directors is in line with the guidelines set out in the Listing Rules and include criteria on honesty, integrity and reputation, competence and capability and financial soundness. The Chairman and Directors satisfy the fit and proper assessment criteria stipulated in the Listing Rules of the CSE.

Company Secretary and Independent Professional Advice

The Company and all the Directors may seek advice from Corporate Managers & Secretaries (Private) Limited (CMSL) who are qualified to act as Secretaries as per the provisions of the Companies Act No. 07 of 2007. CMSL assists the Board in ensuring that Board procedures are followed and that relevant rules and regulations are complied with. The Board in discharging its duties seeks independent professional advice from external parties when necessary.

Chairman's Role

The Chairman is a Non-Executive Director and is responsible for steering the Board to preserve order and to facilitate the effective discharge of Board functions. He conducts Board proceedings in a manner which always ensures the following:

- The effective participation of Directors.
- Encourages an effective contribution from Directors within their respective capabilities, for the benefit of the Company.
- Ascertains the views of Directors on issues under consideration.

The Board is in complete control of the Company's affairs and is alert to its obligation to all shareholders and other stakeholders.

Financial Acumen

Currently the Board includes seven finance professionals who possess the knowledge and competence to offer the Board the necessary guidance on matters of finance.

Board Balance

Except for one Executive Director, all Directors on the Board are Non-Executives of whom, four are Independent Directors. The Directors with a blend of experience in the fields of finance, business management, legal and possessing a high standing of integrity and business acumen, constitute a balanced Board. This enables individual Directors to make a significant contribution towards the Board's decision making process. Further, the balanced structure of the Board makes the strategic decision making process more effective which ultimately facilitates build up of sustainable value for shareholders and all its other stakeholders.

Independent Directors on the Board have declared that they are Independent of management and free of any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the exercise of their unfettered and independent judgements. All Independent Non-Executive Directors have also submitted signed and dated declarations of their independence or non-independence to the Board.

The Board makes a determination annually as to the independence or non-independence of each Independent Non-Executive Director based on such declarations made on the defined criteria and other information available to the Board. The names of Directors determined to be "Independent" are set out in the Annual Report.

Mr. K.G. Punchihewa, Mr. S.B. Perera, Mr. S. Viran Corea, PC and Mr. I.A. Wickramasinghe, Independent Non-Executive Directors, met and continue to meet the criteria for defining independence as set out in Listing Rule 9.8.3 of the Colombo Stock Exchange and were determined to be independent by the Board.

Directors - Other Directorships

The details pertaining to the names of the companies (in Sri Lanka) in which the Directors serve as a Director or Key Management Personnel are presented on pages 43 to 47.

Nominations & Governance Committee and Appointments to the Board

There is a formal and transparent procedure for the appointment of new Directors to the Board, which is in accordance with the recommendations made by the Nominations & Governance Committee, in consultation with the Chairman and in compliance with the provisions of the Articles of Association of the Company, the Policies adopted by the Company and the Rules on Corporate Governance.

Upon the appointment of a new Director to the Board, the Company makes the required disclosures to the shareholders by making announcements to the Colombo Stock Exchange.

The Nominations & Governance Committee Report is set out on page 63 to 65 of the Annual Report.

Re-election and Reappointment of Directors

The Company's Articles of Association require two of the Directors in Office (other than those appointed to the Office of Chairman, Chief Executive, Managing or Joint Managing Director) to retire at each Annual General Meeting. The Directors to retire in each year are those who have been longest in office since their last election or appointment. Retiring Directors are eligible for re-election by the shareholders.

The Nominations & Governance Committee of the Company has duly recommended to the Board the re-election and reappointment of the Directors at the forthcoming Annual General Meeting and the Board of Directors have duly approved the said re-election and reappointment of the Directors. Further the Members have refrained from participating in decisions relating to his own appointment.

DIRECTORS' REMUNERATION

Remuneration Committee and the Remuneration Procedure

The Remuneration Committee Report is set out on page 62 of this report.

A Directors fee is paid to all Directors.

Aggregate remuneration paid to Directors is disclosed in Note 7 to the Financial Statements on page 97.

All managerial and secretarial services are provided by Corporate Managers & Secretaries (Private) Limited to whom a fee is paid.

RELATIONS WITH SHAREHOLDERS

Constructive use of Annual General Meeting (AGM) and Conduct of General Meetings.

The Board makes use of the Annual General Meeting/General Meetings to communicate with shareholders and does encourage their active participation. The Board considers the AGM/General Meetings as an opportunity to communicate and maintain an appropriate dialogue with its shareholders and welcomes their suggestions. It also enables shareholders to meet and discuss Company matters with the Directors.

The policy on Relations with Shareholders and Investors is available on the Company's website www.cflbplc.com and the contact persons are mentioned. Major issues and concerns of shareholders are communicated to all Directors by the Senior Management, Corporate Secretaries, Managers and Registrars of the Company.

Major Transactions
There have been no transactions during the year under review which fall within the definition of "Major Transactions" under Section 185 of the Companies Act No. 07 of 2007.

ACCOUNTABILITY AND AUDIT

Financial Reporting and Going Concern
The Board undertakes the responsibility for the preparation and presentation of financial statements and ensures that they are prepared and presented in accordance with the Sri Lanka Accounting Standards adopted by The Institute of Chartered Accountants of Sri Lanka and the requirements of the Companies Act No. 07 of 2007.

The Board values the timely publication of annual and quarterly results and other price-sensitive information enabling shareholders to make effective economic decisions and strives to take all possible steps to comply with the statutory requirements and procedures laid down by the Colombo Stock Exchange and the Securities and Exchange Commission with regard to those publications.

The Annual Report of the Board of Directors presents a balanced and understandable assessment of the Company's financial position, performance and future prospects.

The Directors, after making necessary inquiries and reviews of the Company's financial performance, position, future cash flows and potential borrowing facilities, have a reasonable expectation that the Company has adequate resources to continue as "a going concern" in the foreseeable future. Further, the Directors do not intend either to liquidate or cease its operations and therefore, the "going concern assumption" adopted in the preparation of the financial statements is appropriate.

All statutory and material declarations are highlighted in the Annual Report of the Board of Directors.

Compliance with Legal Requirements
The Board is conscious of its responsibility to the shareholders, the Government and the Society in which it operates and is unequivocally committed to upholding ethical behaviour in conducting its business. The Board strives to ensure that the Company and its Subsidiaries comply with the laws and regulations of the Country.

Internal Control
The Company maintains a sound internal control system to safeguard the shareholders' investment and the Company's assets. The Board is responsible for ensuring the Company has in place an effective system of internal controls and periodical reviews are conducted to identify any deviations that may need corrective action. The observations of the Audit Committee are reported to the Board for appropriate action.

Audit Committee
The Report of the Audit Committee is set out on pages 58 to 60 of this Annual Report.

Related Party Transactions Review Committee
The Related Party Transactions are disclosed in Note 30 on pages 177 to 182.

The Report of the Related Party Transactions Review Committee appears on page 61.

COMPLIANCE STATUS WITH THE COLOMBO STOCK EXCHANGE LISTING RULES ON CORPORATE GOVERNANCE

The Company's compliance status with the Colombo Stock Exchange Listing Rules on Corporate Governance is disclosed on pages 48 to 57.

COMPANY POLICIES

Policies
The Company has established the following policies in compliance with Rule 9.2.1 of the Listing Rules of the CSE. The said Policies are available on the Company's website www.cflbplc.com

*Matters relating to the Board of Directors
*Board Committees
*Corporate Governance, Nominations, and Re-election
*Remuneration
*Internal Code of Business Conduct and Ethics
*Risk Management and Internal Controls
*Relations with Shareholders and Investors
*Environmental, Social, and Governance (ESG) Sustainability
*Control and Management of Company Assets and Shareholder Investments
*Corporate Disclosures
*Whistleblowing
*Anti-Bribery and Corruption

No changes have been made to the said policies during the period under review.

Details of Directors' other Directorships
The following table illustrates the total number of Board seats held by each Director of the Company.

Abbreviations:

C - Chairman
DC - Deputy Chairman
EC - Executive Chairman
EX - Executive Director
NE - Non-Executive Director
INE - Independent Non-Executive Director
GMD - Group Managing Director
MD - Managing Director
JMD - Joint Managing Director
CEO - Chief Executive Officer
D - Director
Alt - Alternate Director
SID - Senior Independent Director

COMPANIES	Mr. S.D.R. Arudpragasam		Mr. C.P.R. Perera		Mr. Anushman Rajaratnam		Mr. A.M. de S. Jayaratne *(Deceased 10.07.2025)*		Mr. Sanjeev Rajaratnam		Mr. P.M.A. Sirimane		Mr. A.R. Rasiah		Mr.Amrit Rajaratnam		Mr.K.G. Punchihewa		Mr. S.B. Perera		Mr.S.V. Corea		Mr. I.A. Wickramasinghe		Mr. S.S. Poholiyadde *(Appointed to the Board of CFLB w.e.f. 01.01.2026)*	
The Colombo Fort Land and Building PLC	✓	C/NE	✓	DC/ NE	✓	GMD/ EX	✓	NE	✓	NE	✓	NE	✓	NE	✓	NE	✓	INE	✓	INE	✓	INE	✓	INE	✓	NE
Agarapatana Plantations PLC*	✓	C/NE			✓	NE											✓	INE	✓	INE					✓	MD/ EX
Beruwala Resorts PLC*	✓	C/NE			✓	NE			✓	NE					✓	NE			✓	INE						
C M Holdings PLC*	✓	C/NE			✓	NE			✓	NE					✓	NE										
E.B. Creasy & Company PLC*	✓	C/ MD/ EX							✓	JMD/ EX							✓	INE	✓	INE						
J.F. Packaging PLC* (Formerly known as J.F. Packaging Ltd. Name change effective from 09.01.2026 consequent to the Initial Public Offering of the Company.)	✓	NE			✓	NE											✓	INE	✓	INE						
Kotagala Plantations PLC*	✓	C/NE			✓	NE											✓	INE	✓	INE					✓	MD/ EX
Lankem Ceylon PLC*	✓	C/NE			✓	EX											✓	INE	✓	INE						
Lankem Developments PLC*	✓	C/NE			✓	NE											✓	INE	✓	INE					✓	NE
Laxapana PLC*	✓	C/NE							✓	NE							✓	INE	✓	INE						
Marawila Resorts PLC*	✓	C/NE			✓	NE			✓	NE					✓	NE			✓	INE						
Muller & Phipps (Ceylon) PLC*	✓	C/NE							✓	NE							✓	INE	✓	INE						
Sigiriya Village Hotels PLC*	✓	C/NE			✓	NE			✓	NE					✓	NE			✓	INE						
York Arcade Holdings PLC *	✓	C/NE			✓	NE			✓	NE					✓	NE										
C W Mackie PLC*	✓	C/NE			✓	NE													✓	INE			✓	INE		
ACME Printing & Packaging PLC*	✓	NE			✓	NE											✓	SID								
Colombo Fort Investments PLC*	✓	C/NE			✓	NE			✓	NE					✓	NE										
Colombo Investment Trust PLC*	✓	C/NE			✓	NE			✓	NE					✓	NE										
ACME Packaging Solutions (Private) Limited*	✓	D			✓	D					✓	D														
Alliance Five (Private) Limited*	✓	C			✓	D											✓	D	✓	D						
American Lloyd Travels Limited*	✓	D			✓	D			✓	D					✓	D										
Associated Farms (Private) Limited*	✓	C																								
B.O.T. Hotel Services (Private) Limited*	✓	C					✓	D	✓	D					✓	D										
C. F. Travels Limited*									✓	D					✓	D										
C. W. M. Hotels Holdings Limited	✓	D			✓	D	✓	D																		
Candy Delights Limited*	✓	C/ MD					✓	D	✓	JMD	✓	D	✓	D												
Capital Finance Limited									✓	D																
Capital Investments Limited*	✓	D																								
Capital Leasing Company Limited*	✓	C			✓	D					✓	D														
Century Equity Trust Limited	✓	D																								

Corporate Governance contd.

COMPANIES	Mr. S.D.R. Arudpragasam		Mr. C.P.R. Perera		Mr. Anushman Rajaratnam		Mr. A.M. de S. Jayaratne *(Deceased 10.07.2025)*		Mr. Sanjeev Rajaratnam		Mr. P.M.A. Sirimane		Mr. A.R. Rasiah		Mr.Amrit Rajaratnam		Mr.K.G. Punchihewa		Mr. S.B. Perera		Mr.S.V. Corea		Mr. I.A. Wickramasinghe		Mr. S.S. Poholiyadde *(Appointed to the Board of CFLB w.e.f. 01.01.2026)*	
Ceyflex Rubber Limited*	✓	C							✓	D	✓	D														
Ceylon Tapes (Private) Limited*	✓	C			✓	D											✓	D	✓	D						
Ceytape (Private) Limited*	✓	C			✓	D											✓	D	✓	D						
Colombo Fort Group Services (Private) Limited*	✓	D			✓	D					✓	D														
Colombo Fort Holdings Limited*	✓	D							✓	D																
Colombo Fort Hotels Limited*	✓	C			✓	D			✓	D					✓	D										
Colombo Fort Properties (Private) Limited*					✓	D																				
Colombo Fort Travels Limited*	✓	D							✓	D					✓	D										
Colombo Residencies (Private) Limited	✓	D																								
Colonial Motors (Ceylon) Limited*	✓	C/ NE			✓	D	✓	C	✓	D																
Company Holdings (Private) Limited	✓	D							✓	D																
Consolidated Commercial Investments (Private) Limited					✓	D			✓	D					✓	D										
Consolidated Holdings (Private) Limited	✓	D			✓	D																				
Consolidated Tea Plantations Limited*	✓	D	✓	D	✓	D	✓	D			✓	D					✓	D	✓	D					✓	D
Consolidated Trust (Private) Limited					✓	D																				
Corporate Systems Limited*	✓	C							✓	D																
Creasy Plantation Management Limited*	✓	D																								
Darley Butler & Company Limited*	✓	C/ MD					✓	D	✓	JMD	✓	D	✓	D												
E B Creasy Ceylon (Private) Limited*	✓	C							✓	D	✓	D														
E. B. Creasy Logistics Limited*	✓	C							✓	D	✓	D														
E.B. Creasy Trading Limited*	✓	D							✓	D																
E. B. Creasy Milk Foods Limited* (Striking Off in progress)	✓	C							✓	D																
Far Eastern Exports (Colombo) Limited*	✓	D			✓	D									✓	D										
Financial Trust Limited					✓	D			✓	D					✓	D										
Fortland Finance Limited	✓	C							✓	D																
Galle Fort Hotel (Private) Limited*	✓	D			✓	D			✓	D					✓	MD										
Guardian Asset Management Limited*	✓	D							✓	D																
Great Eastern Resorts Limited					✓	D			✓	D					✓	D										
Group Three Associates (Private) Limited*	✓	C							✓	D																
Horton Plains Resorts and Spa Limited					✓	D									✓	D										
Imperial Hotels Limited*	✓	C			✓	D			✓	D					✓	D										
JF Ventures Limited*	✓	C			✓	D											✓	D	✓	D						
Kiffs (Private) Limited*	✓	C			✓	D											✓	D	✓	D						
Lake Investments (Private) Limited															✓	D										
Lanka Special Steels Limited*	✓	C							✓	D	✓	D														
Lankem Agrochemicals Limited*	✓	C			✓	D																				

COMPANIES	Mr. S.D.R. Arudpragasam		Mr. C.P.R. Perera		Mr. Anushman Rajaratnam		Mr. A.M. de S. Jayaratne *(Deceased 10.07.2025)*		Mr. Sanjeev Rajaratnam		Mr. P.M.A. Sirimane		Mr. A.R. Rasiah		Mr.Amrit Rajaratnam		Mr.K.G. Punchihewa		Mr. S.B. Perera		Mr.S.V. Corea		Mr. I.A. Wickramasinghe		Mr. S.S. Poholiyadde *(Appointed to the Board of CFLB w.e.f. 01.01.2026)*	
Lankem Cargo Storage Limited*	✓	D			✓	D																				
Lankem Chemicals Limited* (Striking Off in progress)	✓	C			✓	D																				
Lankem Consumer Products Limited* (Striking Off in progress)	✓	C			✓	D																				
Lankem Exports (Private) Limited*	✓	C																								
Lankem Minerals Limited*	✓	D			✓	D					✓	D														
Lankem Paints Limited*	✓	C			✓	D																				
Lankem Plantation Services Limited*	✓	D																								
Lankem Research Limited* (Striking Off in progress)	✓	C			✓	D																				
Lankem Tea & Rubber Plantations (Private) Limited*	✓	C	✓	D	✓	D	✓	D			✓	D													✓	D
Lankem Technology Services Limited* (Striking Off in progress)	✓	C																								
Maitland & Knox (Private) Limited	✓	D			✓	D			✓	D					✓	D										
Mayfield Investments (Private) Limited					✓	D																				
Motor Mart Ceylon (Private) Limited* (Striking Off in progress)	✓	D			✓	D			✓	D																
Muller & Phipps (Health Care) Limited*	✓	C							✓	D	✓	D	✓	D												
Nature's Link Limited*	✓	C																								
Nutriklim (Ceylon) Limited	✓	D							✓	D																
Oakley Investments (Private) Limited	✓	D			✓	D			✓	D					✓	D										
Property and Investment Holdings (Private) Limited	✓	D			✓	D			✓	D					✓	D										
Rubber & Allied Products (Colombo) Limited*	✓	C	✓	D	✓	D	✓	D			✓	D													✓	D
Sherwood Holidays Limited*	✓	C							✓	D					✓	D										
Sigiriya Resorts Limited					✓	D			✓	D					✓	D										
SunAgro Farms Limited*	✓	C			✓	D																				
SunAgro LifeScience Limited*	✓	C			✓	D					✓	D														
Sunrise Resorts Limited					✓	D			✓	D					✓	D										
Teacom (Private) Limited*	✓	C			✓	D									✓	D										
Transways (Private) Limited*					✓	D			✓	D					✓	D										
Tropical Beach Resorts Limited					✓	D			✓	D					✓	D										
Tulsi Investments (Private) Limited	✓	D																								
Udaveriya Plantations Limited	✓	D			✓	D																				
Unicom Clearing and Forwarding (Private) Limited*	✓	C			✓	D									✓	D										
Union Commodities (Private) Limited*	✓	C			✓	MD	✓	D			✓	D	✓	D	✓	D									✓	D
Union Commodities Exports (Private) Limited*	✓	C			✓	D									✓	D										
Union Commodities Teas (Private) Limited*	✓	C			✓	D									✓	D										
Union Group (Private) Limited*	✓	D			✓	D																				

COMPANIES	Mr. S.D.R. Arudpragasam		Mr. C.P.R. Perera		Mr. Anushman Rajaratnam		Mr. A.M. de S. Jayaratne *(Deceased 10.07.2025)*		Mr. Sanjeev Rajaratnam		Mr. P.M.A. Sirimane		Mr. A.R. Rasiah		Mr.Amrit Rajaratnam		Mr.K.G. Punchihewa		Mr. S.B. Perera		Mr.S.V. Corea		Mr. I.A. Wickramasinghe		Mr. S.S. Poholiyadde *(Appointed to the Board of CFLB w.e.f. 01.01.2026)*	
Union Investments (Private) Limited*	✓	D			✓	D	✓	D	✓	D																
Vanya Safaris (Private) Limited															✓	D										
Villa Investments (Private) Limited									✓	D																
Voyages Ceylan (Private) Limited*					✓	D			✓	D					✓	D										
Waverly Power (Private) Limited*	✓	C	✓	D	✓	D	✓	D	✓	D	✓	D			✓	D									✓	D
Weligama Hills Limited	✓	D			✓	D																				
York Conventions (Private) Limited					✓	D			✓	D					✓	D										
York Hotel Management Services Limited*	✓	C			✓	D			✓	D			✓	D	✓	MD										
York Tours Limited*					✓	D			✓	D					✓	D										
Sterling Steels (Private) Limited*	✓	C							✓	D	✓	D														
Kelani Valley Canneries Limited*					✓	D																				
Sunquick Lanka (Private) Limited*					✓	D																				
Sunquick Lanka Properties (Private) Limited*					✓	D																				
Cambodian Rubber Plantation Industries PTE Ltd					✓	D									✓	D										
Consolidated Rubber Plantations PTE Ltd					✓	D									✓	D										
Lanka Agro Plantations PTE Limited					✓	D									✓	D										
Insite Holdings (Private) Limited			✓	C																						
Insite Factories (Private) Limited			✓	C																						
Ceylon Tea Brokers PLC			✓	NE																						
Logicare (Private) Limited			✓	NE																						
Tempest P E Partners (Private) Limited			✓	NE																						
The Grand Surf Hotel (Private) Limited (Appointed w.e.f. 06.03.2026)			✓	NE																						
Mireka Capital Land (Private) Limited							✓	D																		
Overseas Realty (Ceylon) PLC							✓	C/ INE																		
Innovest Investments (Private) Limited							✓	C																		
Hela Apparel Holdings PLC													✓	C/ NE												
Gestetner of Ceylon PLC													✓	INE												
Clindata Lanka (Private) Limited													✓	D												
Fintek Managed Solutions (Private) Limited													✓	D												
Fintrex Finance PLC																			✓	NE			✓	INE		
Teejay Lanka PLC																			✓	INE						
Teejay Lanka Prints (Private) Limited																			✓	D						
Nubian Threads (Private) Limited (Egypt)																			✓	C						
Ceylon Grains Elevators PLC																							✓	INE		
Overseas Realty Ceylon PLC																							✓	INE		

COMPANIES	Mr. S.D.R. Arudpragasam		Mr. C.P.R. Perera		Mr. Anushman Rajaratnam		Mr. A.M. de S. Jayaratne *(Deceased 10.07.2025)*		Mr. Sanjeev Rajaratnam		Mr. P.M.A. Sirimane		Mr. A.R. Rasiah		Mr.Amrit Rajaratnam		Mr.K.G. Punchihewa		Mr. S.B. Perera		Mr.S.V. Corea		Mr. I.A. Wickramasinghe		Mr. S.S. Poholiyadde *(Appointed to the Board of CFLB w.e.f. 01.01.2026)*	
Three Acre Farms PLC																							✓	INE		
Diesel & Motor Engineering PLC (Appointed w.e.f. 01.08.2025)																							✓	INE		
DFCC Bank PLC (Appointed w.e.f. 01.02.2026)																							✓	INE		
AIA Insurance Lanka Limited																							✓	INE		
NDB Securities (Private) Limited (Resigned w.e.f. 31.12.2025)																							✓	INE		
Plantations Human Development Trust																	✓	D								

The companies marked * are Subsidiaires or Asscoiates of The Colombo Fort Land & Building Group

Notes:
Mr. A.M. de S. Jayaratne expired on 10.07.2025.

Mr. S.S. Poholiyadde was appointed to the Board of The Colombo Fort Land & Building PLC as a Non-Executive Director w.e.f. 01.01.2026.

Mr. A.R. Rasiah retired from the Board of Hela Apparel Holdings PLC on 29.12.2025.

Mr. S.B. Perera resigned from the Boards of J F Ventures Limited, Ceytape Limited, Alliance Five (Private) Limited, Kiffs (Private) Limited and Teejay India (Private) Limited with effect from 10.05.2025 and also from the Board of Teejay Mauritius (Private) Limited with effect from 31.05.2025.

Mr. K.G. Punchihewa ceased to be a Director of Plantations Human Development Trust (PHDT) with effect from 28.09.2025.

Mr. S.D.R. Arudpragasm was appointed as the Non-Executive Chairman of C.W. Mackie PLC with effect from 01.04.2026. Further, Mr. S.D.R. Arudpragasam was appointed as the Non-Executive Chairman of Colonial Motors (Ceylon) Limited with effect from 02.04.2026.

Mr. Amrit Rajaratnam resigned from the Board of Union Commodities (Private) Limited with effect from 16.01.2026 and from the Boards of Union Commodities Exports (Private) Limited, Union Commodities Teas (Private) Limited, Unicom Clearing and Forwarding (Private) Limited and Teacom (Private) Limited with effect from 30.04.2026.

Mr. Anushman Rajaratnam was appointed as the Managing Director of Union Commodities (Private) Limited with effect from 16.05.2025. Further, Mr. Anushman Rajaratnam was appointed to the Board of Consolidated Trust (Private) Limited with effect from 23.03.2026.

Mr. C.P.R. Perera was appointed to the Board of The Grand Surf Hotel (Private) Limited w.e.f. 06.03.2026.

Mr. I.A. Wickramasinghe was appointed to the Board of Diesel & Motor Engineering PLC and DFCC Bank PLC w.e.f. 01.08.2025 and 01.02.2026 respectively. Mr. Wickramasinghe resigned from the Board of NDB Securities (Private) Limited w.e.f. 31.12.2025.

ADHERENCE TO THE CORPORATE GOVERNANCE RULES OF THE COLOMBO STOCK EXCHANGE

Rule		Adherence
9.2	POLICIES	
9.2.1	Establish and maintain the following policies a) Matters relating to the Board of Directors b) Board Committees c) Corporate Governance, Nominations and Re-election d) Remuneration e) Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities f) Risk management and Internal controls g) Relations with Shareholders and Investors h) Environmental, Social and Governance Sustainability i) Control and Management of Company Assets and Shareholder Investments j) Corporate Disclosures k) Whistleblowing l) Anti-Bribery and Corruption	Complied
9.2.2	Any waivers from compliance with the Internal code of business conduct and ethics or exemptions granted by the Listed Entity shall be fully disclosed in the Annual Report	Not Applicable
9.2.3	Listed entities shall disclose in its Annual Report. (i) The list of policies that are in place in conformity rule 9.2.1. above with reference to its website. (ii) Details pertaining to any changes to policies adopted by the Listed Entities in compliance with Rule 9.2 above	Complied
9.2.4	Listed Entities shall make available all such policies to shareholders upon written request being made for any such Policy.	Will be made available when requests are received.
9.2.5	i. If a Listed Entity fails to comply with Rule 9.2.1, the Exchange will issue a Notice of Show Cause, granting seven (7) Market Days to provide reasons for the non-compliance. ii. If no response is received within the given time or if the explanation is deemed insufficient, enforcement measures will follow as outlined below: a. A letter of warning will be issued by the Exchange. b. If the Entity fails to rectify the non-compliance within three (3) months from the date of the warning letter, a penalty of Rs. 250,000 will be imposed. iii. The Exchange will make a Market Announcement regarding the non-compliance, enforcement action, and penalty. The penalty must be settled within seven (7) Market Days from notification. Failure to do so will result in referral to the SEC under Section 65 of the SEC Act.	The company is compliant with rule 9.2.1 and therefore Rule 9.2.5 is not applicable.
9.3	BOARD COMMITTEES	
9.3.1	Establishment of Committees (a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee	Complied
9.3.2	Compliance with composition, responsibilities and disclosures required in respect of the above Board committees	Complied
9.3.3	The Chairperson of the Board of Directors of the Listed Entity shall not be the Chairperson of the Board Committees	Complied
9.4	ADHERENCE TO PRINCIPLES OF DEMOCRACY IN THE ADOPTION OF MEETING PROCEDURES AND THE CONDUCT OF ALL GENERAL MEETINGS WITH SHAREHOLDERS	
9.4.1	Maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting (a) The number of shares in respect of which proxy appointments have been validly made; (b) The number of votes in favour of the resolution; (c) The number of votes against the resolution; and (d) The number of shares in respect of which the vote was directed to be abstained.	Complied

Rule		Adherence
9.4.2.	Communication and relations with shareholders and investors a) Have a policy on effective communication and relations with shareholders and investors b) Disclose the contact person for such communication. c) Policy on relations with shareholders and investors shall include a process to make all Directors aware of major issues and concerns of shareholders d) When conducting of any shareholder meetings through virtual or hybrid means, compliance with the Guidelines issued by the Exchange	Complied
9.5	POLICY ON MATTERS RELATING TO THE BOARD OF DIRECTORS	
9.5.1	Establish and maintain formal policy governing matters relating to the Board a) Composition and Board Balance (Executive and Non-Executive), Role and function of Chairman and CEO and Procedure for Appraisal of Board Performance and appraisal of CEO	Complied
	b) Where Role of Chairman and CEO are combined Appointment of SID-Establish Board Charter inclusive of functions and safeguards for SID	Not applicable
	c) Board diversity – experience, skills, competencies, age, gender, industry requirements d) Maximum number of Directors and rationale e) Frequency of Board meetings f) Mechanisms for ensuring that Directors are kept abreast of the Listing Rules and on-going compliance and/or non-compliance g) Specify the minimum number of meetings, in numbers and percentage, that a Director must attend, h) Requirements relating to trading in securities of the Listed Entity and its listed group Companies and disclosure of such requirements i) Specify the maximum number of directorships in Listed Entities that may be held by Directors. j) Participation at meeting of the Board and Board committees by audio visuals means and participation to be taken into account when deciding the quorum.	Complied
9.5.2	Confirm compliance of 9.5.1. in Annual Report – If non compliant provide explanations with reasons and proposed remedial action.	Complied
9.6	CHAIRPERSON AND CEO	
9.6.1	Chairperson shall be a Non-Executive Director.	Complied
	Chairperson and CEO shall not be held by the same individual, unless otherwise a SID is appointed	Not Applicable
9.6.2	Market Announcement in the event Chairperson is an Executive Director and / or the positions of Chairman and CEO are held by the same individual.	Not Applicable
9.6.3	The Requirement for a SID (a) Appoint of an Independent Director as the SID in the following instances: i. The positions of the Chairperson and CEO are held by the same individual. ii. The Chairperson is an Executive Director. iii. The Chairperson and CEO are Close Family Members or Related Parties (b)-(e) Responsibilities and duties of SID	Not Applicable
9.6.4	Set out the rationale for appointment of SID in the Annual Report	Not Applicable
9.7	FITNESS OF DIRECTORS AND CEOS	
9.7.1	a) Listed Entities shall ensure that the Directors and CEO are at all times fit and proper persons as required in terms of these Rules. b) In evaluating fitness and propriety of the persons referred in these Rules. Listed Entities shall utilize the Fit and Proper Assessment Criteria set out in Rule 9.7.3 below.	Complied
9.7.2	Listed Entities shall ensure that the persons recommended by the Nominations and Governance Committee as Directors are fit and proper before such nominations are placed before Shareholders' meeting or appointments.	Complied
9.7.3	'Fit and Proper Assessment Criteria' set out in Rule 9.7.3 a) Honesty, Integrity and Reputation – (i)-(vii) b) Competence and Capability –(i)-(ii) c) Financial Soundness –(i)-(iii)	Complied
9.7.4	Declarations to be obtained from Directors and CEO on an annual basis confirming that each of them have continuously satisfied the Fit and Proper Assessment Criteria set out in the Rules during the financial year concerned and satisfies the said criteria as at the date of such confirmation.	Complied

Rule		Adherence
9.7.5	Disclosures in the Annual Report (a) Statement on Directors and CEO satisfying Fit and Proper Assessment Criteria	Complied
	(b) Any non-compliance/s and remedial action taken to rectify non compliance	Not Applicable
9.8	BOARD COMPOSITION	
9.8.1	The Board of Directors of a Listed Entity shall, at a minimum, consist of five (05) Directors.	Complied
9.8.2	Minimum Number of Independent Directors: (a) At least two (2) Independent Directors or such number equivalent to one third (1/3) of the total number of Directors at any given time, whichever is higher.	Complied
	(b) Any change occurring to this ratio shall be rectified within ninety (90) days from the date of the change.	Not Applicable
9.8.3	Criteria for determining independence: A Director shall not be considered independent if he/she: (i) Has been employed by the Listed Entity during the period of three (3) years immediately preceding appointment as Director (ii) Currently has/had during the period of three (3) years immediately preceding appointment as a Director, a Material Business Relationship with the Listed Entity, whether directly or indirectly. (iii) Currently has/had during the preceding financial year a close Family Member who is a Director and/or CEO in the Listed Entity. (iv) Has a Significant Shareholding in the Listed Entity. (v) Has served an aggregate period of nine (9) years on the Board of the Listed Entity from the date of the first appointment. (vi) Is employed in another Company or business; a) In which a majority of the other directors of the Listed Entity are employed or are directors; or b) In which a majority of the other directors of the Listed Entity have a Significant Shareholding or Material Business Relationship; or c) That has a Significant Shareholding in the Listed Entity or with which the Listed Entity has a Business Connection. (vii) Is a director of another Company; a) In which a majority of the other Directors of the Listed Entity are employed or are Directors; or b) That has a Business Connection in the Listed Entity or a Significant Shareholding. (viii) Has a Material Business Relationship or a Significant Shareholding in another company or business; a) In which a majority of the other Directors of the Listed Entity are employed or are Directors; and/or b) Which has a Business Connection with the Listed Entity or Significant Shareholding in the same; and/or c) Where the core line of business of such Company is in direct conflict with the line of business of the Listed Entity. (ix) Is above the age of seventy (70) years. Provided that a person above the age of seventy (70) years may nevertheless be considered independent if compliant with Rule 9.8.3 (ix) (a) to (d) and The requirements of sub clauses (a), (b) and (c) shall be repeated at each Annual General Meeting of the Listed Entity in respect of any director over the age of seventy years whom the Listed Entity wishes to continue to treat as independent.	Complied
9.8.5	The Board of Directors of Listed Entities shall require:	
	(a) Each Independent Director to submit a signed and dated declaration annually	Complied
	(b) Make an annual determination as to the "independence" of Independent Director and set out the names of Directors determined to be 'independent' in the Annual Report.	Complied
	(c) If independence is impaired against any of the criteria set out in Rule 9.8.3, an immediate Market Announcement is required	Not applicable
9.8.6	Enforcement Actions for Non-Compliance with Rules 9.8.1 and 9.8.2 A. In the event a Listed Entity fails to comply with Rules 9.8.1 and/or 9.8.2 of these Rules B. Where a Listed Entity has failed to comply with Rules 9.8.1 or 9.8.2 and has not disclosed of such noncompliance to the Exchange or the market	Complied with Rule 9.8.1 and 9.8.2 9.8.6 A and B Not Applicable

Rule		Adherence
9.9	ALTERNATE DIRECTORS	
	Compliance with the following requirements and such requirements shall also be incorporated into the Articles of Association a) Alternate Directors shall only be appointed in exceptional circumstances and for a maximum period of one (1) year from the date of appointment. b) If an Alternate Director is appointed for a Non-Executive Director such alternate should not be an executive Director. c) If an Alternate Director is appointed by an Independent Director, the person so appointed should meet the criteria of independence The Nominations and Governance Committee shall review and determine that the person nominated as the alternate would qualify as an Independent Director before such appointment is made. d) Immediate Market Announcement regarding the appointment of an Alternate Director e) Attendance of Alternate Director to be counted for the purpose of quorum at Board and Board Committee meetings.	Complied
9.10.	DISCLOSURES RELATING TO DIRECTORS	
9.10.1	Disclose its policy on the maximum number of directorships in Listed Entities Board members shall be permitted to hold as per Rule 9.5.1. Non compliance to be reported in the Annual Report. (maximum number of Listed Company Directorships – 25)	Complied
9.10.2	Market announcement on appointment of new Director (i - iii)	Complied
9.10.3	Immediate Market Announcement regarding any changes to the composition of the Board Committees (i - ii)	Not Applicable
9.10.4	Disclosure in Annual Report - Directors details - Name, qualifications and brief profile - Nature of his/her expertise in relevant functional areas - Whether either the Director or Close Family Members has any material business relationships with other Directors - Whether Executive, Non-Executive and/or independent Director - Total number and names of Companies in Sri Lanka in which the Director concerned serves as a Director and/or KMP stating whether listed or unlisted, whether functions as executive or non-executive (If the directorships are within the Group names need not be disclosed) - Number of Board meetings attended - Names of Board Committees in which the Director serves as Chairperson or a member - Attendance of committee meetings	Complied
	- TOR and powers of SID	Not Applicable
9.10.5	Non-Disclosure of Changes to Board and Committees A. Failure to disclose new appointments or changes to the Board of Directors B. Failure to disclose changes to the composition of Board Committees in terms of Rule 9.10.3 (ii)	Not Applicable

Rule		Adherence
9.11	**NOMINATIONS AND GOVERNANCE COMMITTEE**	Refer Nominations & Governance Committee Report
9.11.1	Establishment of Nominations and Governance Committee	Complied
9.11.2	Maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Nominations and Governance Committee.	
9.11.3 9.11.4	Written terms of reference Composition (1) The members of the Nominations and Governance Committee shall; (a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors. (b) Not comprise of Executive Directors of the Listed Entity (2) An Independent Director shall be appointed as the Chairperson (3) Identify Members in the Annual Report	
9.11.5	Functions	
	(i) Evaluate the appointment of Directors to the Board of Directors and Board Committees (ii) Recommend (or not recommend) the re-appointment/re-election of current Directors (iii) Establish and Maintain a formal and transparent procedure to evaluate, select and appoint/re-appoint Directors (iv) Establish and maintain a set of criteria for selection of Directors (v) Establish and maintain a suitable process for the periodic evaluation of the performance of the Board of Directors and the CEO of the Entity to ensure that their responsibilities are satisfactorily discharged. (vi) Develop a succession plan for the Board of Directors and Key Management Personnel (vii) Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities (viii) Review and recommend the overall corporate governance framework of the Listed Entity taking into account the Listing Rules of the Exchange, other applicable regulatory requirements and industry/international best practices. (ix) Periodically review and update the Corporate Governance Policies / Framework of the Entity in line with the regulatory and legal developments relating to same, as a best practice. (x) Receive reports from the Management on compliance with the corporate governance framework of the Entity including the Entity's compliance with provisions of the SEC Act, Listing Rules of the Exchange and other applicable laws, together with any deviations/non-compliances and the rational for same.	
9.11.6	Disclosures in Annual Report Nomination & Governance Committee Report and contents to be incorporated -Sections (a)-(m)	
9.12	**REMUNERATION COMMITTEE**	Refer Remuneration Committee Report
9.12.1	The term "remuneration" shall make reference to cash and all non-cash benefits whatsoever received	Complied Refer Remuneration Committee Report
9.12.2	Establishment of Remuneration Committee	
9.12.3	Establish and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneration and for fixing the remuneration packages of individual Directors. No Director shall be involved in fixing his/her own remuneration.	
9.12.4	Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of non-discriminatory pay practices among them to ensure that their independence is not impaired.	
9.12.5	Written terms of reference	
9.12.6	Composition	
	(1) The members of the Remuneration Committee shall; (a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors. (b) Not comprise of Executive Directors of the Listed Entity (2) An Independent Director shall be appointed as the Chairperson.	

Rule		Adherence
9.12.7	Functions (1) Recommend the remuneration payable to the Executive Directors and CEO of the Listed Entity and/ or equivalent position thereof to the Board of the Listed Entity which will make the final determination upon consideration of such recommendations. (2) Engage any external Consultant or expertise that may be considered necessary to ascertain or assess the relevance of the remuneration levels applicable to Directors and CEO.	Complied Refer Remuneration Committee Report
9.12.8	Disclosure in Annual Report a) Names of the Chairperson and members of the Remuneration Committee and the nature of directorships held by such members (or persons in the parent Company's Remuneration Committee in the case of a group Company); (b) A statement regarding the remuneration policy; and, (c) The aggregate remuneration of the Executive and Non-Executive Directors	
9.13	**AUDIT COMMITTEE**	**Refer Audit Committee Report**
9.13.1	Where Listed Entities do not maintain separate Committees to perform the Audit and Risk Functions, the Audit Committee of such Listed Entities shall additionally perform the Risk Functions	Complied
9.13.2	Written terms of reference	Complied
9.13.3	Composition (1) The members of the Audit Committee shall; (a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors. (b) Not comprise of Executive Directors of the Listed Entity	Complied
	(2) Quorum - requires that the majority of those in attendance to be independent directors.	Complied
	(3) Compulsorily to meet on a quarterly basis prior to recommending the financials to be released to the market.	Complied
	(4) An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors.	Complied
	(5) Unless otherwise determined by the Audit Committee, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the Audit Committee meetings by invitation. Provided however where the Listed Entity maintains a separate Risk Committee, the CEO shall attend the Risk Committee meetings by invitation.	Refer Audit Committee Report.
	(6) The Chairperson of the Audit Committee shall be a Member of a recognized professional accounting body. Provided however, this Rule shall not be applicable in respect of Risk Committees where a Listed Entity maintains a separate Risk Committee and Audit Committee.	Complied
9.13.4	Functions Detailed in Rule (1) (i) –(xiii) and (2)	Complied
9.13.5	Disclosures in Annual Report Audit Committee Report - Names of chairperson and members with nature of directorship - Status of risk management and internal control – Company and group - Statement on CEO and CFO assurance on operations and finances - Opinion on compliance with Financial reporting requirements, information requirements Listing Rules, Companies Act, SEC Act and any other requirements. - Availability of formal Audit Charter - Internal audit assurance and summary of the work internal audit function - Details demonstrating effective discharge of functions and duties - Statement on external auditors' assurance on their independence - Confirmation on determining auditor's independence	Refer Audit Committee Report

Rule		Adherence
9.14	RELATED PARTY TRANSACTIONS REVIEW COMMITTEE	Refer Related Party Transactions Review Committee Report
9.14.1	Establishment of Committee Listed Entities shall have a Related Party Transactions Review Committee that conforms to the requirements set out in Rule 9.14 of these Rules	Complied
9.14.2	Composition (1) The Related Party Transactions Review Committee shall comprise of; - Minimum three (03) Directors out of which a minimum of two (02) members shall be Independent Directors - May comprise of Executive Directors - An Independent Director shall be appointed as the Chairperson	Complied
9.14.3	Functions (1) Committee shall be responsible for reviewing the Related Party Transactions (2) Objective - ensure that the interests of shareholders as a whole are taken into account when entering into Related Party Transactions. (3) The objective and the economic and commercial substance of the Related Party Transactions should take precedence over the legal form and technicality. (4) Establish and maintain a clear policy, procedure and process in place for the identification, clarification and reporting the Related Party Transactions on an end-to-end basis across the Entity's operations	Complied
9.14.4	General Requirements (1) The Related Party Transactions Review Committee shall meet at least once a calendar quarter. It shall ensure that the minutes of all meetings are properly documented and communicated to the Board of Directors. (2) Should ensure having access to, enough knowledge or expertise to assess or aspects of proposed Related Party Transactions, and where necessary obtain appropriate professional and expert advice from appropriately qualified person when necessary. (3) Board of Directors to approve RPT when required by the committee	Complied
	(4) If a Director has a material personal interest in a matter being considered at a Board Meeting to approve a Related Party Transaction as required in Rule 9.14.4(3), such Director shall not: (a) Be present while the matter is being considered at the meeting; and, (b) Vote on the matter.	Not Applicable
9.14.5	Review of Related Party Transactions by the Related Party Transactions Review Committee	Complied

Rule		Adherence
9.14.6	Shareholder Approval 1. Listed Entities shall obtain shareholder approval by way of a Special Resolution for the following Related Party Transaction. A) Non-recurrent transaction i) a) Transactions exceeding one third (1/3) of the Total Assets as per the latest Audited Financial Statements b) Transactions exceeding one third (1/3) of the Total Assets as per the latest Audited Financial Statements when aggregated with other non- recurrent transactions entered into with the same Related Party during the same financial year ii) Acquisition of substantial asset from, or disposal of a substantial asset to, any Related Party of the Entity or its associates B) Recurrent transaction (i) One third (1/3) of the gross revenue (or equivalent term for revenue in the Income Statement) and in the case of group entity consolidated group revenue of the Entity as per the latest Audited Financial Statements; or (ii) One third (1/3) of the gross revenue (or equivalent term for revenue in the Income Statement) and in the case of group entity consolidated group revenue of the Entity as per the latest Audited Financial Statements of the Entity, when aggregated with other recurrent transactions entered into with the same Related Party during the same Financial year; and; (iii) The transactions are not in the ordinary course of business and in the opinion of the Related Party Transactions Review Committee, are on terms favorable to the Related Party than those generally available to the public.	Not Applicable
	2 In relation to Rules 9.14.6 (1) (A) (i) (b) and 9.14.6 (1)(B) (ii) above, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.	Not Applicable
	3 If a transaction requires shareholder approval as set out in the Rules above, it must be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.	Not Applicable
9.14.7	Disclosures	
	(1) Immediate Disclosures	
	A Listed Entity shall make an immediate Market Announcement to the Exchange (a) Any non-recurrent Related Party Transaction with a value exceeding 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements; or	Not applicable
	(b) Of the latest transaction, if the aggregate value of all non-recurrent Related Party Transactions entered into with the same Related Party during the same Financial year amounts to 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements.	Complied
	Subsequent non-recurrent transactions which exceed 5% of the Equity of the Entity, entered into with the same Related Party during the Financial year.	Not applicable
9.14.8	Disclosures in the Annual Report	
	1) In the case of Non-recurrent Related Party Transactions: if the aggregate value of the non-recurrent Related Party Transactions exceeds 10% of the Equity or 5% of the Total Assets of the Listed Entity	Complied
	2) In the case of Recurrent Related Party Transactions: if the aggregate value of the recurrent Related Party Transactions exceeds 10% of the gross revenue/income	Not Applicable
	3) The Annual Report shall contain a report by the Related Party Transactions Review Committee	Complied
	4) An affirmative declaration by the Board of Directors in the Annual Report that the Rules pertaining to Related Party Transactions have been complied	Complied

Rule		Adherence
9.14.9	Acquisition and Disposal of Assets From/to Related Parties	Not Applicable
	1) Shareholder approval is required by Special Resolution for the acquisition from or disposal of substantial assets to Related Companies. [Subject to exemptions as per Rule 9.14.9 (3)] 2) Substantial value of the asset or the value of the consideration relating to such asset exceeds 1/3 of the Total Assets. (3) Rule 9.14.9(1) does not apply to: a) Transactions between the Listed entity and a wholly owned subsidiary. b) Transaction between wholly owned subsidiaries of the Listed Entity. c) Takeover offer made by the Listed Entity in accordance with Takeovers and Mergers Code 1995 (as amended). d) Any transaction entered into by the Listed Entity with a bank as principal, on arm's length terms and in the ordinary course of it's banking business. (4) The Related Party Transactions Review Committee should obtain competent independent advice from independent professional experts with regard to the value of the substantial assets of the Related Party Transaction under the consideration. A person who is in the same group of the Listed Entity or the relevant Related Party shall not be eligible to give such advice. (5) Independent advice obtained should be circulated with the notice of meeting to obtain the shareholder approval (6) The competent independent advice required in terms of Rule 9.14.9 (4) shall include: a) Key assumptions, conditions or restrictions that impact the estimate value. b) The different valuation methodologies considered in valuing the subject asset/s and justification for adopting one or more of them in the valuation. c) Sources of information relied upon for the valuation. d) Identity of individuals participating in the valuation assignment and their qualifications. e) Confirmation of the independence of the parties participating in the advice. f) A statement as to whether the transaction is on usual commercial terms, in ordinary and usual course of business, fair and reasonable and in the interests of the Listed Entity and its shareholders.	
9.14.10	Exempted Related Party Transactions	Complied
	(a) Subject to Rule 9.14.8 (2), transactions with Related Parties which are recurrent, of revenue or trading nature and which is necessary for day-to-day operations of a Listed Entity or its subsidiaries and, in the opinion of the Related Party Transactions Review Committee, terms are not favorable to the Related Party than those generally available to the public. (b) The payment of dividend, issue of Securities by the Listed Entity by way of a capitalization of reserves, the exercise of Rights, options or warrants (subject to Rules contained in Section 5 and 7 of these Rules), sub-division of shares or consolidation of shares. (c) The grant of options, and the issue of Securities pursuant to the exercise of options, under an employee share option scheme/employees share purchase scheme (subject to Rule 5.6 of these Rules). (d) A transaction in marketable securities carried out in the open market where the counterparty's identity is unknown to the Listed Entity at the time of the transaction. (e) The provision or receipt of financial assistance or services, upon usual commercial terms and in the ordinary course of business, from a Company whose activities are regulated by any written law relating to licensed banks, Finance Companies or insurance Companies or are subject to supervision by the Central Bank of Sri Lanka or Insurance Board of Sri Lanka. (f) Directors' fees and remuneration, and employment remuneration	
9.15	PENALTIES FOR NON-COMPLIANCE WITH BOARD COMMITTEE COMPOSITION REQUIREMENTS	Not Applicable
	A. When a Listed Entity fails to comply with Rules 9.11.4(1), 9.11.4(2), 9.12.6, 9.13.3(1), 9.13.3(4),9.13.3(6), or 9.14.2 of these Rules, the Exchange shall (i) - (vi) B. Where a Listed Entity has failed to comply with Rules 9.11.4(1), 9.11.4(2), 9.12.6, 9.13.3(1), 9.13.3(4), 9.13.3(6) or 9.14.2 and has not disclosed of such non-compliance to the Exchange or the market: - If non-compliance is rectified: (a) - (b) - If non-compliance is not rectified: (c) - (e)	Not applicable

Rule		Adherence
9.17	ADDITIONAL DISCLOSURES BY BOARD OF DIRECTORS	
	- Declared all material interests in contracts involving the entity and that they have refrained from voting on matters in which they were materially interested - Conducted a review of the internal controls covering Financial, operational and compliance controls and risk management and obtained reasonable assurance of their effectiveness and successful adherence, and, if unable to make any of these declarations an explanation on why it is unable to do so; - Made arrangement to make themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions; - Disclosure of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Entity has operations.	Complied Refer Annual Report of the Board of Directors and Corporate Governance Report
9.18	ENFORCEMENT PROCEDURE FOR NON-COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS (a) -(i)	
	a) Immediate Market Announcement on non compliance in the event of failure to comply with any of the requirements contained in Rules 9.3.1, 9.8.1, 9.8.2(a), 9.11.4(1), 9.11.4(2), 9.12.6, 9.13.3(1), 9.13.3(4), 9.13.3(6) or 9.14.2 about such non-compliance within one (1) Market Day from the date of the non-compliance. Announcement shall be repeated on the first (1st) Market Day of each calendar month until the Entity becomes compliant with these Rules. b) The non-compliance must be rectified within three (03) months from the date of non-compliance. c) If not rectified within three months, the Entity's Securities shall be transferred to the Watch List immediately upon the expiration of the said period. d) While the Securities are on the Watch List, Directors, CEO, their Close Family Members, parent Entity, and entities where they hold 50% or more voting rights, cannot transact in the Entity's Securities without prior SEC approval. This restriction continues for three (03) months after resignation or until compliance is restored—whichever is earlier. e) Upon being placed on the Watch List, the Entity must make a Market Announcement including: - The remedial action proposed within six (06) months. - The following statements: i) Any change in the plan will be announced within 1 Market Day after Board approval. ii) If the plan is not implemented within 6 months, trading will be suspended. iii) If suspension lasts more than 6 months, delisting will follow. f) At the first General Meeting following the transfer to the Watch List, shareholders must be informed of the non-compliance, remedial actions, and that continued failure will result in suspension and potential delisting. g) The outcome of the above General Meeting must be announced to the Market by the next Market Day, including any decisions made. h) The Entity must rectify non-compliance within six (06) months from the date of Watch List transfer. i) Failure to comply within six months will result in trading suspension. The Exchange will also announce the enforcement action and any penalties imposed. j) In addition to actions under 9.18(c) and 9.18(i), the Exchange shall impose penalties on the Listed Entity and/or its Directors as of the date of non-compliance. k) If suspension exceeds six (06) months, the Securities shall be delisted under Rule 11.3. l) The Exchange's decision to delist the Securities and any attached conditions shall be communicated to the SEC.	Not applicable

Audit Committee Report

The Board of The Colombo Fort Land & Building PLC appointed the Audit Committee to be in line with the Code of Best Practice on Corporate Governance and the requirements of the Colombo Stock Exchange and the Securities and Exchange Commission for Public Listed Companies. The Audit Committee's functions, authority and duties have been clearly identified in the Audit Committee Charter.

ROLE OF THE AUDIT COMMITTEE

The Audit Committee is entrusted with the oversight of the Entity's compliance with applicable financial reporting obligations, disclosure requirements under the Rules of the Colombo Stock Exchange, the Companies Act, the Securities and Exchange Commission Act, and other relevant financial reporting-related regulations and requirements applicable to the Company and the Group.

