

Powered by Purpose and Precision



SIERRA CABLES PLC
Annual Report 2024/25

Powered by Purpose and Precision

At Sierra Cables, every milestone we achieve is guided by two driving forces; purpose and precision.

Our purpose is clear: to power progress through reliable, high-performance cabling solutions that support infrastructure, industry, and innovation. It is one that is rooted in national development and elevated by global ambition. From the smallest connection to the largest undertaking, we take pride in enabling transformation that reaches lives and builds futures.

However, our purpose goes hand in hand with Precision; in the way we manufacture, in the way we serve, and in the way we grow. It is reflected in the quality of our products, the consistency of our performance, and the trust we have earned across markets.

The year under review was a reflection of this philosophy in action. With record-breaking profitability, operational excellence, and strategic expansion, Sierra Cables has not only strengthened its market position, it has reinforced its identity as a company that does things with intent and with impact and as we move into the future, we remain powered by purpose and precision.

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**POWERED BY NEW
ADVANCEMENTS**

Culture, Ethics & Corporate Values



Vision

Being the bridge in energising the community.



Mission

Achieve a continuous growth to enhance the stakeholder value while offering a high quality product.

Become a reputed organisation by promoting sustainable development. Uplift the living standards of the Sierra Cables family.



Values

As a responsible and ethical corporate entity, Sierra Cables PLC conducts its affairs based on a set of values. Every member of the Sierra Cables family is committed to following them.



Strategic Goal

Manufacture innovative products ranges be the pioneer in the cable industry.

Extend our footprint beyond Sri Lanka's geographical boundaries.

To reduce the environmental impact by reducing the carbon footprint year-on-year.

Our Culture

We are proud of our culture of teamwork and cooperation, which inspires our team of high achievers. We engender this ethos through knowledge - sharing an inclusive approach to decision-making ample learning and development opportunities, and communication and feedback.

A strictly implemented zero tolerance policy for discrimination based on religion, race, gender, and ethnicity has given rise to a culture of equality and dignity for all.

Our Ethics

Our uncompromising ethics dictate the principles that form the bedrock on which our stakeholders perceive us:

- ◆ Transparency and accountability
- ◆ Legal and regulatory compliance
- ◆ Honest and truthful dealings

Corporate Values

Pursuit of Excellence:

Every cable is manufactured to the highest quality standards.

Customer-centric:

Add value to customer experience by fulfilling their requirements.

Innovation:

Driving innovation.

Environmental stewardship:

Operate responsibly to ensure minimal impact on the environment.

Stakeholder engagement:

Proactive and continuous engagement.

ABOUT SIERRA CABLES PLC

Sierra Cables PLC, incorporated in Sri Lanka and listed on the Colombo Stock Exchange, is a leading manufacturer of power and telecommunication cables with a strong presence across local and international markets. With over two decades of industry leadership, the Company has built a reputation for quality, innovation, and reliability—serving a diverse portfolio of clients across residential, commercial, and industrial sectors.

Sierra Cables PLC operates under one of Sri Lanka's largest and most diversified conglomerates, which has further strengthened its financial foundation, operational capacity, and strategic direction. This affiliation has enabled the Company to unlock synergies across sectors, access new markets, and enhance its resilience in a dynamic and competitive business environment. Backed by the stability and resources of this well-established group, Sierra Cables continues to pursue its growth trajectory with confidence.

Sierra Cables possesses deep expertise in the development, design, manufacturing, marketing, and distribution of a wide range of copper and aluminium cable products. Leveraging advanced cable manufacturing technology, the Company is fully equipped to deliver products with various current-conducting capacities and technical specifications, tailored to meet rigorous customer demands and ensure optimal satisfaction.





Sierra Cables PLC A Leading Cable Manufacturer in Sri Lanka

Over the years, Sierra Cables has significantly expanded its export footprint—reaching neighboring Asian countries, Eastern Europe, Oceania, North America, and multiple regions across Africa. Notably, the Company has established a strong market presence in Fiji through its joint venture, Cables Pte Limited. Further expanding its capabilities, the relocation of its pipe manufacturing plant to Africa will support the supply of high-quality HDPE and uPVC pipes and fittings, strengthening its foothold in that region.

The Company's commitment to delivering superior quality is reflected in its careful selection of premium raw materials, design capabilities that meet stringent client specifications, and on-time delivery aligned with site requirements. Sierra Cables adheres to an array of stringent quality standards, including ISO systems, Sri Lanka Standards (SLS), and global benchmarks such as BS, AS/NZS, NFC, JIS, UL, and IEC. Its products are further validated by certifications from renowned institutions including TUV Singapore, the Central Power Research Institute of India, and the LCIE Testing Laboratory in France.

In FY 2024/25, Sierra Cables maintained its A+ (Stable) credit rating for the fourth consecutive year and was awarded the prestigious UL44 certification—enabling the Company to meet high international standards for commercial and residential power distribution in the USA. It currently holds the distinction of being Sri Lanka's leading exporter of cable containers to the United States.

The Company's success is driven by its dedicated team, whose professionalism and commitment remain central to achieving business growth, promoting sustainable development, and embedding innovation across all operations. Sierra Cables nurtures a positive and empowering work culture, providing opportunities for continuous professional and personal development while upholding the highest standards of occupational health and safety.

Looking ahead, Sierra Cables PLC aims to further strengthen its leadership in the cable and electrical manufacturing industry, support national infrastructure development, and capture new opportunities across international markets. The Company remains firmly committed to delivering long-term value for all stakeholders through innovation, integrity, and sustainable growth.

FINANCIAL HIGHLIGHTS (GROUP)

SIERRA CABLES PLC
Annual Report 2024/25

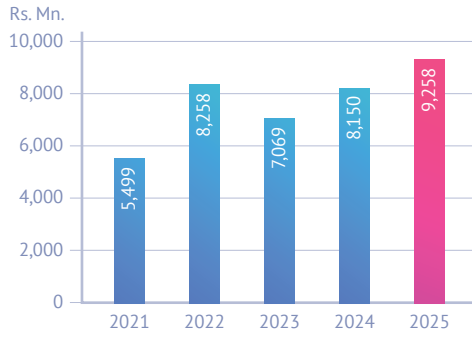
8

For the year ended 31st March 2025	2025	2024
Net Turnover	9,257,863,965	8,150,443,782
Gross Profit	2,343,794,743	1,827,869,193
Profit from Operations	1,405,330,806	1,227,960,840
Profit After Tax	903,469,623	727,728,217
Issued and fully paid Number of Shares		
Total Assets	13,170,124,606	8,965,022,072
Return on Equity (ROE)	17.96%	15.20%
Return on Assets (ROA)	6.86%	8.12%
Price Earnings Ratio	9.34	8.36
Total Assets/Equity	2.12	1.78
Per Share (Rs)		
Market Value - Highest	18.60	13.10
Lowest	8.00	9.40
Last Traded	15.70	11.90
Earnings	1.68	1.42
Net Assest Value	11.56	9.36