The review of quarterly results and year-end financial statements of the Company by the Committee, conducted prior to presentation for approval by the Board of Directors, encompasses the following:

- Implementation of material changes to accounting policies;
- Significant matters highlighted, including financial reporting issues, significant judgements made by management, and significant or unusual events or transactions, along with the manner in which these matters were addressed;
- Compliance with applicable accounting standards and other statutory and regulatory requirements; and
- Any related party transactions and conflicts of interest that may arise within the Listed Entity and Group, including any transaction, procedure, or course of conduct that raises questions regarding management integrity.

The review of the financial reporting system adopted by the Company/ Group in the preparation of its Quarterly and Annual Financial Statements encompasses several key areas which are as follows:

Internal Controls and Risk Management

The Committee ensures that adequate internal controls are in place to prevent the leakage of material information to unauthorized parties. It verifies that processes are in place to ensure that the Company and Group's internal controls and risk management systems are adequate and conform with the Sri Lankan auditing standards.

Risk Oversight

The Committee assesses the Company's risk management processes, including:

- The adequacy of the overall control environment
- Controls in areas of significant risk
- Business continuity plans
- Risk policies adopted by the Entity, which are reviewed annually

Where specific risks exceed the prudent levels determined by the Committee based on Company and Group policies and regulatory requirements, prompt corrective action is taken to mitigate their effects.

Financial Reporting Reliability

The Committee evaluates the reliability of reporting processes and the consistency of accounting policies and methods adopted, ensuring compliance with Sri Lanka Accounting Standards established by the Institute of Chartered Accountants of Sri Lanka.

The CFLB Audit Committee, or the relevant subsidiary Audit Committee, obtains formal compliance statements from Heads of Finance and Directors in charge of the subsidiaries. These written statements provide documented confirmation of adherence to financial controls and regulatory requirements across all business units.

Management Information Quality

In its evaluation of the Financial Reporting System, the Committee also recognizes the adequacy of the content and quality of routine management information and reports submitted to its members.

The Committee's responsibilities pertain to the Group as a whole and in discharging its responsibilities, the Committee places reliance on the work of other Audit Committees in the Group without prejudicing the independence of those Committees. However, to the extent, and in a manner, it considers appropriate, the Committee provides feedback to those entities for their consideration and necessary action.

COMPOSITION

The Audit Committee for the financial year ended 31st March, 2026 and as of the date of this report comprise of three Non-Executive Directors of whom two are independent.

Mr. K.G. Punchihewa - Chairman, Independent Non-Executive
Mr. S.B. Perera - Member - Independent Non-Executive
Mr. A.R. Rasiah - Member - Non-Executive

The Chairman and the members of the Committee are finance professionals and have a blend of experience in the commercial sector with financial expertise, and high standing of integrity and business acumen in order to carry out their role efficiently and effectively.

Mr. K.G. Punchihewa, the Chairman of the Committee is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka (FCA) and a Member of the Certified Public Accountants (CPA) – Australia.

The Company's Secretaries, Corporate Managers & Secretaries (Private) Limited function as the Secretaries to the Audit Committee.

MEETINGS AND ATTENDANCE

The Audit Committee has met on five occasions during the financial year ended 31st March, 2026 and the Meeting attendance was as follows:

Mr. K.G. Punchihewa – Chairman	5/5
Mr. S.B. Perera	5/5
Mr. A.R. Rasiah	4/5

Meetings of the Audit Committee have been held in each quarter of the financial year. In addition to these Meetings on several occasions the Committee has also adopted resolutions in writing in relation to matters under the purview of the Audit Committee.

Representatives from Corporate Managers & Secretaries (Private) Limited, Managers & Secretaries and the Group Managing Director, other Directors and Senior Managers from the Group are invited to the meetings as and when required. The proceedings of the Audit Committee are regularly reported to the Board.

TERMS OF REFERENCE

The Committee is governed by the terms of reference set out in the Audit Committee charter which has been reviewed and recommended by the Audit Committee and approved by the Board of Directors. The Committee also focuses on the below mentioned objectives set out in the Audit Committee Charter in discharging its responsibilities.

a) Risk Management.
b) Efficiency of the system of internal controls.
c) Independence and objectivity of the External (Statutory) Auditors.
d) Appropriateness of the principal accounting policies used.
e) Financial Statement integrity.

The Terms of Reference of the Audit Committee was amended during the financial year ended 31st March 2026 in line with the requirements of the SLFRS S1 - "General Requirements for Disclosure of Sustainability related Financial Information" and SLFRS S2 - "Climate related Disclosures" and was duly approved by the Committee and the Board.

ACTIVITIES DURING THE FINANCIAL YEAR 2025/2026

Financial Reporting

The Committee reviewed and discussed the quality and integrity of the financial reporting system adopted by the Company in the preparation and presentation of its quarterly and annual financial statements to ensure reliability of the processes and consistency of the accounting policies adopted and their compliance with the Sri Lanka Financial Reporting Standards.

The Audit Committee obtained Statements of Compliance from the Management where appropriate and reviewed the adequacy of disclosures and presentation of the Annual and Interim Financial Statements before recommending them for approval by the Board.

Further, the Committee reviewed the procedures established by the Management to comply with Statutory and Regulatory requirements and is satisfied that the financial reporting requirements under the Listing Rules of the Colombo Stock Exchange, Companies Act No. 07 of 2007, Securities and Exchange Commission Act and other relevant financial reporting related regulations and requirements are met.

Compliance

The Audit Committee reviewed the activities and the financial affairs of the Company and its Subsidiaries and the financial reporting system adopted in the preparation of the Quarterly and Annual Financial Statements to ensure reliability of the processes, appropriateness and consistency of the accounting policies and methods adopted in order to comply with the requirements of the Sri Lanka Accounting Standards (SLFRS/LKAS), the Companies Act No. 07 of 2007 and other relevant statutory and regulatory requirements. The Committee reviewed the quarterly and year-end Financial Statements and have recommended their adoption to the Board of Directors.

Ethics and Good Governance

The Committee continuously emphasizes upholding ethical values. In this regard, the Policy on Internal Code of Business Conduct and Ethics, the Policy on Whistleblowing and the Policy on Anti-Bribery and Corruption have been established. All appropriate procedures are in place to conduct independent investigations into incidents reported through Whistleblowing or identified through other means. The Whistleblower Policy guarantees strict confidentiality of the identity of the Whistleblowers.

Group Internal Audit, Risk and Control

The Committee assessed the adequacy of existing internal controls and risk management procedures and has recommended to the Board additional controls and risk mitigating strategies that could be implemented to strengthen the existing internal control system.

Further, the Committee has reviewed the routine operations of the Company and assessed the future prospects of its business operations and accordingly ensures that the going concern assumption used in the preparation of the financial statements, is appropriate.

Certain subsidiaries of the Group have outsourced the internal audit function in order to strengthen the internal control measures.

The Audit Committee facilitates and monitors Enterprise Risk Management (ERM) process. The Committee reviewed the key risks in Risks Models including Climate Related Risks and Opportunities (CRRO).

The Group obtained services of an external consultant to review and strengthen the ESG Management Framework and to align with SLFRS S1 and S2 compliance. The Committee also reviews the developments in sustainability and ESG reporting frameworks to ensure alignment with emerging disclosure requirements. The Committee also exercises oversight over the governance initiatives undertaken by the Company ensuring alignment with the requirements of Personal Data Protection Act No. 09 of 2022 and the Anti-Corruption Act No. 09 of 2023.

External Audit

The Company has appointed KPMG, Chartered Accountants as its External Auditor for the financial year ended 31st March, 2026 and the services provided by them are segregated between audit/ assurance services and other advisory services such as tax consultancy. The Committee has reviewed the progress and conduct of the statutory audit function and discussed the audit related issues with the Auditors. KPMG Chartered Accountants has also issued a declaration as required by the Companies Act No.7 of 2007, that they do not have any relationship or interest in any of the Companies in the Group which may have a bearing on the independence of their role as Auditors. The Committee has also negotiated with the External Auditors on the quantum of the fees and incidental expenses.

During the year under review, the Committee evaluated the independence and performance of the External Auditors and is satisfied that the independence of the External Auditors have not been impaired by an event or service that gives rise to a conflict of interest. The Committee obtained written assurance from the External Auditors that they have been independent throughout the conduct of the audit engagement in terms of all relevant professional and regulatory requirements.

The Audit Committee has recommended to the Board the reappointment of KPMG, Chartered Accountants for the financial year ending 31st March 2027 subject to the approval of the Shareholders at the Annual General Meeting of the Company. The current External Auditors, KPMG has been functioning as the external auditor of the Company for over 30 years. A partner rotation of the External Auditor takes place periodically and there was a partner rotation for the financial year ended 31st March 2026.

AUDIT COMMITTEES – LISTED SUBSIDIARY COMPANIES

All listed subsidiaries have appointed their own Audit Committees. These Audit Committees function independently of the Audit Committee of The Colombo Fort Land & Building PLC but have similar terms of reference.

CONCLUSION

The Audit Committee is of the view that the internal control environment within the Group is satisfactory and the effectiveness of the organizational structure of the Group and Company in the implementation of the accounting policies and operational controls provide reasonable assurance that the affairs of the Group and Company are managed in accordance with accepted policies and that assets are properly accounted for and adequately safeguarded.



K.G. Punchihewa
Chairman
Audit Committee

31st August 2026

Related Party Transactions Review Committee Report

The Related Party Transactions Review Committee (RPTRC) is responsible for reviewing Related Party Transactions with a view to ensuring that the interests of shareholders as a whole are taken into account by the Listed Entity when entering into Related Party Transactions. When applying the Rules on Related Party Transactions by the RPTRC on Related Party Transactions, the objective and the economic and commercial substance of the Related Party Transactions have taken precedence over the legal form and technicality.

POLICY AND TERMS OF REFERENCE

The Committee has established a clear Policy and Terms of Reference approved by the Board, setting forth the procedure to identify related parties and the process of reporting the transactions with related parties to the Committee on a quarterly basis. It also specifies the approval process and disclosure requirements of Related Party Transactions, including market announcements and Annual Report disclosures.

COMPOSITION

The Related Party Transactions Review Committee comprised of the following members during the financial year ended 31st March 2026 and as of the date of this Report:

Mr. K.G. Punchihewa - Chairman, Independent Non-Executive
Mr. S.B. Perera - Member, Independent Non-Executive
Mr. A.R. Rasiah - Member, Non-Executive

The Committee has extensive experience in financial oversight, regulatory compliance and business acumen in order to carry out their role efficiently and effectively. All three members are finance professionals.

Brief profiles of the Committee members are given on pages 6 to 8.

The Company's Secretaries, Corporate Managers & Secretaries (Private) Limited, functions as the Secretaries to the Related Party Transactions Review Committee.

Representatives from Corporate Managers & Secretaries (Private) Limited, Managers & Secretaries and other Directors are invited to the meetings as and when required.

MEETINGS OF THE COMMITTEE

The Related Party Transactions Review Committee has met on five occasions during the financial year ended 31st March, 2026 and the attendance at the meeting was as follows.

Mr. K.G. Punchihewa Chairman, Independent Non-Executive Director	5/5
Mr. S.B. Perera Member, Independent Non-Executive Director	5/5
Mr. A.R. Rasiah Member, Non-Executive Director	4/5

Meetings of the RPTRC have been held in each quarter of the financial year. In addition to these Meetings on several occasions Related Party Transactions were referred to the RPTRC and have been reviewed and recommended by Resolutions in writing.

The Committee is free to seek external professional advice on matters within their purview when necessary.

The activities and views and proceedings of meetings of the Related Party Transactions Review Committee are duly documented, minuted and submitted to the Board of Directors.

POLICIES, PROCEDURES AND FUNCTIONS OF THE COMMITTEE

The Policies and Procedures adopted by the Related Party Transactions Review Committee when reviewing and recommending transactions are consistent with Section 9.14 of the Listing Rules of the Colombo Stock Exchange.

The functions of the Committee are as follows:

- Review all proposed Related Party Transactions (Except for exempted transactions)
- Determining whether the relevant Related Party Transaction is fair and is conducted on normal commercial terms and is in the best interest of the Company and its stakeholders and is not prejudicial to its minority shareholders.
- Acquire appropriate knowledge or expertise to assess all aspects of proposed Related Party Transactions where necessary. This includes obtaining independent professional or expert advice from suitably qualified persons when required.
- Obtain updates on previously reviewed Related Party Transactions from Senior Management and approve any material changes.
- Establish guidelines for Senior Management to follow in ongoing dealings with related parties.
- Direct the transactions for Board approval/ Shareholder approval as deemed appropriate.
- Ensuring that immediate market disclosures and disclosures in the Annual Report as required by the applicable rules and regulations are made in a timely and detailed manner.

CONCLUSION

The Related Party Transactions Review Committee has reviewed the Related Party Transactions entered into during the financial year under review and has communicated its comments and observations to the Board of Directors.

The Board of Directors have also declared in the Annual Report that there were no recurrent related party transactions which exceeded the respective thresholds mentioned in Section 9.14 of the Colombo Stock Exchange Listing Rules. However, the non-recurrent related party transaction which exceeded the respective threshold is duly set out in Note 30.5 on page 181 of the Annual Report. The Company has complied with the requirements of the Listing Rules on Related Party Transactions.



K.G. Punchihewa
Chairman
Related Party Transactions Review Committee

31st August 2026

Remuneration Committee Report

The Remuneration Committee shall assist the Board of Directors to establish and maintain a formal and transparent procedure for developing policy on Directors' remuneration, for fixing the remuneration packages of individual Directors and administer an equitable and transparent policy on the overall human resources strategy of the Group.

The key objective of the Committee is to attract, motivate and retain qualified and experienced personnel throughout the Group and to ensure that the remuneration of Executives at each level of management is competitive and are rewarded in a fair manner based on their performance and having regard to comparable market statistics and the operating results of the companies within the Group.

The individual Group Companies have their own Remuneration Committees to decide on the remuneration packages of their Executive Directors' and staff.

The Remuneration Committee has a well-defined Terms of Reference outlining the Committee's composition, quorum, authority and its responsibilities.

COMPOSITION, MEETINGS AND ATTENDANCE

The Remuneration Committee of The Colombo Fort Land & Building PLC consists of the following members

Mr. K.G. Punchihewa
Chairman, Independent Non-Executive Director

Mr. S.B. Perera
Member, Independent Non-Executive Director

Mr. S.D.R. Arudpragasam
Member, Non-Executive Director

The Committee has met once during the period and all members were present at the said meeting.

Brief profiles of the Committee members are given on pages 6 to 8.

The Remuneration Committee provides guidance and recommendations to the Remuneration Committees of its subsidiaries.

The Group Managing Director assists the Committee by providing relevant information and participating in the deliberations of the Committee.

The proceedings of the Committee meetings are reported to the Board of Directors.

The Company's Secretaries, Corporate Managers & Secretaries (Private) Limited functions as the Secretaries to the Remuneration Committee. All managerial and secretarial services are provided by Corporate Managers & Secretaries (Private) Limited to whom a fee is paid.

A Directors fee is paid to all Directors.

The details on the aggregate remuneration of the Executive and Non-Executive Directors are given in Note 7 to the financial Statements.



K.G. Punchihewa
Chairman
Remuneration Committee

31st August 2026

Nominations & Governance Committee Report

The Nominations & Governance Committee ensures that the governance framework of the Company aligns with the requirements of the Colombo Stock Exchange (CSE) and the Securities and Exchange Commission of Sri Lanka (SEC).

The Committee supports the Board in fulfilling its statutory and fiduciary responsibilities relating to corporate governance and selection/appointment of new Directors and re-election and reappointment of current Directors to ensure the highest levels of Corporate Governance in the Company and among members of the Board of Directors.

A formal and transparent procedure is in place for the appointment of new Directors to the Board, and the re-election and reappointment of current Directors which is in accordance with the recommendations made by the Nominations & Governance Committee, in consultation with the Chairman and in compliance with the provisions of the Articles of Association of the Company, the Policies adopted by the Company and the Rules on Corporate Governance. The composition and the scope of work of the Committee are in line with the Terms of Reference of the Committee approved by the Board.

COMPOSITION

The Nominations and Governance Committee of the Company comprised of the following members during the financial year ended 31st March 2026 and as of the date of this Report.

Mr. K.G. Punchihewa - Chairman, Independent Non-Executive
Mr. S.B. Perera - Member - Independent Non-Executive
Mr. S.D.R. Arudpragasam - Member - Non-Executive

Mr. K.G. Punchihewa, Mr. S.B. Perera, Mr. S. Viran Corea, PC and Mr. I.A. Wickramasinghe Independent Non-Executive Directors of the Listed Entity have submitted their declarations and the said Independent Non-Executive Directors meet and continue to meet the criteria for determining independence as set out in Listing Rule 9.8.3 of the Colombo Stock Exchange and were determined to be independent by the Board.

Brief profiles of the members of the Committee are given on pages 6 to 8 of the Annual Report.

The Company's Secretaries, Corporate Managers & Secretaries (Private) Ltd function as the Secretaries to the Nominations and Governance Committee.

MEETINGS AND ATTENDANCE

The Nominations and Governance Committee has met on two occasions during the financial year ended 31st March, 2026 and the attendance was as follows:

Mr. K.G. Punchihewa - Chairman	2/2
Mr. S.B. Perera	2/2
Mr. S.D.R. Arudpragasam	2/2

KEY RESPONSIBILITIES AND DUTIES OF THE COMMITTEE

The Committee oversees the corporate governance structure of the organization, providing an overview of the principles, policies, and practices of the Board of Directors. This framework enables the Company to meet the governance requirements of the Colombo Stock Exchange (CSE), and the Securities and Exchange Commission of Sri Lanka (SEC).

Furthermore, the Committee is responsible for reviewing and recommending improvements to the Company's governance policies and practices.

The Committee monitors the effectiveness of compliance with the relevant regulatory and legal requirements and makes recommendations to the Board on such matters and any corrective action to be taken, as the Committee may deem appropriate.

Whilst exercising the oversight with respect to the corporate governance by the Board of Directors, the Committee also considers and recommends succession arrangements from time to time for the retiring Directors, and Key Management Personnel considering the additional/new expertise required. The Committee regularly reviews the structure, size, composition, including gender representation and competencies (including the skills, knowledge and experience) of the Board members and makes recommendations to the Board regarding any changes.

The fitness and propriety of the Directors were considered during the year as and when required to ensure compliance with requirements and Corporate Governance Rules of the CSE.

COMMITTEE ACTIVITIES

Performance evaluations of the Board were conducted, reviewed by the Committee, and discussed by the Board.

The Committee also checked the independence of the Directors against the criteria for independence as set out in the CSE Listing Rules. The Committee ensured that the declaration of independence is carried out by the Independent Directors and concluded that all Independent Directors of the Company meet the criteria for determining independence.

The newly appointed Director was briefed on the structure, processes & resources of the Company, the applicable corporate governance framework, applicable Listing Rules, securities market regulations and other applicable laws and regulations.

Further an annual update was given to existing Directors on Corporate Governance, Listing Rules, securities market regulations and other applicable laws and regulations. Any major issues relating to the Company are communicated to the Independent Directors and special meetings of the Board are held as and when the need arises to address such matters.

RE-APPOINTMENTS/RE-ELECTIONS

In terms of the Articles of Association a Director appointed by the Board holds office until the next Annual General Meeting, at which he seeks re-election by the Shareholders. The Articles require two of the Directors in Office (other than those appointed to the Office of Chairman, Chief Executive, Managing or Joint Managing Director) to retire at each Annual General Meeting. The Directors to retire in each year are those who have been longest in office since their last election or appointment. Retiring Directors are eligible for re-election by the shareholders. Furthermore, Special Notice has been received by the Company from a shareholder giving notice of the intention to move the Ordinary Resolutions more fully set out in the Notice of Meeting of this Report, at the forthcoming Annual General Meeting.

Accordingly, the respective members of the Committee, whilst refraining from participating in recommending their own re-election / reappointment, in terms of the Articles of Association of the Company, recommended the re-election of Mr. Sanjeev Rajaratnam and Mr. K.G. Punchihewa, the Directors retiring by rotation, and to reappoint in terms of Section 211 of the Companies Act No. 7 of 2007 Mr. S.D.R. Arudpragasam, Mr. C.P.R. Perera and Mr. A.R. Rasiah who are over seventy years of age and Mr. S.S. Poholiyadde, Director appointed during the year and who has attained seventy years of age subsequent to his appointment, as Directors, at the forthcoming Annual General Meeting of the Company based on their performance and the contribution made to achieve the objectives of the Board.

In view of the strategic direction of the Company and the Group and the pivotal role played by Mr. S.D.R. Arudpragasam, Chairman, Mr. C.P.R. Perera, Deputy Chairman, Mr. A.R. Rasiah and Mr. S.S. Poholiyadde, Non-Executive Directors in terms of sustenance and growth of the Company and the Group as a whole as well as the Management skills, integrity, expertise, wealth of experience and business acumen, the Committee has recommended to the Board to reappoint as Directors, Mr. S.D.R. Arudpragasam, Mr. C.P.R. Perera and Mr. A.R. Rasiah who are over seventy years of age and Mr. S.S. Poholiyadde who has attained seventy years of age and who retires in terms of Section 210 of the Companies Act No. 7 of 2007.

The Directors coming up for re-election/ reappointment do not have any close family relationship with the Directors, the Listed Entity nor do they have any relationship with shareholders holding over 10% of shares of the Company other than those disclosed hereunder:

Information of Directors who are to be re-elected/reappointed at the AGM are as follows:

Board Member	Date first appointed as Director	Date last reappointed / re-elected as a Director	Board Committees served on	Any relationships including close family relationships between the member and the Directors of The Colombo Fort Land & Building PLC, the Company or its shareholders holding more than ten per-centum (10%) of the shares of The Colombo Fort Land & Building PLC
Mr. S.D.R. Arudpragasam - Chairman (Non-Executive)	11th December 2000	29th September 2025	Nominations & Governance Committee and Remuneration Committee	Mr. S.D.R. Arudpragasam is a Director of Property and Investment Holdings (Pvt) Ltd, Colombo Investment Trust PLC and Colombo Fort Investments PLC which hold 16.73%, 12.98% and 11.20% respectively, of Equity in The Colombo Fort Land & Building PLC as at 31.03.2026.
Mr. C.P.R. Perera - Deputy Chairman (Non-Executive)	14th May 2013	29th September 2025	Nil	Mr. C.P.R. Perera on his own holds 0.004% of equity in The Colombo Fort Land & Building PLC as at 31.03.2026. (Joint Account)
Mr. A.R. Rasiah - Director (Non-Executive)	8th June 2023	29th September 2025	Audit Committee and RPTRC	Nil
Mr. S.S. Poholiyadde - Director (Non-Executive)	1st January 2026	N/A	Nil	Nil

Board Member	Date first appointed as Director	Date last reappointed / re-elected as a Director	Board Committees served on	Any relationships including close family relationships between the member and the Directors of The Colombo Fort Land & Building PLC, the Company or its shareholders holding more than ten per-centum (10%) of the shares of The Colombo Fort Land & Building PLC
Mr. Sanjeev Rajaratnam - Director (Non-Executive)	25th May 2017	30th September 2024	Nil	Mr. Sanjeev Rajaratnam is a Director of Property and Investment Holdings (Pvt) Ltd, Colombo Investment Trust PLC and Colombo Fort Investments PLC which hold 16.73%, 12.98% and 11.20% respectively, of Equity in The Colombo Fort Land & Building PLC as at 31.03.2026. Mr. Sanjeev Rajaratnam is a Director/ Shareholder of Financial Trust Ltd which holds 11.14% of equity in The Colombo Fort Land & Building PLC as at 31.03.2026. Mr. Sanjeev Rajaratnam on his own holds 1.02% of equity in The Colombo Fort Land & Building PLC as at 31.03.2026.
Mr. K.G. Punchihewa - Director (Independent Non-Executive)	20th February 2025	29th September 2025	Audit Committee, RPTRC, Nominations & Governance Committee and Remuneration Committee	Nil

The names, qualifications, principal commitments and other Directorships or Chairmanships of the aforesaid Directors coming up for re-election / reappointment and of the rest of the Board members of The Colombo Fort Land & Building PLC are given in their profiles on pages 6 to 8 and under the caption "Details of Directors' other Directorships" appearing on pages 43 to 47.

The Corporate Governance requirements stipulated under the Listing Rules of the CSE have been met. The Company's compliance status with the Colombo Stock Exchange Listing Rules on Corporate Governance is disclosed on pages 48 to 57.



K.G. Punchihewa
Chairman
Nominations & Governance Committee

31st August 2026

Annual Report of the Board of Directors

The Board of Directors of The Colombo Fort Land & Building PLC present their Report on the affairs of the Company together with the Audited Financial Statements for the year ended 31st March, 2026.

The details set out herein provide the pertinent information required by the Companies Act No. 07 of 2007, and the Colombo Stock Exchange Listing Rules and are guided by recommended best practices.

GENERAL

The Company was re-registered on 3rd July, 2008 as required under the Companies Act No. 07 of 2007.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the Company together with those of its subsidiary companies have been described in the Notes to the Financial Statements in this Annual Report. A review of the Company's business and its performance during the year with comments on financial results is contained in the Chairman's Review and Management Discussion and Analysis which together with the Financial Statements reflects the state of affairs of the Company.

The Directors to the best of their knowledge and belief confirm that the Company has not engaged in any activities that contravene laws, regulations and prudential requirements and that there are no material non-compliances.

FINANCIAL STATEMENTS

The Financial Statements of the Company are given on pages 74 to 197.

INDEPENDENT AUDITORS' REPORT

The Independent Auditors' Report on the Financial Statements is given on pages 70 to 73.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of Financial Statements are given on pages 79 to 94.

INTEREST REGISTER

Directors' Interest in Transactions

The Directors have made general disclosures as provided for in Section 192(2) of the Companies Act No. 07 of 2007. These have been entered in the Interest Register which is maintained by the Company. The Company carries out transactions in the ordinary course of business with entities in which a Director of the Company is a Director and the said transactions are disclosed in Note 30 'Related Party Transactions', on pages 177 to 182.

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

During the financial year the Company has not entered into any contracts in which the Directors have had a material interest. Neither the Directors nor their close family members have had any material business relationship with other Directors.

DIRECTORS' INTEREST IN SHARES

Directors of the Company who have an interest in the shares of the Company are required to disclose their shareholdings and any acquisitions/disposals to the Board in compliance with Section 200 of the Companies Act of No.07 of 2007.

Details pertaining to Directors' direct shareholdings are set out below:

Name of Director	No. of shares as at 31.03.2026	No. of shares as at 31.03.2025
Mr. S.D.R. Arudpragasam	-	-
Mr. C.P.R. Perera	10,000	10,000
Mr. Anushman Rajaratnam	172,530	36,930
Mr. A.M. de S. Jayaratne *(Deceased - 10.07.2025)*	N/A	200,666
Mr. S. Rajaratnam	2,450,000	2,450,000
Mr. P.M.A. Sirimane	-	-
Mr. A.R. Rasiah	-	-
Mr. Amrit Rajaratnam	1,065,690	1,065,690
Mr. K.G. Punchihewa	-	-
Mr. S.B. Perera	-	-
Mr. S. Viran Corea, PC	-	-
Mr. I.A. Wickramasinghe	-	-
Mr. S.S. Poholiyadde *(Appointed w.e.f. 01.01.2026)*	-	N/A

DIRECTORS' REMUNERATION

Key management personnel compensation in respect of the Company for the financial year 2025/2026 is given in Note 7 to the Financial Statements on page 97.

CORPORATE DONATIONS

No donations were made by the Company during the year.

DIRECTORATE

The names of the Directors who held office during the financial year are given below and the Directors currently in Office are profiled on pages 6 to 8.

Mr. S.D.R. Arudpragasam - Chairman
Mr. C.P.R. Perera - Deputy Chairman
Mr. Anushman Rajaratnam - Group Managing Director
Mr. A.M. de S. Jayaratne - Director (Deceased - 10.07.2025)
Mr. P.M.A. Sirimane - Director
Mr. Sanjeev Rajaratnam - Director
Mr. A.R. Rasiah - Director
Mr. Amrit Rajaratnam - Director
Mr. K.G. Punchihewa - Director
Mr. S.B. Perera - Director
Mr. S. Viran Corea, PC- Director
Mr. I.A. Wickramasinghe - Director
Mr. S.S. Poholiyadde – Director (Appointed w.e.f. 01.01.2026)

Mr. A.M. de S. Jayaratne, who served as an Independent Non-Executive Director until the close of business on 31st December

2024, and continued to serve as a Non-Executive Director with effect from 1st January 2025, passed away on 10th July 2025.

Mr. S.S. Poholiyadde was appointed to the Board as a Non-Executive Directors on 1st January 2026.

Mr. S.S. Poholiyadde, having subsequently attained seventy years of age, retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

In terms of Articles 85 and 86 of the Articles of Association, Mr. Sanjeev Rajaratnam and Mr. K.G. Punchihewa retire by rotation and being eligible offer themselves for re-election.

Mr. C.P.R. Perera who is over seventy years of age retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Mr. S.D.R. Arudpragasam who is over seventy years of age retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Mr. A.R. Rasiah who is over seventy years of age retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

CORPORATE GOVERNANCE

The Corporate Governance Principles adhered to by the Company are given on pages 40 to 57.

AUDITORS

The Financial Statements of the Company for the year have been audited by KPMG, Chartered Accountants, who retire at the forthcoming Annual General Meeting. The retiring Auditors have expressed their willingness to continue as Auditors of the Company and are recommended for reappointment. A resolution to reappoint them and to authorize the Directors to determine their remuneration will be proposed at the Annual General Meeting. They were paid Rs. 2,825,000/- (2024/2025 - Rs. 2,775,000/-) as audit fees by the Company. In addition, they were paid Rs. 286,374/- (2024/2025 - Rs. 260,340/-) by the Company for non-audit related work, which consists mainly of fees for tax compliance services.

As far as the Directors are aware the Auditors do not have any relationship (other than that of an Auditor) with the Company. The Auditors do not have any interest in the Company.

REVENUE

The revenue of the Company for the year was Rs. 143.26 million (2024/2025 - Rs134.40 million).

RESULTS

The Company made a net profit before tax of Rs. 1,487.68 million against a profit of Rs.637.70 million in the previous year. The detailed results are given in the Statement of Profit or Loss & Other Comprehensive Income on page 74.

INVESTMENTS

The Cost of Investments in Quoted Securities held as at 31st March, 2026 were Rs. 2,646.43 million (2024/2025 – Rs.1,399.20 million and the Market Value of such Investments were Rs. 14,213.29 million (2024/2025 - Rs.8,543.46 million) The detailed investment portfolio is given in Notes 14, 15 and 16 in the Financial Statements on pages 121 to 143.

INVESTMENT PROPERTY AND PROPERTY, PLANT & EQUIPMENT

During 2025/2026, the Company invested Rs. 71.62 million in Investment Property and Property, Plant & Equipment (2024/2025 – Rs.11.45 million). Further, your Directors are of the opinion that the net amounts at which Property, Plant & Equipment appear in the Statement of Financial Position, are not greater than their market value as at 31st March, 2026.

STATED CAPITAL

In compliance with the Companies Act No.07 of 2007, the Financial Statements reflect the Stated Capital of the Company. The Stated Capital is the total of all amounts received by the Company in respect of issue of shares.

The Stated Capital of the Company as at 31st March, 2026 was Rs.927,000,000/- represented by 240,000,000 issued and fully paid Ordinary Shares.

RESERVES

The total reserves of the Company as at 31st March, 2026 amounted to Rs. 4,100.2 million (2024/2025 – Rs.2,660.99 million). The Reserves comprise, Property Development Reserve of Rs. 10 million (2024/2025 - Rs.10 million), General Reserve of Rs. 0.5 million (2024/2025 - Rs.0.5 million), FVOCI Reserve of Rs. 5.91 million (2024/2025 – Rs.4.89 million), and the accumulated profit of Rs. 4,083.79 million (2024/2025 - Rs.2,645.60 million). The movements are shown in the Statement of Changes in Equity in the Financial Statements.

TAXATION

In terms of the Inland Revenue Act No. 24 of 2017 and the subsequent amendments thereto, the Company is liable to pay income tax at the rate of 30% on the profits. The Company does not have a liability towards Income Tax during the year. The detailed Income Tax Computation is given in Note 8 to the Financial Statements on pages 98 to 100.

RELATED PARTY TRANSACTIONS

During the financial year there were no recurrent transactions which exceeded the disclosure thresholds. However, there was a non-recurrent related party transaction which exceeded the respective disclosure thresholds mentioned in Section 9.14 of the Colombo Stock Exchange Listing Rules. The Company has complied with the requirements of the Listing Rules on Related Party Transactions.

The Related Party Transactions presented in the Financial Statements are disclosed in Note 30 from pages 177 to 182.

SHARE INFORMATION

Information relating to earnings, net assets, market value per share and share trading is given on pages 199 to 200.

EVENTS AFTER THE REPORTING DATE

No circumstances have arisen since the Reporting date that would require adjustments to or disclosure in the Financial Statements other than those disclosed in Note 34 to the Financial Statements on page 190.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Capital Commitments and Contingent Liabilities as at the Reporting date are disclosed in Notes 35 and 36 to the Financial Statements on pages 191 to 193.

EMPLOYMENT POLICY

All operational services are provided by Corporate Managers & Secretaries (Private) Limited, Managers and Secretaries, to whom a fee is paid.

SHAREHOLDERS

It is the Company's policy to endeavour to ensure equitable treatment to its shareholders.

STATUTORY PAYMENTS

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments due to the Government have been paid or where relevant, provided for.

ENVIRONMENTAL PROTECTION

The Group's business activities can have direct and indirect effects on the environment. It is the Group's policy to minimise any adverse effect its activities have on the environment and to promote co-operation and compliance with the relevant authorities and regulations. The Directors confirm that the Group has not undertaken any activities which have caused or are likely to cause detriment to the environment.

INTERNAL CONTROL

The Directors acknowledge their responsibility for the Company's system of internal control. The system is designed to give assurance regarding the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information generated.

The Directors have reviewed the internal controls covering financial, operational and compliance controls and risk management and have obtained reasonable assurance of their effectiveness and successful adherence.

GOING CONCERN

The Directors, after making necessary inquiries and reviews of the Company's future prospects and risks, cash flows and borrowing facilities, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the going concern basis has been adopted in the preparation of the Financial Statements.

For and on behalf of the Board,



S.D.R. Arudpragasam
Chairman



Anushman Rajaratnam
Group Managing Director

By Order of the Board,



Corporate Managers & Secretaries (Private) Limited
Managers & Secretaries

Colombo
31st August 2026



Financial Statements

Financial Statements

Independent Auditor's Report	70
Statement of Profit or Loss & Other Comprehensive Income	74
Statement of Financial Position	75
Statement of Changes in Equity	76
Statement of Cash Flows	77
Notes to the Financial Statements	79

Independent Auditor's Report

KPMG
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P. 0. 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

TO THE SHAREHOLDERS OF THE COLOMBO FORT LAND & BUILDING PLC

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of The Colombo Fort Land & Building 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 as set out on pages 74 to 197 of the Annual Report.

In our opinion, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as of 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 Company financial statements and the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Company financial statements 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.

1. Impairment assessment of Investments in Subsidiaries, investments in associates and Goodwill on Consolidation

Refer to the material accounting policy in Note 3.3.5.2 and explanatory Notes 13, 14 and 15 to the Financial Statements.

Risk Description

The Company has recorded investments in subsidiaries amounting to Rs. 4,494 Mn and investments in associates amounting to Rs. 96 Mn as at 31st March 2026. The group has recorded a carrying value of Rs. 670 Mn of Goodwill on consolidation and investments in associates amounting to Rs. 1,736 Mn in the consolidated financial statements as at 31st March 2026. Additionally, the Company has recognized Rs. 17 Mn and Rs. 462 Mn as provision for impairment of investment in subsidiaries and Goodwill on consolidation respectively as at 31st March 2026.

As disclosed in Note 1 to the financial statements, the Company's principal operation is to manage these investments. As such, the valuation of these investments represents the most significant area of the Company to its stakeholders. Further, the value of these investments is significant to the financial statements. Therefore, any impairment of these investments in subsidiaries and impairment of investments in equity accounted investees will have significant impact on the financial performance of the Company and the Group respectively. Management has performed the impairment assessment for investments with indicators of impairment and determined their recoverable amounts based on either value-in-use or fair value less cost to sell calculation.

Goodwill on consolidation represents goodwill relating to the acquisition of subsidiaries in various sectors. LKAS 36 – "Impairment of Assets" requires the goodwill to be tested for impairment annually. As such, the Group has assessed the impairment of goodwill as at 31st March 2026. Estimation of recoverable value for the related cash generating units involves certain significant assumptions and judgements.

Considering these, we have identified the assessment of impairment of investments in subsidiaries, investments in associates and the goodwill on consolidation of the Group and the Company as a key

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

T. J. S. Rajakarier FCA
W. K. D. C. Abeyrathne FCA
Ms. B.K.D.T.N. Rodrigo FCA
Ms. C.T.K.N. Perera ACA
R. G. H. Raddella ACA
W. W. J. C. Perera FCA
G. A. U. Karunaratne FCA
R. H. Rajan FCA
A.M.R.P. Alahakoon ACA
H.U.S.T Dayananda FCA
Ms. S. Joseph FCA
R.M.D.B. Rajapakse FCA
M.N.M. Shameel FCA
Ms. P.M.K. Sumanasekara FCA

Principals: S.R.I. Perera FCMA (UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA, Ms. F R Ziyard ACA, FCMA (UK), FCIT, K. Somasundaram ACMA (UK), Ms. D Corea Dharmaratne

audit matter due to the significance of the amounts recognized in the financial statements and the level of estimation uncertainties involved in determining those amounts.

Our audit procedures in this area included, among others:

- Obtaining an understanding of the management's impairment assessment process including the identification of impairment indicators.
- Evaluating the reasonableness of the Group's key assumptions used in its cash flow projections with reference to the internally and externally derived sources where applicable.
- Assessing the appropriateness and reasonableness of the valuation models used by the management in the calculation of recoverable values of the investments in subsidiaries, investments in associates and CGUs to which goodwill on consolidation is related to, by using our in-house business valuation specialists.
- Assessing the mathematical accuracy of related computations, the appropriateness of input data and assumptions where applicable, used by the management in calculating the recoverable amounts of such investments.
- Reviewing component auditors' workpapers where necessary.
- Assessing the adequacy of disclosures in the Financial Statements in relation to the impairment of investments in subsidiaries, investments in associates and goodwill on consolidation.

2. Valuation of Consumable Biological Assets.

Refer to the material accounting policy in Note 3.10.8 and explanatory Notes 10.6 to the Financial Statements.

Risk Description

The Group has recognized consumable biological assets amounting to Rs. 4,524 Mn as at 31st March 2026. Further, Rs. 332 Mn has been recognized as gain on change in the fair value of consumable biological assets for the year ended 31st March 2026.

The commercially cultivated timber trees on estates managed by the Group are classified as consumable biological assets and they are measured at each reporting date at fair value less estimated cost to sell at harvest. The valuation of consumable biological assets requires significant levels of judgments and technical expertise in selecting appropriate valuation models and assumptions. Changes in the key assumptions used such as discount rate, estimation of height/girth of trees used to arrive volume of timber and value per cubic foot used for the valuation of consumable biological assets, could have a material impact on the fair value gain or loss for the year and the carrying value of consumable biological assets as of the reporting date. Management engaged a subject matter expert who is an incorporated valuer and a member of The Institute of Valuers of Sri Lanka to perform an independent valuation of the consumable biological assets of the Company as at reporting date.

We considered measurement of consumable biological assets as a key audit matter due to the magnitude of the value and significant assumptions and judgments used in determining the fair value which could be subject to error or potential management bias.

Our audit procedures in this area included, among others:

- Assessing the objectivity, independence, competence, qualifications and experience of subject matter expert engaged by the Subsidiaries.
- Physical verification of the actual girth and height pertaining to a selected sample of trees during the estate visits, in order to ascertain the accuracy of the average girth and height used in the valuation reports.
- Evaluating the key assumptions and methodology used in the valuations, in particular the discount rate, average market price and expected timber content at harvest.
- Verifying the mathematical accuracy of the consumable biological asset valuations.
- Reviewing component auditors workpapers where necessary.
- Assessing the adequacy of the disclosures in the Financial Statements, including the description and appropriateness of the inherent degree of subjectivity and the key assumptions.

3. Valuation of Retirement Benefit Obligations.

Refer to the material accounting policy in Note 3.6 and explanatory Note 27 to the financial statements..

Risk Description

The Group has recognised retirement benefit obligations of Rs. 6,375 Mn as at 31st March 2026. The retirement benefit obligation of the Group is significant in the context of the total liabilities of the Group. The valuation of the Group's retirement benefit obligation requires significant judgment and estimation to be applied across numerous assumptions, including salary / wage increases and discount rate. Minor changes in those assumptions could have a significant effect on the financial performance and financial position of the Group.

Management engaged an independent actuary to assist them in the estimation of the Retirement benefit obligation. We considered the estimation of the retirement benefit obligation to be a key audit matter due to the magnitude of the amounts recognized in the financial statements as well as estimation uncertainty involved in determining the amounts.

Our audit procedures in this area included, among others:

- Assessing the competency, objectivity, independence and capabilities of the actuary engaged by the respective companies.
- Evaluating the reasonableness of the total annual salaries used in the computation by comparing to the historical data.

- Reading the external actuary's report and identifying the key estimates made and the approach taken by the actuary in determining the value of the retirement benefit obligation.
- Checking the completeness and accuracy of the data used in the valuation of retirement benefit obligations by agreeing key information to source documents and accounting records.
- Assessing reasonableness of the other key assumptions used in the valuation, in particular the discount rate, inflation rate, mortality rate and future salary increment rate.
- Reviewing component auditors workpapers where necessary.
- Assessing the adequacy of the disclosures made in the financial statements.

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

Chartered Accountants
Colombo, Sri Lanka
31st August 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31st March,	Notes	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000	COMPANY 2026 Rs.'000	COMPANY 2025 Rs.'000
Revenue	4	93,987,078	88,888,780	143,260	134,396
Cost of Sales		(71,176,514)	(67,074,988)	-	-
Gross Profit		22,810,564	21,813,792	143,260	134,396
Other Income	5.1	1,664,716	1,504,116	1,517,493	445,034
Distribution Expenses		(8,660,276)	(8,076,085)	-	-
Administrative Expenses		(8,619,611)	(7,211,999)	(128,702)	(102,418)
Other Expenses	5.2	(630,008)	(281,081)	(1,473)	-
Impairment (made) / reversed on Financial Assets	5.3	(60,998)	(44,336)	(19,060)	(2,804)
Reversal of Impairment of Investment in Subsidiaries		-	-	260	245,971
Results from Operating Activities		6,504,387	7,704,407	1,511,778	720,179
Finance Income	6	190,512	183,850	65,272	16,077
Finance Costs	6	(3,563,560)	(3,672,501)	(89,374)	(98,559)
Net Finance Costs	6	(3,373,048)	(3,488,651)	(24,102)	(82,482)
Share of Profits from Associates, Net of Tax	15.1	183,333	41,220	-	-
Share of Profits of Joint Venture, Net of Tax	15.2	43,978	168,829	-	-
Profit before Tax	7	3,358,650	4,425,805	1,487,676	637,697
Income Tax (Expense) / Reversal	8	(1,560,035)	(1,884,676)	10,515	8,993
Profit for the Year		1,798,615	2,541,129	1,498,191	646,690
Other Comprehensive Income					
Items that will not be reclassified to Profit or Loss					
Actuarial Loss on Defined Benefit Plans	27	(803,142)	(1,208,417)	-	-
Deferred Tax on Remeasurement of Retirement Benefit Obligations	26	239,946	357,052	-	-
Share of Other Comprehensive Income of Equity Accounted Investees, Net of tax	15.1/15.2	243,652	556,899	-	-
Gain on Revaluation of Lands	10	93,853	1,862,118	-	-
Deferred Tax on Revaluation Gain	26	(1,004)	(546,408)	-	-
Change in Fair Value of FVOCI Financial Assets		181,552	270,902	1,020	1,006
Deferred Tax at FVOCI Financial Assets	26	62,274	(112,401)	-	-
Items that are or may be reclassified to Profit or Loss					
Exchange Differences on Translation of Foreign Operations		(109)	28	-	-
Other Comprehensive Income / (Expenses) for the Year, Net of Tax		17,022	1,179,773	1,020	1,006
Total Comprehensive Income for the Year		1,815,637	3,720,902	1,499,211	647,696
Profit Attributable to:					
Owners of the Company		731,940	1,033,654	1,498,191	646,690
Non - Controlling Interest		1,066,675	1,507,475	-	-
Profit for the Year		1,798,615	2,541,129	1,498,191	646,690
Total Comprehensive Income Attributable to:					
Owners of the Company		980,114	1,866,929	1,499,211	647,696
Non - Controlling Interest		835,523	1,853,973	-	-
Total Comprehensive Income for the Year		1,815,637	3,720,902	1,499,211	647,696
Basic/ Diluted earnings per share (Rs.)	9	3.05	4.31	6.24	2.69

The Notes from pages 79 to 197 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

Consolidated Statement of Financial Position

As at 31st March,	Notes	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000	COMPANY 2026 Rs.'000	COMPANY 2025 Rs.'000
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	10	**29,653,360**	28,230,014	**18,656**	10,073
Biological Assets	10.6	**4,523,593**	4,331,037	**-**	-
Right of Use Assets	11	**2,322,751**	2,127,697	**-**	-
Investment Property	12	**2,557,255**	2,532,625	**852,233**	796,797
Intangible Assets	13	**767,207**	736,773	**-**	-
Investment in Subsidiaries	14	**-**	-	**4,493,822**	3,249,016
Investment in Associates	15.1	**1,736,013**	1,358,554	**96,533**	96,435
Investment in Joint Venture	15.2	**504,312**	460,474	**-**	-
Financial Assets Measured at FVOCI	16.1	**1,346,342**	1,175,291	**6,272**	5,244
Retirement Benefit Obligations	27	**98,244**	123,322	**-**	-
Deferred Tax Assets	26.1	**527,754**	370,820	**-**	-
Total Non-Current Assets		**44,036,831**	41,446,607	**5,467,516**	4,157,565
Current Assets					
Inventories	17	**16,682,342**	16,205,052	**-**	-
Produce on Bearer Biological Assets	10.5	**33,545**	39,110	**-**	-
Trade and Other Receivables	18	**18,398,521**	17,118,579	**92,260**	414,028
Amounts due from Related Parties	30.1	**9,812**	146,601	**78,904**	110,311
Loans Given to Related Parties	30.1.1	**-**	-	**645,550**	104,699
Income Tax Recoverable		**175,426**	77,624	**-**	-
Financial Assets Measured at FVTPL	16.2	**1,840,289**	1,730,894	**9,939**	7,095
Cash and Cash Equivalents	19	**3,381,111**	3,188,370	**95,928**	16,954
Assets Held for Sale	20	**629,185**	-	**-**	-
Total Current Assets		**41,150,231**	38,506,230	**922,581**	653,087
Total Assets		**85,187,062**	79,952,837	**6,390,097**	4,810,652
EQUITY AND LIABILITIES					
Equity Attributable to Equity Holders of the Parent					
Stated Capital	21	**927,000**	927,000	**927,000**	927,000
Capital Reserves	22	**20,058**	20,058	**10,000**	10,000
Reserves		**6,234,071**	5,538,015	**4,090,197**	2,650,986
Equity Attributable to Owners of the Company		**7,181,129**	6,485,073	**5,027,197**	3,587,986
Non - Controlling Interest		**14,130,133**	10,107,082	**-**	-
Total Equity		**21,311,262**	16,592,155	**5,027,197**	3,587,986
Non-Current Liabilities					
Loans and Borrowings	23	**10,446,201**	8,305,133	**70,312**	101,562
Lease Liabilities	24	**1,991,103**	2,116,344	**-**	-
Amounts due to Related Parties	30.2	**100,000**	100,000	**338,980**	471,500
Deferred Income - Capital Grants	25	**467,290**	493,477	**-**	-
Deferred Tax Liabilities	26.2	**5,678,183**	5,871,264	**192,547**	203,062
Retirement Benefit Obligations	27	**6,375,029**	5,376,945	**-**	-
Total Non-Current Liabilities		**25,057,806**	22,263,163	**601,839**	776,124
Current Liabilities					
Trade and Other Payables	29	**16,982,664**	16,446,214	**76,730**	114,718
Amounts due to Related Parties	30.2	**649,914**	653,573	**317,193**	247,715
Loans and Borrowings	23	**17,380,610**	20,290,890	**39,063**	39,063
Lease Liabilities	24	**430,585**	272,703	**-**	-
Rent Received in Advance	28	**14,371**	10,935	**14,371**	10,935
Income Tax Payable		**676,851**	702,233	**34,111**	34,111
Bank Overdraft	19	**2,682,999**	2,720,971	**279,593**	-
Total Current Liabilities		**38,817,994**	41,097,519	**761,061**	446,542
Total Liabilities		**63,875,800**	63,360,682	**1,362,900**	1,222,666
Total Equity and Liabilities		**85,187,062**	79,952,837	**6,390,097**	4,810,652
Net Assets per Share (Rs.)		**29.92**	27.02	**20.95**	14.95

It is certified that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

M.V.M. Paulraj
Director
Corporate Managers & Secretaries (Private) Limited

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Approved and signed for and on behalf of the Board,

S.D.R. Arudpragasam
Chairman

Anushman Rajaratnam
Group Managing Director

Colombo
31st August 2026

The Notes on pages 79 to 197 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

Consolidated Statement of Changes in Equity

GROUP	Equity Attributable to Equity Holders of the Parent										
	Stated Capital	Property Development Reserve	Capital Redemption Reserve Fund	FVOCI Reserve	General Reserve	Foreign Currency Translate Reserve	Revaluation Reserve	Retained Earnings	Total	Non-Controlling Interest	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2024	927,000	15,190	4,868	1,252,038	84,453	(11,389)	3,978,513	(1,396,399)	4,854,274	7,250,860	12,105,134
Total Other Comprehensive Income for the year											
Profit for the year	-	-	-	-	-	-	-	1,033,654	1,033,654	1,507,475	2,541,129
Other Comprehensive Income for the Year	-	-	-	170,640	-	28	1,315,710	(653,104)	833,274	346,499	1,179,773
Total Other Comprehensive Income for the year	-	-	-	170,640	-	28	1,315,710	380,550	1,866,928	1,853,974	3,720,902
Transactions with Owners of the Company											
Subsidiary Dividend to Non-Controlling Interest	-	-	-	-	-	-	-	-	-	(577,439)	(577,439)
Effect of Changes in Percentage in Subsidiaries	-	-	-	-	-	-	-	(236,130)	(236,130)	1,579,687	1,343,557
Total Transactions with Owners of the Company	-	-	-	-	-	-	-	(236,130)	(236,130)	1,002,248	766,118
Balance as at 31st March, 2025	927,000	15,190	4,868	1,422,678	84,453	(11,361)	5,294,223	(1,251,979)	6,485,073	10,107,082	16,592,155
Total Other Comprehensive Income for the year											
Profit/ (Loss) for the year	-	-	-	-	-	-	-	731,940	731,940	1,066,675	1,798,615
Other Comprehensive Income for the Year	-	-	-	107,609	-	(109)	92,849	47,823	248,172	(231,150)	17,022
Total Other Comprehensive Income for the year	-	-	-	107,609	-	(109)	92,849	779,763	980,112	835,525	1,815,637
Transactions with Owners of the Company											
Dividends Paid	-	-	-	-	-	-	-	(60,000)	(60,000)	-	(60,000)
Subsidiary Dividend to Non-Controlling Interest	-	-	-	-	-	-	-	-	-	(643,669)	(643,669)
Effect of Changes in Percentage in Subsidiaries	-	-	-	-	-	-	-	(224,025)	(224,025)	3,831,195	3,607,139
Total Transactions with Owners of the Company	-	-	-	-	-	-	-	(284,025)	(284,025)	3,187,526	2,903,470
Balance as at 31st March, 2026	927,000	15,190	4,868	1,530,287	84,453	(11,470)	5,387,072	(756,271)	7,181,129	14,130,133	21,311,262

COMPANY	Stated Capital	Property Development Reserve	General Reserve	FVOCI Reserve	Retained Earnings	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2024	927,000	10,000	501	3,881	1,998,908	2,940,290
Profit for the year	-	-	-	-	646,690	646,690
Other Comprehensive Income for the Year	-	-	-	1,006	-	1,006
Transactions with Owners of the Company						
Dividends Paid	-	-	-	-	-	-
Balance as at 1st April 2025	927,000	10,000	501	4,887	2,645,598	3,587,986
Profit for the year	-	-	-	-	1,498,191	1,498,191
Other Comprehensive Income for the Year	-	-	-	1,020	-	1,020
Transactions with Owners of the Company						
Dividends Paid	-	-	-	-	(60,000)	(60,000)
Balance as at 31st March, 2026	927,000	10,000	501	5,907	4,083,789	5,027,197

The Notes from pages 79 to 197 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

Consolidated Statement of Cash Flows

For the year ended 31st March,	Notes	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000	COMPANY 2026 Rs.'000	COMPANY 2025 Rs.'000
Cash Flows from Operating Activities					
Profit before Working Capital Changes	A	**8,850,565**	9,426,932	**(10,038)**	4,993
(Increse)/Decrease in Inventories		**(857,703)**	(3,300,968)	**-**	-
(Increse)/Decrease in Trade & Other Receivables		**(1,351,335)**	(2,239,313)	**321,643**	(357,345)
(Increse)/Decrease in Amounts due from Related Parties		**136,662**	(123,765)	**30,566**	(6,692)
Increse /(Decrease) in Trade & Other Payables		**581,954**	2,679,079	**(37,140)**	30,456
Increse/(Decrease) in Amounts due to Related Parties		**(3,659)**	(70,397)	**25,385**	18,034
Cash Generated from/(used in) Operating Activities		**7,356,484**	6,371,568	**330,416**	(310,554)
Income Tax Paid		**(1,634,214)**	(1,165,360)	**-**	(9,248)
Loans Interest Paid	23/6	**(3,280,861)**	(3,352,557)	**(90,220)**	(101,305)
Lease Interest Paid	24.1.4/24.2.3	**(282,699)**	(319,944)	**-**	-
Retirement Benefits Paid	27	**(783,038)**	(1,017,203)	**-**	-
Rent Income Received	28	**46,355**	39,180	**46,355**	39,180
Net Cash Generated from/(used in) Operating Activities		**1,422,027**	555,684	**286,551**	(381,927)
Cash Flows from Investing Activities					
Acquisition of Property, Plant & Equipment, Investment Property & Biological Assets	10.1/ 10.2/10.6/12	**(4,623,892)**	(3,797,309)	**(71,621)**	(11,449)
Acquisition of Intangible Assets	13	**(58,976)**	(45,281)	**-**	-
Proceeds from Disposal of Property, Plant & Equipment & Biological Assets		**1,063,589**	738,039	**4,134**	-
Proceeds from Disposal of Investments In Associates		**5,913**	-	**5,913**	-
Acquisition of Associates		**(2,544)**	-	**(2,544)**	-
Loans given to Related Parties		**-**	-	**(636,000)**	(10,000)
Settlements of Loans due from Related Parties		**-**	-	**76,930**	15,000
Acquisition of FVTPL financial assets	16.3	**(54,418)**	(227,622)	**-**	-
Proceeds from Disposal of FVTPL financial assets		**483,299**	9,608	**-**	-
Acquisition of Other Investments		**10,501**	6,109	**(90)**	(748)
Interest Income Received	6	**190,512**	183,850	**65,394**	16,917
Dividend Income Received	5	**83,592**	105,003	**269,882**	213,282
Net Cash Generated from/(used in) Investing Activities		**(2,902,424)**	(3,027,603)	**(288,002)**	223,002
Cash Flows from Financing Activities					
Acquisition of Subsidiaries		**-**	-	**(1,322,657)**	(63,000)
Proceeds from Disposal of Investments In Subsidiaries without loss of control		**1,089,629**	1,343,557	**1,303,167**	336,979
Capital Grants Received	25	**5,804**	13,830	**-**	-
Increase in Other Short-Term Loans		**(3,398,706)**	844,599	**-**	-
Increase/(Decrease) in Loans due to Related Parties		**-**	-	**(88,428)**	(95,800)
Proceeds from Initial Public Offer by Subsidiary		**599,973**	-	**-**	-
Repayment of Lease Rentals	24.1.4/ 24.2.3	**(224,259)**	(175,638)	**-**	-
Receipt of Interest-bearing Borrowings		**13,607,833**	10,277,765	**-**	-
Redemption of Debenture		**(75,923)**	(76,505)	**-**	-
Right Issue of Shares by Subsidiary		**1,917,537**	-	**-**	-
Repayment of Loans and Borrowings	23.1	**(11,107,109)**	(8,865,596)	**(31,250)**	(31,250)
Dividend Paid		**(60,000)**	-	**(60,000)**	-
Dividend Paid to Non Controlling Interests		**(643,669)**	(577,439)	**-**	-
Net Cash generated from/(used in) Financing Activities		**1,711,110**	2,784,573	**(199,168)**	146,929
Net Increase/(Decrease) in Cash and Cash Equivalents		**230,713**	312,653	**(200,619)**	(11,996)
Cash and Cash Equivalents at the beginning of the Year	19	**467,399**	154,746	**16,954**	28,950
Cash and Cash Equivalents at the end of the Year	19	**698,112**	467,399	**(183,665)**	16,954

The Notes from pages 79 to 197 form an integral part of these Financial Statements
Figures in brackets indicate deductions.

Statement of Cash Flows contd.

For the year ended 31st March,	Note	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000	COMPANY 2026 Rs.'000	COMPANY 2025 Rs.'000
A. Profit before Working Capital Changes					
Profit Before Tax		**3,358,650**	4,425,805	**1,487,676**	637,697
Adjustments for ;					
Depreciation and Amortisation	7.1	**1,930,283**	1,484,851	**7,602**	5,434
Dividend Income	5.1	**(83,592)**	(105,003)	**(269,882)**	(213,282)
Amortisation of Rent Income	28	**(42,919)**	(38,610)	**(42,919)**	(38,610)
Interest Expense	6	**3,563,560**	3,672,501	**89,374**	98,559
Amortisation of Intangible Assets	13	**26,181**	14,362	**-**	-
Amortisation of Capital Grants	25	**(31,991)**	(33,419)	**-**	-
Gain/(Loss) on Disposal of Property, Plant and Equipment/Sale of Rubber Trees	5.1	**(99,906)**	(40,319)	**(4,134)**	-
Exchange Loss on Translation of Foreign Currency Loan	23.3	**11,365**	(21,053)	**-**	-
Interest Income	6	**(190,512)**	(183,850)	**(65,272)**	(16,077)
Provision for Retirement Gratuity	7.2	**1,003,057**	842,216	**-**	-
Share of Profit of Equity Accounted Investees	15.1	**(183,333)**	(41,220)	**-**	-
Share of results of Joint Ventures	15.2	**(43,978)**	(168,829)	**-**	-
Gain on Disposal of Investments in Subsidiaries	5.1	**-**	-	**(1,225,055)**	(222,299)
Gain on Disposal of Investments in Associates	5.1	**(4,939)**	-	**(4,939)**	-
Change in Fair Value of Financial assets classified as FVTPL	5.1	**(538,276)**	(482,578)	**(2,762)**	(2,503)
Provision for/(Reversal of) Impairment fall in Value of Investments		**-**	-	**(260)**	(245,970)
Provision Impairment Loss on Trade & Other Receivables	5.3	**26,409**	47,874	**-**	-
Write off of Trade & Other Receivables	5.3	**34,462**	86,145	**-**	**-**
Provision for / (Reversal of) Impairment of Related Party Receivables	5.3	**127**	(3,639)	**19,060**	2,804
Change in Fair Value of Biological Assets	5.1	**(326,100)**	(310,190)	**-**	-
Provision Impairment of Investment Property	12	**21,110**	-	**-**	-
Write off of Inventory	5.2	**98,527**	-	**-**	-
Write off of Property Plant & Equipment	5.2	**42,327**	1,945	**-**	-
Provision for Impairment on Obsolete / Slow moving Inventories	5.2	**417,324**	280,093	**-**	-
Creditors No Longer Payable Written Back	5.1	**(137,271)**	(150)	**-**	-
Write-off of Investments during the year	5.2	**-**	-	**1,473**	-
Unclaimed Dividend Written Back		**-**	-	**-**	(760)
		8,850,565	9,426,932	**(10,038)**	4,993

Notes to the Financial Statements

1. REPORTING ENTITY

The Colombo Fort Land & Building PLC is a public limited liability company incorporated and domiciled in Sri Lanka. The registered office and principal place of business of the Company is located at No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01.

The ordinary shares of the Company are listed on the Colombo Stock Exchange. In the Annual Report of the Board of Directors and in the financial statements of the Company' refers to The Colombo Fort Land & Building PLC as the Parent Company and 'the Group' refers to the Companies whose accounts have been consolidated therein.

The principal activities of the Company include real estate and property development, management of an investment portfolio and provision of management services. The Companies within the Group are engaged in;

a) Real estate and property development.
b) Manufacture and marketing of chemicals, paints, hardware, building materials and packaging.
c) Manufacture and marketing of consumer disposables, food & beverage products and marketing and distribution of pharmaceuticals.
d) Marketing of motor vehicles & accessories and providing vehicle maintenance services.
e) Tourist hotels and inbound tour operations.
f) Production, processing and marketing of tea, rubber and desiccated coconut and cultivation and sale of palm oil.
g) Management of investment portfolios.
h) Provision of management services.

The Colombo Fort Land and Building PLC does not have any identifiable parent of its own. The Company is the ultimate parent of the Group.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Consolidated Financial Statements of the Group and the separate Financial Statements of the Company have been prepared in accordance with the Sri Lanka Accounting Standards (the "Accounting Standards"), as issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka). The Accounting Standards comprise:

- Sri Lanka Financial Reporting Standards ("SLFRS");
- Sri Lanka Accounting Standards ("LKAS");
- Statements of Recommended Practices (SoRPs);
- Statement of Alternate Treatment (SoATs) and
- Financial Reporting Guidelines issued by the CA Sri Lanka.

The Accounting Standards along with FAQs issued are available at the website of CA Sri Lanka www.casrilanka. com.

2.2 Basis of Measurement

The consolidated financial statements have been prepared on an accrual basis and under the historical cost basis, except for measurement of the following material items in the Statement of Financial Position:

- Derivative financial instruments are measured at fair value.
- Non-derivative financial instruments at fair value through profit or loss are measured at fair value.
- Non-derivative Financial instruments at fair value through Other Comprehensive Income are measured at fair value.
- Class of land under Property, Plant and Equipment is valued under Revaluation model. (Note 10.3)
- Biological assets (managed timber) are measured at fair value less costs to sell. (Note 10.6)
- Defined benefit assets are measured at the present value of the defined benefit obligations. (Note 27)

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

When measuring fair value of an asset or liability, the Group uses observable market data as far as possible. Fair Values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

Level 1 inputs : are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 inputs : are inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 inputs : are inputs that are not based on observable market data (unobservable inputs).

If inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.3 Functional and Presentation Currency

The financial statements are presented in Sri Lankan rupees, which is the Group's functional currency. All financial information presented in Sri Lankan rupees has been rounded to the nearest thousand, except when otherwise indicated.

2.4 Key Accounting Judgements and Estimates

The preparation of financial statements of the Group and the Company in conformity with SLFRSs/LKASs 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 and the disclosure of

contingent liabilities at the reporting date. Judgments and estimates are based on historical experience and other factors including expectations that believe to be reasonable under circumstances. Actual results may differ from those estimates and judgmental decisions.

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

2.4.1 Judgements

Judgments, estimates and assumptions made by management in the application of SLFRSs/LKASs that could have a significant effect on the financial statements are mentioned below.

	Policy No.	Note No.
Valuation of Property, Plant and Equipment	3.2.1	10
Valuation of Leasehold Property	3.10.1	12
Valuation of Intangible Assets	3.2.7	13
Deferred Tax	3.9.2	26
Valuation of Employee Benefit Liabilities	3.6	27
Valuation of Biological Assets	3.11.5	10.5
Leases	3.2.5	24
Provisions, Contingent Assets and Liabilities	3.7	36
Unquoted Investments	3.1.3	16.1.1.2
Recognition of subsidiaries based on de facto control over an investee	3.1.1	14

2.5 Materiality and Aggregation

Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

2.6 Comparative Information

Comparative information has been reclassified to conform to the current year's presentation, where necessary. Except when a standard permits or requires otherwise, comparative information is disclosed in respect of the previous period. Where the presentation or classification of items in the financial statements are amended, comparative amounts are reclassified unless it is impracticable.

2.7 Going Concern

In preparing these financial statements, the management has assessed the existing and anticipated the economic uncertainties on the Group and the appropriateness of the use of the going concern basis of preparation giving special attention on short to medium term economic outlook.

The Group's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for a foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.8 Current versus Non-Current Classification

The Group presents assets and liabilities in the Statement of Financial Position based on Current / Non-Current classification. An asset is Current when it is expected to be realized or intended to be sold or consumed in the normal operating cycle and held primarily for the purpose of trading or expected to be realized within twelve months after the reporting period or is Cash or Cash Equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-Current Assets.

A liability is Current when it is expected to be settled in the normal operating cycle and is held primarily for the purpose of trading and is due to be settled within twelve months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as Non-Current Liabilities.

3. MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these financial statements, except if mention otherwise.

3.1 Basis of Consolidation

The consolidated financial statements (referred to as the 'Group') comprise of the financial statements of the Group, its Subsidiaries and the Group's interest in equity accounted investees.

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

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 recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group losses control over a subsidiary, it;

- Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of any non-controlling interest.
- Derecognises the cumulative translation differences, recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss in the Statement of Profit or Loss and Other Comprehensive Income.
- Reclassifies the Parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

The Group measures goodwill at the acquisition date as the fair value of the consideration transferred including the recognised amount of any non-controlling interests in the acquiree, plus if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interests at fair value, or at their proportionate share of the recognised amount of the identifiable net assets, at the acquisition date. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition date fair value and recognises the resulting gain or loss, if any, in the Statement of Profit or Loss and Other Comprehensive Income.

3.1.1 Subsidiaries

Subsidiaries are those entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group controls an investee if, and only if, the Group has:

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

The Group considers all relevant facts and circumstances in assessing whether it has power over an investee which includes; the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements and the Group's voting rights and potential voting rights over the investee.

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

Entities that are subsidiaries of another entity which is a subsidiary of the company are also treated as subsidiaries of the company. The financial statements of subsidiaries are included in the consolidated financial statements from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date when such control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

The following companies in which the Group's effective holding is less than 50% have been consolidated as the group has the practical ability to direct the relevant activities of these entities, unilaterally.

Company Name	Holding
Agarapatana Plantations PLC	25.72%
Waverly Power (Private) Limited	25.72%
Muller & Phipps (Ceylon) PLC	28.81%
C.W. Mackie PLC	34.74%
Marawila Resorts PLC	35.99%
Sterling Steels (Private) Limited	38.33%
Laxapana PLC	38.33%
Lankem Developments PLC	39.93%
Kotagala Plantations PLC	40.65%
J.F. Packaging PLC	42.05%
Ceylon Tapes (Private) Limited	42.05%
Kiffs (Private) Limited	42.05%
Alliance Five (Private) Limited	42.05%
Sigiriya Village Hotels PLC	45.16%
ACME Printing and Packaging PLC	41.44%
Beruwala Resorts PLC	47.48%
York Arcade Holdings PLC	30.42%

3.1.2 Investments in Equity Accounted Investees (Associates and Jointly Controlled Entities)

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Joint ventures are arrangements in which the Group has joint control and have rights to the net assets of the arrangement. The Group has Joint Control in a venture when there is contractually agreed sharing of control of the venture and the decisions about the relevant activities of the venture require the unanimous consent of the parties sharing control.

Associates and Joint ventures are treated as equity accounted investees and are accounted for using the equity method.

Under the equity method Investments in equity-accounted investees are recognised initially at cost, which includes transaction costs. The carrying amount of the investment is adjusted at each reporting date to recognise changes in the Group's share of net assets of the equity-accounted investees arising since the acquisition date. Goodwill relating to the equity-accounted investees is included in the carrying amount of the investment. Dividends declared by the equity-accounted investees are recognised against the equity value of the Group's investment.

The income statement reflects the Group's share of the results of operations of the equity accounted investees. When there is a change recognised directly in the Other Comprehensive Income or equity of the entity, the Group recognises its share of any changes, when applicable, in the statement of profit or loss and Other Comprehensive Income or the changes in equity. Unrealised gains and losses resulting from transactions between the Group and the equity-accounted investees are eliminated to the extent of the interest in the equity-accounted investees.

The Group's share of profit or loss of equity accounted investees is shown on the face of the income statement and represents profits or loss after tax of the entity.

Adjustments are made if necessary, to the financial statements of the equity accounted investees to bring the accounting policies in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its equity accounted investee. The Group determines at each reporting date whether there is any objective evidence that the investment in the equity accounted investee is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the equity-accounted investees and its carrying value and recognises the amount in 'share of losses of an equity accounted investee' in the income statement.

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

Non-Controlling Interest

Non-controlling interest which represents the portion of profit or loss and net assets not held by the Group, are shown as a component of profit or loss for the year in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and as a component of equity in the Consolidated Statement of Financial Position, separately from the Parent's shareholders' equity.

Summarised financial Information in respect of subsidiaries that have non-controlling interests that are material to the reporting entity (i.e., the Group) is disclosed separately when applicable.

3.1.3 Other Long-Term Investments

Investment in companies where the Group's holding is less than 20% and where the Group does not exercise significant influence and/or control over the financial and operating policies/decisions are accounted for on the basis stated in Note 3.3 below. The income from these investments is recognised only to the extent of dividend received.

3.1.4 Profits and Losses

The total profits and losses of the Company and its subsidiaries for the period are included in the consolidation. The proportion of the profit or loss after taxation attributable to non-controlling interest shareholders of the subsidiaries is shown as a component of profit for the period in the Consolidated Statements of Comprehensive Income.

.

3.1.5 Assets and Liabilities

All assets and liabilities of the Company and its subsidiaries are included in the Consolidated Statement of Financial Position. Non-controlling interest which represents the proportion of interest attributable to non-controlling interest of subsidiaries in the net assets employed by the Group is disclosed as a component of equity in the Consolidated Statement of Financial Position, separately from the Parent shareholders' equity.

3.1.6 Transactions Eliminated on Consolidation

All intra group balances and transactions, income and expenses and profits and losses resulting from intra group transactions that are recognised in assets, liabilities, income and expenses are eliminated in preparing the consolidated financial statements.

3.1.7 Reporting Date

All subsidiaries and equity accounted investees of the Group have a common financial year as the Parent Company other than Sunquick Lanka Property (Private) Limited. Whose financial year ends on 31st December. Group incorporates the results of Sunquick Lanka Property (Private) Limited up to 31st March in the Group's financial statements.

3.1.8 Foreign Currency Transactions

All foreign currency transactions are translated to Sri Lankan Rupees at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into local currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between the amortised cost in Sri Lankan Rupees at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

3.2 Property, Plant & Equipment

3.2.1 Recognition and Measurement

Items of property, plant & equipment except freehold land are measured at cost less accumulated depreciation and accumulated impairment losses. From 31 March 2019, freehold land of the Group is recognised at revalued amount and such revaluation will be assessed once in three years.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labour
- Any other costs directly attributable to bringing the assets to a working condition for their intended use
- When the entity has an obligation to remove the asset or restore the site an estimate of the costs of dismantling and removing the items and restoring the site on which they are located
- Capitalised borrowing costs

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

Any gain or loss on disposal of an item of property, plant & equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Upon transition to SLFRSs/LKASs the Group elected to apply the optional exemption to use the previous revaluation as deemed cost on 1st April, 2011, the date of transition.

3.2.2 Subsequent Expenditure

The cost of replacing part of an item of property, plant & equipment is recognised 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 those parts that are replaced is derecognised in accordance with the derecognition policy given below. The costs of the day-to-day servicing of property, plant & equipment are recognised in profit or loss as incurred.

3.2.3 Derecognition and Depreciation

Items of property, plant & equipment are derecognised upon replacement, disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss and Other Comprehensive Income in the year the asset is derecognised.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each part of an item of property, plant & equipment. Assets held under finance leases are depreciated over the shorter of the lease term and the useful lives of equivalent owned assets. Freehold land is not depreciated.

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 derecognised. Provision for depreciation is calculated by using a straight-line method on the cost or valuation of all property, plant & equipment, other than freehold land, in order to write off such amounts over the estimated useful economic life of such assets.

The estimated useful lives of assets are as follows:

Assets	Years
Freehold Buildings	10-50
Plant & Machinery	05-20
Motor Vehicles	03-05
Office Equipment	04-10
Furniture & Fittings	04-10
Computer Equipment	04-06
Electricity	20
Mature Plantations - Tea	33 1/3
Mature Plantations - Rubber	20
Mature Plantations - Oil Palm	20
CTC Machinery	20
Assets of JEDB/ SLSPC Estates -Bare Land -Buildings	 53 25
Linen, Cutlery & Crockery	On replacement basis /4 years

The useful life and residual value of assets are reviewed, and adjusted if required, at the end of each financial year.

3.2.4 Finance Leases

Property, plant & equipment on finance leases, which effectively transfer to the Group substantially all the risk and benefits incidental to ownership of the leased items, are classified as leasehold assets under the property, plant & equipment and stated at an amount equal to the lower of their fair value and the present value of

minimum lease payments at the inception of the lease, less the accumulated depreciation. Depreciation is made over the remaining lease or the useful life of the asset, whichever is shorter.

3.2.5 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in SLFRS 16. This policy is applied to contracts entered into, on or after 1 April 2019.

3.2.5.1 As a Lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Group entities uses its incremental borrowing rate as the discount rate.

The Group entities determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an
- extension option, and penalties early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in "Right-of-use" assets and lease liabilities in interest bearing loans and borrowings in the statement of Financial Position.

Short term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.2.5.2 As a Lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risk and rewards

incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic useful life of the asset.

When the Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies sub-lease as an operating lease.

The Group recognises lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of 'other income'. Generally, the accounting policies to the Group as a lessor in the comparative period were not different from SLFRS 16.

3.2.6 Investment Property

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

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 labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Upon transition to SLFRSs/LKASs the Group elected to apply the optional exemption to use fair value as at the date of transition, 1st April 2011 as deemed cost. Consequently, investment property is measured at deemed cost less accumulated depreciation and any impairment losses. Depreciation is recognised on a straight-line basis over the estimated useful life of the investment property.

Investment properties are derecognised when disposed of, or permanently withdrawn from use because no future economic benefits are expected. Any gains or losses on retirement or disposal are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the year of retirement or disposal. Transfers are made to and from investment property only when there is a change in use in accordance with the criteria listed in LKAS 40 - Investment Property.

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

3.2.7 Intangible Assets

An intangible asset is initially recognised at cost, if it is probable that future economic benefit will flow to the enterprise, and the cost of the asset can be measured reliably.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life, from the date that they are available for use and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Amortisation

The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at least once at each financial year end.

The estimated useful lives on Intangible Assets for current and comparative periods are as follows:

Software - 3 to 5 years

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level.

Goodwill

Goodwill arising on an acquisition represents the excess of the cost of acquisition over the fair value of net assets acquired. Goodwill is measured at cost less accumulated impairment losses.

Gain from bargain purchase arising on an acquisition represents the excess of the fair value of the net assets acquired over the cost of acquisition. Gain from bargain purchase is recognised immediately in the Statement of Profit or Loss and Other Comprehensive Income.

Software

All computer software cost incurred, which are not internally related to associate hardware, which can be clearly identified, reliably measured and its probable that they will lead to future economic benefits, are included in the Statement of Financial Position under the category of intangible assets.

3.2.8 Inventories

Inventories are measured at lower of cost and estimated net realisable value.

In general, cost is determined on weighted average basis other than in Candy Delights Limited whose cost of inventory is determined on first-in, first out basis (FIFO).

The cost includes all expenses incurred in acquiring the inventories and bringing them to their existing condition. In the case of finished products, cost includes all direct expenditure and production overheads based on the normal level of activity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated selling expenses and where applicable, cost of conversion from their existing state to the finished condition.

Provision is made for obsolete, slow moving and defective inventories where necessary.

Goods in transit are determined based on actual cost.

3.3 Financial Instruments

3.3.1 Recognition and Initial Measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provision of the instrument.

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 at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.3.2 Classification and subsequent measurement

3.3.2.1 Financial Assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity instrument; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated 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.

A debt investment 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 Group 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.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permit or requires prepayment at an annual amount that substantially represent the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

3.3.2.2 Financial Liabilities

Classification, subsequent measurement and gains and losses Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.3.2.3 Derivative Financial Instruments

Derivatives are initially recognised at fair value; any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

3.3.3 De-recognition

3.3.3.1 Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial: asset expire, or it transfers the rights to receive the, contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

3.3.3.2 Financial Liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also

derecognises a financial liability when its terms are modified and the cash flows of the modified are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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

3.3.4 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.3.5 Impairment

3.3.5.1 Non-derivative Financial Assets

The Group recognises loss allowances for Expected Credit Loss (ECL) on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group measures loss allowance at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equals to life time ECLs.
When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.
The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligation to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data;

- significant financial difficulty of the borrower;
- a breach of contract such as default or being more that 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.
For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 90 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3.3.5.2 Non-financial Assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indicator exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds it recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.4 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash balances fixed deposits maturity within less than 3 months and call deposits that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short term commitments.

3.5 Stated Capital

Ordinary Shares

Ordinary shares are classified as equity. As per the Companies Act No. 07 of 2007, Section 58 (1), stated capital in relation to a Company means the total of all amounts received by the Group or due and payable to the Group in respect of the issue of shares and in respect of call in arrears.

3.6 Employee Benefits

Defined Benefit Plans - Retirement 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 for each plan 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. Any unrecognised past service costs and the fair value of any plan assets are deducted.

The defined benefit obligation is calculated annually by independent qualified actuaries using Project Unit Credit method (PUC) as recommended by LKAS 19 - Employee Benefits. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows.

The actuarial gain or losses arising from defined benefit plans are recognised immediately in Other Comprehensive Income.

However, according to the Payment of Gratuity Act No. 12 of 1983, the liability for the gratuity payment to an employee arises only on the completion of 5 years of continued service.

Provisions has not been made for gratuity in the Financial Statements of the Company as per LKAS 19 – 'Employee Benefits', since the Company did not employ any staff. All staff related services are provided by Corporate Managers & Secretaries (Pvt) Ltd.

Defined Contribution Plan - Employees' Provident Fund & Employees' Trust Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. All employees who are eligible for Provident Fund Contributions and Trust Fund Contributions are covered by relevant contribution funds in line with respective statutes and regulations.

Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Contribution for Employees Provident Fund and Employees Trust Fund have not been made since the Company does not employ any staff.

When the benefits of a plan are changed or when a plan is curtailed, resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3.7 Provisions, Contingent Assets and Contingent Liabilities

Provisions are made for all obligations present, legal or constructive obligations existing as at the reporting date when it is probable that such an obligation will result in an outflow of resources and a reliable estimate can be made of the quantum of the outflow.

All contingent liabilities are disclosed as a note to the financial statements unless the outflow of resources is remote.

Contingent assets are disclosed, where inflow of economic benefit is probable.

3.8 Statement of Profit or Loss and Other Comprehensive Income

3.8.1 Revenue Recognition

As per SLFRS 15, Revenue from contracts with customers, revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes.

The nature and timing of the satisfaction of performance obligations in contract with customers, including significant payment terms, and the related revenue recognition policies are given below:

Sale of Goods

Customers obtain control of products when the goods are delivered to and have been accepted at their premises. Invoices are generated at that point in time. Invoices are usually payable within 30/60/90 days based on the product category.

Rendering of Services

Revenue from rendering of services is recognized in the accounting period in which the services are rendered or performed.

Revenue from Hotel Services

Revenue is recognised on the rooms occupied on a daily basis and food and beverage and other hotel related sales are recognised at the point of sale.

3.8.1.1 Other Sources of Revenue Dividend Income

Dividend Income is recognised in the Statement of Profit or Loss on the date when the entities right to receive payment is established.

Finance Income

Finance income comprises interest income on funds invested (including Financial Assets at FVTPL), gains on the disposal and Fair Value Gains on Financial Assets at fair value through Profit or Loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Rental Income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease.

Other Income - Other income recognised based on the actual basis Gains and losses of a revenue nature on the disposal of Property, Plant and Equipment and other non-current assets are recognised by comparing the net sales proceeds with the carrying amount of the corresponding asset and are recognised net within 'other income' in the Statement of Profit or Loss.

3.8.2 Expenditure Recognition

All expenditure incurred in the running of the business and in maintaining the property, plant & equipment in a state of efficiency has been charged to Statement of Profit or Loss and Other Comprehensive Income in arriving at the profit for the year.

Expenditure incurred for the purpose of acquiring and extending or improving assets of a permanent nature by means of which to carry on the business or for the purpose of increasing the earning capacity of the business has been treated as capital expenditure.

For the purpose of presentation of the Statement of Profit or Loss and Other Comprehensive Income, the "function of expenses" method has been adopted, on the basis that it presents fairly the elements of the Company and the Group's performance.

3.8.3 Finance Income and Finance Costs

Finance income comprises interest income on funds invested (including Financial Assets at FVTPL). Interest income is recognised as it accrues in the Statement of Profit or Loss and Other Comprehensive Income, using the effective interest method.

Finance costs comprise of all interest and other costs incurred in connection with borrowings, and are recognised as an expense in the period in which they are incurred, unless they are incurred in respect of qualifying assets in which case it is capitalised.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3.9 Income Tax Expenses

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

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under LKAS 37 Provisions, Contingent Liabilities and Contingent Assets.

3.9.1 Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date and any adjustments to tax payable in respect of previous years.

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

3.9.2 Deferred Tax

Deferred taxation is the tax attributable to the temporary differences that arise when taxation authorities recognise and measure assets and liabilities with rules that differ from those used in the financial statements.

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

Deferred tax assets are recognised for all deductible temporary differences, unused tax credits and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, the unused tax credits and tax losses carried forward can be utilised.

Deferred tax is not recognised for the following temporary differences:

- Taxable temporary differences arising on the initial recognition of goodwill
- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects either accounting or taxable profit
- Temporary differences related to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future.

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

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Tax withheld in dividend income from subsidiaries and associates is recognised as an expense in the consolidated Statement of Profit or Loss and Other Comprehensive Income at the same time as the liability to pay the related dividend is recognised.

Deferred tax assets and liabilities recognised by individual companies within the Group are disclosed separately as assets and liabilities in the Group Statement of Financial Position and are not offset against each other.

3.10 Accounting Policies Which are Specific to the Business of Plantation Companies

The plantation companies in the Group adopt certain accounting policies, which differ from that of the Group since the nature of operation of the plantation companies is significantly different from that of the rest of the Group. Those accounting policies of plantation companies that significantly vary from the rest of the Group are given below:

3.10.1 Leasehold Properties

Leasehold properties comprise of leasehold rights of assets (bare lands and immovable lease assets) taken over from Janatha Estate Development Board (JEDB) / Sri Lanka State Plantation Corporation (SLSPC) on a long term basis.

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right- of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The leasehold rights of assets taken over from JEDB/SLSPC are amortised in equal amounts over the shorter of the remaining lease periods and the useful lives as follows:

3.10.2 Permanent Land Development Costs

Permanent land development costs are those costs incurred to make major changes to land contours to build new access roads and other major infrastructure development. Such expenditure on leasehold land has been capitalised and amortised over the remaining lease period. Permanent impairments to land development costs are charged to the Statement of Profit or Loss and Other Comprehensive Income in full or reduced to the net carrying amounts of such asset in the year of occurrence after ascertaining the loss.

3.10.3 Limited Life Land Development Costs (Mature and Immature Plantations)

The cost of new planting, replanting, inter-planting and crop diversification incurred between the time of field development and being ready for commercial harvesting are classified as immature plantations. Further, the general charges incurred on the plantation are apportioned on the labour days spent on respective replanting and new planting, and capitalised on the immature areas. The remaining portion of the general charges is charged to the Statement of Profit or Loss and Other Comprehensive Income in the year in which it is incurred. No depreciation is provided for immature plantation.

The total expenditure incurred on perennial crops (Tea & Rubber) which come into bearing during the year have been transferred to mature plantations and depreciated over its useful life time. No

depreciation has been charged on mature plantations in the year of transfer. Permanent impairments to land development costs are charged to the Statement of Profit or Loss and Other Comprehensive

Income in full or reduced to the net carrying amounts of such assets in the year of occurrence after ascertaining the loss.

3.10.4 Infilling Cost on Bearer Biological Assets

Where Infilling results in an increase in the economic life of the relevant field beyond its previously assessed standard of performance, the costs are capitalized and depreciated over the useful life at rates applicable to mature plantations. Infilling costs that are not capitalized have been charged to the Statement of Comprehensive Income in the year in which they are incurred.

3.10.5 Inventories

Finished Goods Manufactured from Agricultural Produce of Biological Assets.

These are valued at the lower of cost and estimated net realisable value, after making due allowance for obsolete and slow moving items. Net realisable value is the estimated selling price at which stocks can be sold in the ordinary course of business after allowing for cost of realisation and/or cost of conversion from their existing state to saleable condition.

Input Material	At average cost (Agarapatana Plantations PLC At actual cost on FIFO basis (Kotagala Plantations PLC)
Growing Crop-Nurseries	At the cost of direct materials, direct labour and an appropriate proportion of directly attributable overheads less provision for overgrown plants.
Spares & Consumables Produce Stocks	At actual cost on FIFO basis. Estimated realisable price or since realised price or cost

3.10.6 Grants and Subsidies

Grants are recognised where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is set up as deferred income. Where the Group receives non-monetary grants, the asset and that grant are recorded at nominal amounts and are released to the Statement of Profit or Loss and Other Comprehensive Income over the expected useful life of the relevant asset by equal annual instalments.

3.10.7 Retirement Benefit Obligations

The Retirement Benefit Plan adopted is as required under the Payment of Gratuity Act No.12 of 1983 to eligible employees. This item is grouped under Retirement Benefit Obligations in the Statement of Financial Position.

All Workers and Staff

Provision of gratuity for all workers and staff is on actuarial basis, using the Projected Unit Credit (PUC) method. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using the interest rates that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised as income and expense in the period in which they arise. Past service costs are recognised immediately in the Statement of Profit or Loss and Other Comprehensive Income.

The actuarial valuation was carried out by a professionally qualified Actuaries as disclosed in Note 27.

The Group expects to carry out actuarial valuation every year. The key assumptions used by the actuary include the following.

- Rate of Interest - 9% - 11% p.a.
- Salary Increment Rate - Staff 7% - 10% per annum
- Retirement Age - 55 to 60 years

3.10.8 Biological Assets

Biological assets are classified as mature biological assets and immature biological assets. Mature biological assets are those that have attained harvestable specifications or are able to sustain regular harvests. Immature biological assets are those that have not yet attained harvestable specifications. Tea, rubber, other plantations and nurseries are classified as biological assets.

Biological assets are further classified as bearer biological assets and consumable biological assets. Bearer biological asset includes tea trees, those that are not intended to be sold or harvested, however used to grow for harvesting agricultural produce from such biological assets. Consumable biological assets include managed timber that are to be harvested as agricultural produce or sold as biological assets.

The entity recognise the biological assets when, and only when, the entity controls the assets as a result of past event, it is probable that future economic benefits associated with the assets will flow tothe entity and the fair value or cost of the assets can be measured reliably.

The bearer biological assets are measured at cost less accumulated depreciation and accumulated impairment losses, if any, in terms of LKAS 16 – Property Plant & Equipment.

The cost of land preparation, rehabilitation, new planting, replanting, crop diversification, inter planting and fertilizing etc. incurred between the time of planting and harvesting (when the planted area attains maturity), are classified as immature plantations. These immature plantations are shown at direct costs plus attributable overheads. The expenditure incurred on bearer biological assets

(Tea) which comes into bearing during the year, is transferred to mature plantations.

The managed timber is measured on initial recognition and at the end of each reporting period at its fair value less cost to sell in terms of LKAS 41. The cost is treated as approximation to fair value of young plants as the impact on biological transformation of such plants to price during this period is immaterial. The fair value of timber trees are measured using Discounted Cash Flow (DCF) method taking into consideration the current market prices of timber, applied to expected timber content of a tree at maturity by an independent professional valuer.

Nursery cost includes the cost of direct materials, direct labour and an appropriate proportion of directly attributable overheads, less provision for overgrown plants.

The gain or loss arising on initial recognition of biological assets at fair value less cost to sell and from a change in fair value less cost to sell of biological assets are included in the Statement of Profit or Loss and Other Comprehensive Income for the period in which it arises.

Impairments to biological assets are charged to the Profit or Loss Statement in full and reduced to the net carrying amounts of such asset in the year of occurrence after ascertaining the loss.

3.11 Borrowing Costs

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset, which takes a substantial period of time to get ready for its intended use or sale,are capitalised as a part of the asset.

Borrowing costs that are not capitalised are recognised as expenses in the period in which they are incurred and charged to the Statement of Profit or Loss and Other Comprehensive Income.

The amounts of the borrowing costs which are eligible for capitalisation are determined in accordance with LKAS 23 – "Borrowing Costs".

3.12 Statement of Cash Flows

The Statement of Cash Flows has been prepared using 'indirect method'. Interests paid are classified as operating cash flows while dividends paid are classified as financing cash flows. Interests and dividends received are classified as investing cash flows for the purpose of presentation of Statement of Cash Flows.

For the purpose of Statement of Cash Flows, cash & cash equivalents consist of cash at bank and in hand and short-term deposits net of outstanding bank overdrafts.

3.13 Segmental Reporting

A segment is a distinguishable component of an enterprise that is engaged in either providing products or services (Business Segments) or in providing products or services within a particular economic environment (Geographic Segment) which is subject to risks and rewards that are different from those of other segments.

Segment information is presented in respect of the Group's business activities. The business segment has been identified as the primary segment of the Group as there are no distinguishable components to be identified as geographical segments for the Group. The business segments are reported based on the Group's management and internal reporting structure.

3.14 Related Party Transactions

Disclosures have been made in respect of the transactions between parties who are defined as related parties as per Sri Lanka Accounting Standards (LKAS) 24 – Related Party Disclosures.

3.15 Earnings per Share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.16 Events after the Reporting Period

All material occurring events after the reporting period have been considered and appropriate adjustments to or disclosures have been made in the financial statements.

3.17 Operating Profit

Operating profit is the result generated from the continuing principal revenue producing activities of the Group as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, share of profit of equity accounted investees and income taxes.

3.18 Financial Risk Management Policies

The Group's principal financial liabilities comprise of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group has loan and other receivables, trade and other receivables, and cash and short-term deposits that arrive directly from its operations. The Group also holds debt and equity instruments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management monitors these risks. The Group's senior management is supported by an Audit Committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The Audit Committee provides assurance to the Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with group policies and group risk appetite.

The Group's objectives, policies and processes for measuring and managing risk from financial instruments and the management of capital are reported separately in Note 32 in conformity with Sri Lanka Financial Reporting Standards.

3.19 Directors responsibilities

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

3.20 Accounting Standards issued but not yet effective as at 31 March 2026

The Institute of Chartered Accountants of Sri Lanka has issued a number of new amendments to Sri Lanka Accounting Standards (SLFRSs/ LKASs) that are effective for annual periods beginning after the current financial year. Accordingly, the Group has not early adopted them in preparing these financial statements.

3.20.1 SLFRS 18 Presentation and Disclosure in Financial Statement

SLFRS 18 will replace LKAS 1 Presentation of Financial Statements and is applicable for annual reporting periods beginning on or after 01 January 2027. The new accounting standard introduces the following key new requirements.

Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax catego ries. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change.

Management-defined performance mea sures (MPMs) are disclosed in a single note in the financial statements. Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements.

3.20.2 Classification and Measurement of Financial Instruments

(Amendments to SLFRS 9 and SLFRS 7)

3.20.3 Subsidiaries without Public Accountability Disclosures (SLFRS 19)

4. REVENUE

For the year ended 31 March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
4.1 Revenue Streams				
Revenue from Sale of Goods	**100,928,923**	92,828,642	**-**	-
Revenue from Rendering of Services	**3,403,396**	3,080,432	**143,260**	134,396
Revenue from Other Sources	**189,382**	67,282	**-**	-
Less: Revenue related Taxes	**(10,534,623)**	(7,087,576)	**-**	-
Net Revenue	**93,987,078**	88,888,780	**143,260**	134,396
4.2 Business Segment Analysis				
Trading of Consumer Products	**66,947,890**	61,948,271	**-**	-
Trading of Industrial Products	**25,745,288**	24,357,061	**-**	-
Leisure	**2,910,478**	2,794,911	**-**	-
Plantations	**13,057,234**	12,404,871	**-**	-
Others	**3,184,774**	3,240,650	**143,260**	134,396
	111,845,664	104,745,764	**143,260**	134,396
Inter-Segment Revenue	**(17,858,586)**	(15,856,984)	**-**	-
Net Revenue	**93,987,078**	88,888,780	**143,260**	134,396

4.3 Business Segment Analysis of Revenue

Segmentation has been determined based on the operating activities of the companies or the sector, where multiple activities fall within one company or sector has been based on the core activities of that particular sector.

Trading Consumer Products	-	Manufacturing, Selling and Distribution of Consumer Products
Trading Industrial Products	-	Manufacturing, Selling and Distribution of Industrial Products
Leisure	-	Owning and Operation of Hotels
Plantation	-	Cultivation and Processing of Tea and Rubber
Others	-	Investment Holdings, Special Projects and Other Services

4.4 Timing of Revenue Recognition

For the year ended 31 March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Products and Services Transferred at a Point in Time	**93,656,680**	88,607,940	**143,260**	134,396
Products and Services Transferred Over Time	**330,398**	280,840	**-**	-
	93,987,078	88,888,780	**143,260**	134,396

5. OTHER INCOME / (EXPENSES)

For the year ended 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
5.1 Other Income				
Gain on disposal of Property, Plant and Equipment	**61,269**	40,319	**4,134**	-
Dividend Income	**83,592**	105,003	**269,882**	213,282
Sale of Rubber Trees	**42,831**	140,640	**-**	-
Amortisation of Grants and Subsidies (Note 25)	**31,991**	33,419	**-**	-
Net Gain on Disposal of Subsidiaries shares	**-**	-	**1,225,055**	222,299
Net Gain on Disposal of Associate shares	**4,939**	-	**4,939**	-
Gain on Investments Disposal	**12,242**	7,419	**-**	-
Commission Income	**18,794**	3,648	**1,585**	601
Creditors No Longer Payable Written Back	**137,271**	150	**-**	-
Change in Fair Value of Biological Assets (Note 10.6.1)	**326,100**	310,190	**-**	-
Rental Income	**88,448**	108,649	**-**	-
Gain on Financial Assets at Fair Value through Profit or Loss	**538,276**	482,578	**2,762**	2,503
Sundry Income	**318,963**	272,101	**9,136**	6,349
	1,664,716	1,504,116	**1,517,493**	445,034
5.2 Other Expenses				
Write off of Inventories	**98,527**	-	**-**	-
Provision for Obsolete/Slow moving of Inventories	**417,324**	280,093	**-**	-
Loss on sale Property Plant and Equipment	**4,194**	-	**-**	-
Write off of Property Plant and Equipment	**42,327**	-	**-**	-
Write off of Investments	**-**	-	**1,473**	-
Others	**67,636**	988	**-**	-
	630,008	281,081	**1,473**	-
5.3 Impairment (made) / reversed on Financial Assets				
Provision for impairment of trade receivables	**(26,409)**	(47,874)	**-**	-
Provision for Impairment (made) / reversed of Related Party Receivables	**(127)**	3,639	**(19,060)**	(2,804)
Write off of Trade and other Receivables	**(34,462)**	(101)	**-**	-
	(60,998)	(44,336)	**(19,060)**	(2,804)

6. NET FINANCE COSTS

For the year ended 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Finance Income				
Interest Income	**190,512**	183,850	**65,272**	16,077
Total	**190,512**	183,850	**65,272**	16,077
Finance Costs				
Interest on Short-Term Loans - Related Parties	**-**	-	**68,198**	79,711
Interest on Loans	**2,806,247**	3,197,982	**12,552**	18,848
Interest on Lease Obligations	**102,435**	149,205	**-**	-
Interest on JEDB/SLPC Estate Lease (Note 23.1)	**180,264**	170,179	**-**	-
Debenture Interest	**9,130**	9,357	**-**	-
Interest on Bank Overdraft	**224,360**	127,815	**8,624**	-
Other Interest	**70,635**	127,331	**-**	-
Net gain on Translation of Foreign Currency	**216,895**	(91,244)	**-**	-
Amount Capitalised	**(46,406)**	(18,124)	**-**	-
Total	**3,563,560**	3,672,501	**89,374**	98,559
Net Finance Costs	**3,373,048**	3,488,651	**24,102**	82,482

7. PROFIT BEFORE TAXATION

Is stated after charging all expenses including the following:

For the year ended 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Audit Services				
KPMG	**62,232**	52,118	**2,825**	2,775
Other Auditors	**16,768**	13,707	**-**	-
Non-Audit Services				
KPMG	**7,085**	6,126	**286**	260
Other Auditors	**13,339**	22	**-**	-
Amortisation of Intangible Assets (Note 13.2 & 13.3)	**26,181**	14,362	**-**	-
Depreciation and amortisation (Note 7.1)	**1,930,283**	1,484,851	**7,602**	5,433
Director's Remuneration	**1,151,560**	962,669	**25,800**	13,312
Personnel Costs (Note 7.2)	**12,887,122**	12,717,976	**-**	-
Donations	**434**	557	**50**	50

7.1 Depreciation and amortisation

Property, Plant and Equipment (Note 10.1 & 10.2)	**1,580,867**	1,200,479	**3,120**	1,383
Right of use Assets (Note 11)	**319,319**	255,741	**-**	-
Investment Property (Note 12)	**30,097**	28,631	**4,482**	4,050
	1,930,283	1,484,851	**7,602**	5,433

For the year ended 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
7.2 Personnel Costs				
Salaries and Wages	**10,707,147**	10,700,460	-	-
Defined Contribution Plan Cost - EPF & ETF	**1,176,918**	1,175,300	-	-
Defined Benefit Plan Cost - Retiring Gratuity (Note 27.1 , 27.2.1 & 27.4.1)	**1,003,057**	842,216	-	-
	12,887,122	12,717,976	-	-

8. INCOME TAX EXPENSE / (REVERSAL)

For the year ended 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Current Income Tax Expense				
Taxation on Profit for the Year (Note 8.1)	**1,331,706**	1,140,060	-	-
Under Provision on Taxation in respect of Previous Years	**68,081**	(55,713)	-	-
Taxes on dividend received	**209,045**	203,484	-	-
	1,608,832	1,287,831	-	-
Deferred Tax Expense				
(Reversal) / Origination of Temporary Differences (Note 26.1 & 26.2)	**(48,797)**	596,845	**(10,515)**	(8,993)
	1,560,035	1,884,676	**(10,515)**	(8,993)

8.1 Taxation on Profit for the Year

Reconciliation of Accounting Profit to Income Tax Expense				
Profit before Tax	**3,358,650**	4,425,805	**1,487,676**	637,697
Intra-Group Adjustments	**2,443,551**	3,465,883	-	-
	5,802,201	7,891,688	**1,487,676**	637,697
Aggregate Disallowed Expenses	**5,182,705**	3,773,723	**51,885**	27,134
Aggregate Allowable Items	**(6,695,333)**	(7,096,252)	**(88,191)**	(277,942)
Tax Exempt Income	**(1,548,782)**	(422,429)	**(1,499,876)**	(435,581)
Income not part of Assessable Income	**(1,208,982)**	(1,531,051)	-	-
Aggregate Tax Losses from Business	**2,993,214**	1,784,433	-	-
Statutory Income / (Loss)	**4,525,023**	4,400,112	**(48,506)**	(48,692)
Other Source of Income	**702,934**	1,442,388	**44,736**	16,077
Tax Losses utilised during the year	**(791,774)**	(2,042,300)	**(44,736)**	(16,077)
Taxable Income	**4,436,183**	3,800,200	-	-
Income Tax @ 30%	**1,330,856**	1,140,060	-	-
Income Tax @ 15%	**850**	-	-	-
Current Income Tax Expenses	**1,331,706**	1,140,060	-	-

8.1.a Reconciliation of Effective Tax Rates

For the year ended 31st March,	GROUP			
	2026		2025	
	Rs.'000	%	Rs.'000	%
Profit Before Tax after Intercompany adjustments	5,802,201		7,891,688	
Income tax expense at the average statutory income tax rate	1,740,660	30%	2,367,506	30%
Aggregate Disallowable Expenses	1,554,813	27%	1,132,117	14%
Aggregate Allowable Expenses	(2,008,600)	-35%	(2,128,875)	-27%
Exempt Under Schedule- 03	(464,635)	-8%	(126,729)	-2%
Income not part of Assessable Income	(362,695)	-6%	(459,315)	-6%
Aggregate Tax Losses from Business	897,964	15%	535,330	7%
Income from Other Sources	210,880	4%	432,716	5%
Tax Losses Claimed	(237,532)	-4%	(612,690)	-8%
Income Tax at Other Rates	850	0%	-	0%
Tax on Dividend Income	209,045	4%	203,484	3%
Over Provision of Current Tax of previous years	68,081	1%	(55,713)	-1%
(Reversal) /Origination/of Temporary Differences	(48,797)	-1%	596,845	8%
	1,560,035	27%	1,884,676	24%

For the year ended 31st March,	COMPANY			
	2026		2025	
	Rs.'000	%	Rs.'000	%
Profit before Tax	1,487,676		637,697	
Income tax expense at the average statutory income tax rate	446,303	30%	191,309	30%
Aggregate Disallowed Expenses	15,566	1%	8,140	1%
Aggregate Allowable Items	(26,457)	-2%	(83,383)	-13%
Tax Exempt Income	(449,963)	-30%	(130,674)	-20%
Statutory (Loss)	(14,552)	-1%	(14,608)	-2%
Other Source of Income	13,421	1%	4,823	1%
Tax Losses utilised during the year	(13,421)	-1%	(4,823)	-1%
(Reversal) / Origination of Temporary Differences	(10,515)	-1%	(8,993)	-1%
	(10,515)	-1%	(8,993)	-1%

8.1.b Reconcilliation of the Tax Losses

For the year ended 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Tax Losses B/F	7,805,783	18,312,845	77,573	42,948
Adjustment in respect of Prior Year	4,291,544	(5,709,464)	18,924	2,010
Tax Loss for the Year	3,068,473	1,198,928	48,506	48,692
Tax Loss utilised	(791,774)	(2,042,300)	(44,736)	(16,077)
Losses transferred from business to investment	(7,934)	-	-	-
Disallowed tax loss due to expiration	(4,870,511)	(3,954,226)	-	-
Tax Loss C/F	9,495,581	7,805,783	100,267	77,573

8.2 Taxation Rates

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

8.3 Revaluation Surplus on Freehold Land

As per section 6 and Chapter IV of the Inland Revenue Act No. 24 of 2017, freehold land used for business or investment purpose would be liable to tax at the time of realisation. Accordingly, deferred tax is recognised on the revaluation surplus of freehold land which are treated as capital assets used in the business for tax purposes. In accordance with Sri Lanka Accounting Standareds, the deferred tax impact has been charged to retained earnings as the related surplus has been previously added to retained earnings.

8.4 Tax Loss Carried forward

As per the Gazette notification issued in relation to Transitional Provisions, any unclaimed tax losses carried forward under the Inland Revenue Act No. 10 of 2006 and amendments thereto are deemed to be losses incurred in the Year of Assessment 2018/19 and will be carried forward as per the provisions of the Inland Revenue Act No. 24 of 2017 and amendments thereto. Further, the Section 19 of the Inland Revenue Act No. 24 of 2017 and amendments thereto stipulate that, any unrelieved tax losses can be carried forward for 6 years, from the year of assessment of such losses had been incurred.