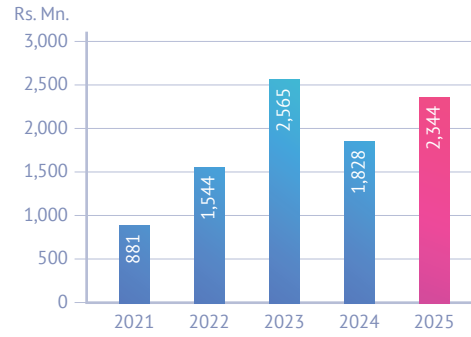
**HIGHEST
TURNOVER**
9.2 Bn

**HIGHEST GROUP
NET PROFIT**
903 Mn

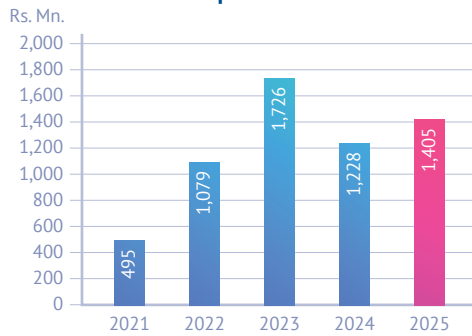
Net Turnover



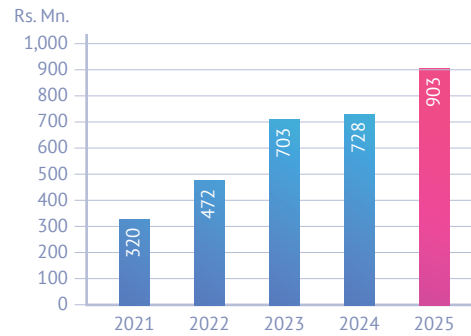
Gross Profit



Profit From Operations



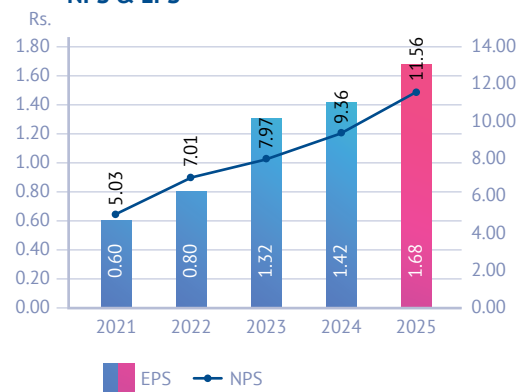
Profit After Tax



Share Price



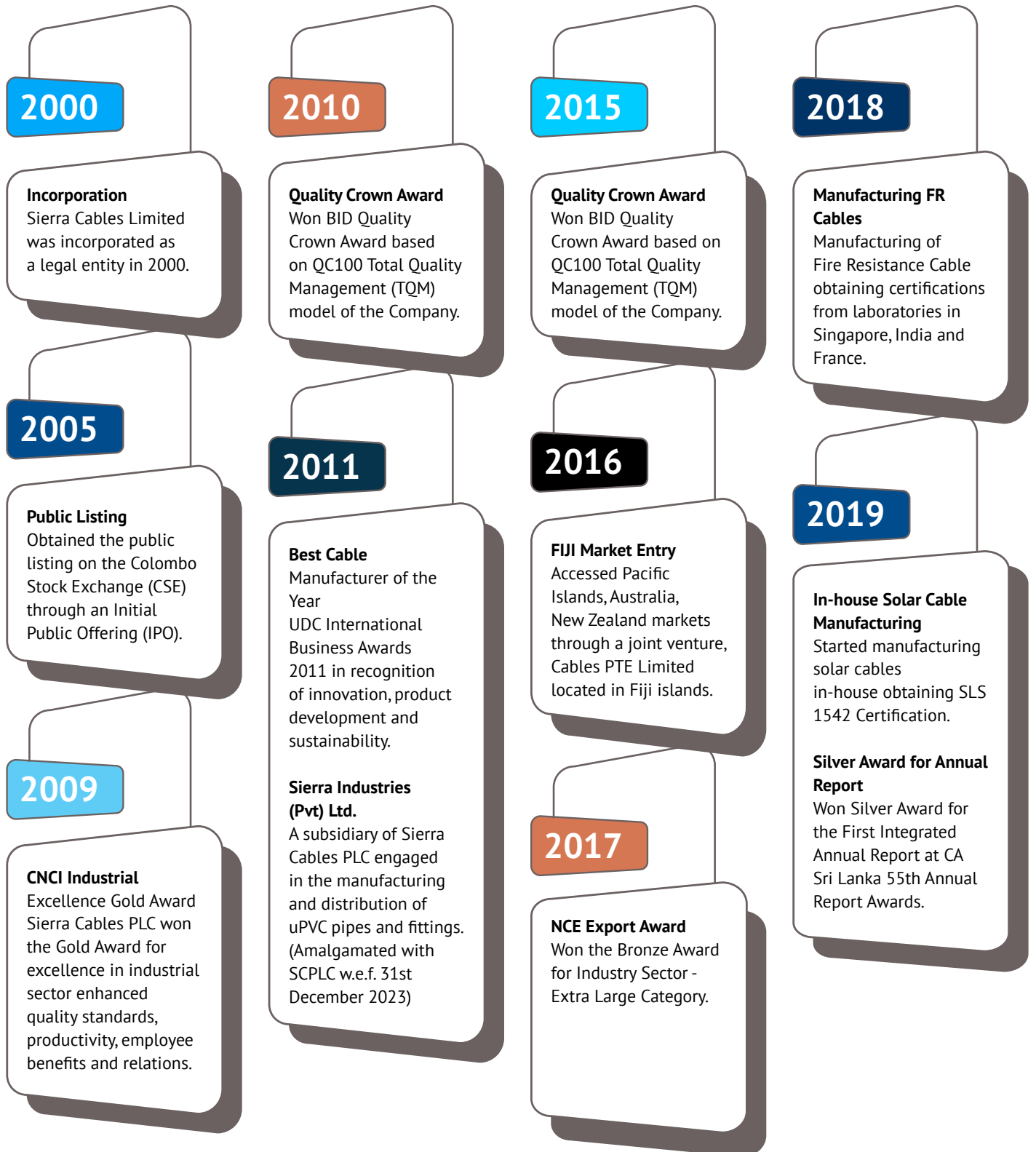