8.5 Disallowed Finance Costs

As per the Subsection (3) of Section 18 of the Inland Revenue Act No. 24 of 2017, finance cost for which a deduction is denied as a result of Subsection (1) of the same section, may be carried forward and treated as incurred during any of following six years of assessment, only to the extent of any unused limitation in Subsection (2) of the same section for the year. Accordingly, the Group has evaluated the recoverability of unclaimed finance costs and assets have been recognized.

8.6 Deferred Taxation

Deferred tax (30%) has been computed by using applicable tax rates liable for income tax for the Company and its subsidiaries substantially enacted as at the reporting date.

9 BASIC/ DILUTED EARNINGS PER SHARE

Basic Earnings/ Diluted per share is based on the Profit for the year attributable to equity holders of the Company / Group divided by weighted average number of Ordinary Shares outstanding during the year.

There were no potentially dilutive ordinary shares outstanding at any time during the year, hence diluted earnings per share is equal to the basic earnings per share.

	GROUP		COMPANY	
For the year ended 31st March,	2026	2025	2026	2025
Profit attributable to Equity Holders of the Company (Rs.'000)	**731,940**	1,033,654	**1,498,191**	646,690
Weighted Average Number of Ordinary Shares (No.'000)	**240,000**	240,000	**240,000**	240,000
Basic / Diluted Earnings Per Share (Rs.)	**3.05**	4.31	**6.24**	2.69

10 PROPERTY, PLANT & EQUIPMENT

10.1 Group

Cost	Balance as at 01.04.2025 Rs.'000	Revaluation of Land Rs.'000	Additions during the Year Rs.'000	Disposals/ Write-off/ Transfers during the Year Rs.'000	Transfer to Assets Held for Sale during the Year Rs.'000	Balance as at 31.03.2026 Rs.'000
Freehold						
Access Roads	69,315	-	-	-	-	**69,315**
Land (Note 10.3)	12,938,811	93,853	14,225	(15,240)	(266,685)	**12,764,964**
Buildings	6,706,520	-	471,739	(203,262)	(382,888)	**6,592,109**
Mature/Immature Plantations (Note 10.4)	8,180,862	-	356,393	(219,118)	-	**8,318,137**
Plant & Machinery	8,949,394	-	1,019,291	(229,357)	-	**9,739,328**
Motor Vehicles	1,531,637	-	318,960	(109,522)	-	**1,741,075**
Office Equipments	1,829,928	-	453,029	(24,820)	-	**2,258,137**
Furniture and Fittings	1,519,589	-	275,726	(77,254)	-	**1,718,061**
	41,726,056	93,853	2,909,363	(878,573)	(649,573)	**43,201,126**
Leasehold						
Buildings	15,649	-	-	-	-	**15,649**
	15,649	-	-	-		**15,649**
					-	
Capital Work in Progress	1,032,068	-	1,635,140	(652,279)	-	**2,014,929**
Total Cost / Valuation	42,773,773	93,853	4,544,503	(1,530,852)	(649,573)	**45,231,704**

Accumulated Depreciation	Balance as at 01.04.2025 Rs.'000	Revaluation of Land Rs.'000	Charge for the Year Rs.'000	Disposals/ Write-off/ Transfers during the Year Rs.'000	Transfer to Assets Held for Sale during the Year Rs.'000	Balance as at 31.03.2026 Rs.'000
Freehold						
Access Roads	45,617	-	2,684	-	-	**48,301**
Buildings	2,531,643	-	334,510	(188,482)	(20,389)	**2,657,282**
Mature / Immature Plantations (Note 10.4)	2,890,082	-	269,662	-	-	**3,159,744**
Plant & Machinery	5,544,841	-	535,624	(155,850)	-	**5,924,615**
Motor Vehicles	1,343,763	-	74,376	(92,742)	-	**1,325,397**
Office Equipments	1,029,588	-	227,779	(21,818)	-	**1,235,549**
Furniture and Fittings	1,140,471	-	135,258	(65,950)	-	**1,209,779**
	14,526,005	-	1,579,893	(524,842)	(20,389)	**15,560,667**
Leasehold						
Buildings	11,005	-	974	-	-	**11,979**
	11,005	-	974	-	-	**11,979**
Total Depreciation	14,537,010	-	1,580,867	(524,842)	**(20,389)**	**15,572,646**
Carrying Value	28,236,763				-	**29,659,058**

	Balance as at 01.04.2025 Rs.'000	Charge for the Year Rs.'000	Reversal during the Year Rs.'000	Balance as at 31.03.2026 Rs.'000
Provisions for Impairment	(6,749)	-	1,051	**(5,698)**
Total Carrying Value of				
Property, Plant & Equipment	28,230,014			**29,653,360**

Note : The cost of fully depreciated Property, Plant and Equipment of the Group which are still in use as at 31st March 2026 is Rs.6,479 million (2024/2025 - Rs.5,105 million).

a) Capital Work in Progress

C. W. Mackie PLC

The capital work-in-progress balance as at 31 March 2026 represents the costs incurred Rs.130 million (2025 - Rs.102 million) by C. W. Mackie PLC in relation to the snack manufacturing plant, aimed at enhancing the factory's production capacity, and the development of a new caster sugar manufacturing plant. Accordingly, the Company has capitalised the expenditures related to improvements in machinery, land, and buildings as at the financial year end.

Kotagala Plantations PLC

Capital Work-in-Progress include Rs.301 million (2025-Rs.121 million) in the Work-in-Progress pertaining to Improvements to Land & Buildings, Water Projects & Sanitations and Plant & Machinery.

Laxapana PLC

Laxapana PLC installs solar power plants on leased third-party rooftops under 20-year Net Metering agreements with the Ceylon Electricity Board. The Company is entitled to revenue for the first 7 years, after which ownership and revenue rights transfer to the roof-top owner at no consideration. As at the reporting date, installations worth Rs.10.97 million at related companies are under capital work-in-progress. These plants had not been commissioned as at the reporting date and will be depreciated over seven years from the date of commissioning. During the year Rs.75.08 million was capitalized to Property, Plant and Equipment.

In addition, completed rooftop solar power plants with a carrying amount of Rs. 252.41 million at E.B. Creasy & Co. PLC – Ekala Factory, Candy Delights Limited, Ceyflex Rubber Ltd, Lanka Special Steels Limited, and Laxapana PLC – Homagama Factory are recognised under Property, Plant and Equipment.

b) Impairment

In light of current operational and economic conditions, the Group has reassessed the expected future business performance relating to Property, Plant and Equipment, where the management has concluded that the recoverable values exceed its carrying values. During the year under review Rs. 1.05 million of the impairment provision was reversed.

c) During the year under review, the Group has capitalised a borrwing cost of Rs. 1.6 Bn incurred by at an average interest rate of 9.78%.

d) Property, Plant & Equipment pledged as securities in obtaining loans have been disclosed in Note 23.3 to these Financial Statements.

10.2 Company

	Balance as at 01.04.2025 Rs.'000	Additions during the Year Rs.'000	Disposals during the Year Rs.'000	Balance as at 31.03.2026 Rs.'000
Cost / Valuation				
Freehold				
Plant & Machinery	2,719	-	-	**2,719**
Motor Vehicles	24,669	-	(4,700)	**19,969**
Office Equipment	22,228	11,614	-	**33,842**
Furniture and Fittings	10,721	89	-	**10,810**
Total Cost	60,337	11,703	(4,700)	**67,340**

Accumulated Depreciation	Balance as at 01.04.2025 Rs.'000	Charge for the Year Rs.'000	Disposals during the Year Rs.'000	Balance as at 31.03.2026 Rs.'000
Freehold				
Plant & Machinery	1,864	303	-	**2,167**
Motor Vehicles	24,669	-	(4,700)	**19,969**
Office Equipment	13,435	2,679	-	**16,114**
Furniture and Fittings	10,296	138	-	**10,434**
Total Accumulated Depreciation	50,264	3,120	(4,700)	**48,684**
Total Carrying Value of Property, Plant and Equipment	10,073			**18,656**

The cost of fully depreciated Property, Plant and equipment of the Company which are still in use as at 31st March 2026 and 31st March 2025 as follows:

As at 31st March,	2026 Rs.'000	2025 Rs.'000
Plant & Machinery	**304**	153
Motor Vehicles	**19,969**	24,669
Office Equipment	**12,238**	11,922
Furniture and Fittings	**9,547**	9,658
Total	**42,058**	46,402

10.3 Group

The portfolio of Lands in the Group consist of the following.

Company Name	Location	Extent Perches	No. of Buildings	Name of the Valuer	Latest Valuation	Significant Unobservable Input / Value per Perch Rs.'000	Carrying amount of land under cost model Rs.'000	Market Value as at 31st March 2026 Rs.'000	Market Value as at 31st March 2025 Rs.'000
Marawila Resorts PLC									
Land	Marawila	4,347	23	WikiFrank Chartered Valuers	31.03.2025	175 - 327	880,948	**1,406,933**	1,406,933
Sigiriya Village Hotels PLC									
Land	Sigiriya	1,322	39	WikiFrank Chartered Valuers	31.03.2025	225	176,245	**297,500**	206,994
Galle Fort Hotel (Private) Limited									
Land	Galle Fort, Galle.	78	4	WikiFrank Chartered Valuers	31.03.2025	13,000-20,000	336,676	**1,694,410**	1,694,410
Beruwala Resorts PLC									
Land	Moragalla, Beruwala.	3	-	The Late Mr. P. P. T. Mohideen Chartered Valuer	31.03.2022	1000-1200	267	**3,614**	267
B.O.T. Hotel Services (Private) Limited									
Land	Kaparathota Road, Waligama.	491	7	WikiFrank Chartered Valuers	31.03.2025	2250-2500	361,805	**709,425**	709,425
Imperial Hotels Limited									
Land	Halloluwa, Kandy.	974	2	WikiFrank Chartered Valuers	31.03.2025	750-1500	98,570	**626,405**	626,405
Lankem Developments PLC									
Land	Maguruwila Road, Gonawala.	86	-	WikiFrank Chartered Valuers	31.03.2025	350	6,950	**24,500**	24,500
Union Commodities (Private) Limited									
Land	No.79, Biyagama Road, Talwatta, Kelaniya.	611	11	WikiFrank Chartered Valuers	31.03.2025	1000	255,920	**613,762**	613,517
Land	No.120/9, Maya Mawatha, Kiribathgoda.	11	-	WikiFrank Chartered Valuers	31.03.2025	575	1,000	**5,000**	5,000
Teacom (Private) Limited									
Land	Paddy Land- Ranawiru JA Chaminda Mawatha.	1,016	-	WikiFrank Chartered Valuers	31.03.2025	14	3,000	**12,700**	12,700
Lankem Ceylon PLC									
Land	St. Anthony's Road, Ekala.	476	12	WikiFrank Chartered Valuers	31.03.2025	800-1000	60,600	**452,501**	452,501
E. B. Creasy & Company PLC									
Land	No 98, Sri Sangaraja Mawatha, Colombo 10.	238	2	WikiFrank Chartered Valuers	31.03.2025	14,748	100	**3,510,000**	3,510,000
Land	No.55, Maguruwila Road, Gonawala, Sapugaskanda.	868	3	WikiFrank Chartered Valuers	31.03.2025	734	541,044	**636,945**	636,945
Candy Delights Limited									
Land	No 26 , Agaradaguru Mawatha, Ekala, Ja-Ela.	160	1	WikiFrank Chartered Valuers	31.03.2025	525	32,000	**84,000**	84,000
Laxapana PLC									
Land	No.398,Awissawella Road, Panagoda, Homagama.	577	3	WikiFrank Chartered Valuers	31.03.2025	886	103,256	**553,500**	554,760
C.W. Mackie PLC									
Land	Scan Bottling Plant Munagama, Horana.	485	4	WikiFrank Chartered Valuers	31.03.2025	850	74,000	**412,429**	412,429

Company Name	Location	Extent Perches	No. of Buildings	Name of the Valuer	Latest Valuation	Significant Unobservable Input / Value per Perch Rs.'000	Carrying amount of land under cost model Rs.'000	Market Value as at 31st March 2026 Rs.'000	Market Value as at 31st March 2025 Rs.'000
Ceymac Rubber Company Limited									
Land	Aramanagolla, Horana.	800	11	WikiFrank Chartered Valuers	31.03.2025	850	3,350	**680,400**	680,400
Ceymac Rubber Company Limited									
Land	Thebuwana, Narthupana.	800	8	WikiFrank Chartered Valuers	31.03.2025	175	469	**143,750**	143,750
Kelani Valley Canneries Limited									
Land	Kaluaggala, Hanwella.	350	7	WikiFrank Chartered Valuers	31.03.2025	500-750	39,000	**180,650**	180,650
CM Holdings PLC Colonial Motors (Ceylon) Limited									
Land	41/35, Nagahamulla Road, Thalangama South, Battaramulla.	133	9	WikiFrank Chartered Valuers	31.03.2025	2,500	67,246	**332,540**	332,540
J.F. Packaging PLC									
Land	306, Minuwangoda Road, Kotugoda.	348	7	WikiFrank Chartered Valuers	31.03.2025	800-1000	42,199	**348,000**	348,000
Ceylon Tapes (Private) Limited									
Land	23/20, Samagi Mawatha, Ja-Ela.	45	3	WikiFrank Chartered Valuers	31.03.2025	700-800	11,250	**36,000**	36,000
ACME Printing and Packaging PLC									
Land	345, Gonamadiththa Road, Piliyandala.	464	7	WikiFrank Chartered Valuers	31.03.2025	500-750	231,900	-	266,685
Total							3,327,795	**12,764,964**	12,938,811

10.3.1 Imperial Hotels Limited

The land and buildings was previously classified under Investment Property in the Statement of Financial Position. However, management deemed it more appropriate to reclassify them under Property Plant and Equipment as at 31st March, 2026 due to the absence of rental income from these properties in the foreseeable future.

There were no material contractual commitments for acquisition of property plant and equipment and no idle assets as at the reporting date.

10.4 Immature/Mature Plantations - Bearer Biological Assets

As at 31st March,	Group 2026 Rs.'000	Group 2025 Rs.'000
Agarapatana Plantations PLC (APL)	2,118,167	2,194,697
Kotagala Plantations PLC (KPPLC)	3,040,224	3,096,082
	5,158,391	**5,290,779**

10.4.1 Mature/Immature Plantations - Bearer Biological Assets

	Mature Plantations			Immature Plantations			Total	Total
	Tea	Rubber	Other	Tea	Rubber	Other	31.03.2026	31.03.2025
Cost	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At the beginning of the year	3,770,423	2,721,010	611,968	506,920	564,680	5,860	**8,180,861**	8,129,970
Additions during the year	-	-	-	29,464	122,875	11,971	**164,310**	496,389
Transfers during the year	75,126	116,956	-	(75,126)	(116,956)	(3,040)	**(3,040)**	(445,498)
Provision for Impairment	-	-	-	-	-	(23,996)	**(23,996)**	-
At the end of the year	3,845,549	2,837,966	611,968	461,258	570,599	(9,205)	**8,318,135**	8,180,861
Depreciation								
At the beginning of the year	1,262,277	1,382,197	245,608	-	-	-	**2,890,082**	2,624,979
Charge for the year	115,329	123,826	30,507	-	-	-	**269,662**	265,103
At the end of the year	1,377,606	1,506,023	276,115	-	-	-	**3,159,744**	2,890,082
Carrying Value as at 31.03.2026	**2,467,943**	**1,331,943**	**335,853**	**461,258**	**570,599**	**(9,205)**	**5,158,391**	
Carrying Value as at 31.03.2025	2,508,146	1,338,813	366,360	506,920	564,680	5,860	-	5,290,779

a) These are investments in mature/immature plantations since the formation of the respective companies. The assets (including plantation assets) taken over by way of estate leases as given in the Note 11.4 and 11.5 to the Financial Statements. Further, investment in Immature Plantations taken over by way of leases are shown in the above Note. When such plantations become mature, the additional investments made since taking over to bring them to maturity are transferred from Immature to Mature under this Note. A corresponding movement, from Immature to Mature, in respect of the investment undertaken by JEDB/SLSPC on the same plantation prior to the leases are shown under Note 11.5 to the Financial Statements.

The Bearer Biological Assets are measured at cost less accumulated depreciations and accumulated impairment losses, if any, in terms of LKAS 16 - "Property Plant and Equipment.

b) Borrowing costs of Kotagala Plantations PLC, a subsidiary, amounting Rs.2.0 million (2024/25 - Rs.1.8 million) on Tea, and Rs.34 million (2024/25 - Rs.46.1 million) on Rubber incurred on term loans and overdrafts utilised to finance replanting expenditure of tea and rubber have been capitalised. The average rate of interest for capitalisation was 10.81% (2024/25 - 11.69%). The capitalisation will cease when crops are ready for harvest.

c) Borrowing costs of Agarapatana Plantations PLC, a subsidiary, amounting to Rs.9,725,808/- (2025 Rs.18,123,853/-) have been capitalised as part of the cost of the immature plantations. Capitalisation will cease when crops are ready for harvest. The capitalisation rate of 6.63% (2025 – 9.94%) was used.

d) Other Immature Plantations include other crops such as Cinnamon, Coconut, etc. and carried at cost less impairment.

10.5 Produce on bearer Biological Assets

	GROUP	
As at 31st March,	2026	2025
	Rs.'000	Rs.'000
At the beginning of the year	**39,110**	35,009
Change in Fair value less cost to sell	**(5,565)**	4,101
At the end of the year	**33,545**	39,110

10.6 Consumable Biological Assets

As at 31st March,	GROUP 2026 Rs.'000	2025 Rs.'000
At the beginning of the Year	**4,331,037**	3,860,564
Increased due to Development	**38,842**	32,218
Transfer from Bearer Biological Assets - Immature	**3,040**	132,166
Income on Timber Harvesting	**(180,991)**	-
Gain arising from changes in Fair Value for the Year	**331,665**	306,089
	4,523,593	4,331,037

Kotagala Plantations PLC and Agarapatana Plantations PLC have recognised managed trees as biological assets.

Kotagala Plantations PLC (KPL) / Agarapatana Plantations PLC (APL)

Managed tress include commercial timber plantations cultivated on estates. 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 plantations become mature, the additional investments since taken over to bring them to maturity are transferred from immature to mature.

The fair value of managed trees was valued by Mr. Fathihu A A M (FIV), as of 31st March, 2026.

The Board of Directors established that the fair value of consumable biological assets of the Company is comprised of only managed trees which fall under the purview of the forestry management plan of the company, since LKAS 41 is only applicable for managed agricultural activity in terms of the ruling issued by The Institute of Chartered Accountants of Sri Lanka.

During the year ended 31st March 2026, a physical verification of timber was carried out by the management covering all the estates and the actual number of trees available in the estates was ascertained. The actual number of commercially cultivated managed timber trees available as per the physical verification is included within the fair value of timber (consumable biological assets) as at 31st March 2026.

Both Companies are exposed to the following risks relating to its timber plantations.

Regulatory and environmental risks

KPL and APL are subject to laws and regulations in Sri Lanka. Comapnies have established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks

Supply and demand risk

KPL and APL Companies are exposed to risks arising from fluctuations in the price and sales volume of timber. When possible, the Companies manage this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analysis to ensure that the Companies pricing structure is in line with the market and to ensure that projected harvest volumes are consistent with the expected demand.

Climate and other risks

The Companies timber plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Companies have extensive processes in place aimed at monitoring and mitigating those risks, including regular forest health inspections and industry pest and disease surveys.

10.6.1 Measurement of Fair Value

a) The Future cash flows are determined by reference to current timber prices

b) The fair value measurement for the consumable biological assets has been categorized as level 3 fair value based on inputs to the valuations used. Breakdown of the total gains recognized in respect of level 3 fair values of biological assets are given below.

As at 31st March,	GROUP	
	2026	2025
	Rs. `000	Rs. `000
Change in fair value of consumable biological assets (Note 10.6)	331,665	306,089
Change in fair value of growing produce of bearer biological assets (Note 10.5)	(5,565)	4,101
	326,100	310,190

c) Following table shows the valuation techniques in measuring level 3 fair value of consumable biological assets as well as significant unobservable inputs used.

Type	Valuation Technique	Discount Rates	Significant unobservable inputs	Inter relationship between Key unobservable inputs and fair value measurements
Mature Timber	Discounted Cash Flows	13.5% - Trees age to harvest 5 years or below 14.5% - Trees age to harvest 6 -14 years 15.5% - Trees age to harvest 15 years or above comprising a risk free rate of of 11.5% Estimated based on normal life span of each species by factoring the forestry plan of the Company approved by the Forestry Department. A risk premium of 4.5% (2025-4.5%) was applied in deriving the above rates.	Determination of Timber content Species planted in separate blocks as at the reporting date have been identified by a qualified forestry officer of the company and the timber content has been estimated based on the girth, height, growth, present age of the trees and current cubic content. The prevailing statutory regulations enforced against harvesting of timber coupled with forestry plan of the Company approved by the Forestry Department. Timber trees that have not come up to a harvestable size are valued working out the period that would take for those threes to grow up to a harvestable size. Determination of Price of Timber ▪ Price per cu.ft. -Rs.410/- to Rs.1,300/- ▪ Estimated based on prevailing Sri Lankan market prices factoring all the conditions to be fulfilled in bringing the trees in to saleable condition.	▪ The estimated timber content ▪ The estimated timber prices per cubic meter ▪ The estimated selling related costs ▪ The estimated maturity age ▪ The risk adjusted discount rate

Other key assumptions used in valuation

1. The harvesting is approved by the PMMD and the Forest Department based on the Forestry Development Plan.
2. The prices adopted are net of expenditure
3. Though the replanting is a condition precedent for harvesting' yet the costs are not taken in to consideration.

The valuations, as presented in the external valuation models based on net present values, take into account the long term exploitation of the timber plantations. 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 realisable 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.

The biological assets of the company are mainly cultivated in leased lands. When measuring the fair value of the biological assets it was assumed that these concessions can and will be renewed at normal circumstances. Timber content expects to realise in future included in the calculation of the fair value takes into account the age of the timber plants and not the expiration date of the lease.

10.6.2 Sensitivity Analysis

Sensitivity analysis on sales price and discounted Rate

The Future cash flows are determined by reference to current timber prices and the fair value measurement.

a) Sensitivity variation-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 show that a rise or decrease by 10% of the estimated future selling price has the following effect on the net present value of biological assets:

Sensitivity effect on the carrying value of Biological Assets Rs.(000)	10%	-10%
As at 31 March 2026	439,427	(439,427)
As at 31 March 2025	418,620	(418,620)

b) Sensitivity variation-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 trees show that a rise or decrease by 1% of the estimated future discount rate has the following effect on the net present value of biological assets:

Sensitivity effect on the net present value of Biological Assets Rs.(000)	1%	-1%
As at 31 March 2026	(94,083)	101,413
As at 31 March 2025	(121,710)	124,238

The carrying amount of biological assets pledged as securities for liabilities are Nil for the year (2025 - Nil).
There are no commitments for the development or acquisition of biological assets.

11. RIGHT-OF-USE ASSETS

As at 31st March,	GROUP		COMPANY	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Right-of-use Assets – Land and Buildings (Note 11.1)	684,040	906,682	-	-
Right-of-use assets - Plant & Machinery (Note 11.2)	16,719	20,420	-	-
Right-of-use asset - Motor vehicles (Note 11.3)	436,205	-	-	-
Right-of-use assets - Land of JEDB/SLSPC Estates (Note 11.4)	1,184,684	1,198,843	-	-
Immovable JEDB/SLSPC Estate Assets (Other than Land) (Note 11.5)	1,103	1,752	-	-
	2,322,751	2,127,697	-	-

11.1 Right-of-use Assets – Land and Buildings

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cost				
Balance as at beginning of the Year	**1,716,852**	1,487,657	-	-
Reassessment during the year	**1,641**	20,725	-	-
De-Recognition of ROU due to termination during the year	**-**	(16,052)	-	-
Adjusted balance	**1,718,493**	1,492,330	-	-
Additions during the year	**4,355**	224,522	-	-
Balance as at end of the Year	**1,722,848**	1,716,852	-	-
Accumulated Depreciation				
Balance as at beginning of the Year	**810,170**	622,024	-	-
De-Recognition of ROU due to Termination during the year	**-**	(3,971)	-	-
Adjusted balance	**810,170**	618,063	-	-
Depreciation charge of the right-of-use assets for the year	**228,638**	192,107	-	-
Balance as at end of the Year	**1,038,808**	810,170	-	-
Total Carrying Value	**684,040**	906,682	-	-

(i) C W Mackie PLC

The Group has taken certain land and buildings on lease. In terms of the grant to the Company dated 22 September 1964 under the Crown Lands Ordinance, premises No.34 and 36, D. R. Wijewardena Mawatha, Colombo 10 has been leased for a period of 60 years, 8 months and 10 days (being the residue of the unexpired term under Indenture of Lease by the Crown dated 10 June 1925 granting the Company a 99-year lease of the premises from the said date). At the time of handing over the possession of the premises, the Company is not entitled to any compensation in respect of the land, buildings or improvements thereon.

The Crown Lease Agreement in respect of the Company's Head Office premises at Nos. 34 and 36, D R Wijewardena Mawatha, Colombo 10 lapsed on 10 June 2024 and the Company is in the process of pursuing a renewal of the lease with the relevant authorities.

(ii) Beruwala Resorts PLC

Beruwala Resorts PLC, a subsidiary, has constructed building on a land which was leased out from Sri Lanka Tourism Development Authority for 30 years commencing from 1st August, 2007. The lease period will expire on 31st July, 2037.

The incremental borrowing rate applied to lease liabilities recognised under SLFRS 16 was 16.97%.

(iii) Sigiriya Village Hotels PLC

Sigiriya Village Hotels PLC, a subsidiary, has constructed building on a land which was leased out from Sri Lanka Tourism Development Authority for 30 years commencing from 2nd September, 2009. The lease period will expire on 1st September 2039.

(iv) Ceyflex Rubber Limited

Ceyflex Rubber Limited, a subsidiary of the Group, has entered into a Lease agreement with the Board of Investment of Sri Lanka to hold the land for a period of 50 years commencing from 12th May 2016 to 11th May 2066 for a sum of USD 40,000 of non refundable lease premium and an annual ground rent of USD 6,050/- per annum. The carrying value of lease rentals paid in advance was transferred to right-of-use asset in accordance with provisions in SLFRS - 16.

(v) ACME Packaging Solutions (Private) Limited

ACME Packaging Solutions (Private) Limited, a subsidiary, has constructed building on a land is on a 50 years lease period obtained from the Government of Sri Lanka.

(vi) J.F. Packaging PLC

The Company leases land and the building which located in, No.06 Agaradaguru Mawatha, Ekala has been obtained on lease for 5 years from 01st December 2022 to 30th November 2027 with the option to terminate the agreement after 02 years by giving 01 year prior notice. The management has not taken a decision to terminate the lease as at 31st March 2026. During the lease period, the Company has the right to use the land for the business purposes

(vii) Kiffs (Private) Limited

The Company leases land and the building which is located in, Pahalakaragahamuna, Kadawatha has been obtained as a lease for 10 years from 01st July 2016 to 30th June 2026 with the option to terminate the agreement after 04 years by giving 06 months prior notice. The management has not taken a decision to terminate the lease as at 31st March 2026. During the lease period, theCompany has the right to use the land for the business purposes.

(viii) Ceylon Tapes (Private) Limited

The Company leases its factory land and the buildings which is located in, Ekalakuruduwatta in Ragampattu of Aluthkurukorale which has been obtained as a lease for 20 years from 9th June 2016 to 8th June 2036, with the option to terminate the agreement after 04 years by giving 06 months prior notice. The management has not taken a decision to terminate the lease as at 31st March 2026. During the lease period, the Company has the right to use the land for the business purposes.

(ix) Alliance Five (Private) Limited

The company leases land and the building which located in, Nedungahawatta and Alubogahawatta has been obtained on lease for 10 years from 01st January 2017 to 31st December 2026 with the option to terminate the agreement after 04 years by giving 06 months prior notice. The management has not taken a decision to terminate the lease as at 31st March 2026. During the lease period, the Company has the right to use the land for the business purposes.

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
11.2 Right-of-use assets - Plant & Machinery				
Cost				
Balance as at beginning of the Year	112,470	112,470	-	-
Additions during the year	-	-	-	-
Balance as at end of the Year	112,470	112,470	-	-
Accumulated Depreciation				
Balance as at beginning of the Year	92,050	86,507	-	-
Depreciation charge of the right-of-use assets for the year	3,701	5,543	-	-
Balance as at end of the Year	95,751	92,050	-	-
Total Carrying Value	16,719	20,420	-	-
11.3 Right-of-use asset - Motor vehicles				
Cost				
Balance as at beginning of the Year	15,168	15,168	-	-
De-Recognition of ROU due to termination during the year	(5,268)	-	-	-
Adjusted balance	9,900	15,168	-	-
Additions during the year	461,496	-	-	-
Balance as at end of the Year	471,396	15,168	-	-
Accumulated Depreciation				
Balance as at beginning of the Year	15,168	13,390	-	-
De-Recognition of ROU due to Termination during the year	(5,268)	-	-	-
Adjusted balance	9,900	13,390	-	-
Depreciation charge of the right-of-use assets for the year	25,291	1,778	-	-
Balance as at end of the Year	35,191	15,168	-	-
Total Carrying Value	436,205	-	-	-

11.4 Right-of-use assets - Land of JEDB/SLSPC Estates

	Balance 01.04.2025 Rs.'000	Additions During the Year Rs.'000	Balance 31.03.2026 Rs.'000
Cost			
Leasehold Right to Bare Land of JEDB/SLSPC Estates (Note 11.4.1)			
Kotagala Plantations PLC (Note 11.4.1.a)	1,431,365	46,881	**1,478,246**
Agarapatana Plantations PLC (Note 11.4.1.b)	341,588	-	**341,588**
	1,772,953	46,881	**1,819,834**

	Balance 01.04.2025 Rs.'000	Charge for the Year Rs.'000	Balance 31.03.2026 Rs.'000
Accumulated Amortisation			
Kotagala Plantations PLC (Note 11.4.1.a)	362,590	54,537	**417,127**
Agarapatana Plantations PLC (Note 11.4.1.b)	211,520	6,503	**218,023**
	574,110	61,040	**635,150**
Carrying Value	1,198,843		**1,184,684**

11.4.1 Right-of-use assets - Land of Janatha Estate Development Board (JEDB)/Sri Lanka State Plantation Corporation (SLSPC) Estates

a) Kotagala Plantations PLC

The leases of all the 23 estates have been executed and will be retroactive from 22nd June, 1992. The leasehold rights to land on all these estates have been taken into the books of the Company as at 22nd June, 1992 immediately after formation of the Company, in terms of the ruling obtained from the Urgent Issues Task Force (UITF) of the Institute of Chartered Accountants of Sri Lanka. For this purpose, the Board decided at its meeting held on 8th March,1995 that these bare lands would be revalued, at the value established for these lands, by the valuation Specialist Mr.D.R.Wickramasinghe, just prior to the formation of the Company.

Millewa estate was acquired by the Urban development authority of Sri Lanka on the 26th of October 2017. During the financial year 2018/19 Leasehold right to bare land was written off since the company no longer has control of the said estate.

The Group has applied SLFRS-16 from 1 April 2019 (Leases) for leasehold assets recorded in the financial statements.

Cost/Valuation	Life of the Asset	As at 22.06.1992 Rs.'000	Balance Lease period as at 31.03.2025	Remeasurement during the Year Rs.'000	Balance 31.03.2026 Rs.'000	Balance 31.03.2025 Rs.'000
Right to use the Land of JEDB/SLSPC Estates	53 years	358,928	20 years	46,881	**1,478,246**	1,431,365

Amortisation	Balance as at 01.04.2025 Rs.'000	Charge for the Year Rs.'000	Balance as at 31.03.2026 Rs.'000	Carrying Value as at 31.03.2026 Rs.'000	Carrying Value as at 31.03.2025 Rs.'000
Right to use the Land of JEDB/SLSPC Estates	362,590	54,537	**417,127**	**1,061,119**	1,068,775

b) Agarapatana Plantations PLC

"Right-To-Use of Land on Lease" was previously accounted under Statement of Alternative Treatment (SoAT) issued by the Institute of Chartered Accountants of Sri Lanka dated 21 August 2013. However, with effect from January 1, 2019, "Right-of-use assets—Land" have been accounted for in accordance with SLFRS 16. "Right-of-use assets - Land" have been executed for all estates for a period of 53 years. The unexpired period of the lease as at the Statement of Financial Position date is 20 years.

This Right-of-use assets - Land is amortized over the remaining lease term or useful life of the right whichever is shorter and is disclosed under non current assets.

Description	Cost / Valuation as at 22.06.1992 Rs.'000	Accumulated Amortisation 01.04.2025 Rs.'000	Amortisation During the Year Rs.'000	Accumulated Amortisation 31.03.2026 Rs.'000	Carrying Value as at 31.03.2026 Rs.'000	Carrying Value as at 31.03.2025 Rs.'000
Leasehold right to bare land of JEDB/SLSPC Estates	341,588	211,520	6,503	**218,023**	**123,565**	130,068

11.5 Immovable Leased Assets of JEDB/SLSPC Estates (Other than Bare Land)

	Balance 01.04.2025 Rs.'000	Additions During the Year Rs.'000	Balance 31.03.2026 Rs.'000
Cost			
Immovable Leased Assets of JEDB/SLSPC Estates (Other than Bare Land) (Note 11.5.1)			
Kotagala Plantations PLC (Note 11.5.a)	448,322	-	**448,322**
Agarapatana Plantations PLC (Note 11.5.b)	265,748	-	**265,748**
	714,070	-	**714,070**

Accumulated Amortisation	Balance 01.04.2025 Rs.'000	Charge for the Year Rs.'000	Balance 31.03.2026 Rs.'000
Immovable Leased Assets of JEDB/SLSPC Estates (Other than Bare Land)			
Kotagala Plantations PLC (Note 11.5.a)	447,995	327	**448,322**
Agarapatana Plantations PLC (Note 11.5.b)	264,323	322	**264,645**
	712,318	649	**712,967**
Carrying Value	1,752		**1,103**

a) Kotagala Plantations PLC

The leases of all the 23 estates have been executed and will be retroactive from 22nd June 1992. The leasehold rights to land on all these estates have been taken into the books of the Company as at 22nd June 1992 immediately after formation of the Company, in terms of the ruling obtained from the Urgent Issue Task Force (UITF) of the Institute of Chartered Accountants of Sri Lanka based on then existing accounting standards. For this purpose, the Board decided at its meeting held on 8th March 1995 that these bare lands would be revalued, at the value established for these lands, by the valuation Specialist Mr. D R Wickramasinghe , just prior to the formation of the Company.

Millewa estate was previously leased out to Kotagala Plantations PLC, acquired by the Urban development authority of Sri Lanka on the 26th of October 2017. During the financial year 2018/19 Leasehold right to Immovable Leased Assets was written off since the company no longer has control of the said estate.

The value taken into 22nd June, 1992, statement of Financial Position and the amortisation of leasehold rights up to 31st March 2026 are as follows,

Revaluation	Life of the Asset	As at 22.06.1992 Rs.'000	Balance 31.03.2026 Rs.'000	Balance 31.03.2025 Rs.'000
Land Development Cost	30 years	6,712	**6,360**	6,360
Buildings other than Worker housing	25 years	26,519	**25,174**	25,174
Plant & Machinery	15 years	8,757	**8,757**	8,757
Water Projects and Sanitations	30 years	8,688	**8,688**	8,688
Mature Plantations				
- Tea	30 years	69,767	**227,655**	227,655
- Rubber	30 years	61,138	**163,548**	163,548
- Others	25 years	-	**8,140**	8,140
Immature Plantations				
- Tea		158,960	-	-
- Rubber		126,898	-	-
- Others		8,140	-	-
		475,579	**448,322**	448,322

Amortisation	Balance as at 01.04.2025 Rs.'000	Charge for the Year Rs.'000	Balance as at 31.03.2026 Rs.'000	Carrying Value As at 31.03.2026 Rs.'000	Carrying Value As at 31.03.2025 Rs.'000
Land Development Cost	6,360	-	**6,360**	-	-
Buildings other than Worker Housing	25,174	-	**25,174**	-	-
Plant & Machinery	8,757	-	**8,757**	-	-
Water Projects and Sanitations	8,688	-	**8,688**	-	-
Mature Plantations					
- Tea	227,655	-	**227,655**	-	-
- Rubber	163,548	-	**163,548**	-	-
- Others	7,813	327	**8,140**	-	327
	447,995	327	**448,322**	-	327

Investment in Immature Plantations at the time of handing over to the Company by way of estate leases are shown under Immature Plantations as at 22.06.1992.

Further investment in such plantations to bring them to maturity are shown under Note 10.4.1.

b) Agarapatana Plantations PLC

At the time of privatisation of plantation estates, all immovable assets in Company's estates have been taken into the books of the Company retroactive to 22nd June 1992 under finance lease. However, SLFRS 16 - Leases was applicable with effect from 01 January 2019, and therefore, these assets have accounted in accordance with such standard with effect from 01 January 2019.

Description	Revaluation as at 22.06.1992 Rs.'000	Transfers/ Immature to Mature (Adjustments) Rs.'000	Value as at 01.04.2025 Rs.'000	Accumulated Depreciation 01.04.2025 Rs.'000	Depreciation for the Year Rs.'000	Accumulated Depreciation 31.03.2026 Rs.'000	Carrying Value as at 31.03.2026 Rs.'000	Carrying Value as at 31.03.2025 Rs.'000
Improvement to Land	5,406	-	5,406	5,406	-	5,406	-	-
Unimproved Land	998	-	998	-	-	-	998	998
Roads and Bridges	677	-	677	555	17	572	105	122
Buildings	62,634	-	62,634	62,634	-	62,634	-	-
Fences and Securities	49	-	49	49	-	49	-	-
Machinery	8,823	(621)	8,202	8,202	-	8,202	-	-
Water Supply	6,158	-	6,158	6,158	-	6,158	-	-
Power Augmentation	972	-	972	972	-	972	-	-
Coffee, Pepper, Cardamom	305	-	305	-	305	305	-	305
Mature Plantations	37,457	141,636	179,093	179,093	-	179,093	-	-
Vested Tea	1,223	-	1,223	1,223	-	1,223	-	-
Immature Plantations	141,636	(141,636)	-	-	-	-	-	-
Other Vested Assets	31	-	31	31	-	31	-	-
	266,369	(621)	265,748	264,323	322	264,645	1,103	1,425

Note : Investment in plantations assets which were immature at the time of handing over to the Company by way of estate leases are shown under immature plantations (revalued as at 22nd June, 1992).

However, since then all such investments in Immature Plantations attributable to JEDB/SLSPC period have been transferred to Mature Plantations, those mature tea were classified as bearer biological assets in terms of LKAS 16 – Property, Plant & Equipment. The carrying value of the bearer biological assets leased from JEDB/SLSPC is recognised at cost less amortisation. Further investments in such plantations to bring them to maturity are shown in. Note 10.4.1.

12. INVESTMENT PROPERTY

As at 31st March,	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000	COMPANY 2026 Rs.'000	COMPANY 2025 Rs.'000
Cost				
Balance as at beginning of the Year	**2,840,312**	2,965,226	**830,652**	829,118
Additions during the year	**40,547**	32,231	**24,628**	1,534
Transfers to Property Plant and Equipment	**-**	(157,145)	**-**	-
Impairment during the year	**(21,110)**	-	**-**	-
Balance as at end of the Year	**2,859,749**	2,840,312	**855,280**	830,652
Accumulated Depreciation				
Balance as at beginning of the Year	**308,327**	279,696	**34,495**	30,445
Charge for the Year	**30,097**	28,631	**4,482**	4,050
Balance as at end of the Year	**338,424**	308,327	**38,977**	34,495
Carrying Value	**2,521,325**	2,531,985	**816,303**	796,157

As at 31st March,	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000	COMPANY 2026 Rs.'000	COMPANY 2025 Rs.'000
Capital Work in Progress				
Balance as at beginning of the Year	**640**	-	**640**	-
Additions during the Year	**35,290**	2,174	**59,918**	2,174
Transfer to Investment Property During the year	**-**	(1,534)	**(24,628)**	(1,534)
Balance as at end of the Year	**35,930**	640	**35,930**	640
Total Carrying Value (Note 12.1)	**2,557,255**	2,532,625	**852,233**	796,797

12.1 Fair value of the investment property as at 31st March 2026 is as follows;

Company	Location	Extent	Carrying Value Rs.'000	Fair Value Rs.'000
The Colombo Fort Land and Building PLC	York Arcade Building, Leyden Bastian Road, Colombo 01.	156,436 Sq ft	852,233	4,057,900
C.W. Mackie PLC	No. 36, D R Wijewardena Mw, Colombo 10	57,158 Sq ft	-	-
Sunquick Lanka Properties (Private) Limited	Munagama, Horana.	128,793 Sq ft	630,351	700,000
Union Commodities (Private) Limited	No.79 , Biyagama Road, Talwatta, Kelaniya.	38,287 Sq ft	16,415	39,281
C M Holdings PLC	297,Colvin R De Silva Mw, Colombo 02.	31,757 Sq ft	952,752	3,807,591
C M Holdings PLC	497/C Pannipitiya Road, Thalangama South, Battaramulla.	109.2P	81,097	382,200
Sigiriya Village Hotels PLC	Trincomalee.	8A,1R, 2.3P	24,407	24,407
			2,557,255	9,011,379

12.2 Rent Income and Related Expenses included in the Statement of Comprehensive Income are follows;

For the year ended 31st March,	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000	COMPANY 2026 Rs.'000	COMPANY 2025 Rs.'000
Rent Income	**305,312**	317,232	**143,260**	134,396
Direct operating expenses arising from investment property that generated rental income during the year	**85,003**	79,967	**54,226**	43,623

C.W. Mackie PLC

C.W. Mackie PLC has rented out a part of C.W. Mackie building complex and the value of land and buildings of that portion has been classified as investment property and accounted on "Cost Model" as required by LKAS 40 – Investment Property. The above investment property is situated at No. 36, D. R. Wijewardena Mawatha, Colombo 10 and the extent of the building is 57,158 square feet.

Sunquick Lanka Properties (Private) Limited

Sunquick Lanka Properties (Private) Limited has rented out a part of its building complex and value of land and buildings of that portion has been classified as "investment property" and accounted on "cost model" as permitted by LKAS 40 – Investment Property.

As per the valuation carried out on 31 March 2024, by an independent professional Valuer Mr. K.T.D. Tissera, J.P.U.M., Diploma in Valuation (Sri Lanka), F. R. I. C. S. (Eng.), F. I. V. (Sri Lanka), Chartered Valuation Surveyor. These properties were valued on an open market value for existing use basis.

C M Holdings PLC

The company and the group has initially accounted for the investment property at cost, and subsequently accounted for it under the cost model in accordance with the policy adopted by its ultimate parent. The investment property is depreciated using a straight line method over its estimated useful life of 20 years.

Details of the valuation of the land and buildings under Investment Property of the Company carried out by WikiFrank Chartered Valuers (Pvt) Ltd.

Sigiriya Village Hotels PLC

During the year, as a result of a change in the Company 's business plan, land previously recognised under property, plant and equipment has been classified as investment property and accounted under "Cost Model" as required by LKAS 40 – Investment Property. The Company intends to hold the land for capital appreciation. The above investment property is situated in Trincomalee and the extent of the land is 8 A, 1 R & 2.3 P.

Union Commodities (Private) Limited

The fair value of investment property was determined by the external, independent Chartered Valuation Surveyor, WikiFrank Chartered Valuers (Private) Limited. Fair value is determined by reference to market-based evidence. Valuations are based on open market prices adjusted for any difference in the nature, location or condition of the specific property. These valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximize the use of relevant observable inputs. The data of the most recent revaluation carried out was 31st March 2025.

Company

Investment property of the Company consists of land amounting to Rs.621.62 million (2025 - Rs.621.62) and building amounting to Rs.194.68 million (2025 - Rs.174.54 million) as at the reporting date. The Company has adopted the cost model to carry the investment properties in the Financial Statements.

Location	Extent Perches	Carrying Value Rs.'000	Fair Value Rs.'000
Fort - Colombo	153	816,303	4,057,900

The properties of the Company were valued by an independent valuer,WikiFrank Charterd Valuers (Pvt) Ltd, Chartered Valuers and the fair value of the investment properties as at 31st March, 2025 was Rs.4.06 billion.

The Rental Income earned by the Company from the said properties amounted to Rs.143.26 million (2025 - 134.39 million).

Direct Operating Expenses incurred by the Company amounted to Rs.54.22 million (2025- Rs. 43.62 million) and this consists of Rs.7.21 million (2025 Rs.6.72 million) relating to premises which are vacant.

The Investment Property is depreciated using the straight line method over its estimated useful life of 99 years and 44 years for the premises situated at Sir Baron Jayathilake Mawatha and Leyden Bastian Road respectively.

As at the reporting date, there were no contractual obligations to purchase, construct or develop the investment properties or for repairs, maintenance and enhancement.

The Company has executed a Tertiary Mortgage Bond for Rs.100 million, a Quaternary Mortgage Bond for Rs.87.5 million and Quinary Mortgage Bond for Rs.31.25 million over the property at No. 53-1/1, 53-2/1 and 57, Sir Baron Jayatilake Mawatha, Colombo – 1 belonging to the Company for the facilities granted to the Company.

The Company reviewed the carrying values of Investment Property as at the reporting date, and determined that no impairment is necessary, as the Company has evaluated their business continuity plans and is satisfied that it has taken necessary steps to safeguard the assets.

13. INTANGIBLE ASSETS

	GROUP	
	2026	2025
	Rs.'000	Rs.'000
Goodwill on Acquisition (Note 13.1)	669,701	669,701
Trade Mark (Note 13.2)	21,653	22,899
Computer software (Note 13.3)	75,853	44,173
	767,207	736,773

13.1 Goodwill

	GROUP	
	2026	2025
	Rs.'000	Rs.'000
Cost		
Balance at the beginning of the year	1,131,767	1,131,767
Accumulated Impairment		
Balance at the beginning of the year	462,066	462,066
At the end of the Year	462,066	462,066
Carrying Value		
As at beginning of the year	669,701	669,701
At the end of the Year (Note 13.1.1)	669,701	669,701

13.1.1 Goodwill on Acquisition

This represents the excess of the cost of acquisition of the net assets of the following Companies. The aggregated carrying amount of goodwill allocated to each company is as follows:

	GROUP	
	2026	2025
	Rs.'000	Rs.'000
C. W. Mackie PLC	92,778	92,778
Ceylon Tapes (Private) Limited	14,190	14,190
Lanka Special Steels Limited	21,696	21,696
J.F. Packaging PLC	263,442	263,442
Sherwood Holidays Limited	27,070	27,070
Kiffs (Private) Limited	85,202	85,202
Alliance Five (Private) Limited	24,999	24,999
ACME Printing and Packaging PLC	140,324	140,324
	669,701	669,701

For the purpose of impairment testing , goodwill acquired from business combinations have been allocated to cash generating units (CGU) that is expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated have been tested for impairment annually, and whenever there is an indication that the unit may be impaired by comparing the carrying amount of the unit including the goodwill, with the recoverable amount of the unit. If the carrying amount of the unit exceeds the recoverable amount of the unit and the goodwill allocated to that unit has been regarded as impaired. The impairment loss has been allocated to reduce the carrying amount of any goodwill allocated to the CGU and then to other assets of the unit.

In light of current operational and economic conditions, the Group reassessed the expected future business performance relating to cash generating units (CGUs) where the management has concluded that the recoverable values of CGUs exceed its carrying values.

Therefore, further impairment is not required as at 31st March 2026 (2025 - Nil).

Methods used in estimating recoverable amounts are given below;

(i) Business Growth - Based on historical growth rate & business plan

(ii) Inflation - Based on current inflation & the percentage of the total cost subjected to the inflation

(iii) Discount Rate - Average market borrowing rate adjusted for risk premium

(iv) Margin - Based on current margin & business plan

The management has identified that a reasonably possible change in key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the key assumptions and amount by which assumption would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

13.1.2 Recoverable values measured with reference to the value in use

Methods used in estimating recoverable amounts are given below:

Ceylon Tapes (Private) Limited, J.F. Packaging PLC, Kiffs (Pvt) Limited, Alliance Five (Private) Limited, Sherwood Holidays Limited and Lanka Special Steels Limited were assessed based on value in use estimated using discounted future cash flows from investments. The fair value measurement was categorized as a Level 03 fair value based on the inputs in valuation technique used.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have based on historical data from both external and internal sources.

Investee	Significant unobservable inputs	Value of the inputs	Change required for carrying amount to equal recoverable amount	
			Discount Rate	Growth Rate
Ceylon Tapes (Private) Limited	Average Growth Rate	19.6%	17.2%	-22.5%
	Discount Rate (range)	10%		
	Term	3 years (terminal value thereafter)		
J.F. Packaging PLC	Average Growth Rate	10%	17.6%	-31.9%
	Discount Rate (range)	13.90%		
	Term	3 years (terminal value thereafter)		
Kiffs (Private) Limited	Average Growth Rate	13.5%	42.7%	-54.1%
	Discount Rate (range)	10%		
	Term	3 years (terminal value thereafter)		
Alliance Five (Private) Limited	Average Growth Rate	10.9%	49.3%	-35.7%
	Discount Rate (range)	10%		
	Term	3 years (terminal value thereafter)		
Sherwood Holidays Limited	Average Growth Rate	17%	31.2%	-18%
	Discount Rate (range)	15%		
	Term	5 years (terminal value thereafter)		
Lanka Special Steels Limited	Average Growth Rate	32.4% for first year, 15% for next 4 years and terminal growth rate of 4% thereafter	38%	-21%
	GP Margin	12.3% -15.0%		
	EBITA Margin	6%- 7.7%		
	Discount Rate	18% - 18.7%		
	Term	5 years (terminal value thereafter)		

Above assumption have been determined based on the historical performance of the comprehensive adjusted for market information related to discount rate.

13.1.3 Recoverable values measured with reference to the fair value less cost to sell

Investee	Significant unobservable inputs	Value of the inputs
C.W. Mackie PLC	Market Value	Rs. 33.90
ACME Printing and Packging PLC	Market Value	Rs.6.3
J.F. Packaging PLC	Market Value	Rs.14.5

Above fair values are classified as Level 3 as per the fair value hierarchy under SLFRS 13.

As at 31st March,	2026 Rs.'000	2025 Rs.'000
13.2 Trade Mark		
Cost		
At the beginning of the Year	45,606	22,585
Additions disposal during the Year	8,000	25,000
Disposal / Write off during the Year	-	(1,979)
As at the end of the Year	53,606	45,606
Amortisation		
At the beginning of the Year	22,707	22,421
Amortised during the Year	9,246	2,145
Disposal / Write off during the Year	-	(1,859)
At the end of the Year	31,953	22,707
Carrying Value	21,653	22,899
13.3 Computer Software		
Cost		
As at the beginning of the Year	274,803	256,868
Additions during the Year	35,589	20,281
Disposal during the year	(4,013)	(2,346)
As at the end of the Year	306,379	274,803
Amortisation		
As at the beginning of the Year	230,630	218,814
Disposal during the Year	(1,652)	(401)
Amortised during the Year	16,935	12,217
At the end of the Year	245,913	230,630
Work in Progress	15,387	-
Carrying Value	75,853	44,173

Trade Mark

Darley Butler & Company Limited

During the financial year 2024/2025, Darley Butler & Company Limited acquired the agency rights of R&D Intertrades (Private) Limited for Rs.25 million which is amortised over 03 Years.

Computer Software

The details of the computer software are as follows;

Intangible Asset	Useful Life	Amortisation Method	Type	Impairment testing
Software Licence	5 Years	Straight-Line	Acquired	When the indicators of the impairment exist. The amortisation method is reviewed at each financial year end.
Sales Force Automation System	5 Years	Straight-Line	Acquired	
Human Resource Information System	5 Years	Straight-Line	Acquired	
E mail Solution	5 Years	Straight-Line	Acquired	
Enterprise Resource Planning	4-5 Years	Straight-Line	Acquired	

14. INVESTMENTS IN SUBSIDIARIES

14.1 Company

As at 31st March,	Group Holding 2026 %	Company Holding 2026 %	No. of Shares 2026	Cost 2026 Rs.'000	Market Value 2026 Rs.'000	Group Holding 2025 %	Company Holding 2025 %	No. of Shares 2025	Cost 2025 Rs.'000	Market Value 2025 Rs.'000
14.1.1 Quoted Investments										
ACME Printing & Packaging PLC	41.44	0.08	560,000	1,605	3,528	47.02	0.08	80,000	403	312
Beruwala Resorts PLC	47.48	0.00	30,000	32	90	48.93	0.01	30,000	32	111
C M Holdings PLC	63.59	63.49	96,498,500	550,183	4,342,433	65.10	63.49	9,649,850	550,183	1,592,225
C.W.Mackie PLC	34.74	0.17	302,500	4,894	10,255	36.31	0.17	60,500	4,894	6,579
E.B. Creasy & Company PLC	56.16	48.44	135,101,906	783,809	6,552,442	59.85	52.98	134,319,915	35,228	4,445,989
Lankem Ceylon PLC	60.11	45.87	62,959,620	1,227,910	2,581,344	63.25	47.45	24,423,233	700,337	2,122,379
Marawila Resorts PLC	35.99	0.72	2,516,666	9,186	14,345	37.10	0.72	2,516,666	9,186	17,113
Muller & Phipps (Ceylon) PLC	28.81	0.02	60,030	91	120	30.70	0.02	60,030	91	72
York Arcade Holdings PLC	-	-	-	-	-	49.99	49.27	369,495	4,963	62,168
Agarapatana Plantations PLC	-	-	-	-	-	27.14	1.30	6,485,358	27,847	84,958
				2,577,710	13,504,557				1,333,164	8,331,906
14.1.2 Unquoted Investments										
C.F. Travels Limited	100.00	100.00	1,500,000	15,000	-	100.00	100.00	1,500,000	15,000	-
Capital Leasing Company Limited	55.83	55.83	473,000	4,733	-	55.83	55.83	473,000	4,733	-
Colombo Fort Group Services (Private) Limited	100.00	100.00	110,000	10,100	-	100.00	100.00	110,000	10,100	-
Colombo Fort Holdings Limited	100.00	100.00	3,500,000	35,000	-	100.00	100.00	3,500,000	35,000	-
Colombo Fort Hotels Limited	73.37	26.26	73,059,569	686,760	-	73.37	26.26	73,059,569	686,760	-
Colombo Fort Properties Limited	100.00	99.70	1,000	10	-	100.00	99.70	1,000	10	-
Consolidated Tea Plantations Limited	79.55	44.67	38,443,882	1,181,084	-	79.55	44.67	38,443,882	1,181,084	-
Transways (Private) Limited	100.00	30.00	14,998	150	-	100.00	30.00	14,998	150	-
				1,932,837	-				1,932,837	-
Total Cost				4,510,547					3,266,001	
Less: Provision for Impairment in Value of Investments (Note 14.2)				(16,725)					(16,985)	
Carrying Value of Investment in Subsidiaries				4,493,822					3,249,016	

14.1.3 Preference Shares

	No. of Shares 2026	Cost 2026 Rs.'000	Market Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Market Value 2025 Rs.'000
Transways (Private) Limited	103,110	1,031	-	103,110	1,031	-
Voyages Ceylan (Private) Limited	1,500,000	15,000	-	1,500,000	15,000	-
York Hotel Management Services Limited	650,000	6,500	-	650,000	6,500	-
York Tours Limited	318,000	3,180	-	318,000	3,180	-
Total		25,711			25,711	
Less: Provision for impairment in Value of Investments		(25,711)			(25,711)	
Carrying Value		-			-	

14.2 Provision for Impairment in Investments in Subsidiaries

As at 31st March,	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	16,985	262,956
Impairment charge /(reversal) during the year	(260)	(245,971)
At the end of the year (Note 14.2.1)	16,725	16,985

14.2.1 Provision for Impairment in Investments in Subsidiaries

As at 31st March,	2026 Rs.'000	2025 Rs.'000
Quoted Investments		
Muller & Phipps (Ceylon) PLC	19	19
ACME Printing & Packaging PLC	91	91
	110	110
Unquoted Investments		
C.F. Travels Limited	15,000	15,000
Capital Leasing Company Limited	1,615	1,615
Colombo Fort Properties Limited	-	10
Colombo Fort Group Services (Private) Limited	-	100
Transways (Private) Limited	-	150
	16,615	16,875
	16,725	16,985

14.3 Calculation of Recoverable Values

As explained above, the recoverable values of these subsidiaries were determined with reference to their Net Assets / Market Values as follows.

Subsidiary	Unobservable input
Beruwala Resorts PLC	Market Value per Share
C M Holdings PLC	Market Value per Share
E.B. Creasy & Company PLC	Market Value per Share
Lankem Ceylon PLC	Market Value per Share
Marawila Resorts PLC	Market Value per Share
Muller & Phipps (Ceylon) PLC	Market Value per Share
York Arcade Holdings PLC	Market Value per Share
Agarapatana Plantations PLC	Market Value per Share
ACME Printing & Packaging PLC	Market Value per Share
C. W. Mackie PLC	Market Value per Share
C.F. Travels Limited	Net Assets per Share
Capital Leasing Company Limited	Net Assets per Share
Colombo Fort Group Services (Private) Limited	Net Assets per Share
Colombo Fort Holdings Limited	Net Assets per Share
Colombo Fort Hotels Limited	Net Assets per Share
Colombo Fort Properties Limited	Net Assets per Share
Consolidated Tea Plantations Limited	Net Assets per Share
Transways (Private) Limited	Net Assets per Share

The Company makes an assessment for impairment in value of Subsidiary Investments, annually. Accordingly, if the recoverable amount of the investment is lower than the carrying amount, a provision for impairment is recognised in respect of the Subsidiary Investments.

14.4 Group Companies Investment in Subsidiaries

Investor As at 31st March,	Investee	% Holding		No. of Shares	
		2026	2025	2026	2025
E. B. Creasy & Company PLC	Lankem Ceylon PLC	0.75%	0.75%	1,036,178	388,567
	Laxapana PLC	68.26%	68.27%	45,202,153	45,212,378
	Darley Butler & Co. Limited	100.00%	100.00%	12,393,454	9,999,964
	Candy Delights Limited	100.00%	100.00%	1,384,448	1,384,448
	Filmpak Limited	0.00%	100.00%	-	150,000
	Group Three Associates (Private) Limited	99.83%	99.83%	1,198	1,198
	E.B.Creasy Ceylon (Private) Limited	100.00%	100.00%	143,581	143,581
	Corporate Systems Limited	99.93%	99.93%	10,000	10,000
	E B Creasy Logistics Limited	99.99%	99.99%	49,994	49,994
	Imperial Hotels Limited	0.00%	0.14%	-	19,825
	Muller & Phipps (Ceylon) PLC	51.26%	51.26%	145,061,773	145,061,773
	Lanka Special Steels Limited	100.00%	100.00%	67,674,571	31,442,686
	Ceyflex Rubber Limited	100.00%	100.00%	7,993,183	7,993,183
	ACME Printing & Packaging PLC	0.00%	51.11%	-	48,553,804
	Agarapatana Plantations PLC	0.00%	0.00%	-	-
	Consolidated Tea Plantations Limited	3.59%	3.59%	3,090,927	3,090,927
	Colombo Fort Hotel Limited	0.46%	0.46%	1,275,200	1,275,200
Darley Butler & Company Limited	Lankem Ceylon PLC	18.57%	18.57%	25,489,000	9,558,375
	Laxapana PLC	0.00%	0.00%	6	6
	Marawila Resorts PLC	0.00%	0.00%	188	188
	York Arcade Holdings PLC	10.60%	0.60%	15,900,000	4,500
	Consolidated Tea Plantations Limited	3.90%	3.90%	3,356,099	3,356,099
	ACME Printing & Packaging PLC	19.49%	0.00%	129,588,760	-
Candy Delights Limited	Lankem Ceylon PLC	0.05%	0.05%	23,337	23,337
	York Arcade Holdings PLC	0.33%	0.33%	2,500	2,500

Investor As at 31st March,	Investee	% Holding		No. of Shares	
		2026	2025	2026	2025
E.B.Creasy Ceylon (Private) Limited	Consolidated Tea Plantations Limited	0.00%	0.00%	1	1
	Sigiriya Village Hotels PLC	0.69%	0.69%	62,162	62,162
	Marawila Resorts PLC	0.04%	0.04%	156,000	156,000
	Colombo Fort Hotels Limited	3.36%	3.36%	9,344,800	9,344,800
	Beruwala Resorts PLC	0.00%	0.00%	30,000	30,000
	C M Holdings PLC	0.63%	0.63%	956,001	95,640
	Lankem Ceylon PLC	0.00%	0.00%	1,428	536
	York Arcade Holdings PLC	0.27%	0.27%	400,000	2,000
Muller & Phipps (Ceylon) PLC	Muller & Phipps (Health Care) Limited	100.00%	100.00%	272,033,218	272,033,218
Muller & Phipps (Health Care) Limited	Beruwala Resorts PLC	0.00%	0.00%	30,000	30,000
Lankem Ceylon PLC	Lankem Developments PLC	1.55%	2.07%	2,480,626	2,480,626
	Marawila Resorts PLC	4.68%	4.68%	16,478,829	16,478,829
	Colombo Fort Hotels Limited	52.93%	52.93%	147,270,913	147,270,913
	Consolidated Tea Plantations Limited	33.39%	33.39%	28,733,221	28,733,221
	Lankem Tea and Rubber Plantations (Private) Limited	1.00%	1.00%	8,342	8,342
	Lankem Plantation Services Limited	60.00%	60.00%	179,993	179,993
	Lankem Exports Limited	99.97%	99.97%	9,997	9,997
	Lankem Paints Limited	100.00%	100.00%	1,999,996	1,999,996
	Lankem Consumer Products Limited	100.00%	100.00%	1,999,996	1,999,996
	Lankem Chemicals Limited	100.00%	100.00%	1,999,995	1,999,995
	Lankem Research Limited	100.00%	100.00%	250,002	250,002
	SunAgro LifeScience Limited	100.00%	100.00%	426,000	426,000
	SunAgro Farms Limited	100.00%	100.00%	1,199,996	1,199,996
	Associated Farms Limited	100.00%	100.00%	55,398	55,398
	C.W. Mackie PLC	52.60%	54.25%	94,651,260	19,523,252
	Lankem Technology Services Limited	100.00%	100.00%	4,999,995	4,999,995
	C M Holdings PLC	0.00%	2.18%	-	331,547
	J.F. Packaging PLC	69.95%	100.00%	120,406,800	120,406,800
	Nature's Link (Private) Limited	100.00%	100.00%	5,000,000	5,000,000
	Agrapatana Plantations PLC	0.35%	0.35%	1,760,204	1,760,204
	ACME Printing & Packaging PLC	50.50%	25.10%	335,827,655	23,846,742
	Lankem Minerals Limited	100.00%	100.00%	70,012,499	70,012,499
Consolidated Tea Plantations Limited	Lankem Tea and Rubber Plantations (Private) Limited	98.98%	98.98%	826,088	826,088
	Kotagala Plantations PLC	51.43%	54.30%	217,617,146	183,823,231
	Lankem Developments PLC	49.20%	47.57%	78,727,933	57,088,502
	Union Commodities (Private) Limited	78.56%	92.05%	23,711,514	27,783,694
	Imperial Hotels Limited	31.16%	0.00%	4,500,000	-
Lankem Tea and Rubber Plantations (Private) Limited	Colombo Fort Hotels Limited	6.08%	6.08%	16,927,739	16,927,739
	Kotagala Plantations PLC	1.62%	1.64%	6,849,009	5,550,000
	Agrapatana Plantations PLC	0.56%	1.46%	2,795,345	7,295,345
	Union Commodities (Private) Limited	4.73%	0.00%	1,428,717	-
Lankem Developments PLC	Agarapatana Plantations PLC	56.25%	56.25%	288,228,878	281,228,778
	Colombo Fort Hotels Limited	0.80%	0.80%	2,231,462	2,231,462

Investor As at 31st March,	Investee	% Holding		No. of Shares	
		2026	2025	2026	2025
Colombo Fort Hotels Limited	Beruwala Resorts PLC	66.25%	66.25%	464,138,216	464,138,216
	Imperial Hotels Limited	18.30%	34.08%	2,642,581	4,921,506
	Marawila Resorts PLC	39.51%	39.51%	139,062,165	139,062,165
	Sigiriya Village Hotels PLC	51.00%	51.00%	45,902,740	4,590,274
	Galle Fort Hotel (Private) Limited	100.00%	100.00%	11,186,372	11,186,372
	Sherwood Holidays Limited	100.00%	100.00%	8,131,920	7,791,920
	BOT Hotel Services (Private) Limited	31.32%	31.32%	18,008,162	18,008,162
Sigiriya Village Hotels PLC	Marawila Resorts PLC	4.83%	4.83%	17,000,000	17,000,000
	Beruwala Resorts PLC	0.50%	0.57%	3,498,070	3,998,070
	Colombo Fort Hotels Limited	0.01%	0.01%	24,000	24,000
	Imperial Hotels Limited	47.08%	31.16%	6,800,000	4,500,000
Marawila Resorts PLC	Beruwala Resorts PLC	0.00%	0.00%	30,000	30,000
	Colombo Fort Hotels Limited	0.31%	0.31%	866,258	866,258
Beruwala Resorts PLC	B.O.T. Hotel Services (Private) Limited	68.68%	68.68%	39,491,798	39,491,798
	Voyages Ceylan (Private) Limited	18.20%	18.20%	111,250	111,250
York Hotel Management Services Limited	Colombo Fort Hotels Limited	0.01%	0.01%	24,000	24,000
Agarapatana Plantations PLC	Beruwala Resorts PLC	0.19%	0.19%	1,300,000	1,300,000
	Union Commodities (Private) Limited	15.00%	15.00%	1,200,000	1,200,000
	Waverly Power (Private) Limited	100.00%	100.00%	7,800,000	7,800,000
Kotagala Plantations PLC	Imperial Hotels Limited	0.00%	31.16%	-	4,500,000
	Union Commodities (Private) Limited	0.00%	3.98%	-	1,199,999
	Rubber & Allied Products (Colombo) Limited	100.00%	100.00%	1,505,991	1,505,991
	Consolidated Rubber Plantations PTE Limited	100%	100%	1,000	1,000
	Cambodia Rubber Plantation Industries PTE Limited	100%	100%	1,000	1,000
	Lanka Agro Plantations PTE Limited	100%	100%	1,000	1,000
C.W. Mackie PLC	Ceymac Rubber Company Limited	98.72%	98.72%	3,148,551	3,148,551
	Ceytra (Private) Limited	84.07%	84.07%	1,884,600	1,884,600
	Sunquick Lanka Properties (Pvt) Ltd	51.00%	51.00%	3,070,000	3,070,000
	Kelani Valley Canneries Limited	92.84%	92.84%	52,045,272	52,045,272
C M Holdings PLC	Colonial Motors (Ceylon) Limited	100.00%	100.00%	44,307,485	44,307,485
	E. B. Creasy & Company PLC	3.94%	3.94%	11,000,000	10,000,000
	York Arcade Holdings PLC	0.00%	0.00%	5,600	28
	Union Investments (Private) Limited.	100.00%	100.00%	4,999,999	4,999,999
	Colombo Fort Hotels Limited	6.83%	6.83%	19,014,351	19,014,351
	Marawila Resorts PLC	0.47%	0.47%	1,666,666	1,666,666
	Lankem Ceylon PLC	4.25%	5.28%	5,833,534	2,716,767
	Beruwala Resorts PLC	0.01%	0.01%	45,000	45,000
	Guardian Asset Management Limited	81.25%	75.00%	1,299,995	1,199,995
	Agarapatana Plantations PLC	1.42%	1.18%	7,123,593	5,886,888
	Consolidated Tea Plantations Limited	7.46%	7.46%	6,416,061	6,416,061
	J.F. Packaging PLC	0.00%	0.00%	2,300	-

Investor As at 31st March,	Investee	% Holding		No. of Shares	
		2026	2025	2026	2025
Union Investments (Private) Limited	E. B. Creasy & Company PLC	8.19%	6.61%	22,847,000	16,770,000
	York Arcade Holdings PLC	0.00%	0.00%	7,000	35
	Guardian Asset Management Limited	18.75%	18.75%	300,000	300,000
	Lankem Ceylon PLC	0.43%	0.43%	594,132	222,800
	Lankem Developments PLC	2.00%	2.00%	3,200,000	2,400,000
	Agarapatana Plantations PLC	1.33%	0.78%	6,664,400	3,875,400
	C.W. Mackie PLC	3.36%	2.81%	6,050,000	1,010,000
	Marawila Resorts PLC	2.84%	2.84%	10,000,000	10,000,000
	Sigiriya Village Hotels PLC	13.27%	13.27%	11,945,180	1,194,518
	Colombo Fort Hotels Limited	2.16%	2.16%	6,004,591	6,004,591
Guardian Asset Management Limited	Kotagala Plantation PLC	0.00%	0.00%	2,000	1,252
	Laxapana PLC	0.00%	0.00%	600	600
	E. B. Creasy & Company PLC	0.00%	0.00%	7,200	7,200
	Colombo Investment Trust PLC	0.00%	0.00%	149	149
	Colombo Fort Investments PLC	0.00%	0.00%	106	106
	Lankem Developments PLC	0.00%	0.00%	296	296
	Lankem Ceylon PLC	0.58%	0.78%	800,600	400,300
	C M Holdings PLC	0.00%	0.00%	1,850	185
	Marawila Resorts PLC	0.00%	0.00%	1,066	1,066
	Agarapatana Plantations PLC	0.00%	0.00%	10,000	10,000
	C.W Mackie PLC	0.00%	0.00%	100	100
York Arcade Holdings PLC	C M Holdings PLC	0.47%	0.47%	71,707	71,707
	Imperial Hotels Limited	3.46%	3.46%	500,000	500,000
C.F Travels Limited	York Tours Limited	100.00%	100.00%	51,200	51,200
	American Lloyd Travels Limited	96.54%	96.54%	1,013,706	1,013,706
	Union Travels Limited	85.99%	85.99%	42,993	42,993
	Voyages Ceylan (Private) Limited	74.43%	74.43%	454,930	454,930
Colombo Fort Holdings Limited	York Hotel Management Services Limited	100.00%	100.00%	60,000	60,000
	Union Group (Private) Limited	87.90%	87.90%	54,500	54,500
	Transways (Private) Limited	70.00%	70.00%	35,000	35,000
Union Group (Private) Limited	Lankem Ceylon PLC	0.01%	0.01%	14,000	7,000
J.F. Packaging PLC*	JF Ventures Limited	100.00%	100.00%	139,799,999	139,800,000
	Ceylon Tapes (Private) Limited	11.27%	11.27%	160,000	160,000
	Kiffs (Private) Limited	0.00%	0.00%	1	1
	Alliance Five (Private) Limited	0.00%	0.00%	1	1
JF Ventures Limited	Ceylon Tapes (Private) Limited	88.73%	88.73%	1,259,359	1,259,360
	Kiffs (Private) Limited	100.00%	100.00%	823,194	823,194
	Alliance Five (Private) Limited	100.00%	100.00%	1,636,434	1,636,434
Ceylon Tapes (Private) Limited	Consolidated Tea Plantations Limited	6.99%	6.99%	6,018,518	6,018,518
Wavely Power (Private) Limited	Agarapatana Plantations PLC	0.00%	0.50%	-	2,500,100
	Colombo Fort Hotels Limited	0.79%	0.79%	2,186,624	2,186,624
Colombo Fort Group Services (Private) Limited	Agarapatana Plantations PLC	0.32%	0.32%	1,582,452	1,582,452
Laxapana PLC	Sterling Steels (Private) Limited	100.00%	100.00%	10,635,000	10,635,000
Union Commodities (Private) Limited	Union Commodities Teas (Private) Limited	99.99%	99.99%	9,999	9,999
	Teacom (Private) Limited	66.67%	66.67%	2	2
	Union Commodities Exports (Private) Limited	66.67%	66.67%	2	2
	Unicom Clearing & Forwarding (Private) Limited	50.00%	50.00%	1	1
	ACME Printing & Packaging PLC	0.62%	0.62%	584,754	584,754
	Lankem Developments PLC	0.04%	0.04%	43,011	43,011

Investor As at 31st March,	Investee	% Holding		No. of Shares	
		2026	2025	2026	2025
Unicom Clearing & Forwarding (Private) Limited	Teacom (Private) Limited	33.33%	33.33%	1	1
Teacom (Private) Limited	Unicom Clearing & Forwarding (Private) Limited	50.00%	50.00%	1	1
	Union Commodities Exports (Private) Limited	33.33%	33.33%	1	1
Union Commodities Exports (Private) Limited	Union Commodities Teas (Private) Limited	0.00%	0.00%	1	1
ACME Printing & Packaging PLC	ACME Packaging Solutions (Private) Limited	100.00%	100.00%	50,132,874	6,757,874

* J.F. Packaging PLC was formerly known as J.F. Packaging Limited. The name was changed to J.F. Packaging PLC with effect from 9th January 2026, subsequent to the Initial Public Offering of the Company.

Ceyflex Rubber Limited

During the financial year, the Board of Directors of Ceyflex Rubber Limited approved the cessation of operations of Ceyflex Rubber Limited, and management commenced an active programme to identify a suitable buyer. Based on the impairment assessment performed using the fair value less costs to sell model, a provision of Rs. 80 million was recognised against the carrying value of the investment.

Further, the Company assessed the classification requirements of SLFRS 5 – Non-current Assets Held for Sale and Discontinued Operations in relation to Ceyflex Rubber Limited. As at the reporting date, the criteria for classification as held for sale had not been met, as the management believes that the disposal may not be completed within the twelve months period from the reporting date due to the challenges in identifying a suitable buyer. Accordingly, management determined that the criteria under SLFRS 5 for classification as "held for sale" had not been fully satisfied as at the reporting date. Therefore, the assets and liabilities relating to Ceyflex Rubber Limited have not been classified as held for sale.

14.5 Subsidiary Companies of the Group

The details of Subsidiaries in which The Colombo Fort Land & Building PLC held an indirect interest, are set out below:

Indirect Subsidiaries	Effective Holdings (%)	
	2026	2025
ACME Printing and Packaging PLC	41.44	47.02
Agarapatana Plantations PLC	25.72	27.14
Alliance Five (Private) Limited	42.05	63.25
American Lloyd Travels Limited	96.54	96.54
Associated Farms Limited	60.11	63.25
Sterling Steels (Private) Limited	38.33	40.86
B.O.T. Hotel Services (Private) Limited	54.92	56.59
C.W. Mackie PLC	34.74	36.31
Ceylon Tapes (Private) Limited	42.05	63.25
Ceyflex Rubber Limited	56.16	59.85
Corporate Systems Limited	56.12	59.81
Candy Delights Limited	56.16	59.85
Darley Butler & Company Limited	56.16	59.85
E. B. Creasy Logistics Limited	56.15	59.84
Filmpack Limited	-	59.85
Group Three Associates (Private) Limited	56.07	59.75
E.B.Creasy Ceylon (Private) Limited	56.16	59.85
Kiffs (Private) Limited	42.05	63.25
J.F. Packaging PLC	42.05	63.25
J F Ventures Limited	60.11	63.25
Kotagala Plantations PLC	40.65	44.50

Indirect Subsidiaries	Effective Holdings (%)	
	2026	2025
Lanka Special Steels Limited	56.16	59.85
Lankem Chemicals Limited	60.11	63.25
Lankem Consumer Products Limited	60.11	63.25
Lankem Developments PLC	39.93	40.48
Lankem Exports (Private) Limited	60.09	63.23
Lankem Minerals Limited	60.11	63.25
Lankem Paints Limited	60.11	63.25
Lankem Plantation Services Limited	36.06	37.95
Lankem Research Limited	60.11	63.25
Lankem Tea & Rubber Plantations (Private) Limited	76.45	79.37
Laxapana PLC	38.33	40.86
Nature's Link (Private) Limited	60.11	63.25
SunAgro Farms Limited	60.11	63.25
SunAgro LifeScience Limited	60.11	63.25
Union Commodities (Private) Limited	68.87	76.07
Union Group (Private) Limited	87.90	87.90
Union Travels Limited	85.99	85.99
Voyages Ceylan (Private) Limited	83.07	83.33
Wavely Power (Private) Limited	25.72	27.14
York Hotel Management Services Limited	99.99	99.99
Imperial Hotels Limited	59.23	55.16
York Tours Limited	99.99	99.99

15. INVESTMENT IN EQUITY ACCOUNTED INVESTEES

15.1 Investment in Associates

As at 31st March,	2026 Rs.'000	2025 Rs.'000
Group		
As at the beginning of the Year	1,358,554	758,917
Share of Profit or Loss	183,333	41,220
Share of Other Comprehensive Income	243,652	558,417
Share of Results of Equity Accounted Investees (Net of Tax) for the Year	426,985	599,637
Dividend Received during the Year	(49,526)	-
Carrying Value of Investments in Equity Accounted Investees	1,736,013	1,358,554

a. The group hold Colombo Fort Investments PLC (CFIL), Colombo Investment Trust PLC (CITL) and Capital Investments Limited (CIL) as investment in associate companies.

b. Market value of quoted investments as at 31st March, 2026 was Rs.693 million (Rs.199 million- 31st March, 2025) for the Group and Company. The Director's valuation of unquoted associate investment amounted to Rs.654 million as at 31st March, 2026 (Rs.297 million - 31st March, 2025) for the Group and Company as well.

15.1 Investment in Associates Contd.

c. Summarised Financial Information of Equity Accounted Investees are given below.

	GROUP					
	CFIL	CITL	CIL	CFIL	CITL	CIL
As at 31st March,	2026			2025		
Holding %	13.26%	7.48%	46.67%	13.26%	8.52%	46.67%

	CFIL	CITL	CIL	Total	CFIL	CITL	CIL	Total
As at 31st March,	2026 (Rs.'000)				2025 (Rs.'000)			
Assets & Liabilities								
Total Assets	4,836,298	4,893,522	1,653,871	11,383,691	3,337,553	3,209,604	1,414,934	7,962,091
Total Liabilities	(77,239)	(52,612)	(10,412)	(140,263)	(2,492)	(2,102)	(12,637)	(17,231)
Net Assets	4,759,059	4,840,910	1,643,459	11,243,428	3,335,061	3,207,502	1,402,297	7,944,860

Summary of the Statement of Profit or Loss

	CFIL	CITL	CIL	Total	CFIL	CITL	CIL	Total
For the year ended 31st March,	2026 (Rs.'000)				2025 (Rs.'000)			
Revenue	110,160	83,532	7,849	201,541	88,649	50,809	1,390	140,848
Cost of Investment Disposed	(20,431)	(17,829)	-	(38,260)	(40,473)	(18,500)	-	(58,973)
Net change in FVTPL	704,536	974,651	-	1,679,187	118,406	206,985	-	325,391
Other Operating Income	-	5	-	5	-	2	-	2
	794,265	1,040,359	7,849	1,842,473	166,582	239,296	1,390	407,268
Administrative Expenses	(13,788)	(14,033)	(442)	(28,263)	(6,639)	(7,309)	(415)	(14,363)
Other Operating Expenses	-	-	-	-	-	-	-	-
Profit From Operations	780,477	1,026,326	7,407	1,814,210	159,943	231,987	975	392,905
Net Finance Income / (Cost)	-	(1,399)	222	(1,177)	-	-	294	294
Profit before Tax	780,477	1,024,927	7,629	1,813,033	159,943	231,987	1,269	393,199
Income Tax Expenses	(2,782)	-	(67)	(2,849)	(2,535)	-	-	(2,535)
Net Profit for the year	777,695	1,024,927	7,562	1,810,184	157,408	231,987	1,269	390,664
Other Comprehensive income for the period, Net of Tax	659,841	619,126	235,474	1,514,441	1,140,341	1,115,977	668,963	2,925,281
Total Comprehensive income for the period	1,437,536	1,644,053	243,036	3,324,625	1,297,749	1,347,964	670,232	3,315,945
Share of Profit for the Parent Company,	103,115	76,690	3,529	183,333	20,871	19,757	592	41,220

15.1 Investment in Associates Contd.

d. The Colombo Fort Land and Building PLC has neither contingent liabilities nor capital commitments in respect of its associates.

As at 31st March,	Holding % 2026	No. of Shares 2026	Cost As at 2026 Rs.'000	Market Value As at 2026 Rs.'000	No. of Shares 2025	Cost As at 2025 Rs.'000	Market Value As at 2025 Rs.'000
COMPANY							
Quoted Investments							
Colombo Fort Investments PLC	13.26	1,173,914	43,098	468,392	1,165,077	41,350	126,993
Colombo Investment Trust PLC	7.48	534,904	18,086	224,125	604,380	19,736	72,223
			61,184	692,517	-	61,086	199,216
Unquoted Investments							
Capital Investments Limited	46.67	3,499,930	35,349	-	3,499,930	35,349	-
			35,349	-	-	35,349	-
Cost of Investments in Equity Accounted Investees			96,533			96,435	

15.2 Investment in Joint Venture

As at 31st March,	Holding % 2026	2026 Rs.'000	Holding % 2025	2025 Rs.'000
Sunquick Lanka (Private) Limited	49%	504,312	49%	460,474
		504,312		460,474

C.W. Mackie PLC (CWM)

The Group has a 49% interest in Sunquick Lanka (Private) Limited, a join venture formed for the purpose of manufacturing, processing and marketing Co-Ro A/S, Denmark products in the form of concentrates and ready-to-drink (RTD) products marketed under 'Sunquick' brand.

The Group's interest in Sunquick Lanka (Private) Limited is accounted for using the equity method in the Company and Consolidated Financial Statements. Summarised financial information of the joint venture and reconciliation with the carrying amount of the investment in the Financial Statements are set out below:

As at 31st March,	2026 Rs.'000	2025 Rs.'000
Summary of the Statement of Profit or Loss		
Revenue	3,221,771	3,512,878
Operating Expenses	(3,085,746)	(3,341,149)
Other Operating income	9,954	17,114
Finance Income	3,704	12,100
Finance Cost	(70,270)	(1,614)
Profit before tax	79,413	199,329
Income tax	10,337	145,220
Profit for the year	89,750	344,549

Summary of the Statement of Profit or Loss contd.

As at 31st March,	2026 Rs.'000	2025 Rs.'000
Acturial loss on defined benefit plans, net of tax	(285)	(3,098)
Total comprehensive income	89,465	341,451
Share Profit /(Loss) recognised for the year	43,978	168,829
Share of Loss recognised in other comprehensive income / (expense)	(140)	(1,518)
Summarised Statement of Financial Position		
Non-Current Assets	615,661	755,538
Current Assets	2,098,539	2,066,811
Non-Current Liabilities	87,928	213,775
Current Liabilities	1,597,064	1,668,831
Equity	1,029,208	939,743
Carrying amount of the investments	504,312	460,474
Equity Reconciliation		
Carrying Value as at 1st April	460,474	293,163
Share of profit for the year	43,978	168,829
Other Comprehensive expense for the year	(140)	(1,518)
Carrying Value as at 31st March	504,312	460,474

16. OTHER FINANCIAL ASSETS

16.1 Financial Assets Measured at FVOCI

As at 31st March,	GROUP Notes	GROUP Fair Value 2026 Rs.'000	GROUP Fair Value 2025 Rs.'000	COMPANY Notes	COMPANY Fair Value 2026 Rs.'000	COMPANY Fair Value 2025 Rs.'000
Quoted Investments - Financial Assets at FVOCI	16.1.1.1	431,047	371,376	16.1.2.1	6,272	5,244
Unquoted Investments - Financial Assets at FVOCI	16.1.1.2	915,295	803,915	-	-	-
		1,346,342	1,175,291		6,272	5,244

16.1.1 Group

16.1.1.1 Quoted Investments

As at 31st March,	GROUP					
	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Automobiles & Components						
Kelani Tyres PLC	360	2	29	360	2	29
Total	-	2	29	-	2	29
Banks						
Commercial Bank of Ceylon PLC-Voting	28,261	2,404	5,772	27,936	2,356	4,121
DFCC Bank PLC	18	1	2	18,854	802	1,999
Hatton National Bank PLC-Voting	10	-	4	10	-	3
Housing Development Finance Corporation Bank of Sri Lanka	100	4	5	100	4	4
National Development Bank PLC	7,940	555	1,032	7,940	555	850
Nations Trust Bank PLC	14,901	344	4,320	14,808	344	2,813
Pan Asia Banking Corporation PLC	3,000	24	152	3,000	24	107
Sampath Bank PLC	937	26	136	937	26	115
Seylan Bank PLC-Non-Voting	259	7	18	259	7	14
Seylan Bank PLC-Voting	8	-	1	8	-	1
The Finance Company PLC	120	8	-	100	8	-
Union Bank of Colombo PLC	100	3	1	100	3	1
Total		3,376	11,443		4,129	10,028
Capital Goods						
ACL Cables PLC	3,456	2	294	1,152	2	141
Aitken Spence PLC	555	10	77	555	10	71
Colombo Dockyard PLC	82	3	10	15	-	1
Hayleys PLC	8,590	735	1,847	8,590	735	1,177
Hemas Holdings PLC	3,595	10	106	719	10	86
John Keells Holdings PLC	1,920	11	35	1,920	11	39
Lanka Ashok Leyland PLC	90	1	239	90	1	86
Lanka Tiles PLC	10,760	468	492	10,760	468	546
Lanka Walltiles PLC	10,665	479	491	10,665	479	539
Renuka Holdings PLC- Voting	1,252	18	63	1,252	18	23
Richard Peiris & Company PLC	3,705	2	114	3,705	2	94
Royal Ceramics Lanka PLC	119,460	416	5,137	21,450	416	4,420
Sierra Cables PLC	2,600	8	74	2,600	8	41
The Colombo Fort Land & Building PLC	5,800,333	14,174	389,782	5,800,333	14,174	336,999
Unisyst Engineering PLC	180	3	-	180	3	-
Total		16,340	398,761		16,337	344,263
Commercial & Professional Services						
Gestetner of Ceylon PLC	525	8	160	525	8	68
Total		8	160		8	68
Consumer Durabi & Apparel						
Abans Electrical PLC	240	10	266	240	10	93
Hayleys Fabric PLC	818	7	25	818	7	37
Hayleys Fibre PLC	315	2	35	315	2	15
Ambeon holdings PLC	1,002	2	153	1,002	2	82

As at 31st March,	GROUP					
	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Kelsey Developments PLC	337	4	-	337	4	7
Total		25	479		25	234
Consumer Services						
Aitken Spence Hotel Holdings PLC	140	2	13	140	2	11
Hayleys Leisure PLC	554	2	16	554	2	16
Asian Hotels & Properties PLC	200	1	11	200	1	11
Ceylon Hotels Corporation PLC	534	2	19	534	2	12
Dolphin Hotels PLC	125	1	5	125	1	6
Hotel Sigiriya PLC	52,000	1,294	2,531	52,000	1,294	2,918
Hunas Holdings PLC	67,500	19	1,569	67,500	19	1,613
John Keells Hotels PLC	1,506	5	24	1,506	5	30
Pegasus Hotels of Ceylon PLC	960	36	33	960	36	33
Renuka City Hotel PLC	600	148	311	600	148	286
Royal Palms Beach Hotels PLC	375	11	12	375	11	12
Trans Asia Hotels PLC	400	1	-	400	1	-
The Kingsbury PLC	1,374	3	21	1,374	3	16
The Nuwara Eliya Hotels Company PLC	12	4	54	12	4	26
Total		1,529	4,619		1,530	4,990
Diversified Holdings						
Central Finance Company PLC	10	-	2	10	-	2
Ceylon Investment PLC	4	-	-	4	-	-
Colombo Fort Investments PLC	106	3	42	106	3	12
Colombo Investment Trust PLC	150	3	63	149	3	18
First Capital Holdings PLC	14,400	11	763	14,400	11	503
Lanka Ventures PLC	100	1	6	100	1	4
LB Finance PLC	4,624	3	655	4,624	3	397
Merchant Bank of Sri Lanka & Finance PLC	67	1	1	67	1	-
People's Leasing & Finance PLC	13,983	226	313	13,632	218	244
Selinsing PLC	36	9	-	36	9	-
The Indo Malay PLC	5	1	-	5	1	-
Total		258	1,845		250	1,180
Energy						
Lanka IOC PLC	800	22	112	800	22	102
Total		22	112		22	102
Food & Staples Retailing						
CT Holdings PLC	223	7	129	223	7	87
Cargills (Ceylon) PLC	343	9	236	343	9	150
Ceylon & Foreign Traders PLC	10,000	5	-	10,000	5	-
Total		21	365		21	237
Food Beverage & Tobacco						
Balangoda Plantations PLC	300	3	18	300	3	21
Ceylon Beverage Holdings PLC	226	1	603	226	1	590
Distilleries Company of Sri Lanka PLC	118	1	6	118	1	4
Hapugastenne Plantations PLC	100	2	5	100	2	4

As at 31st March,	GROUP					
	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Hatton Plantation PLC	7,000	52	162	7,000	52	194
Horana Plantations PLC	100	2	5	100	2	4
Kahawatte Plantations PLC	265	5	5	265	5	6
Kegalle Plantations PLC	100	5	13	100	5	14
Kelani Valley Plantations PLC	200	6	16	200	6	16
Lanka Milk Foods (CWE) PLC	1,330	3	107	1,330	3	58
Madulsima Plantations PLC	100	2	1	100	2	1
Malwatte Valley Plantations PLC	1,000	1	58	1,000	1	59
Maskeliya Plantations PLC	900	13	63	900	13	72
Namunukula Plantations PLC	10,100	21	680	1,100	21	419
Talawakelle Tea Estates PLC	200	3	26	200	3	28
Udapussellawa Plantations PLC	100	3	14	100	3	13
Watawala Plantations PLC	47,376	45	1,956	47,376	45	1,326
Total		168	3,738		168	2,829
Health Care Equipment & Services						
Asiri Hospital Holdings PLC	2,660	6	82	2,660	6	69
Asiri Surgical Hospital PLC	1,499	4	23	1,499	4	17
Durdans Hospitals PLC-Non-Voting	520	2	25	130	2	14
Durdans Hospitals PLC - Voting	520	8	31	130	8	17
Nawaloka Hospitals PLC	26,666	20	283	26,666	20	141
The Lanka Hospital Corporation PLC	100	2	10	100	2	8
Total		42	454		42	266
Insurance						
Amana Takaful PLC	402	9	8	402	9	5
Ceylinco Holdings PLC	22	-	73	22	-	67
HNB Assurance PLC	600	3	72	600	3	47
Janashakthi Insurance Company PLC	1,800	56	-	1,800	56	132
Softlogic Life Insurance PLC	844	1	69	844	1	61
Total		69	222		69	312
Materials						
ACL Plastics PLC	1,000	3	131	100	3	62
Chemanex PLC	182	3	29	177	2	27
Chevron Lubrications Lanka PLC	12,400	452	2,217	12,400	452	1,705
CIC Holdings PLC	84,780	29	2,535	16,956	29	1,988
Dipped Products PLC	860	2	42	860	2	47
Haycarb PLC	8,770	559	960	8,770	559	720
Industrial Asphalts (Ceylon) PLC	45,000	1	18	45,000	1	18
Lanka Cement PLC	100	-	-	100	-	-
Piramal Glass Ceylon PLC	3,428	6	179	3,428	6	118
Richard Peiris Exports PLC	92	3	33	92	3	35
Tokyo Cement Company (Lanka) PLC-Voting	21,713	30,000	1,930	21,713	30,000	1,716
Total		31,058	8,074		31,057	6,436
Real Estate						
C.T. Land Development PLC	167	1	6	167	1	4
Colombo Land & Development Company PLC	1,400	2	72	1,400	2	31
Commercial Development PLC	600	6	171	600	6	81
Total		9	249		9	116

As at 31st March,	GROUP					
	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Retailing						
John Keells PLC	336	2	27	336	2	25
Singer Sri Lanka PLC	945	4	73	945	4	31
RIL Properties PLC	6,666	53	167	6,666	53	101
Sathosa Motors PLC	66	2	67	66	2	29
The Autodrome PLC	100	2	33	100	2	11
Total		63	367		63	197
Telecommunication Services						
Dialog Axiata PLC	100	2	3	100	2	1
Sri Lanka Telecom PLC	200	3	16	200	3	12
Total		5	19		5	13
Utilities						
Panasian Power PLC	1,000	3	20	1,000	3	7
Vallibel Power Erathna PLC	3,000	8	45	3,000	8	39
Vidullanka PLC	2,215	5	46	2,215	5	30
Total		16	111		16	76
Total Quoted Investments - Financial Assets at FVOCI		53,011	431,047		53,753	371,376

16.1.1.2 Unquoted Investments

As at 31st March,	GROUP					
	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Ceylon Biscuits Limited	5,041,680	30	915,200	5,041,680	30	803,795
Dacreel Ceylon Limited	1	-	-	1	-	-
Far Eastern Exports Limited	10,500	105	72	10,500	105	72
Fortland Finance Limited	31,500	318	-	31,500	318	-
International Manufacturers Company Limited	3,300	23	23	3,300	23	23
Sri Lanka Institute of Nanotechnology (Private) limited	3,810,182	50,000	-	3,810,182	50,000	-
Ingrin Institute of Printing & Graphics	-	-	-	-	-	25
Total Unquoted Investments - Financial Assets at FVOCI		50,476	915,295		50,476	803,915

The Group designated the Investments shown above as Equity Securities at FVOCI because these Equity Securities represent investments that the Group intended to hold for the long term for strategic purposes.

* Sector classification and market value per share are based on the official valuation list published by the Colombo Stock Exchange as at 31st March, 2026 and 2025.

16.1.2 Company

16.1.2.1 Quoted Investments

	COMPANY					
As at 31st March,	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Banks, Finance & Insurance						
People's Leasing & Finance PLC	13,983	226	313	13,632	218	244
The Finance Company PLC	100	8	-	100	8	-
Total		234	313		226	244
Beverages, Food & Tobacco						
Ceylon Beverage Holdings PLC	226	1	603	226	1	590
Namunukula Plantations PLC	10,000	15	673	1,000	15	381
Total		16	1,276		16	971
Manufacturing						
Royal Ceramic Lanka PLC	108,900	114	4,683	108,900	114	4,029
Total		114	4,683		114	4,029
Total Quoted Investments - Financial Assets at FVOCI		364	6,272		356	5,244

The fair value measurement details are disclosed in Note 16.4.

Sector classification and market value per share are based on the official valuation list published by the Colombo Stock Exchange.

The Company and the Group have valued their Equity Securities at the price on the last day of trading for the year ended 31st March, 2026 and 2025.

16.2 Financial Assets Measured At FVTPL

		GROUP			COMPANY	
As at 31st March,		Fair Value 2026	Fair Value 2025		Fair Value 2026	Fair Value 2025
Financial assets classified as FVTPL	Notes	Rs.'000	Rs.'000	Notes	Rs.'000	Rs.'000
Quoted Investments - Financial Assets at FVTPL	16.2.1.1	1,802,846	1,521,063	16.2.2	9,939	7,095
Unit Trusts - Financial Assets at FVTPL	16.2.1.2	20,560	209,831	-	-	-
Other Investments, Including Derivatives	16.2.1.3	16,883	-	-	-	-
		1,840,289	1,730,894		9,939	7,095

The movement of the financial assets at fair value through profit or loss is as follows;

As at 31st March,	GROUP		COMPANY	
	Fair Value 2026 Rs.'000	Fair Value 2025 Rs.'000	Fair Value 2026 Rs.'000	Fair Value 2025 Rs.'000
At the beginning of the year				
Investment in Unit Trust	**209,831**	14,984	**-**	-
Equity Investments	**1,521,062**	1,015,318	**7,095**	3,844
	1,730,893	1,030,302	**7,095**	3,844
Additions				
Unit Trust	**4**	194,358	**-**	-
Equity Investments	**37,531**	33,264	**82**	748
Derivatives	**16,883**	-	**-**	-
	54,418	227,622	**82**	748
Disposals				
Unit Trust	**(193,902)**	-	**-**	-
Equity Investments	**(289,396)**	(9,609)	**-**	-
	(483,298)	(9,609)	**-**	-
Market Fair value changes				
Investment in Unit Trust	**4,627**	489	**-**	-
Equity Investments	**533,649**	482,089	**2,762**	2,503
	538,276	482,578	**2,762**	2,503
At the end of the year				
Investment in Unit Trust	**20,560**	209,831	**-**	-
Equity Investments	**1,802,846**	1,521,062	**9,939**	7,095
Derivatives	**16,883**	-	**-**	-
	1,840,289	1,730,893	**9,939**	7,095

16.2.1 Group

16.2.1.1 Quoted Investments

As at 31st March,	GROUP					
	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Automobiles & Components						
Kelani Tyres PLC	160	1	13	160	1	13
Total		1	13		1	13
Banks						
Commercial Bank of Ceylon PLC- Non-Voting	179,583	8,574	35,378	177,243	8,272	22,244
Commercial Bank of Ceylon PLC-Voting	1,611,332	83,858	329,115	1,592,787	77,309	234,936
Hatton National Bank PLC- Non-Voting	76,781	6,985	27,200	66,781	3,137	17,046
Hatton National Bank PLC-Voting	393,410	31,374	161,593	371,633	21,834	113,348
Development Finance Corporation of Ceylon PLC	131,626	8,869	18,131	128,032	8,302	13,571
National Development Bank PLC	40,123	2,237	5,216	40,123	2,237	4,293
Nations Trust Bank PLC	190,737	5,982	55,170	188,330	5,982	35,932
Pan Asia Banking Corporation PLC	109,000	1,101	5,505	109,000	1,101	3,870
Sampath Bank PLC	419,389	14,497	60,916	419,389	14,497	51,375
Seylan Bank PLC-Non-Voting	490,792	10,373	34,650	490,792	10,373	26,061
Union Bank of Colombo PLC	55,000	3	710	55,000	3	567
Total		173,853	733,584		153,047	523,243
Capital Goods						
ACL Cables PLC	432,000	1,485	36,720	144,000	1,485	17,568
Browns & Company PLC	28,900	2,745	4,342	28,900	2,745	4,573
Colombo Dockyard PLC	81,840	3,520	10,005	14,880	842	1,178
Hayleys PLC	1,000,160	2,373	215,034	1,000,160	2,373	137,022
Hemas Holdings PLC	108,265	432	3,205	21,653	432	2,598
John Keells Holdings PLC	760,500	6,792	13,993	760,500	6,792	15,362
Kelani Cables PLC	4,000	7	410	400	7	208
Lanka Tiles PLC	125,000	630	5,713	125,000	630	6,338
Lanka Walltiles PLC	500,000	3,947	23,000	500,000	3,947	25,250
Richard Peiris & Company PLC	4,740	11	146	4,740	11	120
Sierra Cables PLC	824,000	1,515	23,319	824,000	1,515	12,937
Vallibel One PLC	109,012	2,600	10,018	109,012	2,600	6,421
Total		26,057	345,905		23,379	229,575
Consumer Durabi & Apparel						
Dankotuwa Porcelain PLC	42,500	349	646	42,500	349	982
Hayleys Fabric PLC	17,180	194	524	17,180	194	773
Hayleys Fibre PLC	1,467	21	163	1,467	21	68
Teejay Lanka PLC	10,000	150	280	10,000	150	510
Hela Apparel PLC	6,000	90	17	6,000	90	22
Total		804	1,630		804	2,355

As at 31st March,	GROUP					
	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Consumer Services						
Aitken Spence Hotel Holdings PLC	100,625	1,856	9,217	100,625	1,856	8,060
Amaya Leisure PLC	134,886	2,335	3,831	134,886	2,335	3,804
Asian Hotels & Properties PLC	72,000	989	3,874	72,000	989	3,816
Ceylon Hotels Corporation PLC	10,478	254	375	10,478	254	236
Dolphin Hotels PLC	20,000	275	798	20,000	275	914
Eden Hotel Lanka PLC	250,000	5,046	2,825	350,000	7,006	4,725
Galadari Hotels PLC	7,000	60	113	7,000	60	118
Hikkaduwa Beach Resort PLC	64,270	782	238	64,270	782	212
John Keells Hotels PLC	530,416	8,907	8,593	530,416	8,907	10,714
Palm Garden Hotels PLC	12,215	572	718	15,164	711	963
Pegasus Hotels of Ceylon PLC	22,666	499	882	22,666	499	782
Renuka City Hotel PLC	12,740	897	10,342	12,740	897	6,058
Royal Palms Beach Hotels PLC	15,700	629	794	15,700	629	518
Serendib Hotels PLC-Non-Voting	125,000	671	1,588	125,000	671	1,463
Tal Lanka Hotels PLC	19,500	182	669	19,500	182	408
Tangerine Beach Hotels PLC	11,400	348	1,154	11,400	348	798
The Fortress Resorts PLC	50	1	1	50	1	1
The Lighthouse Hotel PLC	114,800	1,948	7,485	114,800	1,948	6,670
Total		26,251	53,496		28,349	50,260
Diversified Financials						
Alliance Finance Company PLC	80,000	353	25,200	80,000	353	14,440
Capital Alliance Holdings PLC	10,700	107	161	-	-	-
Central Finance PLC	40,318	821	9,193	40,318	821	7,832
Ceylon Guardian Investments PLC	51,416	702	11,890	151,416	1,567	23,205
Ceylon Investment PLC	26,000	186	2,620	595,725	2,799	42,654
Galle Face Capital Partners PLC	9,156	456	224	126,387	8,601	5,826
Lanka ORIX Finance PLC	99,250	620	526	99,250	620	586
Lanka ORIX Leasing Company PLC	-	-	-	355,734	2,917	211,573
Lanka Ventures PLC	396,316	12,894	23,777	396,316	12,894	15,496
LOLC General Insurance PLC	2,300	18	17	2,300	18	17
Merchant Bank of Sri Lanka & Finance PLC	119,879	7,843	1,295	124,879	8,170	724
People's Merchant Bank PLC	1,500	27	17	1,500	27	11
Total		24,027	74,920		38,787	322,364
Energy						
Lanka IOC PLC	174,600	5,418	24,444	174,600	5,418	22,174
Total		5,418	24,444		5,418	22,174
Food & Staples Retailing						
Cargills (Ceylon) PLC	146,057	4,386	100,597	146,057	4,386	63,681
Total		4,386	100,597		4,386	63,681

As at 31st March,	GROUP					
	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Food Beverage & Tobacco						
Bukit Darah PLC	896	250	774	896	250	615
Carson Cumberbatch PLC	664	81	439	664	81	302
Ceylon Cold Stores PLC	93,200	178	9,600	93,200	178	7,642
Ceylon Grain Elevators PLC	30,000	302	11,436	30,000	302	5,640
Dilmah Ceylon Tea Company PLC	1,428	86	2,101	1,428	86	1,557
Ceylon Tobacco Company PLC	3,500	140	5,985	3,500	140	4,726
Hatton Plantations PLC	432,000	-	9,979	432,000	-	11,966
Keells Food Products PLC	3,570	174	572	3,570	174	603
Lanka Milk Foods (CWE) PLC	1,330	4	107	1,330	4	58
Melstacorp PLC	10,000	652	1,680	10,000	652	1,270
Renuka Agri Foods PLC	44,878	140	561	44,878	140	153
Renuka Foods PLC -Voting	50,866	326	1,470	25,433	326	280
Sunshine Holdings PLC	8,544	24	251	8,544	24	184
Three Acre Farms PLC	25,000	216	14,400	25,000	216	7,494
Watawala Plantations PLC	1,821,005	495	75,208	1,821,005	495	50,988
Total		3,068	134,564		3,068	93,478
Health Care Equipment & Services						
Asiri Hospital Holdings PLC	353,000	895	10,837	353,000	895	9,107
Asiri Surgical Hospital PLC	112,500	277	1,733	112,500	277	1,294
Ceylon Hospitals PLC (Durdans)-Voting	60,936	495	3,313	15,234	495	1,615
The Lanka Hospital Corporation PLC	33,000	489	3,300	33,000	489	2,478
Total		2,156	19,183		2,156	14,494
Insurance						
HNB Assurance PLC	300,000	1,308	36,075	300,000	1,308	23,310
Softlogic Life Insurance PLC	84,375	240	6,868	84,375	240	6,109
Total		1,548	42,943		1,548	29,419
Materials						
Bogala Graphite Lanka PLC	11,200	37	1,406	11,200	37	609
Chemanex PLC	18,201	1,633	2,885	17,700	1,558	2,726
Chevron Lubrications Lanka PLC	47,460	3,482	8,483	47,460	3,482	6,526
Dipped Products PLC	350,240	1,562	17,302	350,240	1,562	19,263
Haycarb PLC	3,450	10	378	3,450	10	283
Lanka Cement PLC	5,000	39	-	5,000	39	-
Richard Peiris Exports PLC	39,600	692	14,276	39,600	692	14,850
Tokyo Cement Company (Lanka) PLC-Voting	119,150	545	10,592	155,267	19,807	12,266
Tokyo Cement Company (Lanka) PLC-Non-Voting	501,050	3,379	36,527	501,050	3,379	32,418
Union Chemicals Lanka PLC	100	1	160	100	1	78
Total		11,380	92,009		30,567	89,019
Real Estate						
C.T. Land Development PLC	3,333	14	117	3,333	14	84
Colombo Land & Development Company PLC	522,460	4,783	26,698	522,460	4,783	11,703

As at 31st March,	GROUP					
	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
East West Properties PLC	48,000	338	2,880	48,000	338	629
Equity Two PLC	25,200	217	1,638	25,200	217	1,005
Touchwood Investments PLC	600,000	10,602	-	600,000	10,602	-
Total		15,954	31,333		15,954	13,422
Retailing						
John Keells PLC	20,000	383	1,624	20,000	383	1,480
Singer Sri Lanka PLC	1,455,664	3,312	112,086	1,455,664	3,312	48,328
United Motors Lanka PLC	348,810	334	10,464	34,881	334	2,972
Odel PLC	1,500	23	19	1,500	23	16
Total		4,051	124,193		4,051	52,796
Telecommunications Services						
Dialog Axiata PLC	15,000	224	455	15,000	224	215
Total		224	455		224	215
Utilities						
Panasian Power PLC	29,200	88	572	29,200	88	201
Resus Energy PLC	811,835	3,178	7,710	162,367	3,178	4,303
Vallibel Power Erathna PLC	39,017	86	581	39,017	86	503
Vidullanka PLC	707,254	1,799	14,710	707,254	1,799	9,548
Total		5,151	23,577		5,151	14,555
Total Quoted Investments - Financial Assets at FVTPL		304,328	1,802,846		316,890	1,521,063

16.2.1.2 Unit Trusts

As at 31st March,	GROUP					
	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Bartleet Transcapital (Pvt) Ltd	10,000	200	-	10,000	200	-
CAL Fixed Income	94	4	4	-	-	-
Ceybank Unit Trust	318,639	5,037	15,132	318,639	5,037	11,509
National Equity Fund	12,000	120	841	12,000	120	630
NDB Wealth Growth & Income Fund	17,877	365	1,916	5,427,794	194,267	195,217
NDB Wealth Money Plus Fund	69,126	2,263	2,667	69,126	2,263	2,475
Total Unit Trusts		7,989	20,560		201,887	209,831

16.2.1.3 Other Investments, Including Derivatives

As at 31st March,	GROUP	
	Fair Value	
	2026 Rs.'000	2025 Rs.'000
Financial Derivative Assets	16,883	-
	16,883	-

Derivative financial assets represent the fair value of forward exchange contracts entered into by the Group to hedge foreign currency exposure on trade payables. The Group's total exposure amounts to USD 5,824,549 (2025: Nil), and a corresponding asset of Rs. 16.8 million has been recognized in the financial statements (2025: Nil).