NPS & EPS

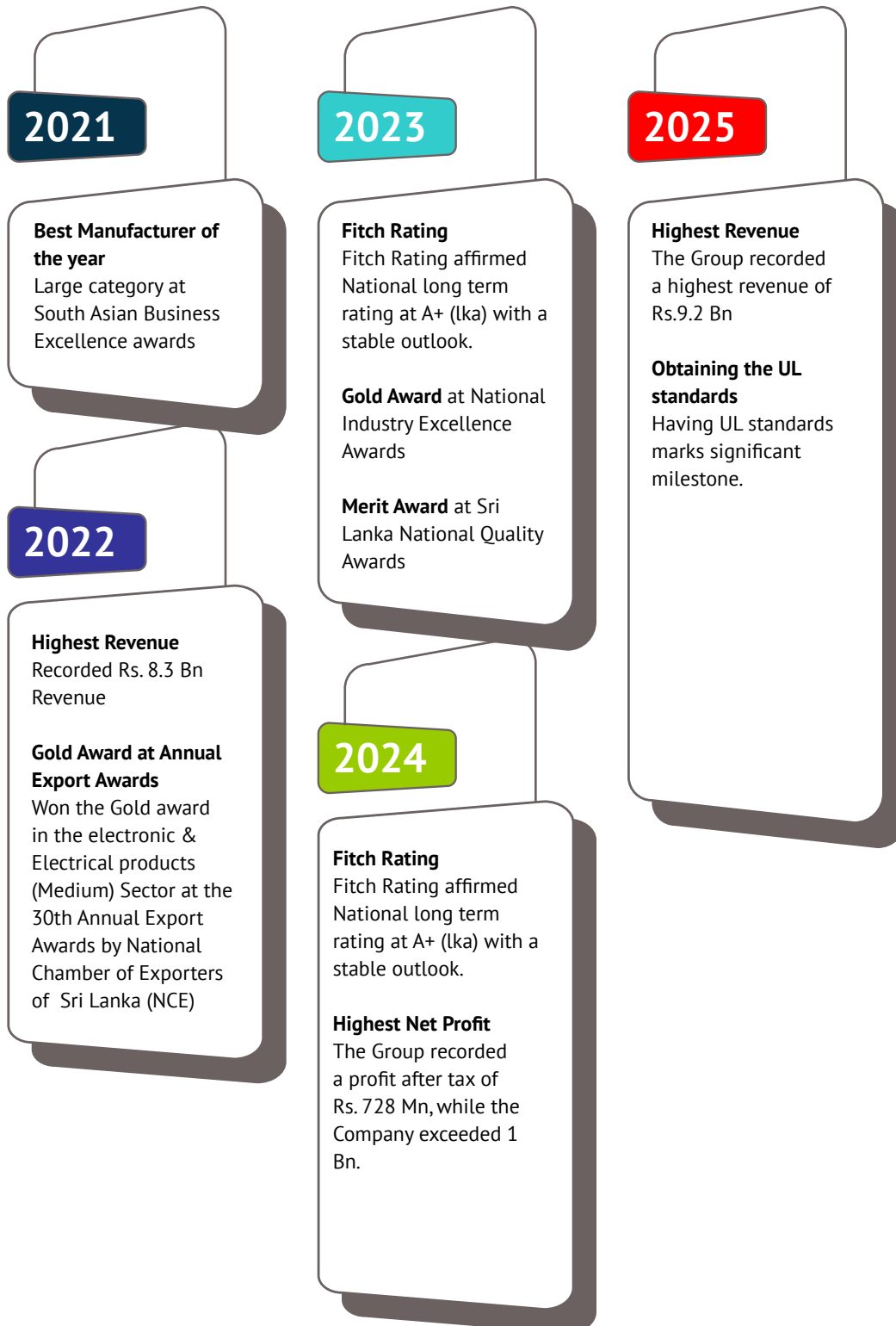






OUR JOURNEY





CHAIRMAN'S MESSAGE



“

The Group recorded an impressive financial performance recording a group revenue of Rs. 9.2 Bn with a 13% year-on-year growth and achieved Rs. 1.4Bn profit from its operations, sustaining a Fitch rating A+ (lka) stable outlook for four consecutive years.