16.2.2 Quoted Investments

	COMPANY					
As at 31st March,	No. of Shares 2026	Cost 2026 Rs.'000	Fair Value 2026 Rs.'000	No. of Shares 2025	Cost 2025 Rs.'000	Fair Value 2025 Rs.'000
Banks						
Commercial Bank of Ceylon PLC - Voting	**48,659**	**7,176**	**9,939**	48,099	4,592	7,095
Quoted Investments - Financial Assets at FVTPL		**7,176**	**9,939**		4,592	7,095

Sector classification and market value per share are based on the official valuation list published by the Colombo Stock Exchange.

The Company and the Group have valued their Equity Securities at the price on the last day of trading for the year ended 31st March, 2026 and 2025.

16.3 Financial Assets and Liabilities by Fair Value Hierarchy - Group

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Other techniques for which all inputs with significant effect on the recorded fair values are observable, either directly or indirectly.i.e. as prices or indirectly – i.e. derived from prices This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

* The fair value of the unlisted unit trusts is determined based on the net asset value per unit published by the respective fund managers as at the reporting date.

The Group held the following financial instruments carried at fair value in the statement of financial position:

	Level 1		Level 2		Level 3	
As at 31st March	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Quoted Investments - Financial Assets at FVOCI	**431,047**	371,376	-	-	-	-
Quoted Investments - Financial Assets at FVTPL	**1,802,846**	1,521,063	-	-	-	-
Unquoted Investments - Financial Assets at FVOCI	-	-	-	-	**915,295**	803,915
Unit Trusts - Financial Assets at FVTPL*	-	-	**20,560**	209,831	-	-
Total	**2,233,893**	1,892,439	**20,560**	209,831	**915,295**	803,915

Level	Type	Valuation technique	Significant unobservable inputs	Inter-relation between significant unobservable inputs and fair value measurements
Level 3	Equity securities	Market comparison technique: The valuation model is based on market multiples derived from quoted prices of companies comparable to the investee and the expected revenue and EBITDA of the investee. The estimate is adjusted for the effect of the non-marketability of the equity securities.	Forecast EBITDA margin 15-20% (2025 : 15-20%)	The estimated fair value would increase (decrease), if the EBITDA margin was higher (lower). Generally, a change in the annual revenue growth rate is accompanied by a directionally similar change in EBITDA margin.

16.4 Financial Assets and Liabilities by Fair Value Hierarchy - Company

The Company uses the fair value hierarchy given above for determining and disclosing the fair value of financial instruments.

The Company held the following financial instruments carried at fair value in the statement of financial position:

As at 31st March	Level 1		Level 2		Level 3	
	2026	2025	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Quoted Investments - Financial Assets at FVOCI	**6,272**	5,244	-	-	-	-
Quoted Investments - Financial Assets at FVTPL	**9,939**	7,095	-	-	-	-

17. INVENTORIES

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Raw Materials	**5,563,760**	5,690,154	-	-
Growing Crop-Nurseries	**23,934**	10,073	-	-
Consumable Stock	**62,475**	53,627	-	-
Work- in -Progress	**744,062**	457,481	-	-
Finished Goods	**9,140,631**	9,346,441	-	-
Right to recover finish goods	**623,930**	620,755	-	-
Goods-in-Transit	**1,669,502**	890,587	-	-
	17,828,294	17,069,118	-	-
Less: Provision for Obsolete Inventories (Note 17.1)	**(1,145,952)**	(864,066)	-	-
	16,682,342	16,205,052	-	-

17.1 Provision for Obsolete Inventories

At the beginning of the Year	**864,066**	632,992	-	-
Provision for the Year	**417,324**	280,093	-	-
Inventory Write-off during the Year	**(135,438)**	(49,019)	-	-
At the end of the Year	**1,145,952**	864,066	-	-

Inventories mentioned above are stated at the lower of cost and net realisable value.

On adoption of SLFRS 15, an asset for right to recover returned goods is recognised in relation to products sold with a right to return.

Inventories pledged as securities in obtaining loans are disclosed in Note 23.3.

18. TRADE AND OTHER RECEIVABLES

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Trade Debtors	14,250,872	13,824,823	21,659	23,238
Less: Impairment Loss on Trade Receivables (Note 18.1)	(774,627)	(844,185)	-	-
	13,476,245	12,980,638	21,659	23,238
Advances, Deposits & Prepayments	1,832,453	1,399,748	2,812	2,458
Receivables from Foreign Principals	308,623	268,211	-	-
Advance paid to vendors	1,083,628	128,530	-	-
Contract Assets	65,845	5,566	-	-
Staff Loans	221,599	226,283	-	-
Other Receivables	662,640	1,382,562	67,789	388,332
Other Tax Recoverable (Note 18.2)	747,488	727,041	-	-
	4,922,276	4,137,941	70,601	390,790
Total Trade and Other Receivables	18,398,521	17,118,579	92,260	414,028

18.1 Impairment Loss on Trade Receivables

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance at the beginning of the year	844,184	862,455	-	-
Provision made during the year	26,409	47,874	-	-
Written-off During the Year	(95,966)	(66,144)	-	-
Balance at the end of the year	774,627	844,185	-	-

Trade receivables with the contractual amounting to Rs. 45.08 million (Group) written off during the year ended 31st March, 2026 are still subject to enforcement activity.

18.2 Other Tax Recoverable

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
WHT Recoverable	79,827	53,449	-	-
VAT Recoverable	665,409	663,829	-	-
Other Tax Recoverable	2,252	9,763	-	-
	747,488	727,041	-	-

18.3 Kotagala Plantations PLC

Advances, deposits and prepayments consists of a receivable from Urban Development Authority (UDA) related to Millewa estate previously owned by Kotagala Plantations PLC amounting to Rs. 134.9 million as at 31st March 2026.

Millewa estate was acquired by the Urban Development Authority (UDA) of Sri Lanka on the 26th of October 2017. This estate falls within the jurisdictions of the divisional secretaries of Padukka estate and Horana. All assets pertaining to Millewa estate were written off from the financial statements of the Company, since the Company no longer has control of the said estate and assets. Subject to the take of Millewa estate by the Government Kotagala Plantations PLC have, lodged a rightful compensation claim amounting to Rs. 660 Mn with UDA. The UDA has deposited the valuation amount with the divisional secretariat of Horana and Padukka. The divisional secretariat has referred the matter to the Attorney General for determination in accordance with the provisions of Land Acquisition Act. Therefore the assets have been re-classified under other receivable balance due from Urban development authority of Sri Lanka. The liabilities pertaining to Millewa estate as at 26th of October 2017 have been retained within the financial statements of the Company, since the Company has an obligation that may arise during the course of business operations.

18.3 Kotagala Plantations PLC contd.

Advances, deposits and prepayments consists of a receivable from Urban Development Authority (UDA) are as follows;

As at 31st March, Description	GROUP 2026 Rs.'000
Property Plant and Equipment	10,334
Leasehold Right to Bare Land	5,713
Immovable Leased Assets	48
Bearer Biological Assets	118,807
	134,902

19. CASH AND CASH EQUIVALENTS

As at 31st March,	GROUP		COMPANY	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Favourable Balance				
Fixed Deposits	**791,931**	988,750	**8,329**	9,215
Other Cash and Cash Equivalents				
Cash at Bank	**2,547,945**	2,170,835	**87,587**	7,727
Cash in Hand	**41,235**	28,785	**12**	12
	3,381,111	3,188,370	**95,928**	16,954
Unfavorable Balance				
Bank Overdraft	**(2,682,999)**	(2,720,971)	**(279,593)**	-
Cash and Cash Equivalents as per the Statement of Cash Flows	**698,112**	467,399	**(183,665)**	16,954

19.1 Company

(1) Bank overdraft facility obtained from Commercial Bank of Ceylon PLC (facility amount Rs.30 million), are secured by pledging the following,

(a) Tertiary Mortgage Bond No.371 dated 12.03.2015 for Rs.100 million, Quaternary Mortgage Bond for Rs.87.50 million and Quinary Mortgage Bond to be executed for Rs.31.25 million, over the property at No.53- 1/1, 53-2/1 and 57, Sir Baron Jayathilake Mawatha, Colombo 01 belonging to the Company.

2) Margin Trading overdraft facility amounting to Rs. 300 Mn was obtained from Commercial Bank of Ceylon PLC and the following shares held by the Company have been pledged as security.

Company	No of Shares
C M Holdings PLC	3,800,000
E.B. Creasy & Co. PLC	11,338,645
Lankem Ceylon PLC	2,573,538
Colombo Fort Investments PLC	221,342
Colombo Investment Trust PLC	178,720

19.2 Group

E.B.Creasy & Company PLC

Group's bank overdraft facilities are secured against mortgages over property, shares and stock and book debts.

Agarapatana Plantations PLC

Bank overdraft facilities of Agarapatana Plantations Limited, a subsidiary of the Company are secured by pledging the following:

(a) Primary mortgage over leasehold rights to bare land and building of Glenanore and Haputale Estates including machinery fixed at each of these estates (facility amount Rs. 200 million) from Bank of Ceylon.

(b) Deposit of original title deeds and plan relating to Dambetenne Estate from Pan Asia Banking Corporation PLC (facility amount Rs.223 million).

(c) Deposit of original title deeds and plan relating to Balmoral Estate fromAmana Bank PLC (facility amount Rs.100 million).

20 ASSETS HELD FOR SALE

As at 31st March,	GROUP		COMPANY	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Cost				
Land held-for-sale (Note 20.1)	266,685	-	-	-
Building held-for-sale (Note 20.1)	362,500	-	-	-
Carrying Value for the year	629,185	-	-	-

20.1 Group

ACME Printing & Packaging PLC

In March 2026 ACME Printing & Packaging PLC, a subsidiary, committed to plan to sell land and building situated at Piliyandala. Accordingly, Land and Building located were classified as non- current assets held for sale as at 31st March,2026. Efforts to sell the disposal properties have started and a sale is completed by July 2026.

21. STATED CAPITAL

	2026		2025	
	Number of Shares	Value of Shares Rs.'000	Number of Shares	Value of Shares Rs.'000
Fully-paid Ordinary Shares				
At the beginning of the Year	240,000,000	927,000	240,000,000	927,000
At the end of the Year	240,000,000	927,000	240,000,000	927,000

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

22 CAPITAL RESERVES

	Property Development Reserve Rs.'000	Capital Redemption Reserve Fund Rs.'000	Total Rs.'000
GROUP			
Balance as at 31.03.2025	15,190	4,868	20,058
Balance as at 31.03.2026	15,190	4,868	20,058
COMPANY			
Balance as at 31.03.2025	10,000	-	10,000
Balance as at 31.03.2026	10,000	-	10,000

22.1 Nature and the Purpose of Reserves

Capital Reserves

22.1.1 Property Development Reserve
Represent of the amount set aside for future development of properties.

22.1.2 Capital Redemption Reserve Fund
The amount set aside out of retained earnings for redemption of preference shares.

Other Reserves

22.1.3 Financial Assets at FVOCI
The amount set aside out of retained profits for the changes in the fair value of investments classified as FVOCI.

22.1.4 Foreign Currency Translation Reserve
The Foreign Currency Translation Reserve represents the differences between translated values of assets and liabilities of foreign operations at the exchange rate as at reporting date and historical rate.

22.1.5 Revaluation Reserve
The Revaluation reserve relates to freehold lands which have been revalued by the Group.

22.1.6 General Reserve
General reserve is the reserve set aside for general purposes.

23. LOANS AND BORROWINGS

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Payable after One Year				
Term Loans (Note 23.1)	**10,446,201**	8,287,671	**70,312**	101,562
Debentures (Note 23.2)	**-**	17,462	**-**	-
	10,446,201	8,305,133	**70,312**	101,562
Payable within One Year				
Term Loans (Note 23.1)	**7,167,590**	6,620,703	**39,063**	39,063
Debentures (Note 23.2)	**43,454**	101,915	**-**	-
Trust Receipt Loans (Note 23.4)	**2,192,750**	2,668,956	**-**	-
Other Short Term Loans	**7,976,816**	10,899,316	**-**	-
	17,380,610	20,290,890	**39,063**	39,063
	27,826,811	28,596,023	**109,375**	140,625

23.1 Term Loans

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance at the beginning of the Year	**14,908,374**	13,519,518	**140,625**	171,875
Loans obtained during the Year	**13,607,833**	9,941,303	**-**	-
Interest charged for the Year	**171,238**	154,295	**-**	-
Re-Scheduled During the year	**21,981**	-	**-**	-
Effect of Exchange Fluctuations	**11,474**	(21,081)	**-**	-
Payments made during the Year	**(11,107,109)**	(8,685,661)	**(31,250)**	(31,250)
Balance at the end of the Year	**17,613,791**	14,908,374	**109,375**	140,625
Payable within one Year	**7,167,590**	6,620,703	**39,063**	39,063
Payable after one Year	**10,446,201**	8,287,671	**70,312**	101,562
	17,613,791	14,908,374	**109,375**	140,625

23.2 Debentures

Kotagala Plantations PLC a Subsidiary has issued Rs. 500 Mn rated secured redeemable listed Debentures. The details are as follows;

23.2.1 Rated Secured Redeemable Listed Debentures - after the restructure

Debenture Type	Year of Issue	Original Year of Redemption	Restructured Period (Capital Repayment)	Colombo Stock Exchange Listing	Issued Value	Interest Payable Frequency	Interest Rate %	Outstanding Balance as at 31st March	
								2026	2025
								Rs`000	Rs`000
C	2014	2020	From 2020 to 2025	Unlisted	Rs. 250Mn	Monthly	7.50	**36,961**	101,708
D1 - D6	2014	2021	From 2021 to 2026	Listed	Rs. 250Mn	Monthly	7.50	**41,823**	83,459
								78,784	185,167
Debentures held by related Companies of the Group								**(35,330)**	(65,790)
Debentures Non related Companies								**43,454**	119,377
Payable after One Year								-	17,462
Payable within One Year								**43,454**	101,915
								43,454	119,377

23.2.2 Trading at Colombo Stock Exchange

Debenture Type	Highest Value (Rs.)	Lowest Value (Rs.)	Last Traded Value (Rs.)
C	Not traded	Not traded	Not traded
D1 - D6	Not traded	Not traded	Not traded

23.2.3 Comparable interest rate on Government Securities

1 Year - 8.41%

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
The Colombo Fort Land & Building PLC	Commercial Bank of Ceylon PLC - Term Loan	**109.38**	140.63	AWPLR+2.5%	Thirty two equal quarterly instalments of Rs.7.8 million each.	Tertiary Mortgage Bond No.371 dated 12.03.2015 for Rs.100 million, Quaternary Mortgage Bond for Rs.87.50 million and Quinary Mortgage Bond for Rs. 31.25 million, over the property at No.53- 1/1, 53-2/1 and 57, Sir Baron Jayathilaka Mawatha, Colombo 01 belonging to the Company.
		109.38	140.63			

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
E.B. Creasy & Company PLC	Sampath Bank PLC Term Loan I	-	7.46	AWPLR + 3%	Each sub loans to be paid in 60 monthly instalments.	Loan agreement for respective sub loan amounts and mortgage over respective machinery to be imported and installed at the factory premises at Millewa estate Millewa.
	Commercial Bank of Ceylon PLC Term Loan I	**142.69**	199.87	AWPLR + 2.5%	In 83 equal monthly instalments of Rs.4,765,000/- each and a final instalments Rs.4,505,000/-.	Primary Mortgage Bond executed for Rs. 400 million over land called 'Alubogahawatta' and 'Batadombagahawatta', Gonawala.
	Commercial Bank of Ceylon PLC Term Loan II	**320.00**	-	AWPLR + 1%	71 equal monthly instalments of Rs. 4,444,500/- each and a final instalments of Rs. 4,440,500/- + interest.	Primary Mortgage Bond executed for Rs. 400 million over land called 'Alubogahawatta' and 'Batadombagahawatta', Gonawala & Floating mortgage bond of Rs. 650 Mn over stocks and book debts
	Commercial Bank of Ceylon PLC Term Loan III	**29.77**	-	10.25% for the first three years. Thereafter AWPLR + 1.00%	65 equal monthly instalments of Rs. 4,550,000/- each and final instalments of Rs. 4,250,000 + interest.	Floating Primary Mortgage Bond executed for Rs. 300 million over land called 'Alubogahawatta' and 'Batadombagahawatta', Gonawala.
	Bank of Ceylon PLC Loan I	**375.21**	555.21	AWPLR + 2%	In Monthly instalments 1-36 months - Rs.10 million + Interest 36-72 months - Rs. 15 million + Interest 72-84 months - Rs. 20,800,000/- + interest.	Primary Mortgage over property located at No.98, Sri Sanagaraja Mawatha, Colombo 10 owned by E. B. Creasy & Co. PLC.
	Bank of Ceylon PLC Loan II	-	22.64	15.5% p.a	36 equal monthly instalments of Rs.5,241,594/-.	Primary Mortgage over property located at No.98, Sri Sanagaraja Mawatha, Colombo 10 owned by E. B. Creasy & Co. PLC.
	Bank of Ceylon PLC Loan III	**622.50**	787.26	AWPLR + 1.50%	60 equal monthly instalments of Rs.13,833,333/- + interest.	Primary Mortgage over property located at No.98, Sri Sangaraja Mawatha, Colombo 10 owned by E. B. Creasy & Co. PLC.
	Cargills Bank PLC	-	36.67	AWPLR + 2.75%	59 equal monthly instalments of Rs.1,666,667/- and a final instalment of Rs.1,666,647/-.	Primary Mortgage executed over machineries at "Ninja" mosquito coil production facility at Gonawala for Rs.100 million.

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
E.B. Creasy & Company PLC contd.	People's Bank PLC I	63.33	83.33	AWPLR+1%	60 equal monthly instalments of Rs 1,666,666.66/-.	Stocks worth of Rs. 100 million to be assigned to peoples Bank and cash build up of Rs. 50,000/- per month in the investment saving account.
	People's Bank PLC II	266.67	-	AWPLR+1%	35 equal monthly instalments of Rs.8,333,333/- + interest.	
	Pan Asia Banking Corporation PLC	270.00	-	AWPLR+0.9%	60 equal monthly instalments of Rs.5,000,000/- + interest.	Floating mortgage bond over machinery stored at Galagedara, Horana Road, Millewa.
		2,090.17	1,692.44			
Candy Delights Limited	Hatton National Bank PLC	27.76	44.44	AWPLR + 1.25%	To be repaid over a period of 36 years in 35 equal monthly instalments of Rs.1,390,000 each and final instalment of Rs. 1,350,000 plus interest.	Corporate guarantee of E B Creasy & Co. PLC.
	People's Bank I	70.16	-	Weekly AWPLR + 1.0.% (1 month Review).	54 equal monthly instalments plus interest after a grace period of 6 months from the disbursement date.	Corporate guarantee of E B Creasy & Co. PLC.
	People's Bank II	40.00	-	Weekly AWPLR + 1.0.% (1 month Review).	60 equal monthly instalments of Rs.2,000,000.00 each plus interest.	Corporate guarantee of E B Creasy & Co. PLC.
		137.92	44.44			
ACME Printing & Packaging PLC	Seylan Bank PLC	12.49	20.83	AWPLR + 2.5%	Repayable in 36 monthly instalments commencing from October 2024.	Monthly transfer of Rs.0.15 million to savings account.
	National Development Bank PLC I	25.30	39.10	AWPLR + 2%	Repayable in 54 equal monthly instalments commencing from May 2023.	Primary Mortgage Bond over stocks and book debt of the borrowers and monthly transfer of Rs. 0.1 million to savings accounts.
	National Development Bank PLC II	20.21	31.48	AWPLR + 2%	Repayable in 53 equal monthly instalments commencing from May 2023.	
	Softlogic Finance PLC	44.39	39.20	AWPLR + 2%	Repayable in 60 monthly instalments commencing from May 2023.	
		102.39	130.61			

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
ACME Packaging Solutions (Private) Limited contd.	Sampath Bank PLC I	-	36.25	AWPLR + 2.5%	Repayable in 60 monthly instalments commencing from October 2024.	Primary mortgage bond for Rs. 90 million over leasehold property inclusive of machineries installed therein situated at Pannala and monthly transfer of Rs. 0.1 million to savings account.
	Sampath Bank PLC II	-	6.64	AWPLR + 2.5%	Repayable in 54 equal monthly instalments commencing from May 2023.	Primary mortgage bond for Rs. 90 million over leasehold property inclusive of machineries installed therein situated at Pannala.
	National Development Bank PLC	13.22	20.59	AWPLR + 2%	Repayable in 53 equal monthly instalments commencing from May 2023.	Primary Mortgage Bond over stocks and book debt of the borrowers and monthly transfer of Rs. 0.1 million to savings accounts.
	Softlogic Finance PLC	143.60	126.81	AWPLR + 2%	Repayable in 72 monthly instalments commencing from April 2026.	
		156.82	190.29			
Lankem Ceylon PLC	Sampath Bank PLC Term Loan I	-	30.11	AWPLR + 1.25% p.a.	In January 2025, existing loan Rs. 189.888 million was converted to new reschedulement facility payable over 15 monthly instalments on 26th of each month as follows, together with interest. 1-3 months - Rs.2.625 million, 4-14 months - Rs.8.130 million and 15th month - Rs.10.458 million.	(a) Term Loan Agreement of Rs.60.11 million. (b) Term Loan Agreement of Rs.189.888 million. (C) Corporate guarntee of E.B.Creasy & Company PLC Rs. 250 million. (d) Corporate guarantee of E.B. Creasy & Co PLC for Rs.200 million. (e) Hypothecation bond over stock and book debts for Rs.450 million over stocks lying at Makandura Industrial Zone (West) Pannala and book debts of the Company.
	Sampath Bank PLC Term Loan II	-	99.89	AWPLR + 1.25% p.a.	In January 2025, existing loan Rs. 60.112 million was converted to new reschedulement facility payable over 14 monthly instalments on 26th of each month as follows, together with interest. 1-2 months - Rs.0.875 million, 3-13 months - Rs.2.71 million and 14th month - Rs.0.302 million.	

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Lankem Ceylon PLC contd.	Commercial Bank of Ceylon PLC Term Loan I	312.50	375.00	AWPLR + 2.5% p.a.	In 60 monthly instalments of Yr - 1 equal instalments of Rs. 5 million Yr - 2 equal instalments of Rs. 5.5 million Yr - 3 equal instalments of Rs. 6.5 million Yr - 4 equal instalments of Rs. 7.5 million Yr - 5 equal instalments of Rs. 8.75 million and a final instalment of Rs. 9.75 million together with interest payable monthly on reducing balance of capital.	(a) Primary Mortgage for Rs. 200 million over land at Ja-ela. (b) Secondary Mortgage Bond No. 528 dated 07-04-1998 for Rs.50 million executed over above property. (c) Tertiary Mortgage Bond for Rs. 307 million over above property. (d) Additional Mortgage Bond for Rs.400 million over stocks and assignment of book debts to be executed by th Company. (e) Corporate guarantee of E.B. Creasy & Company PLC Rs. 382 Million (f) Corporate guarantee of E.B. Creasy & Company PLC Rs. 215 Million
	Commercial Bank of Ceylon PLC Term Loan II	43.00	55.00			
	People's Bank PLC I	493.20	498.00	AWPLR + 2.5% p.a. during the first year and six months subject to monthly review for next 7 years.	In June 2025, Existing loan Rs. 515 Mn was converted to new reschedulement facility, payable over 132 monthly instalments.	Mortgage over stocks and Book debts and a Corporate Gurantee from SunAgro LifeScience Ltd for Rs.515 million.
	People's Bank PLC II	192.00	216.43	AWPLR + 2.5% p.a.	In June 2025, outstanding interest were capitalized into a new term loan facility, payable over 108 monthly instalments.	Stock in Trade & Book debts, Company Indemnity.
	People's Bank PLC III	64.40	73.80	AWPLR + 2% p.a.	Payable over 96 monthly instalments.	
	People's Bank PLC IV	38.10	43.40	AWPLR + 2% p.a.	Payable over 96 monthly instalments.	
	People's Bank PLC V	15.00	24.00	AWPLR + 2% p.a.	Payable over 60 monthly instalments.	
	People's Bank PLC VI	5.40	8.90	AWPLR + 2% p.a.	Payable over 60 monthly instalments.	

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Lankem Ceylon PLC contd.	National Development Bank PLC	90.01	-	9.85% p.a.	In August 2025, existing import loans and short term loans were converted into a new term loan facility of Rs.100 million, payable over 36 equal monthly instalments of Rs.3,254,489.77 inclusive of interest.	Mortgage over stocks and Book debts.
	Nations Trust Bank PLC	192.32	245.62	First year from 13th August 2021 to 13th August 2022 - Fixed rate 7.5% p.a. and then AWPLR + 1.5% p.a.	In June 2022 existing loan was converted to new reschedulement facility. Payable over 62 instalments inclusive of interest.	(a) Mortgage over stocks and book debts of Rs. 300 Million. (b) Corporate gurantee from SunAgro Lifescience Ltd. For Rs.300 million. (c) Letter of awareness comfort from Colombo Fort Land & Building PLC.
	People's Leasing & Finance PLC I	-	28.01	AWPLR + 3% p.a.	In February 2023, existing loan was converted to new reschedulement facility. Payable over 36 instalments, Rs. 2,872,608/- per month (Instalment amount can be varied due to revision of AWPLR)	Corporate guarantee from SunAgro Lifescience Limited for Rs. 65.53 million.
	People's Leasing & Finance PLC II	125.42	145.75	16% p.a.	Repayable over period of 48 months commencing from 30th August 2024. 1-1 months - Rs. 3,000,000/- 2-19 months - Rs.3,000,000/- 20-48 months - Rs.5,325,727/-.	Corporate gurantee from SunAgro Lifescience Limited.
	Pan Asia Banking Corporation PLC	-	52.27	01 Month AWPLR + 3.5% p.a. with rebate of 2% p.a. Subject to a floor rate of 19% p.a. with rebate of 2% p.a.	Repayable within 6 years with a grace period of 12 months.	Floating Mortgage Bond for Rs.150 million over stocks stored at Lankem Paint factory, Horncastle Estate,Kanuwana, Ja-Ela together with an assignment over book debts (Mortgage bond No.313 of 20/11/2008) Pledge over trading shares for Rs 147 million held in Slash Account.
	Siyapatha Finance PLC I	-	157.44	AWPLR + 1% p.a.	Payable over 96 monthly instalments (Commencing from 10th January 2021).	Corporate Guarantee from J.F.Packaging Ltd for Rs. 157.59 million.

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Lankem Ceylon PLC contd.	Hatton National Bank PLC I	265.00	301.00	AWPLR + 0.5% p.a.	Payable over 72 monthly instalments. 1-12 months -Rs. 2 million 12-24 months - Rs.3 million 24-36 months - Rs.4 million 36-48 months -Rs.5 million 48-60 months - Rs. 6.25 million 61-71 months - Rs. 7 million Last instalment - Rs. 5 million.	Secondary floating mortgage for Rs.325 million over commercial property (Free Hold) belonging to union Commodities (Pvt) Ltd at No. 79, Biyagama Road, Talwatte, Kelaniya to the extent of 3A 3R 11.2P including machiery and buildings.
	Hatton National Bank PLC II	700.00	-	AWPLR + 1.75% p.a.	Facility to be repaid over a period of 05 years inclusive of an initial capital grace period of 06 months. A minimum of Rs.350 milliom to be settled within the grace period of 06 months. Therafter the loan be repaid in 53 equal monthly instalments of Rs.6,482,000/- and a final instalment of Rs.6,454,000/- together with monthly interest.	Tripartite Agreement between Lankem Ceylon PLC, HNB PLC as the Financier and HNB PLC as the Custodian Bank in a format acceptable to the Bank over the 120,406,800 No. shares of J.F. Packaging PLC with a 50% margin to be held in CDS SLASH account to be opened in the name of Hatton National Bank PLC/ Lankem Ceylon PLC along with a Special Power of Attorney.
		2,536.35	2,354.62			

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Lankem Minerals Limited	Hatton National Bank PLC	556.51	521.91	AWPLR + 1.5% p.a.	Payable over a period of 72 Months inclusive of an initial capital grace period of 12 months & capital - 60 monthly instalments of Rs. 10 million each.	a) Corporate Guarantee of Lankem Ceylon Plc. For Rs, 1,800 million. b) Corporate Guarantee of Sunagro LifeScience Limited for Rs, 1,800 million. c) Agreement to Mortgage over land, building and machinery including project_ assets at Oyamaduwa Village, Oyamaduwa along with a special Power of Attorney d) Assignment of all project documents, receivables, insurance etc. in favour of the bank by way of additional Mortgage Bond. e) Mortgage over 70,012,500 No of shares of Lankem Minerals Limited along with a special Power of Attorney.
		556.51	521.91			
C.W. Mackie PLC	Commercial Bank of Ceylon PLC	71.43	100.16	9.25% p.a	Repayable over 60 monthly instalments.	Floating primary mortgage bond over property situated at Mungama, Horana.
	Seylan Bank PLC	1,050.00	-	10% p.a		Registration books of motor vehicles.
	Hatton National Bank PLC	-	22.41	AWPLR + 0.75% & 1 p.a	Repayable over 42 monthly instalments.	Primary floating mortgage bond over plant and machinery of the new product line at Horana.
		1,121.43	122.57			

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
SunAgro LifeScience Limited	People's Leasing & Finance PLC	**55.01**	90.88	10% p.a.	Repayable over a period of 60 months commencing form 01st May 2022; 01-60 month - Rs .3,743,624/-.	Corporate Guarantee from Lankem Ceylon PLC amounting to Rs.176,195,001.72/-.
	Hatton National Bank PLC I	**65.64**	178.14	AWPLR + 1.75% p.a	To be repaid over a period of five years follows together with interest after an initial grace period of 12 months.0-12 months - Grace Period, 13-36 months 6.25 million per month 27-48 months 7.8 million per month and 48-60 months 10.94 million per month.	Corporate Guarantee from Lankem Ceylon PLC amounting to Rs.375 million.
		120.65	269.02			
Lanka Special Steels Limited	Commercial Bank of Ceylon PLC I	**44.47**	68.46	AWPLR 1.5%	59 equal monthly instalments of Rs.1,530,000/- and a final instalments of Rs.1,519,145/-.	Primary mortgage bond for Rs.91.8 Million over wire drawing plant with accessories.
	Commercial Bank of Ceylon PLC II	**101.50**	188.50	9.5% p.a	60 equal monthly instalments of Rs.7,250,000/- each.	Floating primary mortgage bond for Rs. 27 Million over lease hold right of LINDEL (Lot No: 5,6 &7) and Floating Primary Mortgage Bond for Rs. 483 Million over Machinery of New wire galvanizing plant.
	Commercial Bank of Ceylon PLC III	**146.67**	186.67	AWPLR + 2.5%	60 equal monthly instalments of Rs.2,000,000/- each.	Floating primary mortgage bond to be executed for Rs.435 Million over new wire galvanizing plant.
	DFCC Bank PLC	**72.50**	102.50	AWPLR + 2.5%	60 equal capital instalments after a grace period of 12 months from the disbursement date.	Primary mortgage bond for Rs.25 Million over movable machinery, Mortgage bond for Rs.300 Million over stocks and Mortgage bond for Rs.275 Million over stock and book debts.

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Lanka Special Steels Limited contd.	Commercial Bank of Ceylon PLC IV	300.00	-	AWPLR 2.5%	60 equal monthly instalments of Rs.5,000,000/- each.	Floating primary mortgage bond for Rs. 27 Million over lease hold right of LINDEL (Lot No: 5,6 &7) and Floating Primary Mortgage Bond for Rs. 483 Million over Machinery of New wire galvanizing plant. And floating additional mortgage bond for Rs.240 Million over galvanizing plant, Floating additional mortgage bond for Rs.250 Million over stock.
		665.14	546.13			
Laxapana PLC	Commercial Bank of Ceylon PLC	14.06	25.14	9% p.a.	In 59 equal monthly instalment of Rs.3.33 million. (6 years including 1 year of grace)	Primary mortgage bond of Rs.56.4 million to be executed over the solar panels and related machinery and equipment installed.
	DFCC Bank PLC I	158.41	210.01	AWPLR + 2.5%	The loan is payable in 60 equal monthly instalments.	Mortgage for Rs. 356 Mn over allotment of land depicted as lots 1A and 2A depicted in plan No. 1537dated 2nd October 2022.
		172.47	235.15			
Agarapatana Plantations PLC	Sampath Bank PLC Term Loan	-	41.30	AWPLR + 3.5%	71 instalments of Rs. 6,950,000/- and a final instalment of Rs.6,550,000/- commencing from 26.04.2019.	Mortgage over leasehold rights over the estate land & factory building of Diyagama West Estate.
	Seylan Bank PLC Term Loan	-	15.75	16% p.a.	84 equal instalments commencing from 30.11.2018.	Mortgage over leasehold rights over the estate land & building, fixed & floating assets of Diyagama East Estate.
	Seylan Merchant Bank PLC I	-	34.09	16% p.a.	60 monthly instalments of Rs. 312,500/- commencing from 30/07/2022.	Original Certificates of registration of the vehicles.
	Seylan Merchant Bank PLC II	-	29.76	18% p.a.	60 monthly instalments commencing from 31.07.2022.	Original Certificates of registration of the vehicles.
	Bank of Ceylon Term Loan I	-	56.82	AWPLR + 3.5%	72 monthly Instalments commencing from 03.05.2020 including six months of grace period.	Tri partite agreement with borrower, bank and the tea broker John Keells PLC.

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Agarapatana Plantations PLC contd.	Bank of Ceylon Term Loan II	-	5.73	6.93% p.a.	36 monthly instalments commencing from 13/04/2020.	
	Bank of Ceylon Term Loan III	-	1.12	6.93% p.a.	36 monthly instalments commencing from 10/03/2020.	
	Bank of Ceylon Term Loan IV	-	20.66	AWPLR + 3%	36 monthly instalments commencing from 30/04/2023.	A primary mortgage over leasehold rights of Glenanore and Haputale Estates including machinery fixed each of these Estates.
	Bank of Ceylon Term Loan V	**150.00**	150.00	AWPLR + 1%	within 2 months.	A primary mortgage over leasehold rights of Glenanore and Haputale Estates including machinery fixed each of these Estates.
	Bank of Ceylon Term Loan VI	**152.47**	50.66	AWPLR + 1%	within 4 months.	A mortgage over Solar Panels, Inverters and other related equipment in ten tea factories.
	Bank of Ceylon Term Loan VII	**294.62**	200.00	AWPLR + 1.75%	84 monthly instalments commencing from 23/07/2025.	A primary mortgage over leasehold rights of Glenanore and Haputale Estates including machinery fixed each of these Estates.
	Commercial Bank of Ceylon PLC Term Loan	-	34.85	AWPLR + 3%	48 monthly instalments commencing from 21.01.2022.	Duly accepted Letter of Offer supported by Board Resolution. General Terms and conditions relating to Term Loans. Deposit of original title deeds and plan relating of the Dambetenne Estate.
	Amana Bank PLC I	-	180.00	10.10% p.a.	within 3 months.	
	Amana Bank PLC II	-	50.00	11% p.a.	within 4 months.	
	Amana Bank PLC III	**200.00**	-	AWPLR+ 2%	12 monthly instalments commencing from July 2026.	An additional mortgage over leasehold rights of Balmoral Estate.
	Pan Asia Banking Corporation PLC - I	**150.00**	-	AWPLR + 1%	Within 4 months.	A primary floating mortgage over leasehold rights of Damabtanne Estate including buildings, machinery fixed of this estate.

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Agarapatana Plantations PLC contd.	Pan Asia Banking Corporation PLC - II	50.00	-	AWPLR + 1%	Within 4 months.	A primary floating mortgage over leasehold rights of Damabtanne Estate including buildings, machinery fixed of this estate.
	Pan Asia Banking Corporation PLC - III	40.00	-	AWPLR + 1%	12 monthly instalments commencing from February 2026.	A primary floating mortgage over leasehold rights of Damabtanne Estate including buildings, machinery fixed of this estate.
	Pan Asia Banking Corporation PLC - IV	19.18	-	AWPLR + 1%	12 monthly instalments commencing from February 2026.	A primary floating mortgage over leasehold rights of Damabtanne Estate including buildings, machinery fixed of this estate.
		1,056.26	870.74			
Kotagala Plantations PLC	National Development Bank PLC Term Loan I	14.93	18.61	AWPR + 3%	Payable in 63 equal monthly instalments of Rs. 2,030,000/- with a first instalment of Rs. 2,110,000/-.	Primary Mortgage over the lease hold right, building & machinery of estates already mortgaged to NDB namely Stonycliff, Vogan, Gikiyanakande & Dalkieth.
	National Development Bank PLC Term Loan II	14.93	18.61			
	National Development Bank PLC Term Loan III	14.93	18.61			
	National Development Bank PLC Term Loan IV	25.53	30.73	LIBOR + 3%	Payable in 56 equal monthly instalments of $8,000 with a first instalment of $7,000.	
	National Development Bank PLC Term Loan V	25.53	30.73		Payable in 56 equal monthly instalments of $8,000 with a first instalment of $7,000.	
	National Development Bank PLC Term Loan VI	25.53	30.73		Payable in 56 equal monthly instalments of $7,306 with a first instalment of $7,318.98.	
	Sampath Bank PLC Term Loan	-	13.50	AWPLR + 3.5%	Payable in 71 euqal monthly instalments of Rs.6,950,000 and final instalment of Rs.6,550,000/- with a capital grace period of 12 months.	Primary Mortgage Bond for Rs.500 million over leasehold rights of Drayton and Kelliewatte Estates in Nuwara Eliya together with factory building therein.

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Kotagala Plantations PLC contd.	People's Bank Term Loan	206.23	226.65	8.5% p.a.	Repayable within 120 instalments. 2nd -3rd Year - Rs.625,000 per month 4th Year - Rs. 835,000 per month 5th Year - Rs.1,875,000 per month 6th Year - Rs.2,083,335 per month 7th Year - Rs.2,958,000 per month Last payment - Rs.2,957,980.	Primary Mortgage Bonds over Leashold rights of all those estate plantation and premises of Mayfield Estate situated in the village of dimbula and Ukutile in the Nuwara Eliya Pattu in Kotmale Korale in the district of Nuwara Eliya, Central provice.
	Standard Chartered Bank	-	194.00	AWPLR	Payable within 60 instalments.	Primary Mortgage Bond over leasehold rights of Hedigalle and Eduragala Estates together with factory building therein.
	Bank of Ceylon	239.71	280.00	AWPLR + 2%	Payable within 12 months.	Primary Mortgage Bond over leasehold rights of Padukka Estate.
	Ceylon Tea Brokers PLC	-	8.00	16% p.a.	Payable within 3 months	Tea Stock
	Pan Asia Banking Corporation PLC	166.67	-	AWPLR + 2%		Primary floating mortgate bond for Rs.115 mn against the unexpired leasehold rights over the property namely sorana estate situated in Horana
	Amana Bank PLC	-	115.00	AWPLR + 2%	Payable within 24 months.	Primary Mortgage Bond over leasehold rights of Padukka Estate and Corporate Guarantee of Lankem Ceylon PLC
		733.98	985.17			
J.F. Packaging PLC	Sampath Bank PLC Term Loan I	-	22.98	AWPLR + 1%	Repayble over 5 years in 60 monthly instalments, 1 year Rs.322,500/- 2 year Rs.1,000,000/- 3 year Rs.1,750,000/- 4 year Rs.2,250,000/- 5 year Rs.3,000,000/-.	Corporate guarantee of Lankem Ceylon PLC for Rs.98,870,000/- & mortgage over shares of Alliance Five (Pvt) Ltd.
	Sampath Bank PLC Term Loan II	-	6.04	AWPLR + 1%	Repayble over 5 years in 60 monthly instalments, 1 year Rs.125,000/- 2 year Rs.250,000/- 3 year Rs.450,000/- 4 year Rs.575,000/- 5 year Rs.738,800/-.	Mortagage over Dry laminating machine and related equipment.
	Sampath Bank PLC Term Loan III	-	0.38	AWPLR + 1%	Repayble over 5 years in 60 monthly instalments of Rs.47,500/-.	

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
J.F. Packaging PLC contd.	Bank of Ceylon Term Loan I	-	51.57	AWPLR + 1.5%	Repayable over 6 years in 72 monthly instalments, 01-12month - Rs.500,000/-, 13-24month -Rs.750,000 /-, 25-36month-Rs.1,702,000/-, 37-48month-Rs.2,119,000/-, 49-60month-Rs.2,536,000/- , 61-72month-Rs.2,607,000/-.	Primary mortgage of land, building and machinery situated at No. 306, Minuwangoda Road, Kotugoda.
	Bank of Ceylon Term Loan II	-	27.64	AWPLR + 1.5%	Repayable over 5 years in 60 monthly instalments, instalments, 01-12month - Rs.500,000/-, 13-24month -Rs.750,000 /-, 25-36month-Rs.1,000,000/-, 37-48month-Rs.1,333,000/-, 49-60month-Rs.1,415,000/-.	
	Bank of Ceylon Term Loan III	-	44.72	AWPLR + 2%	Repayable over 6 years in 72 monthly instalments, instalments, 01-12month - Rs.500,000/, 13-24month -Rs.750,000 /-, 25-36month-Rs.1,000,000/-, 37-48month-Rs.1,828,000/-, 49-60month-Rs.1,995,000/- , 61-72month-Rs.2,397,000/- .	
	Bank of Ceylon Term Loan IV	-	161.86	AWPLR + 2%	Repayable over 5 years in equal monthly capital of Rs.4,927,975/-.	Mortgage over stocks and book debts held at factory premises at No.306, Minuwangoda Road, Kotugoda.
	Bank of Ceylon Term Loan V	-	152.77	AWPLR + 1%	Repayable over 6 years in 72 monthly instalments, 1 year Rs.500,000/- 2 year Rs.1,000,000 /- 3 year Rs.3,283,000/- 4 year Rs.4,283,000/- 5 year Rs.5,033,000/- 6 year Rs.5,599,000/-."	
	Nations Trust Bank PLC	-	91.28	AWPLR + 1.25%	Repayable over 5 years in monthly instalments, instalments, 01-12month - Rs.1,500,000/-, 13-24month -Rs.2,000,000 /-, 25-36month-Rs.2,500,000/-, 37-48month-Rs.3,000,000/-, 49-60month-Rs.2,342,639/-.	Mortgage over stocks and book debts held at factory premises at No:306, Minuwangoda Road, Kotugoda. Corporate guarantee from Lankem Ceylon PLC for Rs.107.69 million.
	Siyapatha Finance PLC	-	29.82	AWPLR + 2%	Repayable over 31 monthly instalments, 01-12month - Rs.2,250,000/-, 13-25month -Rs.2,500,000 /-, 25-30month-Rs.3,000,000/-, 31 month-Rs.3,165,914/-.	Corporate guarantee from Ceylon Tapes (Pvt) Ltd and a loan agreement for Rs.60,041,261/-.
		-	589.04			

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Ceylon Tapes (Private) Limited	Hatton National Bank PLC	314.20	325.00	AWPLR + 0.5%	Repayable over 7 years in 84 monthiv instalments, 01-1.2month - interest Only 13-24 month Rs. 900,000/- 25-36 month Rs.3,400,000/- 37-48 month Rs 3,900,000/- 49-60 month Rs.5,900,000/- 61-72 month Rs.6,500,000/- 78-78 month Rs.7,050,000/- 79-83 months Rs.8,060.000/- 84 month Rs 7,140,000/-.	Commercial Propesty owened by Union Commodity (Put) Ltd, No. 79, Biyagama Road, Talwatte, Kelaniya.
	Hatton National Bank PLC	63.75	-	AWPLR+1%	60 Months in equal monthly instalments of Rs.1,250,000/-	Primary Mortage Bond for Rs.60 Mn over Machinery Situated at No.60/1, Aniyakanda Estate, Nagoda, Kandana
		377.95	325.00			
Union Commodities (Private) Limited	Commercial Bank of Ceylon PLC	1,227.50	1,123.32	SOFA+4.5%	Each loan to be repaid within a maximum period of 90 days or at the time of receipt of Export proceeds whichever is earlier.	Primary concurrent Mortgage bond over book debts of the Company and the stocks. The sales contract for each order to be submitted within one week from the disbursement of the Preshipment loan.
	Commercial Bank of Ceylon PLC	125.00	-	AWPLR+2%	Repayment of in 53 equal monthly instalments of LKR 2,325,000/- Each and a final instalement of LKR 1,775,000/- plus interest.	Floating Primary Machinery Mortgage Bond for LKR 62,500,000/- over the Teapack - perfecta Tag Tea Bag Packaging Machine (Serial No. 2854). Floating Primary Machinery Mortgage Eond for LKR 62,500,000/- over the Teapack - perfecta Tag Tea Bag Packaging Machine (Serial No. 2839).
	DFCC Bank PLC I	529.00	525.88	SOFA + 4.5%	Each loan to be settled within a period of 90 days form the date of disbursement of or at the time of negotiation / purchase of relative export documents, whichever is earlier.	Primary concurrent Mortgage bond for Rs.100 million and book debts of the company with an insurance policy over stocks assigned in favour of the bank and existing demand Promissory note from Union Commodities (Private) Limited to the value of Rs.195 million.

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Union Commodities (Private) Limited contd.	DFCC Bank PLC II	126.30	-	AWPR +1.5%	The loan is repayable in 60 structured monthly instalments after a grace period of 6 months from the date of disbursement.	Primary Concurrent Mortgage Bond No 583/753190 dated 5th 9th lgth,24th August 2016 attested by M R C Pragnaratne NP, M S R Weerasooriya NP and S Dissanayake NP for Rs 100,000,000.00 ranking equal and pari passu with Indenture No 275 dated 17th June 2003 attested by A N M Hewajulige NP, Indenture No 288 dated 09th and 1Oth June 2004 attested by C K Wickremanayake NP, Indenture No 314 dated 19th and 20th July and 02 August 2005 attested by A M Femando NP and Indenture no 1116761949 dated 02nd 5th 23 rd and 29th November 2007 attested by S M L SilvaNP, C K Wickremanayake NP, and H M C P HerathNP over stocks kept at No 79, Biyagama Road, Kelaniya and book debts of the company with an insurance policy over stocks assigned in favour of the bank.
	Hatton National Bank PLC Term Loan I	1,372.00	1,474.92	6% p.a.	To be repaid in 71 months ending March 2030.	Registered Primary Floating Mortgage Bond for USD 6.7 million over commercial property including immovable property at Biyagama Road Thalwatte, Kelaniya. Including Buildings and every thing standing thereon.

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Union Commodities (Private) Limited contd.	National Development Bank PLC I	-	141.79	AWPLR+2%	Maximum 90 days from which date make it consistent with other disclosures.	Primary Concurrent pari pasu mortgage bond over stock and book debts.
	National Development Bank PLC II	158.30	-	AWPLR+1%	The principal of the Loan shall be repayable by the Borrower to the Bank monthly on or before the last banking day of each and every month over a period of twenty Four (24) months from the date of the first disbursement of the facility as follows.	
	Bank of Ceylon PLC	-	153.27	LIBOR + 4%	Each loan ro be repaid within 4 months.	Hypothecation over stocks lying at Biyagama Road, Talwatte, Kelaniya and book debts.
	Bank of Ceylon PLC	163.00	-	SOFR +2.5%	60 Months Including 06 months Grace periods.	Hypothecation over stocks lying at Biyagama Road,Talwatte,Kelaniya and book debts.
		3,701.10	3,419.18			
Waverley Power (Private) Limited	Sampath Bank PLC I	-	29.76	AWPLR + 2%	-	Loan agreement for Rs. 100 million. Shares of Company held by Aagarapatana Plantations PLC.
		-	29.76			
Beruwala Resorts PLC	Cargills Bank PLC Term Loan USD I	168.74	197.56	7.75% p.a	7 Years	Primary mortgage over land and buildings of BOT Hotel Services Limited situated at Weligama.
	Cargills Bank PLC Term Loan SLR	158.20	194.31	AWPLR + 2%	5 Years	
		326.94	391.88			
Sigiriya Village Hotels PLC	Sampath Bank PLC	148.47	144.64	AWPLR + 1%	Repayable over 35 monthly instalments.	Primary Mortage Bond for Rs.195 million over leasehold right of property at No.01, Hotel Road Sigiriya owned by the Sri Lanka Tourism Development Authority. Also depicted as Lot No. 217B and 217C in survey Plan No.2356 dated 22nd January 1979 made by H. Anil Peris (Licensed Surveyor).
		148.47	144.64			

23.3 Assets Pledged As Securities Against Interest Bearing Borrowing with Terms and Conditions Contd.

	Company/ Lender	Balance as at 31.03.2026 Rs. million	Balance as at 31.03.2025 Rs. million	Interest Rate %	Terms of Repayment	Security Pledged
Marawila Resorts PLC	Commercial Bank of Ceylon PLC Term Loan	**53.86**	84.21	AWPLR + 1.5%	Loan I - Rs. 26.5 million Loan II - Rs. 18.3 million Loan III - Rs. 41.4 million Loan IV - Rs. 9.2 million Loan V - Rs. 10.7 million should be repaid on maturity date July 2028.	Floating Primary Mortgage Bond No.5484 dated 26.03.2019 for Rs. 120 million to be obtained over the property situated at "Club Palm Bay". Thalwilawella, Marawila morefully depicted as Lots 3 to 09 in Plan No. 5656 dated 16.10.2016 drawn by Mr. W S S A Fernando (L/S) in extent of A 24: R:0 P 2.7 owned by Marawila Resorts PLC.
	Commercial Bank of Ceylon PLC Term Loan	**159.66**	189.78	3 Months USD SOFR + 4.15%	Total of existing USD term loan outstanding is USD 631,376/- which should be repaid in 60 monthly instalments.	
	Commercial Bank of Ceylon PLC Term Loan	**66.00**	84.00	AWPLR + 1.5% p.a.	Per Monthly Rs.1,500,000/- (60 instalments)	
	Commercial Bank of Ceylon PLC Term Loan	**30.00**	-	AWPLR + 1.5% p.a.	Rs.10 million within 03 Months and 30Mn within 04 Months from the date granted.	
		309.51	357.99			
Galle Fort Hotel (Private) Limited	Cargills Bank PLC Term Loan I	**49.75**	73.63	AWPLR + 2%	Repayable over 34 equal monthly instalments.	Primary mortgage bond over property for Rs. 35 million and 0.775 million USD, mentioned as Lot X in the plan No. 130 situated at Galle Fort Village.
	Cargills Bank PLC Term Loan II	**8.88**	-	AWPLR + 2%	Repayable over 60 equal monthly instalments.	
	Cargills Bank PLC Term Loan	**153.63**	171.83	7.75% p.a	Repayable over 72 equal monthly instalments.	
		212.26	245.46			
Sherwood Holidays Limited	Cargills Bank PLC	-	5.00	AWPLR + 2%		Double Cab -Vehicle
	Union Bank of Colombo PLC	**67.51**	-	11.25%P A	Repayable over 60 equal monthly instalments.	Vehicle-Brand New
		67.51	5.00			
Darley Butler & Company Limited	Bank of Ceylon	**1,000.00**	-	10.75%	Repayable in 60 installments	Corporate guarantee from E.B. Creasy & Company PLC starting from March 2026
	People's Bank	**916.67**	-	10.00%	Repayable in 60 installments	Corporate guarantee from E.B. Creasy & Company PLC starting from December 2025
		67.51	5.00			

23.4 TRUST RECEIPT LOANS

The Group has obtained following Trust Receipt Loans.

As at 31st March,	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000
E. B. Creasy & Company PLC	224,187	481,304
Lankem Ceylon PLC	1,792,296	2,047,804
Candy Delights Limited	41,322	85,887
Muller & Phipps (Health Care) Limited	99,523	18,539
Laxapana PLC	35,422	35,422
	2,192,750	2,668,956

- E.B. Creasy & Company PLC
  Trust receipt loans are secured by existing mortgage bonds to banks over property, share investments, company's stocks in trade and assignment of its book debts and Corporate Guarantees received from Darley Butler & Company Limited and Candy Delights Limited.

- Laxapana PLC
  Trust receipt loans are secured by existing mortgage bonds to banks over the property situated at Panagoda, Homagama and stocks in trade and assignment of book debts and Corporate Guarantee received from E. B. Creasy & Company PLC.

- Candy Delights Limited
  Trust receipt loans are secured by existing mortgage bonds to banks over stocks and assignment of book debts and Corporate Guarantees received from E .B. Creasy & Company PLC and Darley Butler & Company Limited.

- Muller & Phipps (Health Care) Limited
  Trust receipt loans are secured by existing mortgage bonds to banks over pharmaceutical stocks in trade and assignment of book debts and Corporate Guarantee received from E. B. Creasy & Company PLC.

Muller & Phipps (Health Care) Limited

Company/ Lender	Facility	Interest	Balances as at 31.3.2026 Rs.'000	Balances as at 31.3.2025 Rs.'000	Terms of Repayment	Security Pledged
Hatton National Bank PLC	Revolving Trust Receipt Loan of Rs. 225 Mn	Market rates either fixed or floating	18,539	18,539	Each loan should be repaid in a maximum period of 180 days.	Primary Floating Mortgage bond for Rs.450 Mn over stock of pharmaceuticals and an assignment of book debts.
			18,539	18,539		

* The portion of the loan-term loan repayable within one year from the reporting date is shown as Current Liabilities.

24 LEASE LIABILITIES

As at 31st March,	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000	COMPANY 2026 Rs.'000	COMPANY 2025 Rs.'000
Payable after One Year				
Lease Obligation - JEDB/SLSPC (Note 24.1)	1,257,616	1,224,959	-	-
Lease Obligation - Others (Note 24.2)	733,487	891,385	-	-
	1,991,103	2,116,344	-	-
Payable within One Year				
Lease Obligation - JEDB/SLSPC (Note 24.1)	13,885	11,631	-	-
Lease Obligation - Others (Note 24.2)	416,700	261,072	-	-
	430,585	272,703	-	-
	2,421,688	2,389,047	-	-

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
24.1 Lease Obligation - JEDB/SLSPC				
At The beginning of the year	1,236,590	1,061,047	-	-
Remeasurement of Right of use Asset	46,881	185,299	-	-
Adjusted Balance at the beginning of the year	1,283,471	1,246,346	-	-
Interest Charge for the year	180,264	170,179	-	-
Payments made during the Year	(192,234)	(179,935)	-	-
Net Lease Obligations	1,271,501	1,236,590	-	-
24.1.1 Leasehold Rights can be analysed as follows				
Payable within one year	13,885	11,631	-	-
Payable within two to five years	15,323	15,323	-	-
Payable after five years	1,242,293	1,209,636	-	-
	1,271,501	1,236,590	-	-
24.1.2 Net Lease obligations payable after one year	1,257,616	1,224,959	-	-
24.1.3 Amounts recognised in Profit and Loss			-	-
Interest charged during the year	180,264	170,179	-	-
24.1.4 Amounts recognised in Cash Flow				
Interest expense during the year	180,264	170,179	-	-
Capital repayment made during the year	11,970	9,756	-	-
24.2 Lease Obligation - Others				
Balance at the beginning of the Year	1,152,457	1,096,663	-	-
Remeasurement to Lease Liabilities	(1,187)	19,224	-	-
Adjusted Balance at the beginning of the Year	1,151,270	1,115,887	-	-
Leases acquired during the Year	211,207	202,452	-	-
Interest Expense during the year	102,435	149,205	-	-
Payments made during the Year	(314,725)	(315,087)	-	-
Balance at the end of the Year	1,150,187	1,152,457	-	-
24.2.1 Analysis of Lease Obligations by Year of Repayment				
Lease Obligations repayable within One Year from Year End				
Gross Liability	416,700	261,072	-	-
Net Lease Obligations repayable within One Year from Year End	416,700	261,072	-	-
Lease Obligations Repayable after One Year				
Gross Liability	733,487	891,385	-	-
Net Lease Obligations repayable within Two to Five Years	733,487	891,385	-	-
24.2.2 Amounts recognised in Profit and Loss				
Interest charged during the Year	102,435	149,205	-	-
24.2.3 Amounts recognised in Cash Flow				
Interest expense during the year	102,435	149,205	-	-
Capital repayment made during the year	212,289	165,882	-	-

25 DEFERRED INCOME - CAPITAL GRANTS

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance at the beginning of the Year	493,477	513,066	-	-
Additions during the Year	5,804	13,830	-	-
Amortised during the Year	(31,991)	(33,419)	-	-
Balance at the end of the Year (Note 25.1)	467,290	493,477	-	-

25.1 Balance at the end of the Year

Kotagala Plantations PLC	293,499	302,878	-	-
Agarapatana Plantations PLC	155,239	164,694	-	-
C.W. Mackie PLC	15,584	22,677	-	-
E. B. Creasy & Company PLC	2,968	3,228	-	-
	467,290	493,477	-	-

25.2 The Group's utilisation of funds received is as below:

Kotagala Plantations PLC

i) Asian Development Bank - Plantation Reform Project (ADB-PRP)
The funds received are utilised for construction of Staff Quarters, Water Projects, Latrines, Farm Roads and purchase of Forestry Equipment.

ii) Plantation Development Support Program (PDSP)
The funds received are utilised for construction of Dispensaries, Staff Quarters, Water Projects and upgrading Creches.

iii) Plantation Human Development Trust (PHDT)
The funds received are utilised for construction of Worker Housing, Water Projects and purchase of an Ambulance.

iv) Others

a) Ministry of Livestock Development and Estate Infrastructure
The funds received are utilised for construction of Community Centres, Agency Post Offices and upgrading Farm Roads and Creches.

b) Sri Lanka Tea Board
Funds received are utilised for the construction of the CTC Tea Factory at Mount Vernon Estate.

c) Rubber Development Department
Funds received are utilised for replanting.

The amounts spent are capitalised under the relevant classification of Property, Plant & Equipment and the corresponding grant component is reflected under deferred grants and subsidies and amortised over useful life span of the asset.

Agarapatana Plantations PLC

The Company has received funding from the Plantation Housing and Social Welfare Trust, Asian Development Bank and Plantation Reform Project for the development of worker welfare facilities such as re-roofing of line rooms, latrines, water supply and sanitation etc. The funds received from Sri Lanka Tea Board are utilized for Tea replanting. The amounts spent are included under the relevant classification of Property, Plant and Equipment and Bearer Biological Assets and the grant component is reflected under Deferred Grants and Subsidies.

C. W. Mackie PLC (CWM)

CWM has been awarded a government grant from Ministry of Plantation Industries, amounted to Rs. 45.6 million for the acquisition of peanut processing line and automated packing machines during in 2024. The government grant is recognised as deferred income and is being amortised over the useful life of the machinery.

Kelani Valley Canneries Limited (KVC)

During the year 2019/20, the Company has acquired an Automated Filling Machine at a total cost of Rs 2.2 Mn. under a government grant scheme from Industrial Development Board of Ceylon, which was aimed at facilitating Micro Small and Medium Enterprises (MSME) engaged in food based products. The government grant is recognised as deferred income and is being amortised over the useful life of the machinery.

In accordance with the term of the grant KVC has started the production with above machineries and shall not dispose, assign, pledge, mortgage, gift, or let rent the machinery for a period of five years from the date of purchase.

E. B. Creasy and Company PLC

E. B. Creasy & Co. PLC received a grant of Rs.5.2 million during the year ended 31st March 2018 in relation to setting up of a roof top solar power project on net metering basis under ADB funded clean energy and network efficiency improvement projects which is amortised over 20 years.

26 DEFERRED TAX ASSETS / LIABILITIES

26.1 Deferred Tax assets

As at 31st March,	GROUP		COMPANY	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Balance at the beginning of the Year	370,820	516,103	-	-
Recognised in Profit/Loss	133,468	(126,971)	-	-
Recognised in Other Comprehensive Income	23,466	(45,438)	-	-
Transfer to/ From Deferred Tax Liabilities (Note 26.2)	-	27,126	-	-
Balance at the end of the Year	527,754	370,820	-	-

26.2 Deferred Tax Liabilities

Balance at the beginning of the Year	5,871,264	5,117,946	203,062	212,055
Origination/(Reversal) of Temporary Differences Recognised in Profit / (Loss) for the Year	84,670	469,874	(10,515)	(8,993)
Origination/(Reversal) of Temporary Differences Recognised in the Statement of Other Comprehensive Income	(277,751)	256,318	-	-
Transfer to/ From Deferred Tax Liabilities (Note 26.1)	-	27,126	-	-
Balance at the end of the Year	5,678,183	5,871,264	192,547	203,062

26.3 Deferred Tax Composition

As at 31st March,	GROUP			
	2026		2025	
Deferred Tax Assets	Temporary difference Rs.'000	Tax effect on temporary difference Rs.'000	Temporary difference Rs.'000	Tax effect on temporary difference Rs.'000
Property Plant and Equipment	(246,383)	(73,915)	(212,713)	(63,814)
Revaluation Surplus on Land	(1,191,300)	(357,390)	(1,191,300)	(357,390)
Lease Liabilities	113,063	33,919	73,993	22,198
Right of use Assets	(136,580)	(40,974)	(66,290)	(19,887)
Investment in Unquoted Equity Securities	45,317	13,595	45,977	13,793
Retirement Benefit Obligations	552,897	165,869	404,387	121,316
Provision for Impairment of Trade Receivables	486,366	145,910	450,047	135,014
Provision for obsolete Inventories	428,297	128,489	354,437	106,331
Accumulated Tax Losses	1,702,203	510,661	1,224,903	367,471
Unrealized foreign exchange gain	(8,413)	(2,524)	(4,637)	(1,391)
Other Provisions	13,713	4,114	157,263	47,179
	1,759,180	527,754	1,083,440	370,820

26.4 Deferred Tax Composition

As at 31st March,	GROUP			
	2026		2025	
Deferred Tax Liabilities	Temporary difference Rs.'000	Tax effect on temporary difference Rs.'000	Temporary difference Rs.'000	Tax effect on temporary difference Rs.'000
Property Plant and Equipment	18,164,763	5,449,429	17,580,830	5,274,249
Investment in Unquoted Equity Securities	823,773	247,132	1,047,013	314,104
Revaluation Surplus on Land	8,877,592	2,663,278	8,760,765	2,628,229
Right to use Assets	1,808,245	542,473	2,061,407	618,422
Lease Liability	(2,090,950)	(627,285)	(2,315,054)	(694,516)
Retirement Benefit Obligations	(5,694,943)	(1,708,483)	(4,972,559)	(1,491,768)
Provision for obsolete Inventories	(717,655)	(215,297)	(509,630)	(152,889)
Provision for Impairment of Trade Receivables	(288,254)	(86,476)	(394,138)	(118,242)
Provision for Impairment of Financial Assets	(89,213)	(26,764)	(426,203)	(127,861)
Unrealized exchange gain	26,270	7,881	2,357	707
Other Provisions	(534,066)	(160,220)	300,153	90,046
Accumulated Tax Losses	(1,383,794)	(407,486)	(1,564,060)	(469,218)
	18,901,768	5,678,183	19,570,881	5,871,264

26.5 Deferred Tax Composition

As at 31st March,	COMPANY			
	2026		2025	
Deferred Tax Liabilities	Temporary difference Rs.'000	Tax effect on temporary difference Rs.'000	Temporary difference Rs.'000	Tax effect on temporary difference Rs.'000
Property Plant and Equipment	155,213	46,565	148,509	44,554
Revaluation Surplus on Land	617,128	185,138	617,128	185,138
Provision for Impairment of Related Party Receivable	(30,253)	(9,076)	(11,194)	(3,358)
Accumulated Tax Losses	(100,267)	(30,080)	(77,573)	(23,272)
	641,821	192,547	676,870	203,062

26.6 Unrecognised Deferred Tax Assets

a. Deferred tax assets have not been recognised in respect of following:

As at 31st March,	GROUP			
	2026		2025	
	Temporary Difference Rs.'000	Tax Effect Rs.'000	Temporary Difference Rs.'000	Tax Effect Rs.'000
Accumulated Tax Losses	6,409,584	1,431,403	3,667,373	1,100,213

b. Company

The Company dose not have any unrecognised Deferred Tax Assets / Liabilities as at 31st March 2026 and 31st March 2025.

26.7 Tax Losses Carried Forward

Deferred tax assets are recognized for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which can be used. Future taxable profits are determined based on the relevant taxable temporary differences. If the amount of taxable temporary difference is insufficient to recognize the deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans. 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; such deductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

Accumulated Tax Losses	GROUP		COMPANY	
As at 31st March,	2026		2026	
	Temporary Difference Rs.'000	Year of Expiry	Temporary Difference Rs.'000	Year of Expiry
Tax Losses Incurred During - 2020/21	185,245	2026/27	-	-
Tax Losses Incurred During - 2020/21	744,887	2027/28	-	-
Tax Losses Incurred During - 2022/23	667,571	2028/29	-	-
Tax Losses Incurred During -2023/24	2,490,629	2029/30	2,993	2029/30
Tax Losses Incurred During -2024/25	2,337,344	2030/31	48,768	2030/31
Tax Losses Incurred During -2025/26	3,069,905	2031/32	48,506	2031/32
	9,495,581		100,267	

27 RETIREMENT BENEFIT OBLIGATIONS

As at 31st March,	GROUP		COMPANY	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Fair Value of Plan Assets (Note 27.1)	98,244	123,322	-	-
Present Value of the Funded Obligations (Note 27.2)	627,637	557,619	-	-
Present Value of the Unfunded Obligations (Note 27.4)	5,747,392	4,819,326	-	-
Total Present Value of Retirement Benefit Obligations	6,375,029	5,376,945	-	-

27.1 Fair Value of Plan Assets

Movements in Fair Value of Plan Assets				
Balance at the beginning of the Year	123,322	110,720	-	-
Contribution paid to the Plan Assets	30,155	25,662	-	-
Expected Return on Plan Assets	9,124	10,248	-	-
Benefits Paid by the Plan	(58,976)	(18,591)	-	-
Actuarial Loss for the Year	(5,381)	(4,717)	-	-
Balance at the end of the Year	98,244	123,322	-	-

As at 3st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
27.1.1 Amount recognized in the statement of profit or loss	9,124	10,248	-	-
Amount recognized in other comprehensive income	(5,381)	(4,717)	-	-
27.1.2 Plan Assets Consist of the following:				
Treasury Bills	56,017	54,056	-	-
Balance with Group Companies	-	23,637	-	-
Cash	26,380	17,497	-	-
Other Investments	15,847	28,132	-	-
	98,244	123,322	-	-

The plan assets are invested entirely in short term Treasury Bills issued by the Government of Sri Lanka in order to mitigate any potential financial risks.

27.2 Present Value of the Funded Obligations

Movement in Present Value of Funded Obligations				
Balance at the beginning of the Year	557,619	445,979	-	-
Provision for the Year (Note 27.2.1)	108,342	92,114	-	-
	665,961	538,093	-	-
Benefits paid by the Plan	(88,478)	(43,339)	-	-
Actuarial Loss for the Year (Note 27.2.1)	50,154	62,865	-	-
Balance at the end of the Year	627,637	557,619	-	-

27.2.1 Expenses Recognised in the Statement of Profit or Loss

Current Service Cost	50,600	38,596	-	-
Interest Cost	57,742	53,518	-	-
Provision for the Year	108,342	92,114	-	-
Expenses Recognised in the Statement of Comprehensive Income				
Actuarial Loss for the Year	50,154	62,865	-	-
	158,496	154,979	-	-

27.3 Present Value of Net Obligations

Fair Value of Plan Assets	98,244	123,322	-	-
Present Value of Funded Obligations	(627,637)	(557,619)	-	-
Present Value of Net Funded Obligations	(529,393)	(434,297)	-	-

27.4 Present Value of the Unfunded Obligation

Movement in Present Value of Unfunded Obligation				
Balance at the beginning of the Year	4,819,326	3,884,934	-	-
Provision for the year (Note 27.4.1)	903,839	760,350	-	-
	5,723,165	4,645,284	-	-
Benefits paid by the Plan	(723,381)	(966,793)	-	-
Actuarial Loss for the Year (Note 27.4.1)	747,608	1,140,835	-	-
Balance at the end of the Year	5,747,392	4,819,326	-	-

27.4.1 Expenses Recognised in the Statement of Profit or Loss

Current Service Cost	485,718	308,413	-	-
Interest Cost	418,121	451,937	-	-
Provision for the Year	903,839	760,350	-	-
Expenses Recognised in the Statemen of Comprehensive Income				
Actuarial Loss for the Year	747,608	1,140,835	-	-
	1,651,447	1,901,185	-	-

i) ACME Printing and Packaging PLC

An actuarial valuation was carried out by a professionally qualified actuary firm M/s. Actuarial & Management Consultants (Pvt) Limited as at 31st March 2025. The valuation method used by the Actuary is the "Projected Unit Credit Method", the method recommended by Sri Lanka Accounting Standard 19 "Employee Benefits" (LKAS 19).As per which liability as at 31st March 2026 was Rs.39 million (2025 - Rs.46 million).

Plan asset of the Company are held by an approved external gratuity fund where it invests in an insurance scheme amounting to Rs.7 million as at the reporting date (2025 - Rs.20 million).

ii) Agarapatana Plantations PLC

According to the valuation done based on the full actuarial valuation carried out by a professionally qualified actuary firm M/s. Actuarial and Management Consultants (Pvt) Ltd as at 31st March 2026, the liability is Rs.2,600 million. If the Company had provided for gratuity for all employees on the basis of 14 days wages for workers and a half month salary for staff for each completed year of service for the year ended 31st March 2026,the liability would have been Rs.2,601 million (2025 - Rs. 2,239 million) Hence, there is a contingent liability of Rs.1,101 million which would crystalise only if the Company ceases to be a going concern.

iii) Alliance Five (Private) Limited

The actuarial valuation had been carried out by M/S Actuarial & Management Consultants (Pvt) Ltd. According to the valuation the gratuity liability on employees of the Company as at 31st March 2026 was Rs.13.96 million (2025 - Rs.8.99 million).

ix) Beruwala Resorts PLC

An actuarial valuation carried out by Messrs. Piyal S. Goonetilleke and Associates as at 31st March 2026 is Rs.18.64 million (2025 - Rs.15.09 million).This item is grouped under Retirement Benefit Obligation in the Statement of Financial Position. The liability is not externally funded.

v) C M Holdings PLC - Group

Defined Benefit Obligation of Colonial Motors (Ceylon) Limited is determined through an actuarial valuation carried out internally for the year ended 31 March 2026.

vi) C.W. Mackie PLC

The contributions of the Company and its subsidiaries (Ceymac Rubber Company Limited and Ceytra (Private) Limited) to the defined benefit plan are determined by a formula stated in the Indenture establishing the CWM Group Staff Non-Contributory Gratuity Fund.

As required by the Sri Lanka Accounting Standard 19 (LKAS 19), "Employee Benefits" the Fund was actuarially valued by Mr. Piyal S. Goonetilleke, Fellow of the Society of Actuaries (USA), Member of American Academy of Actuaries ,Consulting Actuary of Messrs. Piyal S.Goonetilleke and Associates, as at 31 March 2026 and the appropriate adjustments have been effected in the Financial Statements.

The liability as at 31st March, 2026 of the C.W. Mackie group was Rs.231.54 million (2025 - Rs.229.13 million).

vii) Darley Butler & Company Limited

An actuarial valuation has been carried out by Messrs. Actuarial Management and Consultant Private Limited as at 31st March 2026. The Projected Unit Credit method has been used in determining the valuation. As per which liability as at 31st March 2026 was Rs.478.15 million (2025 - Rs.371.26 million).

viii) E.B. Creasy & Company PLC

An actuarial valuation has been carried out as at 31st March 2026 by M/S Actuarial & Management Consultants (Pvt) Limited (Actuarial Valuer) as required by the Sri Lanka Accounting Standard LKAS 19 - 'Employee Benefits'.

The actuarial present value of the accrued benefit as at 31st March, 2026 is Rs. 915.98 million (2025 - Rs.717.31 million). This item is grouped under retirement benefit obligation in the Statement of Financial Position. The liability is not externally funded.

ix) J.F. Packaging PLC

The actuarial valuation had been carried out by M/S Actuarial & Management Consultants (Pvt) Ltd. According to the valuation the gratuity liability on employees of the Company as at 31st March 2026 was Rs.39.64 million (2024 - Rs.27.87 million).

x) Kiffs (Private) Limited

The actuarial valuation had been carried out by M/S Actuarial & Management Consultants (Pvt) Ltd. According to the valuation the gratuity liability on employees of the Company as at 31st March 2026 was Rs.5.8 million (2025 - Rs.5.18 million).

xi) Kotagala Plantations PLC

The actuarial valuation had been carried out by M/S Actuarial & Management Consultants (Pvt) Ltd. According to the valuation the gratuity liability on employees of the Company as at 31st March 2026 is Rs.1,289 million (2025 - Rs.1,107 million).

xii) Lankem Ceylon PLC

An actuarial valuation has been carried out as at 31st March 2026 by Messrs. Actuarial and Management Consultants (Private) Limited. as required by the Sri Lanka Accounting Standard 19 'Employee Benefits'.

Plan Assets of the Company are held by an approved external gratuity fund where it invests in insurance scheme amounting to Rs.7.48 Million as at the date of Statement of Financial Position. The valuation method used by the actuary is the 'Project Unit Credit Method', the method recommended by Sri Lanka Accounting Standard 19 'Employee Benefits'.

xiii) Laxapana PLC

An actuarial valuation has been carried out by Messrs. Actuarial Management and Consultant Private Limited as at 31st March 2026. As per which liability as at 31st March 2026 was Rs.22.22 million (2025 - Rs.17.39 million).

xiv) Marawila Resorts PLC

The actuarial valuations have been carried out by professionally qualified actuaries Messers. Piyal S Goonetilleke and Associates for retiring gratuity of staff as at 31st March 2026. The actuarial present value of the accrued benefits as at 31st March 2026 is Rs.18.68 million (2025 - Rs.19.28 million). This item is grouped under Retirement Benefit Obligation in the Statement of Financial Position. The liability is not externally funded.

xv) Muller & Phipps (Ceylon) PLC

The actuarial valuation had been carried out by M/S Actuarial & Management Consultants (Pvt) Ltd. According to the valuation the gratuity liability on employees of the Company as at 31st March 2026 was Rs.31.48 million (2025 - Rs.27.58 million).

xvi) Sigiriya Village Hotels PLC

Actuarial Valuation has been carried out as at 31st March , 2026 by Mr. Piyal Goonatilleka, Fellow of the Society of actuaries (USA).The valuation method used by the actuary was "Projected Unit Credit Method". The actuarial present value of the accrued benefits as at 31st March 2026 is Rs.23.69 million (2025 - Rs.21.60 million). This item is grouped under Retirement Benefit Obligation in the Statement of Financial Position. The liability is not externally funded.

xvii) Sterling Steels (Private) Limited

An actuarial valuation has been carried out as at 31st March 2026 by Messrs. Actuarial Management and Consultant Private Limited. As per which liability as at 31st March 2026 was Rs.53.25 million (2025 - Rs.39.89 million).

xviii) Union Commodities (Private) Limited

The Retirement benefit obligations h has been carried out by Actuarial and Management Consultants (Private) Limited, a firm of professional actuaries. As per which liability as at 31st March 2026 was Rs.36.03 million (2025 - Rs.30.50 million).

xix) York Hotel Management Services Limited

An actuarial valuation has been carried out as at 31st March 2026 Mr. Piyal S. Goonetilleke, a professional actuary, as per which liability as at 31st March 2026 was Rs.13.16 million (2025 - Rs.10.17 million).

xxi) Present Value of the Unfunded Obligations

LKAS 19 - 'Employee Benefits' requires to apply Projected Unit Credit Method to make a reliable estimate of the obligation in order to determine the present value of the retirement benefit obligation. The key assumptions made in arriving at the retirement benefit obligation as at 31st March 2026 in respect of following companies are stated below:

Company Name	Expected Salary Increment Rate	Discount Rate	Retirement Age Years	Liability as at 31.03.2026
				Rs. Million
ACME Printing and Packaging PLC	10%	10.5%	55	32.28
Agarapatana Plantations PLC	Workers - 10% increase p.a and other categories of staff - 20% + 10% once in three years	10.5%	60	2,599.73
Alliance Five (Private) Limited	10%	10.0%	60	13.96
Beruwala Resorts PLC	10%	10.75%	60	18.64
C M Holdings PLC - Group Colonial Motors (Ceylon) Limited	8%	11.0%	60	11.45
C.W. Mackie PLC - Group	10%	10.8%	60	147.78
Candy Delights Limited	10%	10.0%	60	40.60
Ceylon Tapes (Private) Limited	10%	10.0%	60	23.15
Darley Butler & Company Limited	10%	9.0%	60	478.15
E.B. Creasy & Company PLC	10%	10.0%	60	915.98
E.B. Creasy Logistics Limited	10%	11.0%	60	8.15
Galle Fort Hotel (Private) Limited	7.5%	9.25%	55	3.50
J.F. Packaging PLC	10%	10.0%	60	39.64
Kiffs (Private) Limited	10%	10.0%	60	5.80
Kotagala Plantations PLC - Group	10%	11.0%	60	1,289.30
Lanka Special Steels Limited	10%	9.0%	60	26.09
Lankem Ceylon PLC	7%	9.0%	60	346.34
Lankem Paints Limited	7%	10.0%	60	18.81
Laxapana PLC	10%	11.0%	60	22.22
Marawila Resorts PLC	10%	11.0%	60	18.68
Muller & Phipps (Health Care) Limited	10%	9.0%	60	31.48
Sherwood Holidays Limited	7.5%	9.75%	55	3.70
Sigiriya Village Hotels PLC	10%	11.1%	60	23.69
Sterling Steels (Private) Limited	10%	11.0%	60	53.29
SunAgro LifeScience Limited	7%	10.0%	60	3.68
Union Commodities (Private) Limited	8%	10.0%	60	36.03
York Hotel Management Services Limited	10%	10.75%	60	13.16
American Lloyd Travels Limited	10%	10%	60	12.70
Colombo Fort Group Services (Private) Limited	10%	10%	60	27.67
Colombo Fort Properties (Private) Limited	10%	10%	60	3.47
Lankem Minerals Limited	7%	9%	60	2.84
Total				6,272.04

As per the LKAS 19 issued by the Institute of Chartered Accountants of Sri Lanka, a long-term treasury bond rate ranging from 9% p.a. to 11% p.a. (2025 – 10% to 11% p.a.) was used to discount future liabilities, taking into consideration the remaining working life of eligible employees, for the purpose of valuing employee benefit obligations. Further, a salary increment rate ranging from 7% to 10% p.a. (2025 – 7% to 10% p.a.) is considered appropriate to be in line with the Company's targeted salary increments, when taking into account the current market conditions and inflation rate.

xxii) No provision has been made for Retiring Gratuity in the accounts of The Colombo Fort Land & Building PLC, York Arcade Holdings PLC, Colombo Fort Holdings Limited, Capital Leasing Company Limited, Transways (Private) Limited, Union Group (Private) Limited and C.F. Travels Limited as these companies do not employ any staff. All operational services such as accountancy, secretarial and personnel are provided by Corporate Managers & Secretaries (Private) Limited to whom a fee is paid.

27.5 Sensitivity of Assumptions Employed in Actuarial Valuation

The following table demonstrates the sensitivity to a reasonably possible change in the key assumptions employed with all other variables held constant in the employment benefit liability measurement.

The sensitivity of the Total Comprehensive Income and Statement of Financial Position is the effect of the assumed changes in discount rate and salary increment rate on to total Comprehensive Income and employment benefit obligation for the year.

As at 31st March, Group	2026		2025	
	Increase Rs.'000	Decrease Rs.'000	Increase Rs.'000	Decrease Rs.'000
Movement by 1%				
Discount Rate	(1,353,507)	1,565,619	(1,266,206)	1,406,466
Future salary scale	1,587,896	(1,347,775)	1,484,358	(1,256,050)

27.6 The Expected Benefits Payout

Years from the current period	GROUP	
	2026 Rs.'000	2025 Rs.'000
Within Next 12 Months	1,080,340	863,651
Between 1-2 years	358,775	249,241
Between 2-5 years	1,583,852	1,332,049
Beyond 5 years	3,352,062	2,932,004
	6,375,029	5,376,945

28 RENT RECEIVED IN ADVANCE

As at 31st March,	GROUP		COMPANY	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Balance at the beginning of the Year	10,935	10,365	10,935	10,365
Received during the Year	46,355	39,180	46,355	39,180
Amount Recognised as Income during the Year	(42,919)	(38,610)	(42,919)	(38,610)
Balance at the end of the Year	14,371	10,935	14,371	10,935
Amount falling due within one Year	14,371	10,935	14,371	10,935
Amount falling due after one Year	-	-	-	-

29 TRADE AND OTHER PAYABLES

As at 31st March,	GROUP		COMPANY	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Trade Payables	6,923,227	6,983,655	-	-
Other Payables	1,537,410	1,489,633	56,021	61,572
Accrued Expenses	2,843,453	2,677,624	7,966	42,987
Bills Payables	2,639,626	2,744,395	-	-
Security Deposits and Advances	814,986	703,477	11,185	9,215
Refund Liabilities	834,112	546,098	-	-
Payable to Employees	365,959	251,831	-	-
Statutory Payables	953,377	996,606	-	-
Unclaimed Dividend	70,514	52,895	1,558	944
	16,982,664	16,466,214	76,730	114,718

30 RELATED PARTY TRANSACTIONS

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
30.1 Amounts due from Related Parties				
Subsidiaries				
C.F. Travels Limited	-	-	489	339
Colombo Fort Hotels Limited	-	-	2,090	3,576
ACME Printing & Packaging PLC	-	-	1,554	-
Transways (Private) Limited	-	-	3,387	4,238
Lankem Ceylon PLC	-	-	34,674	8,277
Lankem Developments PLC	-	-	-	73,886
Sigiriya Village Hotels PLC	-	-	-	7,000
Consolidated Tea Plantations Limited	-	-	29,053	-
Colombo Fort Group Services (Private) Limited	-	-	6,889	7,907
York Hotel Management Services Limited	-	-	10,571	14,050
	-	-	88,707	119,273
Other Related Parties				
CWM Hotel Holdings Limited	81,939	81,939	-	-
York Conventions (Private) Limited	188	188	-	-
Far Eastern Exports (Colombo) Limited	426	415	-	-
Property & Investment Holdings (Private) Limited	3,060	18,060	-	-
Others	6,326	127,999	-	-
	91,939	228,601	-	-
Less: Provision for impairment - Related Parties (Note 30.1.3)	(82,127)	(82,000)	(9,803)	(8,962)
	9,812	146,601	(9,803)	(8,962)
Total Amounts due from Related Parties	9,812	146,601	78,904	110,311
30.1.1 Loan given to Related Parties				
Colombo Fort Hotels Limited	-	-	5,000	7,000
Lankem Ceylon PLC	-	-	370,000	10,000
Transways (Private) Limited	-	-	15,000	23,000
Lankem Developments PLC	-	-	-	66,930
Consolidated Tea Plantations Limited	-	-	276,000	-
	-	-	666,000	106,930
Less: Provision for impairment - Related Parties - Loan Balance (Note 30.1.2)	-	-	(20,450)	(2,231)
	-	-	645,550	104,699

30.1.2 Provision for impairment - Related Parties - Loan Balance

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance at the beginning of the year	-	-	2,231	3,525
Provision / (Reversal) made during the year	-	-	18,219	(1,294)
Balance at the end of the year	-	-	20,450	2,231
Breakdown				
Subsidiaries				
Consolidated Tea Plantations Limited	-	-	10,395	-
Lankem Ceylon PLC	-	-	9,426	250
Transways (Private) Limited	-	-	629	1,447
Lankem Developments PLC	-	-	-	534
	-	-	20,450	2,231

30.1.3 Provision for impairment - Related Parties - Current Account Balances

Movement				
Balance at the beginning of the year	82,000	85,639	8,962	4,864
Provision / (Reversal) made during the year	127	(3,639)	841	4,098
Balance at the end of the year	82,127	82,000	9,803	8,962
Breakdown				
Subsidiaries				
Consolidated Tea Plantations Limited	-	-	1,094	-
Lankem Ceylon PLC	-	-	883	213
York Hotel Management Services Limited	-	-	6,984	7,447
Colombo Fort Group Services (Private) Limited	-	-	26	26
Transways (Private) Limited	-	-	142	267
Lankem Developments PLC	-	-	-	590
Sigiriya Village Hotels PLC	-	-	-	80
C.F. Travels Limited	-	-	489	339
ACME Printing And Packaging PLC	-	-	185	-
	-	-	9,803	8,962
Other Related Parties				
CWM Hotel Holdings Limited	81,939	81,812	-	-
York Conventions (Private) Limited	188	188	-	-
	82,127	82,000	-	-
	82,127	82,000	9,803	8,962

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
30.2 Amounts due to Related Parties				
Subsidiaries				
C M Holdings PLC	-	-	8,942	8,472
Capital Leasing Company Limited	-	-	-	550
Colombo Fort Holdings Limited	-	-	39,066	39,216
Creasy Plantation Management Limited	-	-	4,583	4,583
Lankem Plantations Services Limited	-	-	4,583	4,583
Agarapatana Plantations PLC	-	-	113,225	5,925
York Arcade Holdings PLC	-	-	104,725	105,762
Imperial Hotels Limited	-	-	176,667	165,987
Darley Butler & Co. Limited	-	-	74,109	259,592
	-	-	525,900	594,670
Associates				
Capital Investments Limited	2,231	2,933	2,231	2,933
	2,231	2,933	2,231	2,933
Other Related Parties				
Corporate Holdings (Private) Limited	3,300	3,300	-	-
Financial Trust Limited	128,042	121,612	128,042	121,612
Sunquick Lanka (Private) Limited	616,341	625,728	-	-
	747,683	750,640	128,042	121,612
Total Amounts due to Related Parties	749,914	753,573	656,173	719,215
Amounts due within One Year				
Interest-bearing Borrowings (Note 30.2.1)	21,100	21,600	129,393	85,300
Non-interest-bearing Borrowings	628,814	631,973	187,800	162,415
	649,914	653,573	317,193	247,715
Amounts due after One Year				
Interest-bearing Borrowings (Note 30.2.1)	100,000	100,000	338,980	471,500
	100,000	100,000	338,980	471,500
30.2.1 Interest-bearing Borrowings				
Amounts due within One Year				
Subsidiaries				
C M Holdings PLC	-	-	4,500	4,500
Darley Butler & Co. Limited	-	-	793	59,200
Agarapatana Plantations PLC	-	-	103,000	-
	-	-	108,293	63,700
Associates				
Capital Investments Limited	2,100	2,600	2,100	2,600
	2,100	2,600	2,100	2,600

30.2.1 Interest-bearing Borrowings Contd.

As at 31st March,	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000	COMPANY 2026 Rs.'000	COMPANY 2025 Rs.'000
Other Related Parties				
Financial Trust Limited	19,000	19,000	19,000	19,000
	19,000	19,000	19,000	19,000
	21,100	21,600	129,393	85,300
Amounts due after one year				
Subsidiaries				
Colombo Fort Holdings Limited	-	-	12,300	13,000
Imperial Hotels Limited	-	-	108,000	108,000
Darley Butler & Co. Limited	-	-	73,180	200,000
York Arcade Holdings PLC	-	-	45,500	50,500
	-	-	238,980	371,500
Other Related Parties				
Financial Trust Limited	100,000	100,000	100,000	100,000
	100,000	100,000	100,000	100,000
	100,000	100,000	338,980	471,500

30.3 Transactions with Related Parties

The Company carries out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard (LKAS) 24 - 'Related Party Disclosures , the details of which are reported below:

As at 31st March,	GROUP 2026 Rs.'000	GROUP 2025 Rs.'000	COMPANY 2026 Rs.'000	COMPANY 2025 Rs.'000
Subsidiaries				
(Receiving)/Rendering of Services	-	-	1,581	(4,149)
Loans (Taken)/Given	-	-	1,154,000	(41,000)
Interest (Expenses)/Income	-	-	3,208	(51,793)
Dividend (Paid)/Received	-	-	263,077	260,605
Rent (Taken)/Given	-	-	45,328	37,748
Guarantee Commission (Taken)/Given	-	-	1,917	665
(Received)/Payment of Outstanding Balances	-	-	(608,760)	148,649
Advance (Taken)/Given	-	-	-	(9,953)
Associates				
Interest (Expenses)/Income	222	294	(240)	(294)
Dividend (Paid)/Received	72,826	52,943	6,008	-
(Received)/Payment of Outstanding Balances	942	-	942	-
Transfer (Into) / Out of Current Account	130	333	-	-
Disposal (Acquisition) of Shares	(296,185)	(26,061)	-	-
Related Parties				
Interest (Expenses)/Income	(12,430)	(13,476)	(12,430)	(13,476)
(Received)/Payment of Outstanding Balances	6,000	13,151	6,000	13,151

30.4 Terms and Conditions of Transactions with Related Parties

According to Sri Lanka Accounting Standard LKAS 24 - 'Related Party Disclosures', Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, Key Management Personnel include the members of the Board of Directors (Including Executive and Non Executive Directors) of The Colombo Fort Land & Building PLC and its subsidiary companies.

30.5 Recurrent and Non-Recurrent Related Party Transactions

During the year, there were no Recurrent transactions which exceeded the disclosure thresholds. However Non-Recurrent transaction which exceeded the disclosure threshold mentioned in Section 9.14 of the Colombo Stock Exchange Listing Rules is given below.

Name of the Related Party	Relationship	Value of the Related Party Transaction entered into during the financial year	Value of the Related Party Transaction as a % of Equity and as a % of Total Assets	Terms and Conditions of the Related Party Transaction	The rationale for entering into the transaction
Lankem Ceylon PLC	Subsidiary	Rs. 340,000,000	5.2% of Equity and 0.43% of Total Assets (As at the date of transaction i.e., 03.03.2026, the aggregate value of the non-recurrent transactions with the same Related Party exceeded 10% of Equity).	CFLB granted Rs. 340 million loan to Lankem Ceylon PLC at an interest rate of AWPLR + 2% p.a. The loan is unsecured and re-payable on or before 31st March, 2026.	To facilitate Lankem Ceylon PLC to subscribe for the right issue shares of it's Subsidiary ACME Printing and Packaging PLC.

30.6 Transactions with Key Management Personnel

According to Sri Lanka Accounting Standard LKAS 24 - 'Related Party Disclosures', Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, Key Management Personnel include the members of the Board of Directors (Including Executive and Non Executive Directors) of The Colombo Fort Land & Building PLC and its subsidiary companies.

(a) Loans to Key Management Personnel

No loans have been given to Key Management Personnel during the year.

(b) Key Management Personnel Compensation

Details of compensation for Executive and Non-Executive Directors are disclosed below:

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Short-Term Employee Benefits	**1,151,560**	962,669	**25,800**	13,312
Post Employment Benefits Paid to Key Management Personnel	**112,307**	114,128	-	-

(c) Key Management Personnel Shareholding of the Company

The shareholdings of the Directors are disclosed on page 66 of this Annual Report.

(d) Transactions with Close Family Members

There were no transactions with close family members during the year.

30.7 The Directors of the Company are also Directors of the following companies:

COMPANIES		Mr. S.D.R. Arudpragasam	Mr. C.P.R. Perera	Mr. Anushman Rajaratnam	Mr. Sanjeev Rajaratnam	Mr. P.M.A. Sirimane	Mr. A.R. Rasiah	Mr. Amrit Rajaratnam	Mr. K.G. Punchihewa	Mr. S.B. Perera	Mr. S. Viran Corea	Mr. I.A. Wickramasinghe	Mr.. S.S. Poholiyadde (Appoineted w.e.f. 01.01.2026)
The Colombo Fort Land and Building PLC	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
ACME Printing & Packaging PLC	Subsidiary	✓		✓					✓				
Agarapatana Plantations PLC	Subsidiary	✓		✓					✓	✓			✓
Amercian Lloyd Travels Ltd	Subsidiary	✓		✓	✓			✓					
Beruwala Resorts PLC	Subsidiary	✓		✓	✓			✓		✓			
C M Holdings PLC	Subsidiary	✓		✓	✓			✓					
C. F. Travels Limited	Subsidiary				✓			✓					
C W Mackie PLC	Subsidiary	✓		✓						✓		✓	
Capital Leasing Company Limited	Subsidiary	✓		✓		✓							
Colombo Fort Group Services (Pvt) Limited	Subsidiary	✓		✓		✓							
Colombo Fort Holdings Limited	Subsidiary	✓			✓								
Colombo Fort Hotels Limited	Subsidiary	✓		✓	✓			✓					
Colombo Fort Properties (Private) Limited	Subsidiary			✓									
Consolidated Tea Plantations Limited	Subsidiary	✓	✓	✓		✓			✓	✓			✓
Creasy Plantations Management Limited	Subsidiary	✓											
Darley Butler & Company Limited	Subsidiary	✓			✓	✓	✓						
E.B. Creasy & Company PLC	Subsidiary	✓			✓				✓	✓			
Imperial Hotels Limited	Subsidiary	✓		✓	✓			✓					
Kotagala Plantations PLC	Subsidiary	✓		✓					✓	✓			✓
Lankem Ceylon PLC	Subsidiary	✓		✓					✓	✓			
Lankem Developments PLC	Subsidiary	✓		✓					✓	✓			✓
Lankem Plantation Services Limited	Subsidiary	✓											
Marawila Resorts PLC	Subsidiary	✓		✓	✓			✓		✓			
Muller & Phipps (Ceylon) PLC	Subsidiary	✓			✓				✓	✓			
Sigiriya Village Hotels PLC	Subsidiary	✓		✓	✓			✓		✓			
Transways (Private) Limited	Subsidiary			✓	✓			✓					
Voyages Ceylan (Private) Limited	Subsidiary			✓	✓			✓					
York Arcade Holdings PLC	Subsidiary	✓		✓	✓			✓					
York Hotel Management Services Limited	Subsidiary	✓		✓	✓		✓	✓					
York Tours Limited	Subsidiary			✓	✓			✓					
Capital Investments Limited	Associate	✓											
Colombo Fort Investments PLC	Associate	✓		✓	✓			✓					
Colombo Investment Trust PLC	Associate	✓		✓	✓			✓					
C. W. M. Hotels Holdings Limited	Related Company	✓		✓									
Far Eastern Exports (Colombo) Limited	Related Company	✓		✓				✓					
Financial Trust Limited	Related Company			✓	✓			✓					
Property and Investment Holdings (Private) Limited	Related Company	✓		✓	✓			✓					
Sunquick Lanka (Pvt) Limited	Related Company			✓									
York Conventions (Private) Limited	Related Company			✓	✓			✓					

31 FINANCIAL INSTRUMENTS

Financial Risk Management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents qualitative and quantitative information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks.

Risk Management Framework

The Board of Directors have 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 analyses the risk faced by the Group, to set appropriate risk limits and controls, and to monitor risk 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 maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

31.1 Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligation, and arises principally from the Group's receivables from customers, investment and forward contracts.

Group's credit exposure is closely monitored. Credit given is reviewed worth the predetermine approval procedures and contractual agreement made for every high value transaction.

31.1.1 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;

	GROUP		COMPANY	
As at 31st March,	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Trade and Other Receivables	**18,398,521**	17,118,579	**89,448**	411,570
Amount due from Related Companies	**9,812**	146,601	**754,707**	226,203
Cash at bank	**3,339,876**	3,159,585	**95,916**	16,942
	21,748,209	20,424,765	**940,071**	654,715

The ageing of amount due from related companies as at the reporting date was as follows;

	GROUP				COMPANY			
As at 31st March,	Gross 2026	Impairment 2026	Gross 2025	Impairment 2025	Gross 2026	Impairment 2026	Gross 2025	Impairment 2025
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Past due 0-365 days	**6,326**	**-**	127,999	-	**722,100**	**28,972**	26,612	561
More than one year	**85,613**	**(82,127)**	100,602	(82,000)	**32,607**	**1,281**	199,591	10,632
	91,939	**(82,127)**	228,601	(82,000)	**754,707**	**30,253**	226,203	11,193

The ageing of Trade receivables as at the reporting date was as follows;

	GROUP				COMPANY			
As at 31st March,	Gross 2026 Rs.'000	Impairment 2026 Rs.'000	Gross 2025 Rs.'000	Impairment 2025 Rs.'000	Gross 2026 Rs.'000	Impairment 2026 Rs.'000	Gross 2025 Rs.'000	Impairment 2025 Rs.'000
Past due 0-365 days	**13,215,128**	**83,315**	12,810,669	159,307	**21,659**	-	23,238	-
More than one year	**1,035,744**	**691,312**	1,014,154	684,878	-	-	-	-
	14,250,872	**774,627**	13,824,823	844,185	**21,659**	-	23,238	-

31.1.2 Investments

Credit risk from invested balances with the financial institutions are managed by the treasury departments available with each entity.. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty depending on its credit rating. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

Cash and cash equivalents

The Group held cash in hand and at bank equivalents of Rs.3,381 million at 31 March 2026 (2025 -Rs.3,188 million) which represents its maximum credit exposure on these assets.

Respective credit ratings of banks which group cash balances held are as follows;

Bank of Ceylon - AA-(lka)
Hatton National Bank PLC - AA-(lka)
People's Bank - AA-(lka)
Commercial Bank of Ceylon PLC - AA-(lka)
National Development Bank PLC - A- (lka)
Pan Asia Banking Corporation PLC - BBB (lka)
Union Bank of Colombo PLC - BBB- (lka)
Standard Chartered Bank - AAA (lka)
Seylan Bank PLC - A+ (lka)
Sampath Bank PLC - AA- (lka)
Nations Trust Bank PLC - A(lka)
DFCC Bank PLC - A(lka)
Amana Bank PLC - BBB- (lka)
Cargills Bank PLC - A(lka)
Sanasa Development Bank PLC – BB+(lka)

Source - http://www.fitchratings.lk

31.2 Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding of netting agreements.

As at 31st March,	GROUP							
	2026				2025			
	Carrying Amount Rs.'000	Contractual Cash Flows Rs.'000	Less than 1 year Rs.'000	More than 1 year Rs.'000	Carrying Amount Rs.'000	Contractual Cash Flows Rs.'000	Less than 1 year Rs.'000	More than 1 year Rs.'000
Non- Derivative Financial Liabilities								
Loans and Borrowings	**27,826,811**	**26,480,167**	**15,388,916**	**11,091,251**	28,596,023	28,826,608	20,806,873	8,019,735
Lease Liability	**2,421,688**	**3,150,343**	**345,555**	**2,804,788**	2,389,047	5,285,524	452,982	4,832,542
Other Liabilities	**691,222**	**691,222**	**691,222**	**-**	713,168	713,168	713,167	-
Trade and other payables *	**14,380,189**	**14,380,189**	**14,380,189**	**-**	14,200,034	14,200,034	14,200,034	-
Amounts due to Related Party	**749,914**	**749,914**	**649,914**	**100,000**	753,573	753,573	653,573	100,000
Bank overdraft	**2,682,999**	**2,682,999**	**2,682,999**	**-**	2,720,971	2,720,971	2,720,971	-
Total	**48,752,823**	**48,134,834**	**34,138,795**	**13,996,039**	49,372,816	52,499,878	39,547,600	12,952,277

* For the financial year 2025/26, trade and other payables exclude items that are not classified as financial liabilities, including security deposits and advances, refund liabilities, and statutory payables.

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

As at 31st March	COMPANY							
	2026				2025			
	Carrying Amount Rs.'000	Contractual Cash Flows Rs.'000	Less than 1 year Rs.'000	More than 1 year Rs.'000	Carrying Amount Rs.'000	Contractual Cash Flows Rs.'000	Less than 1 year Rs.'000	More than 1 year Rs.'000
Non- Derivative Financial Liabilities								
Loas and Borrowings	**109,375**	**130,791**	**49,925**	**80,866**	140,625	173,182	52,254	120,928
Other Liabilities	**48,482**	**48,482**	**14,371**	**34,111**	45,046	45,046	10,935	34,111
Trade and other payables	**68,764**	**68,764**	**68,764**	**-**	71,731	71,731	71,731	-
Amounts due to Related Party	**656,173**	**656,173**	**317,193**	**338,980**	614,652	614,652	94,163	520,489
Bank overdraft	**279,593**	**279,593**	**279,593**	**-**	-	-	-	-
Total	**1,162,387**	**1,183,803**	**729,846**	**453,957**	872,054	904,611	229,083	675,528

For the financial year 2025/26, trade and other payables exclude items that are not classified as financial liabilities, including Accrued Expenses.

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

31.3 Market Risk

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

31.4 Currency Risk

The Group is exposed to currency risk on purchases and borrowings that are denominated in a currency other than the functional currency which is Sri Lankan Rupees.