”

Our focus on innovation and customization, supported by robust research and development capabilities, enabled us to develop products tailored to specific market needs.

This strategic approach not only expanded our customer base but also positioned us firmly in key regions across Asia, Eastern Europe, Oceania, North America, and various parts of Africa, reinforcing our presence as a globally competitive cable and wire manufacturer.

I take this opportunity to present to you the Annual Report of Sierra Cables PLC for the financial year ended 31st March 2025, explaining our value creation for the year under review, leveraging our collective strength as a team, quality manufacturing capabilities, and the deep understanding of market needs, that enabled us to navigate the challenges and deliver consistent value to our stakeholders.

The year 2024 sparked optimism driven by a notable economic turnaround following the economic crisis, demonstrating renewed strength and resilience. The economy expanded due to the broad-based revival of multiple sectors following the severe economic crisis two years ago. A combination of effectual corrective fiscal and monetary policy measures implemented following the economic crisis resulted in economic stabilization, laying the foundation for sustained growth. This positive environment had a spillover effect on all the major sectors of the economy, leading to a sharp recovery compared to the previous financial year.

Against this backdrop, inflation followed an overall decreasing trend during the year, reaching deflationary levels in September 2024. The notable decline in administratively determined and cost-reflective energy prices caused inflation to turn negative from September 2024. In line with the Central Bank's near-term projections, headline inflation, as measured by the year-on-year (Y-o-Y) change in the Colombo Consumer Price Index (CCPI, 2021=100)¹ remained in the negative territory for the fourth consecutive month, recording a deflation of 1.7% in December 2024 compared to the deflation of 2.1% in November 2024.

Meanwhile, market interest rates also continued to decline in 2024, driven by accommodative monetary policy measures implemented since June 2023. The unemployment rate also decreased to 4.4% during 2024, compared to 4.7% in 2023.

The construction sector, the core industry segment in which we operate, also showcased significant improvement owing to the resumption of new construction projects, stimulated by the conducive economic environment. Credit to the construction sector experienced a growth of 5.5%, y-o-y, indicating a gradual revival of construction-related activities following a long period of subdued activity.

These collective improvements created a conducive environment for Sierra Cables to drive sustainable growth, creating enhanced value for its stakeholders. As a result, the Group was able

to maintain a remarkable performance, recording the highest turnover of LKR 9.2 Bn for the year under review. Our efforts for market diversification, specifically enhancing the focus on exports and continued zest for product innovation continue to support this progression, enabling us to further solidify our position as a trusted cable manufacturing entity that delivers high-quality products while upholding service excellence for the clientele.

Despite this improved environment, Sierra Cables faced challenges due to supply chain limitations, prompting the need to diversify the supplier network. Furthermore, the Group also focused on strengthening its strategic foundation to navigate the potential threats, market fluctuations and industry-wide challenges. We remained resilient to face the potential adversities that may arise in the course of our journey and focused on prudent strategic planning to sustain our profitability in the long term, catering to the evolving needs of the clientele. By consistently assessing the operating environment and evolving industry dynamics, we gain critical insights into customer preferences, behavioural patterns, and macroeconomic trends across both domestic and global spheres. These insights enable us to make informed strategic decisions, ensuring that we remain

relevant and firmly grounded on a sustainable growth trajectory while preserving the Company's reputation and strengthening our brand equity.

Resilience and unwavering commitment remained the defining themes of our journey throughout the year. Our agility enabled us to adapt swiftly to shifting market conditions and external pressures. Throughout, we upheld our commitment to product quality and service excellence, integrating advanced technologies and fostering a motivated, performance-driven team. This forward-looking strategy enabled us to deliver strong results for the financial year.

Remarkable Performance

The Group recorded an impressive financial performance recording a group revenue of Rs. 9.2 Bn with a 13% year-on-year growth and achieved Rs. 1.4Bn profit from its operations, sustaining a Fitch rating A+ (lka) stable outlook for four consecutive years.

This achievement was primarily driven by our steadfast commitment to superior product quality, meeting the expectations of a diverse customer base, and our strategic focus towards international market expansion. While we continue to be present in the domestic construction sector, penetrating through both the project segment and dealer network, we continue to heighten our focus on strengthening our global footprint through exports, entering new markets and building a pool of international clientele.