Sensitivity Analysis

A strengthening or weakening of Sri Lankan Rupee, as indicated below, against the other currencies 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 period. The analysis assumes that all other variables, in particular interest rates, remain constant.

Increase /(Decrease) in Exchange rate

As at 31 March,	Effect on Profit before Tax	
	2026	2025
	Rs.'000	Rs.'000
Dollar (USA) + 10%	84,155	83,511
Dollar (USA) - 10%	(84,155)	(83,511)
Dollar (USA) + 15%	(11,428)	(15,333)
Dollar (USA) - 15%	11,428	15,333

The following significant exchange rates were applicable during the year:

	Average Rate	
USD	315.54	296.32
Euro	362.03	319.78
AUD	216.38	186.42

	Reporting Date Spot Rate	
USD	315.19	296.35
Euro	361.75	319.86
AUD	216.35	186.52

31.5 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in the market interest rate relates primarily to Group's long term debt obligations and investments with floating interest rates. The Group utilises various financial instruments to manage exposures to interest rate risks arising due to financial instruments. However, the company does not have material long term floating rate borrowings or deposits as at the reporting date which results a material interest rate risk.

The following table demonstrates the Group sensitivity to a reasonably possible change in interest rates, with all other variables held constant , of the profit before tax.

As at 31 March,	Effect on Profit before Tax	
	2026	2025
	Rs.'000	Rs.'000
Variable rate instrument (1% decrease)	229,278	231,733
Variable rate instrument (1% Increase)	(229,278)	(231,733)

31.6 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain shareholder, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital and level of dividends paid out to ordinary shareholders.

Bank Overdrafts with variable interest rates are used to manage the working capital requirements of the Group. Major projects are financed by funds received from long term borrowings as well as reserves of the Group.

The Group's debt to equity ratio at the end of the reporting period was as follows:

As at 31st March,	GROUP		COMPANY	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Total Liabilities	**63,875,800**	63,360,682	**1,362,900**	1,222,666
Less: Cash and Cash Equivalents	**3,381,111**	3,188,370	**95,928**	16,954
Net Debt	**60,494,689**	60,172,312	**1,266,972**	1,205,712
Total Equity	**21,311,262**	16,594,072	**5,027,197**	3,587,986
Net Debt to Equity Ratio	**284%**	363%	**25%**	34%

There were no changes in the Group's approach to capital management during the year and the Group is not subject to externally imposed capital requirements.

31.7 Fair Values

Fair Values Versus Carrying Amounts

The fair values of financial assets and liabilities, together with the carrying amounts in the Statement of Financial Position, are as follows:

GROUP

31st March, 2026	Note	Investments Classified as Financial Assets FVTOCI Rs.'000	Investments Classified as Financial Assets FVTPL Rs.'000	Financial Assets at Amortised cost Rs.'000	Financial Liabilities at Amortised Cost Rs.'000	Total Carrying Value Rs.'000	Fair Value Rs.'000
Investment in Equity Securities	16.1.2.1/ 16.2.2	1,346,342	-	-	-	1,346,342	1,346,342
Trade and Other Receivables	18	-	-	18,398,521	-	18,398,521	18,398,521
Amounts due from Related Parties	30.1	-	-	9,812	-	9,812	9,812
Other financial assets	16.3	-	1,840,289	-	-	1,840,289	1,840,289
Cash and Cash Equivalents	19	-	-	3,381,111	-	3,381,111	3,381,111
		1,346,342	**1,840,289**	**21,789,444**	**-**	**24,976,075**	**24,976,075**
Trade and Other Payables	29	-	-	-	16,982,664	16,982,664	16,982,664
Amounts due to Related Parties	30.2	-	-	-	649,914	649,914	649,914
Loans and Borrowings	23	-	-	-	27,826,811	27,826,811	27,826,811
Bank Overdraft	19	-	-	-	2,682,999	2,682,999	2,682,999
Other liabilities		-	-	-	1,158,512	1,158,512	1,158,512
		-	**-**	**-**	**49,300,900**	**49,300,900**	**49,300,900**

COMPANY

31st March, 2026	Note	Investments Classified as Financial Assets FVTOCI Rs.'000	Investments Classified as Financial Assets FVTPL Rs.'000	Financial Assets at Amortised cost Rs.'000	Financial Liabilities at Amortised Cost Rs.'000	Total Carrying Value Rs.'000	Fair Value Rs.'000
Investment in Equity Securities	16.1.2.1/ 16.2.2	6,272	9,939	-	-	16,211	16,211
Loans Due from Related Parties	30.1.1	-	-	645,550	-	645,550	645,550
Trade and Other Receivables	18	-	-	92,260	-	92,260	92,260
Amounts due from Related Parties	30.1	-	-	78,904	-	78,904	78,904
Cash and Cash Equivalents	19	-	-	87,599	-	87,599	87,599
Deposits with Banks	19	-	-	8,329	-	8,329	8,329
		6,272	**9,939**	**912,642**	**-**	**928,853**	**928,853**
Bank Loans	23	-	-	-	109,375	109,375	109,375
Bank Overdraft	19	-	-	-	279,593	279,593	279,593
Trade and Other Payables	29	-	-	-	76,730	76,730	76,730
Amounts due to Related Parties	30.2	-	-	-	656,173	656,173	656,173
		-	**-**	**-**	**1,121,871**	**1,121,871**	**1,121,871**

32 FAIR VALUE OF NON FINANCIAL ASSETS AND LIABILITIES CARRIED AT FAIR VALUE

For financial assets and financial liabilities that have a short term maturity (original maturities less than a year), it is assumed that the carrying amounts approximate their fair values. Further, other borrowed funds with a variable interest rate are also considered to be carried at fair value.

Assets and liabilities (excluding financial assets and liabilities) measured at fair value - Recurring

Asset / Liability	Valuation technique	Significant unobservable inputs	Sensitivity of the input to the fair value	Level 1	Level 2	Level 3
Biological assets						
Gain arising from changes in fair value.	Discounted cash flows	Determination of timber content				
	The valuation model considers present value of future net cash flows expected to be generated by the plantation from the timber content of managed timber plantation on a tree-per-tree basis .	Species planted in separate blocks as at the reporting date have been identified by a qualified forestry officer of the company and the timber content has been estimated based on the girth, height, growth, present age of the trees and current cubic content. Determination of price of timber Trees have been valued as per the current timber prices per cubic meter which is the recent selling price of a cubic meter of the specific species.	The estimated fair value at the time of harvesting each specific species is sensitive to the following variables, ▪ the estimated timber content ▪ the estimated timber prices per cubic meter ▪ the estimated selling related costs. ▪ the estimated maturity age ▪ the risk-adjusted discount rate.			Rs.326 Mn

Assets and liabilities for which fair values are disclosed - Recurring

Asset / Liability	Valuation technique	Significant unobservable inputs	Level 1	Level 2	Level 3
Property Plant and Equipment					
- Freehold land and buildings	Market comparable method				
	This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for difference in size, nature and location of the property.	Price per perch /Per Square Feet	-	-	Rs.12,765 Mn

Asset / Liability	Valuation technique	Significant unobservable inputs	Level 1	Level 2	Level 3
Investment property					
- Freehold land and buildings	Market comparable method / Income Method				
	Market comparable method: This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for difference in size, nature and location of the property. Income Method: The net income generated by the property is used in conjunction with certain factors is used to calculate its fair value.	Price per perch / Per Square Foot and Cash flows from Investment property discounted at an appropriate rate	-	-	Rs. 9,011 Mn

33 GOING CONCERN

The Group and the Company reported a net profit of Rs. 1,799 Mn (2025: Rs. 2,541 Mn) and Rs. 1,498 Mn (2025: Rs. 647 Mn) respectively during the year ended 31st March 2026 and as of that date, the Group and the Company's current assets exceeded its current liabilities by Rs. 1,703 Mn (2025: Rs. -2,591 Mn) and Rs. 162 Mn (2025: Rs. 207 Mn) respectively and the Groups' and Company's total assets exceeded its total liabilities by Rs. 21,311 Mn (2025: Rs. 16,592 Mn) and Rs. 5,027 Mn (2025: Rs. 3,588 Mn) respectively.

Based on financial performance of the Group and the Company, the Board of Directors did not identify any indicators that would cast significant doubt on the Group's ability to continue as a going concern as at 31st March 2026.

In addition, the Board of Directors is confident that the Group's financial position will continue to further improve through the successful implementation of strategic initiatives and operational improvement plans undertaken by the respective subsidiary companies, resulting in enhanced financial performance in the future.

Accordingly, the Board of Directors of the Group has a reasonable confidence level that the Group and the company have adequate resources to continue in operation for at least the next 12 months from audit report date and that the going concern basis of accounting remains appropriate.

34. EVENTS OCCURRING AFTER THE REPORTING DATE

34.1 Company

Subsequent to the reporting period, no circumstances have arisen that would require adjustments to/or disclosure in the financial statements.

34.2 Group

(i) Beruwala Resorts PLC

The management has decided temporarily to suspend hotel operations for four months from 1st May 2026 to 30th August 2026. This temporary closure is undertaken to facilitate the planned refurbishment and operational improvements, with a view to enhancing the overall guests experience and maintaining the company service standers.

The Company on 23rd July 2026 announced a Rights Issue of Three Hundred and Eighteen Million Four Hundred and Twenty Nine Thousand Two Hundred and Twenty Five (318,429,225) Ordinary Shares at a price of Rs. 1.25 per share in the proportion of Five (5) new ordinary shares for every Eleven (11) existing issued Ordinary Shares held, subject to approval by The Colombo Stock Exchange (CSE) and the shareholders of the Company.

(ii) C.W. Mackie PLC

The Directors of C. W. Mackie PLC recommended the payment of a First and Final Dividend of Rs.1.60 per ordinary share amounting to Rs.287,908,448/- for the year ended 31st March 2026. The dividend was approved by the shareholders at the Annual General Meeting held on 30th June 2026 and was paid to the shareholders on 20th July 2026. In accordance with the Sri Lanka Accounting Standard 10 (LKAS 10) - "Events after the Reporting Period", this proposed dividend has not been recognised as a liability as at 31 March 2026.

(iii) ACME Printing & Packaging PLC

Sales of Land and Building

Subsequent to the reporting date, on 24 July 2026, the Company completed the sale of its land and factory for a consideration of Rs.630 million to Singer Sri Lanka PLC in accordance with the Sale and Purchase Agreement executed with the purchaser.

Capital Reduction - ACME Printing and Packaging PLC

The Board of Directors has held an Extraordinary General Meeting ("EGM") on 11 June 2026 to seek shareholder approval for a proposed capital reduction amounting to Rs. 1,595,084,628.50, in accordance with the applicable provisions of the Companies Act and the Company's Articles of Association and the proposed capital reduction was approved by the shareholders on 11th June 2026. However, no adjustment has been made to these financial statements as at 31st, March, 2026.

Capital Reduction - ACME Packaging Solutions (Pvt) Ltd

The Board of Directors has held an Extraordinary General Meeting ("EGM") on 5th August 2026 to seek shareholder approval for a proposed capital reduction amounting to Rs. 738,610,256 in accordance with the applicable provisions of the Companies Act and the Company's Articles of Association and the proposed capital reduction was approved by the shareholders on 05th August 2026. However, no adjustment has been made to these financial statements as at 31st, March, 2026.

(iv) C M Holdings PLC

The Directors of C M Holdings PLC have recommended the payment of a First and Final Dividend of Rs.0.40 per ordinary share for the year ended 31 March 2026 for approval by the shareholders at the Annual General Meeting to be held on 10th September 2026. In accordance with the Sri Lanka Accounting Standard (LKAS) 10 - "Events Occurring After the Reporting Date", this proposed dividend has not been recognised as a liability as at 31st March, 2026.

Sale of Land

The investment property land situated at 479/G, Pannipitiya Road, Thalangama South, Battaramulla sold in April 2026 for Rs. 260 million.

(v) York Arcade Holdings PLC

York Arcade Holdings PLC a subsidiary of the Group, disposed 3.4% of its equity state, (amounting to 500,000 ordinary shares) in Imperial Hotels Ltd to its parent company Lankem Ceylon PLC on 2nd April, 2026 at a price of Rs. 48.71 per share amounting to a total consideration of Rs. 24,355,000/-.

35 CAPITAL AND FINANCIAL COMMITMENTS

35.1 Company

The Company had no material capital or financial commitments as at the date of the Statement of Financial Position.

35.2 Group

The Group had no significant capital or financial commitments as at the reporting date other than those disclosed below:

35.2.1 Agarapatana Plantations PLC

As at 31st March,	2026	2025
	Rs. Million	Rs. Million
a) Field Development	78.1	74.1
b) Machinery & Factory Development	396.7	412.3

36 CONTINGENT LIABILITIES / ASSETS

There are no material contingent liabilities / assets outstanding as at the date of the Statement of Financial Position, other than those disclosed below:

36.1 Company

(i) The Company has issued Corporate Guarantees for the borrowings by the subsidiary companies as indicated below,

As at 31st March		2026	2025
Financial Institutions/Companies	Name of the Company	Rs.'000	Rs.'000
Commercial Bank of Ceylon PLC	American Lloyd Travels Limited	15,000	15,000
		15,000	15,000

(ii) A Letter for Comfort was provided by the Company to Union Commodities (Pvt) Limited on 5 May 2026, covering a period of 12 months.

(iii) Income Tax Assessment 2014/15

The Company has lodged an appeal against the assessment raised for the above year and is currently contesting under the applicable appellate procedure. Based on the available information and discussions with experts, the contingent liability as at 31st March, 2026 is estimated at Rs. 32 million.

36.2 Group

36.2.1 Contingent Liabilities

(i) E.B.Creasy & Company PLC

Contingent liabilities in relation to guarantees issued by E. B. Creasy & Company PLC to financial institutions on behalf of its Subsidiaries and other Group companies to obtain facilities from Financial Institutions, were as follows:

As at 31st March,	2026	2025
	Rs.'000	Rs.'000
Darley Butler & Company Limited	8,487,000	4,120,000
Muller & Phipps (Health Care) Limited	100,000	100,000
Lankem Ceylon PLC	597,000	1,047,000
Candy Delights Limited	1,001,000	500,000
Laxapana PLC	200,000	-
	10,385,000	5,767,000

E.B. Creasy & Co. PLC has given guarantee of Rs. 21,359,031 to Sri Lanka Customs which were outstanding as at 31st March 2026.

36.2.1 Contingent Liabilities Contd.

(ii) Lanka Special Steels Limited

As at 31st March,	2026 Rs.'000	2025 Rs.'000
Sri Lanka Customs	11,000	8,000
Bureau of Indian Standards	3,152	2,965
Litro Gas Lanka Limited	20,000	20,000
	34,152	30,965

(iii) Darley Butler & Company Limited

E. B. Creasy & Company PLC	1,945,000	1,945,000
Candy Delights Limited	200,000	200,000
	2,145,000	2,145,000

(iv) Candy Delights Limited

E. B. Creasy & Company PLC	200,000	200,000
Darley Butler & Company Limited	200,000	200,000
	400,000	400,000

(v) Lankem Ceylon PLC

Lankem Ceylon PLC has issued Corporate Guarantees for borrowings obtained by the related companies and letters of comfort as indicated below as at 31st March 2026.

As at 31st March,	2026 Rs.'000	2025 Rs.'000
SunAgro LifeScience Limited	1,564,642	909,421
J. F. Packaging PLC	-	207,564
Kotagala Plantations PLC	-	230,000
Lankem Minerals Limited	1,800,000	-
	3,364,642	1,346,985

Lankem Ceylon PLC, as the parent entity, has issued letters of comfort to four of its subsidiaries, ACME Printing & Packaging PLC, ACME Packaging Solutions (Pvt) Limited, Lankem Paints Limited, and Lankem Minerals Limited, confirming its commitment to provide financial assistance for a period of at least 12 months from the date of signing the respective financial statements, thereby enabling each company to meet its liabilities and debts as and when they fall due and payable.

(vi) C.W. Mackie PLC

The following contingent liabilities exist as at the reporting date on account of the letters of comfort and guarantees given by the Company:

As at 31st March,	2026 Rs. Million	2025 Rs. Million
Letters of Comfort and guarantees provided on behalf of the subsidiaries;		
Ceymac Rubber Company Limited	150	150
Ceytra (Private) Limited	13	8
Kelani Valley Canneries Limited	115	90
Sunquick Lanka Properties (Private) Limited	-	-
	278	248
Short term loan facilities;		
Ceymac Rubber Company Limited	140	140
Ceytra (Private) Limited	10	8
Kelani Valley Canneries Limited	70	192
	220	340

36.2.1 Contingent Liabilities Contd.

These corporate guarantees have been provided to Hatton National Bank PLC and Commercial Bank of Ceylon PLC on behalf of the subsidiary companies Ceymac Rubber Company Limited, Ceytra (Private) Limited and Kelani Valley Canneries Limited for short-term loan facilities, where repayment terms are less than 12 months.

(vii) Sigiriya Village Hotels PLC

With regard to the court case No B/453/2016 at Dambulla Magistrate Court, the parties are negotiating to arrive at an amicable solution and the land to be regularized under the Sri Lanka Tourism Development Authority.

(viii) SunAgro LifeScience Limited

The Company has issued corporate guarantees amounting to Rs.995,110,786/- to Nation Trust Bank PLC, People's Bank and People's Leasing and Finance PLC on behalf of Lankem Ceylon PLC and Rs.1,800,000,000/- to Hatton National Bank PLC on behlaf of Lankem Minerals Limited.

(ix) J.F. Packaging PLC

J.F. Packaging PLC has issued Corporate Guarantees and Promisory notes for borrowings obtained by the related companies as at 31st March 2026, as follows:

As at 31st March,	2026
	Rs.'000
Kiffs (Private) Limited	120,000
Alliance Five (Private) Limited	92,000
Ceylon Tapes (Private) Limited	75,000
	287,000

(x) Marawila Resorts PLC

Based on the available information, the Management is of the view that there are no material litigation or claims other than those disclosed below that could have material impact on the financial position. Accordingly, no provision has been made for following legal claims in the Financial Statements. The Board of Directors of the Company having consulted the legal counsel have determined that no provision is required for the below case outstanding against the company as at 31 March 2026. Civil Appeal High Court of Kurunegala – Case No NWP/HCCA/KUR/106/2021/FA.

37 NON CONTROLLING INTERESTS IN SUBSIDIARIES

The following table summarises the information relating to subsidiaries that have material non controlling interest (NCI), before any intra-group eliminations.

	2026			2025		
	Trading Companies	Leisure and Other	Plantation	Trading Companies	Leisure and Other	Plantation
Revenue	92,693,178	5,951,992	13,057,234	86,305,331	5,901,165	12,404,871
Operating Profit / (Loss)	5,039,865	249,022	377,767	6,050,070	1,611,715	3,040,196
Finance Cost	(2,716,288)	(257,092)	(377,150)	(2,863,212)	(143,839)	(399,718)
Income Tax	(1,038,906)	(383,498)	(167,691)	(1,107,405)	(165,956)	(619,910)
Profit/ Loss After Tax	1,284,671	(391,568)	(166,514)	2,079,454	1,301,920	2,020,568
Total Comprehensive Income	2,613,861	250,812	168,105	4,155,881	2,444,496	2,400,357
Profit/ (Loss) allocated to NCI	1,063,692	233,241	197,444	1,499,814	1,029,876	1,235,276
Non Current Assets	22,318,654	5,194,596	10,460,900	20,996,862	4,420,696	10,231,755
Current Assets	38,249,559	3,385,725	4,651,086	35,336,448	3,923,860	4,847,740
Total Assets	60,568,214	8,580,321	15,111,986	56,333,310	8,344,556	15,079,495
Non Current Liabilities	13,881,995	2,505,732	8,388,416	11,312,484	2,569,087	7,977,561
Current Liabilities	35,850,396	4,976,711	5,232,206	37,008,469	4,899,886	5,920,770
Total Liabilities	49,732,391	7,482,443	13,620,622	48,320,953	7,468,973	13,898,331

Names of Significant Subsidiaries With Material Non Controlling Interest (NCI)

Trading Companies	Principal Place of Business	NCI Effective Holding	
		2026	2025
E. B. Creasy & Company PLC	No .98, Sri Sangaraja Mawatha, Colombo 10	43.84%	40.15%
Lankem Ceylon PLC	No .98, Sri Sangaraja Mawatha, Colombo 10	39.89%	36.75%
Colonial Motors (Ceylon) Limited	297, Union Place, Colombo 02	44.17%	44.17%
C M Holdings PLC	297, Union Place, Colombo 02	36.41%	34.90%
Muller & Phipps (Ceylon) PLC	No .98, Sri Sangaraja Mawatha, Colombo 10	71.19%	69.30%
Muller & Phipps (Health Care) Limited	No .98, Sri Sangaraja Mawatha, Colombo 10	71.19%	69.30%
E. B. Creasy Logistics Limited	No .98, Sri Sangaraja Mawatha, Colombo 10	43.85%	40.16%
Darley Butler & Company Limited	No .98, Sri Sangaraja Mawatha, Colombo 10	43.84%	40.15%
Candy Delights Limited	No .98, Sri Sangaraja Mawatha, Colombo 10	43.84%	40.15%
Laxapana PLC	No .98, Sri Sangaraja Mawatha, Colombo 10	61.67%	59.14%
C. W. Mackie PLC	No.36, D.R.Wijewardena Mawatha, Colombo 10	65.26%	63.69%
Lankem Paints Limited	Nawam Mawatha, Colombo 2	39.89%	36.75%
Lanka Special Steels Limited	No. 53A, Ward Place, Colombo 07	43.84%	40.15%
JF Packaging PLC	No. 306, Minuwangoda road, Kotugoda.	57.95%	36.75%
ACME Printing and Packaging PLC	No. 98, Sri Sangaraja Mawatha, Colombo 10	58.56%	52.98%
Sterling Steels (Private) Limited	No. 26, Sapugaskanda Industrial Estate, Pattiwila Road, Sapugaskanda.	61.67%	59.14%
Leisure and Other			
Sigiriya Village Hotels PLC	Sigiriya	54.84%	53.53%
Marawila Resorts PLC	Thalwilawella, Thoduwawa, Marawila	64.01%	62.90%
York Arcade Holdings PLC	8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01	69.58%	50.01%
Imperial Hotels Limited	8-2/1, Leyden Bastian Road, York Arcade Building, Colombo 01	40.77%	44.84%
Capital Leasing Company Limited	8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01	44.17%	44.17%
Beruwala Resorts PLC	Moragalla, Beruwala	52.52%	51.06%
BOT Hotel Services (Private) Limited	8-2/1, Leyden Bastian Road, York Arcade Building, Colombo 01	45.08%	43.41%
Waverly Power (Private) Limited	Agarapatana - Nuwara Eliya District	74.28%	72.86%

Trading Companies	Principal Place of Business	NCI Effective Holding	
		2026	2025
Plantation			
Kotagala Plantations PLC	53-1/1, Sir Baron Jayatilaka Mawatha, Colombo 01	**59.35%**	55.50%
Agarapatana Plantations PLC	53-1/1, Sir Baron Jayatilaka Mawatha, Colombo 01	**74.28%**	72.86%
Lankem Developments PLC	No .98, Sri Sangaraja Mawatha, Colombo 10	**60.07%**	59.52%

38 COMPARATIVE INFORMATION

Comparative information including quantitative, narrative and descriptive information is disclosed in respect of the previous period in the Financial Statements in order to enhance the understanding of the current period's Financial Statements and to enhance the inter period comparability.

The presentation and classification of the Financial Statements of the previous year are amended, where relevant for better presentation and to be comparable with those of the current year.

Following reclassification has been made for comparative amounts to facilitate comparison and better presentation.

Consolidated Statement of Profit or Loss and other Comprehensive Income

		GROUP			COMPANY		
		31 March 2025 (Rs.'000)			31 March 2025 (Rs.'000)		
	Notes	As previously Reported	Reclassification	Current Presentation	As previously Reported	Reclassification	Current Presentation
Other Income	5.1	1,601,788	(97,672)	1,504,116	691,005	(245,971)	445,034
Administrative Expenses	7	7,212,235	(236)	7,211,999	102,418	-	102,418
Other Expenses	5.2	422,853	(142,772)	281,081	2,804	(2,804)	-
Impairment (made) / reversed on Financial Assets	5.3	-	(44,336)	44,336	-	2,804	2,804
Reversal of Impairment of Investment in Subsidiary		-	-	-	-	245,971	245,971

Consolidated Statement of Financial Position

		GROUP			COMPANY		
		31 March 2025 (Rs.'000)			31 March 2025 (Rs.'000)		
	Notes	As previously Reported	Reclassification	Current Presentation	As previously Reported	Reclassification	Current Presentation
Non Current Assets							
Leasehold Property		1,200,595	(1,200,595)	-	-	-	-
Right of Use Assets	11	927,102	1,200,595	2,127,697	-	-	-
Current Assets							
Amounts due from Related Parties	30.1	-	-	-	108,080	2,231	110,311
Loans given to Related Parties	30.1.1	-	-	-	106,930	(2,231)	104,699
Non Current Liabilities							
Loans and Borrowings	23	10,421,477	(2,116,344)	8,305,133	101,562	-	101,562
Lease Liabilities	24	-	2,116,344	2,116,344	-	-	-
Current Liabilities							
Loans and Borrowings	23	20,563,593	(272,703)	20,290,890	39,063	-	39,063
Lease Liabilities	24	-	272,703	272,703	-	-	-

39 OPERATING SEGMENTS

	Trading of Consumer Products		Trading of Inustrial Products		Leisure		Plantations		Others		Total	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Revenue	**66,947,890**	61,948,271	**25,745,288**	24,357,061	**2,910,478**	2,794,911	**13,057,234**	12,404,871	**3,184,774**	3,240,650	**111,845,664**	104,745,763
Inter Segment Eliminations	**(15,801,510)**	(14,177,102)	**(801,953)**	(801,862)	**-**	(740)	**(173,088)**	(1,180)	**(1,082,034)**	(876,099)	**(17,858,586)**	(15,856,984)
Revenue from External Customers	**51,146,380**	47,771,169	**24,943,335**	23,555,199	**2,910,478**	2,794,171	**12,884,146**	12,403,691	**2,102,740**	2,364,551	**93,987,078**	88,888,780
Segment Results after Eliminations	**3,917,601**	**3,935,111**	**134,250**	**121,281**	**625,411**	**617,709**	**777,363**	**2,020,619**	**(880,584)**	**(475,163)**	**4,574,104**	**6,219,557**
Depreciation and amortisation	**739,089**	623,900	**431,071**	363,463	**141,332**	110,423	**574,675**	373,644	**44,116**	13,421	**1,930,283**	1,484,851
Finance Expenses	**(1,585,551)**	(1,462,069)	**(1,130,737)**	(1,401,143)	**(159,563)**	(147,785)	**(377,151)**	(399,718)	**(120,045)**	(77,935)	**(3,373,048)**	(3,488,651)
Share of Results of Associate	**-**	-	**-**	-	**-**	-	**-**	-	**183,333**	41,220	**183,333**	41,220
Share of Results of Joint Venture	**43,978**	168,829	**-**	-	**-**	-	**-**	-	**-**	-	**43,978**	168,829
Profit Before Tax	**3,115,117**	3,265,772	**(565,416)**	(916,400)	**607,180**	580,347	**974,886**	1,994,544	**(773,180)**	(498,457)	**3,358,650**	4,425,805
Taxation	**(949,985)**	(875,935)	**(76,928)**	(231,868)	**(203,358)**	(77,733)	**(160,139)**	(619,910)	**(169,626)**	(79,230)	**(1,560,035)**	(1,884,676)
Profit for the Year	**2,165,195**	2,389,837	**(642,344)**	(1,148,268)	**403,822**	502,614	**814,747**	1,374,634	**(942,805)**	(577,687)	**1,798,615**	2,541,129
Equity Holders of the Parent	**1,426,200**	1,560,708	**(444,294)**	(886,320)	**348,071**	326,315	**371,351**	659,196	**(969,389)**	(626,244)	**731,940**	1,033,654
Non Controlling Interest	**738,995**	829,129	**(198,050)**	(261,948)	**55,751**	176,299	**443,396**	715,438	**26,584**	48,557	**1,066,675**	1,507,475
Total	**2,165,195**	2,389,837	**(642,344)**	(1,148,268)	**403,822**	502,614	**814,747**	1,374,634	**(942,805)**	(577,687)	**1,798,615**	2,541,129
Non-Current Assets												
Property, Plant & Equipment	**12,737,506**	11,309,246	**4,819,980**	5,393,241	**7,050,620**	6,564,866	**4,751,295**	4,699,873	**293,960**	262,789	**29,653,360**	28,230,014
Right to use of Assets	**678,666**	622,008	**392,808**	250,555	**34,810**	37,124	**1,185,788**	1,200,595	**30,680**	17,415	**2,322,751**	2,127,697
Investment Properties	**1,482,795**	1,511,019	**220,623**	223,208	**24,407**	24,407	**-**	-	**829,430**	773,991	**2,557,255**	2,532,625
Biological Assets	**-**	-	**-**	-	**-**	-	**4,523,593**	4,331,037	**-**	-	**4,523,593**	4,331,037
Intangible Assets	**47,580**	41,094	**44,500**	25,328	**10,249**	4,277	**-**	-	**664,877**	666,073	**767,207**	736,773
Investment in Associates & joint Venture	**504,312**	460,474	**-**	-	**-**	-	**-**	-	**1,736,013**	1,358,554	**2,240,325**	1,819,028
Other Long-Term Investments	**1,324,603**	1,157,128	**5,459**	4,004	**4,260**	4,647	**225**	251	**11,796**	9,261	**1,346,342**	1,175,291
Retirement Benefit Obligations - Plan Assets	**54,510**	63,431	**43,734**	59,891	**-**	-	**-**	-	**-**	-	**98,244**	123,322
Deferred Tax Assets	**78,877**	97,875	**387,017**	238,842	**-**	-	**-**	-	**61,860**	34,103	**527,754**	370,820
	16,908,848	**15,262,275**	**5,914,119**	**6,195,068**	**7,124,346**	**6,635,321**	**10,460,901**	**10,231,756**	**3,628,616**	**3,122,186**	**44,036,831**	**41,446,607**

	Trading of Consumer Products		Trading of Inustrial Products		Leisure		Plantations		Others		Total	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Goodwill	-	-	-	-	-	-	-	-	-	-	669,701	669,701
Income Tax Recoverable	147,790	44,596	27,270	31,008	151	1,830	215	190	-	-	175,426	77,624
Non-Current Liabilities												
Lease Liabilities	306,795	549,999	358,160	265,448	56,652	60,237	1,257,616	1,226,991	11,880	13,669	1,991,103	2,116,344
Interest-Bearing Borrowings	6,022,748	3,881,261	2,929,112	3,418,685	772,046	936,071	641,783	1,930,859	80,512	254,601	10,446,201	8,305,133
Capital Grants	13,098	17,968	5,454	7,937	-	-	448,738	467,572	-	-	467,290	493,477
Deferred Tax Liabilities	1,501,856	1,665,311	327,328	383,598	1,471,291	1,314,819	2,145,980	2,256,155	231,728	251,381	5,678,183	5,871,264
Retirement Benefit Obligations	1,725,277	1,404,526	616,235	533,595	68,208	65,873	3,889,034	3,321,984	76,275	50,967	6,375,029	5,376,945
Amounts due to Related Parties	-	-	-	-	-	-	-	-	100,000	100,000	100,000	100,000
	9,569,774	6,969,065	4,236,290	4,343,816	2,368,197	2,316,763	8,388,416	7,976,570	500,395	656,949	25,057,806	22,263,163
Current Liabilities												
Income Tax Payables	371,664	479,506	72,268	28,223	51,209	47,807	66,578	14,555	115,132	132,143	676,851	702,233

Group Financial Summary

As at 31st March,	2026 Rs.'000	2025 Rs.'000	2024 Rs.'000 Restated	2023 Rs.'000 Restated	2022 Rs.'000 Restated	2021 Rs.'000	2020 Rs.'000	2019 Rs.'000	2018 Rs.'000	2017 Rs.'000
TRADING RESULTS										
Group Revenue	**93,987,078**	88,888,780	75,895,448	77,080,849	51,556,263	43,231,519	36,230,793	41,689,356	43,293,386	41,016,474
Profit/(Loss) before Tax	**3,358,650**	4,425,805	1,412,383	6,845,840	403,895	493,199	(3,708,626)	(3,360,071)	(155,716)	(916,447)
Income Tax Expense	**(1,560,035)**	(1,884,676)	(1,351,552)	(2,259,819)	(552,195)	(547,871)	2,377	195,450	(152,561)	(161,816)
Profit/(Loss) for the Period	**1,798,615**	2,541,129	60,831	4,586,021	(148,300)	(54,672)	(3,706,249)	(3,164,621)	(308,277)	(1,078,263)
Other Comprehensive Income	**17,022**	1,179,773	(238,955)	(1,161,924)	2,048,994	674,170	(176,665)	4,884,082	(227,573)	339,965
Attributable to :										
Equity Holders of the Parent	**980,114**	1,866,929	(37,959)	1,730,126	617,539	(109,995)	(3,100,616)	511,909	(609,384)	(740,430)
Non - Controlling Interest	**835,523**	1,853,973	(140,164)	1,693,971	1,283,155	729,494	(782,298)	1,207,552	73,534	2,132
	1,815,637	3,720,902	(178,123)	3,424,097	1,900,694	619,498	(3,882,914)	1,719,461	(535,850)	(738,298)
CAPITAL EMPLOYED										
Stated Capital	**927,000**	927,000	927,000	927,000	927,000	730,368	730,368	327,000	327,000	327,000
Capital Reserves	**20,058**	20,058	20,058	20,058	20,058	20,058	20,058	20,058	20,058	20,058
Revenue Reserves	**6,234,071**	5,538,015	3,907,216	5,027,709	2,989,679	2,066,618	2,188,359	5,181,961	4,779,872	6,539,747
	7,181,129	6,485,072	4,854,274	5,974,767	3,936,737	2,817,044	2,938,785	5,529,019	5,126,930	6,886,805
Non - Controlling Interest	**14,130,133**	10,107,082	7,250,860	5,969,840	4,679,799	3,706,309	3,019,296	4,220,461	3,159,291	4,003,925
Total Equity	**21,311,262**	16,592,154	12,105,134	11,944,607	8,616,536	6,523,353	5,958,081	9,749,480	8,286,221	10,890,730
Total Debt	**32,931,498**	33,706,041	31,167,287	29,622,902	28,624,023	23,670,675	23,528,089	21,652,546	22,893,299	19,675,316
	54,242,760	50,298,196	43,272,421	41,567,509	37,240,559	30,194,028	29,486,170	31,402,026	31,179,520	30,566,046
ASSETS EMPLOYED										
Property, Plant & Equipment	**29,653,360**	28,230,014	24,694,074	24,606,208	23,080,802	21,480,579	21,784,218	24,526,759	19,330,577	19,440,906
Other Non-Current Assets	**14,383,471**	13,216,593	11,816,428	10,618,280	9,970,847	9,483,585	9,464,555	7,147,281	5,699,579	4,761,462
Current Assets	**40,521,046**	38,506,230	32,084,844	28,564,280	22,678,911	18,871,185	15,300,504	16,999,784	19,512,494	17,493,433
Assets Held for Sale	**629,185**	-	-	-	30,000	60,000	67,365	67,365	60,000	207,956
Liabilities Net of Debt	**(38,817,994)**	(41,097,520)	(35,731,893)	(31,419,232)	(31,384,803)	(27,861,510)	(25,332,555)	(25,292,317)	(24,671,381)	(21,143,353)
	46,369,068	38,855,317	32,863,453	32,297,979	24,375,757	22,033,839	21,284,087	23,448,873	19,931,269	20,760,404
CASH FLOW										
Net Cash Generated from/(used in) :										
Operating Activities	**1,422,026**	546,245	1,433,449	786,743	(1,346,915)	1,527,870	(1,941,991)	1,684,826	(484,935)	726,188
Investing Activities	**(2,902,064)**	(3,027,603)	(1,793,804)	(2,606,767)	(1,172,152)	(757,357)	(7,214)	(1,179,861)	(2,238,075)	(1,887,804)
Financing Activities	**1,711,110**	2,794,012	1,199,827	1,142,761	4,249,345	61,818	1,537,321	(1,392,370)	2,999,320	1,264,414
INVESTOR'S INDICATORS										
Earnings/(Loss) per Share (Rs.)	**3.05**	4.31	(0.51)	9.87	(1.48)	(2.35)	(12.08)	(12.08)	(2.78)	(4.89)
Net Asset/(Liability) per Share (Rs.)	**29.92**	27.10	20.23	24.89	16.40	15.65	30.72	30.72	28.48	38.26
Price Earnings Ratio (Times)	**21.64**	13.47	(58.69)	2.64	(8.94)	(5.49)	(0.59)	(1.12)	(6.91)	(3.70)
KEY INDICATORS										
Market Value per Share (Rs.)	**66.00**	58.00	30.00	26.10	13.20	12.90	7.10	13.50	19.20	18.10
Market Capitalisation (Rs.'000)	**15,840,000**	13,920,000	7,200,000	6,264,000	3,168,000	2,842,345	2,430,000	2,430,000	3,456,000	3,258,000
Current Ratio (Times)	**0.61**	0.54	0.53	0.48	0.43	0.39	0.40	0.40	0.49	0.51
Interest Cover	**2.00**	2.27	1.32	1.32	1.12	1.19	0.03	0.03	0.94	0.57

Share Information

DISTRIBUTION OF SHAREHOLDING

No. of Shares Held	As at 31st March 2026			As at 31st March 2025		
	No. of Shareholders	Total Holding	Holding %	No. of Shareholders	Total Holding	Holding %
1 - 1,000	1,440	357,015	0.15	1,271	352,214	0.15
1,001 - 10,000	487	1,771,318	0.74	477	1,780,670	0.74
10,001 - 100,000	141	4,045,365	1.68	142	4,158,826	1.73
100,001 - 1,000,000	21	8,045,261	3.35	29	10,587,371	4.41
Over 1,000,000	15	225,781,041	94.08	15	223,120,919	92.97
	2,104	240,000,000	100.00	1,934	240,000,000	100.00

ANALYSIS OF ORDINARY SHAREHOLDERS

	As at 31st March 2026			As at 31st March 2025		
	No. of Shareholders	Total Holding	Holding %	No. of Shareholders	Total Holding	Holding %
Individuals	1,993	15,022,762	6.26	1,831	17,295,046	7.21
Institutions	111	224,977,238	93.74	103	222,704,954	92.79
	2,104	240,000,000	100.00	1,934	240,000,000	100.00

PUBLIC HOLDING

The percentage of shares held by the public as at 31st March 2026 was 33.06%. (31st March 2025 – 33.02%)

PUBLIC SHAREHOLDERS

The number of Public Shareholders as at 31st March 2026 were 2,084. (31st March 2025 – 1,913)

FLOAT ADJUSTED MARKET CAPITALISATION

The applicable option under Colombo Stock Exchange Rule 7.13.1 (i) (a) (1) on Minimum Public Holding is Option 3 and the Float Adjusted Market Capitalization as at 31st March 2026 was Rs.5,331,916,800.00 (31st March 2025 -Rs.4,604,308,800.00)

MARKET VALUE OF SHARES

	2025/2026 Rs.	2024/2025 Rs.
Highest	97.50	69.00
Lowest	50.60	27.00
Market Value as at the Year end	67.20	58.10

NET ASSETS PER SHARE

	Rs.
31.03.2026	20.95
31.03.2025	14.95

TWENTY MAJOR SHAREHOLDERS

	Full Name of the Shareholder	31.03.2026		31.03.2025	
		No. of Shares	Share Percentage	No. of Shares	Share Percentage
1	SAMPATH BANK PLC/ SENTHILVERL HOLDINGS (PVT) LTD	48,342,305	20.14%	46,043,432	19.18%
2	PROPERTY AND INVESTMENT HOLDINGS (PRIVATE) LIMITED	40,153,059	16.73%	40,153,059	16.73%
3	COLOMBO INVESTMENT TRUST PLC	31,149,717	12.98%	31,149,717	12.98%
4	COLOMBO FORT INVESTMENTS PLC	26,888,895	11.20%	26,888,895	11.20%
5	FINANCIAL TRUST LIMITED	26,742,226	11.14%	26,742,226	11.14%
6	CAPITAL INVESTMENTS LIMITED	23,084,375	9.62%	23,084,375	9.62%
7	CORPORATE HOLDINGS (PVT) LTD A/C NO.02	9,099,080	3.79%	9,099,080	3.79%
8	CORPORATE HOLDINGS (PRIVATE) LIMITED A/C NO.01	5,200,945	2.17%	5,185,945	2.16%
9	UNION INVESTMENTS (PRIVATE) LTD	4,300,000	1.79%	4,300,000	1.79%
10	MR. SANJEEV RAJARATNAM	2,450,000	1.02%	2,450,000	1.02%
11	MISS ANDAL RADHAKRISHNAN	1,973,125	0.82%	1,800,000	0.75%
12	MISS MEENAMBIGAI PRIYADARSHINI RADHAKRISHNAN	1,973,124	0.82%	1,800,000	0.75%
13	JACEY TRUST SERVICES (PRIVATE)LIMITED-ACCOUNT NO 01	1,858,500	0.77%	1,858,500	0.77%
14	C M HOLDINGS PLC	1,500,000	0.62%	1,500,000	0.62%
15	MR. AMRIT RAJARATNAM	1,065,690	0.44%	1,065,690	0.44%
16	HATTON NATIONAL BANK PLC/SRI DHAMAN RAJENDRAM ARUDPRAGASAM	1,000,000	0.42%	1,000,000	0.42%
17	HATTON NATIONAL BANK PLC/ANUSHMAN RAJARATNAM	937,697	0.39%	967,697	0.40%
18	EMPLOYEES TRUST FUND BOARD	684,202	0.29%	700,030	0.29%
19	OAKLEY INVESTMENTS (PRIVATE) LIMITED	616,000	0.26%	616,000	0.26%
20	TRUST HOLDINGS & INVESTMENTS (PVT) LIMITED	599,500	0.25%	599,500	0.25%
		229,618,440	95.67%	227,004,146	94.59%

Notice of Meeting

Notice is hereby given that the One Hundred and Twenty Seventh Annual General Meeting of The Colombo Fort Land & Building PLC will be held on 30th September 2026 at 11.00 a.m. and conducted as a Virtual Meeting from 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1, and the business to be brought before the meeting will be:

1. To receive and consider the Annual Report of the Board of Directors and the Statement of Accounts for the year ended 31st March, 2026 with the Report of the Auditors thereon.
2. To re-elect Mr. Sanjeev Rajaratnam who retires by rotation in accordance with Articles 85 and 86 of the Articles of Association, as a Director.
3 To re-elect Mr. K.G. Punchihewa who retires by rotation in accordance with Articles 85 and 86 of the Articles of Association, as a Director.
4. To reappoint Mr. C.P.R. Perera, as a Director. As Mr. C.P.R. Perera is over 70 years of age, Special Notice has been received from a shareholder of the intention to pass a Resolution, which is set out below in relation to his reappointment. (See Note No.04).
5. To reappoint Mr. S.D.R. Arudpragasam as a Director. As Mr. S.D.R. Arudpragasam is over 70 years of age, Special Notice has been received from a shareholder of the intention to pass a resolution which is set out below in relation to his reappointment (see Note No.05).
6. To reappoint Mr. A.R. Rasiah as a Director. As Mr. A.R. Rasiah is over 70 years of age, Special Notice has been received from a shareholder of the intention to pass a resolution which is set out below in relation to his reappointment (see Note No.06).
7. To reappoint Mr. S.S. Poholiyadde, as a Director. As Mr. S.S. Poholiyadde has attained the age of 70 years, Special Notice has been received from a shareholder of the intention to pass a Resolution, which is set out below in relation to his reappointment. (See Note No.07).
8. To authorize the Directors to determine donations to Charities.
9. To reappoint KPMG, Chartered Accountants as Auditors and to authorize the Directors to determine their remuneration.

By Order of the Board,
Corporate Managers & Secretaries (Private) Limited
Managers & Secretaries

Colombo
31st August 2026

Notice of Meeting contd.

NOTE:

1. A member is entitled to appoint a Proxy to attend and vote in his/her stead and a Proxy need not be a member of the Company. A Form of Proxy is enclosed with this Report. The instrument appointing a Proxy must be completed and deposited at the Registered Office of the Company, not less than forty-eight hours before the time fixed for the meeting.
2. Members are encouraged to vote by Proxy through the appointment of a member of the Board of Directors to represent them and vote on their behalf. Members are advised to complete the Form of Proxy and their voting preferences on the specified resolutions to be taken up at the meeting and submit the same to the Company in accordance with the instructions given on the reverse of the Form of Proxy.
3. Please refer the CSE website and the "Circular to Shareholders" dated 31st August 2026 for further instructions relating to the Annual General Meeting and for joining the Meeting virtually.
4. The Company has received Special Notice from a shareholder of the Company giving notice of the intention to move the following Resolution regarding the reappointment of Mr. C.P.R. Perera as an Ordinary Resolution at the Annual General Meeting of the Company:
   "Resolved –
   That Mr. C.P.R. Perera, who is eighty two years of age be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of 70 years referred to in Section 210 of the Companies Act No.07 of 2007 shall not apply to the said Director, Mr. C.P.R. Perera."
5. Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution regarding the reappointment of Mr. S.D.R. Arudpragasam as an Ordinary Resolution at the Annual General Meeting of the Company:
   "Resolved –
   That Mr. S.D.R. Arudpragasam, who is seventy five years of age be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Director, Mr. S.D.R. Arudpragasam."
6. Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution regarding the reappointment of Mr. A.R. Rasiah as an Ordinary Resolution at the Annual General Meeting of the Company:
   "Resolved –
   That Mr. A.R. Rasiah, who is eighty years of age be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Director, Mr. A.R. Rasiah."
7. The Company has received Special Notice from a shareholder of the Company giving notice of the intention to move the following Resolution regarding the reappointment of Mr. S.S. Poholiyadde, as an Ordinary Resolution at the Annual General Meeting of the Company:
   "Resolved –
   That Mr. S.S. Poholiyadde, who has attained seventy years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of 70 years referred to in Section 210 of the Companies Act No.07 of 2007 shall not apply to the said Director, Mr. S.S. Poholiyadde."

Form of Proxy

I/We ..... of .....

.....

being a member/members of THE COLOMBO FORT LAND & BUILDING PLC hereby appoint .....

..... of .....

..... whom failing

1.	Sri Dhaman Rajendram Arudpragasam	of Colombo or failing him,
2.	Anushman Rajaratnam	of Colombo or failing him
3.	Chrisantha Priyange Richard Perera	of Colombo or failing him,
4.	Parakrama Maithri Asoka Sirimane	of Colombo or failing him,
5.	Sanjeev Rajaratnam	of Colombo or failing him,
6.	Albert Rasakantha Rasiah	of Colombo or failing him,
7.	Amrit Rajaratnam	of Colombo or failing him,
8.	Kamal Gardiye Punchihewa	of Colombo or failing him,
9.	Shrihan Blaise Perera	of Colombo or failing him,
10.	Srikumaradas Viran Corea, PC	of Colombo or failing him,
11.	Indrajit Asela Wickramasinghe	of Colombo or failing him,
12.	Sunil Somindranath Poholiyadde	of Colombo

as my/our proxy to represent me/us, to speak and to vote on my/our behalf at the One Hundred and Twenty Seventh Annual General Meeting of the Company to be held on 30th September 2026 at 11.00 a.m. and at any adjournment thereof and at every poll which may be taken in consequence of the aforesaid meeting.

	For	Against
1. To receive and consider the Annual Report of the Board of Directors and the Statement of Accounts for the year ended 31st March 2026 with the Report of the Auditors thereon.		
2. To re-elect Mr. Sanjeev Rajaratnam, who retires by rotation in terms of Articles 85 and 86 of the Articles of Association, as a Director.		
3. To re-elect Mr. K.G. Punchihewa who retires by rotation in terms of Articles 85 and 86 of the Articles of Association, as a Director.		
4. To reappoint Mr. C.P.R. Perera as a Director. As Mr. C.P.R. Perera is over 70 years of age, Special Notice has been received from a shareholder of the intention to pass a Resolution, which is set out in the Notice of Meeting.		
5. To reappoint Mr. S.D.R. Arudpragasam as a Director. As Mr. S.D.R. Arudpragasam is over 70 years of age, Special Notice has been received from a shareholder of the intention to pass a Resolution, which is set out in the Notice of Meeting.		
6. To reappoint Mr. A.R. Rasiah as a Director. As Mr. A.R. Rasiah is over 70 years of age, Special Notice has been received from a shareholder of the intention to pass a Resolution, which is set out in the Notice of Meeting.		
7. To reappoint Mr. S.S. Poholiyadde, as a Director. As Mr. S.S. Poholiyadde has attained 70 years of age, Special Notice has been received from a shareholder of the intention to pass a Resolution, which is set out in the Notice of Meeting.		
8. To authorize the Directors to determine donations to charities.		
9. To reappoint KPMG, Chartered Accountants, as Auditors and to authorize the Directors to determine their remuneration.		

As witness my/our hand(s) this ..... day of ..... 2026.

.....

Signature of Shareholder

Note:

1. A proxy need not be a member of the Company.
2. Please indicate with an X in the space provided how your proxy is to vote. If there is in the view of the proxy holder doubt (by reason of the way in which the instructions contained in the proxy have been completed) as to the way in which the Proxy holder should vote, the Proxy holder shall vote as he thinks fit.
3. Instructions as to completion appear on the reverse hereof.

Form of Proxy contd.

INSTRUCTIONS AS TO COMPLETION OF FORM OF PROXY

1. To be valid, this Form of Proxy must be deposited at the Registered Office of the Company No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1, not less than 48 hours before the time appointed for the holding of the meeting.
2. In perfecting the Form of Proxy, please ensure that all details are legible.
3. Please indicate clearly how your Proxy is to vote on the resolution. If no indication is given the Proxy at his discretion may vote as he thinks fit.
4. In the case of Corporate Members, the Form of Proxy must be under seal or under the hand of an Authorized Officer or Attorney.
5. Where the Form of Proxy is signed under a Power of Attorney (POA) which has not been registered with the Company, the original POA together with a photocopy of the same, or a copy certified by a Notary Public must be lodged with the Company along with the Form of Proxy.

Corporate Information

S.D.R. Arudpragasam - *Chairman*
FCMA (U.K.)

C.P.R. Perera - *Deputy Chairman*

Anushman Rajaratnam - *Group Managing Director*
B.Sc. (Hons.), CPA, MBA

P.M.A. Sirimane
FCA, MBA

S. Rajaratnam
B.Sc., CA

A.R. Rasiah
B.Sc. (Cey.), FCA

Amrit Rajaratnam
LLB (Notts.), Barrister -at-Law

K.G. Punchihewa
(FCA, CPA(Aus.))

S. B. Perera
(FCMA/CGMA(UK) B.Sc. Mech. Eng. (Hons.))

S. Viran Corea, PC
LL.B, LL.M

I.A. Wickramasinghe
MBA., FCIM(UK)

S.S. Poholiyadde
F.I.P.M
(Appointed w.e.f. 01.01.2026)

NAME OF THE COMPANY

The Colombo Fort Land & Building PLC

LEGAL FORM

A Quoted Company with limited liability, incorporated under the provisions of the Joint Stock Companies Ordinance 1861 & 1888 on 30th April, 1895 and re-registered under the Companies Act No. 07 of 2007 on 3rd July, 2008.

COMPANY NO.

PQ172

REGISTERED OFFICE

No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01.

STOCK EXCHANGE LISTING

The ordinary shares of the Company are listed on the Colombo Stock Exchange of Sri Lanka.

BANKERS

Commercial Bank of Ceylon PLC
Hatton National Bank PLC
Sampath Bank PLC

AUDITORS

KPMG, Chartered Accountants

LEGAL ADVISERS

Julius & Creasy, Attorneys-at-Law

TAX ADVISORS

KPMG, Chartered Accountants

MANAGERS & SECRETARIES

Corporate Managers & Secretaries (Private) Limited
No. 8-5/2, Leyden Bastian Road,
York Arcade Building, Colombo 1.
Tel: 011 2344485 - 9

Concept & Designed by
Copyline
a great equation

The Colombo Fort Land & Building PLC

Annual Report 2025/2026