Product quality is a key differentiator of our brand in the market as we continue with our commitment to manufacturing superior products by sourcing high-quality raw materials that undergo stringent testing and screening procedures in our very own laboratory. These stringent quality management measures have enabled us to ensure that the finest products enter the market.

Our focus on innovation and customization, supported by robust research and development capabilities, enabled us to develop products tailored to specific market needs. This strategic approach not only expanded our customer base but also positioned us firmly in key regions across Asia, Eastern Europe, Oceania, North America, and various parts of Africa, reinforcing our presence as a globally competitive cable and wire manufacturer.

On this journey, the contribution of our employees to our success deserves sincere appreciation. Their continued commitment to upholding product superiority and designing products to suit the needs of the modern clientele played a pivotal role in our success during the year. In recognition of their dedication, we remained equally committed to their well-being, offering a supportive work environment along with opportunities for both personal and professional growth to help them advance in their careers.

Key Milestones

The upgrade of our credit rating from B- to A+ (Stable) for four consecutive years was a remarkable achievement. Additionally, the Group was also certified for the UL 44 standard for cable, which has a higher temperature rating for commercial and residential power distribution.

Corporate Governance

Our corporate governance framework, built on a system of well-defined rules and practices, is fundamental to aligning our operations with stakeholder interests and promoting ethical, financially sustainable business practices. We have established a robust governance structure that embeds transparency, accountability, and integrity across every level of the organization.

We believe this strong foundation not only drives responsible decision-making but also fosters lasting relationships with stakeholders that are built on trust and mutual respect. In line with this commitment, we adhere to all relevant regulatory and compliance standards, including the Colombo Stock Exchange listing rules and the Code of Best Practice on Corporate Governance jointly issued by the Institute of Chartered Accountants of Sri Lanka (ICASL). Additionally, we maintain ethical operational standards by complying with industry-specific requirements, such as ISO certifications and SLS product standards.

Focus on Sustainability

We continue to focus on embracing sustainability, integrating sustainable principles within our operations and extending their impact beyond our organizational boundaries. We believe this approach will enable us to make meaningful contributions to both the environment and the communities we serve.

From an environmental standpoint, we are focused on reducing our ecological footprint by minimizing waste and optimizing resource utilization. By leveraging our structured environmental management system, we strive to maintain a thoughtful balance between operational efficiency and environmental responsibility. Over the years, our environmental sustainability initiatives include tree planting programs at factory premises, reuse of pallets in facility upgrades, installation of solar power for our production requirements and manufacturing solar cables compliant with SLS 1542 standards.

On the social front, we engaged in community-focused initiatives aimed at uplifting lives and supporting long-term development. These include the distribution of food among the schools and support for social events organized in the area as well as increased contribution to staff meals and their medical insurance coverage including provision of improved hostel facilities for the employees. Our governance framework has also been aligned to support the achievement of sustainable development goals, promoting ethical business conduct and ensuring long-term value creation for our stakeholders.

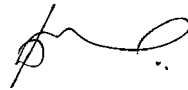
Future Plans

Building on our strong performance this year, we are confident in our ability to sustain and accelerate growth in the near future. With improvements in the macroeconomic environment, we are strategically positioned to seize emerging opportunities across both domestic and international markets. Our enhanced focus on export portfolio expansion is anticipated to create an avenue for entry into untapped global markets alongside continuing our presence across Sri Lanka.

In this endeavour, we will continue to leverage the deep industry expertise we have acquired over the years and advanced technologies, positioning ourselves as a trusted and quality-driven cable and wire manufacturer. This forward momentum will further be propelled by our resilience and steadfast commitment to drive success as well as the research and development capabilities that foster innovation in product design in meeting the evolving needs of the diverse clientele. We believe these efforts will strengthen our role as a pioneering force in Sri Lanka's cable manufacturing industry.

Acknowledgement

As we close another dynamic year, I extend my heartfelt appreciation to the Board of Directors for their steadfast guidance and unwavering support in navigating the Company through a complex and challenging landscape. My sincere thanks also go to the Chief Executive Officer for his visionary leadership and strategic execution, which have been pivotal in aligning the Company with evolving industry trends and technological advancements. I am equally grateful to our dedicated Management team and employees, whose integrity, commitment, and tireless efforts have been instrumental in driving value creation for our stakeholders. Finally, I would like to express my deep gratitude to our loyal customers and shareholders, whose continued trust in our capabilities strengthens our partnerships and inspires us to exceed expectations in the years ahead.



Ishara Nanayakkara

Chairman

(Appointed w.e.f. 28.05.2025)

26th August 2025

CHIEF EXECUTIVE OFFICER'S MESSAGE



“

We continue to grow our business in the domestic market and the global space, consistently maintaining the superiority of our products and zest for innovation powered by advanced technologies.

”

We infiltrate into previously unexplored global markets, expanding our presence to serve diverse markets, and establishing strong partnerships that drive sustainable growth and innovation.

Dear Shareholders,

It was a year that brought forth positive momentum, driven by the glimmer of recovery on the horizon, fueled by accelerated growth in key sectors and the improvement in the vital economic indicators. The resurgence of the construction sector provided a strong impetus for the Company's growth. This renewed confidence in the market allowed the Company to capitalize on emerging opportunities, strengthening its foothold and driving sustained progress across its operations. Therefore, I am pleased to report that we demonstrated impressive performance, fortified by thoughtful strategy and the unwavering commitment of our people who enabled us to swiftly respond to the changes in the operating environment and the business landscape. True to our commitment, we advanced steadily, delivering value to our stakeholders and the Company while securing long-term success.

Our Performance

We continue to grow our business in the domestic market and the global space, consistently maintaining the superiority of our products and zest for innovation powered by advanced technologies. Consequently, we marked another remarkable year as a trusted player within the industrial electric wire and cable sector, developing products that cater to the specific needs of modern clientele.

During the year, the Company sustained a solid A+ (lka) rating from Fitch Rating with a stable outlook for four consecutive years. Despite the challenges in economic conditions domestically and globally the Company continues to make notable strides in international market expansion and financial strategy, demonstrating impressive financial performance driven by timely and prudent strategic management. Consequently, the Group recorded the highest ever revenue of Rs. 9.2 Bn during the year, alongside a record profit after tax of LKR 903Mn.

In the last financial year exports accounted for 9% of the Company's total turnover, while dollar-denominated sales made up 15%. Moving into 2024/25, exports saw a steady increase, rising to 12%, with a primary focus on the USA market. Meanwhile, dollar-denominated sales represented 18% of total turnover, reflecting a shift in financial composition as the Company continues to strengthen its global presence and navigate industry trends.

Our strategic focus on global market expansion particularly penetrating markets such as the USA, Maldives, Europe, Africa, and the Pacific Region played a pivotal role in this revenue growth during the financial year and recorded a 48% growth in our export market. Leveraging our state-of-the-art technology to design innovative products for the customer's specific requirements, we infiltrate into previously unexplored global markets, expanding our presence to serve diverse markets, and establishing strong partnerships that drive sustainable growth and innovation. Similarly, our

projects and dealer network also witnessed progress driven by the improvement in construction activities during the year due to the commencement of new construction projects, stimulated by the improved economic conditions. Consequently, the project segment recorded a growth of 8% while the dealer network expanded by a notable 47% during the period.

Backward integration strategies have been a key driver in strengthening operational efficiencies and enhancing value creation. By increasing value addition in the production process and implementing innovative new production methods, the company has made strides in optimizing quality and cost-effectiveness. In this financial year, significant steps have been taken to refine production processes through the adoption of technologically advanced machinery, which is expected to yield substantial benefits and profitability in the coming period. Additionally, the existing ERP system upgrade to SAP has been instrumental in improving resource planning and streamlining operations, ensuring greater transparency and efficiency across all business functions. These initiatives collectively reinforce the company's commitment to long-term growth and sustainability.

At the heart of Sierra's innovative culture is our proven capacity to design and manufacture cabling solutions for various industries, including energy, industrial, and communication sectors locally and globally. Hence, the Company continues to uphold its quality excellence, implementing necessary quality management measures and ISO 9001, 14001, 45001 and SLS certifications to ensure that only premium products enter the market, ensuring that our products meet international standards, providing reliable and efficient solutions for diverse industry requirements. Consequently, Sierra Cables obtained certification for the UL 44 standard, which has a higher temperature rating for commercial and residential power distribution.

Commitment to Sustainability

Our commitment to sustainability is centred on the triple bottom line philosophy; of people, planet and profit, where we incorporate social and environmental dimensions into our business strategy to create enhanced value for the stakeholders. As much as focusing on the economic progression of the Company, we look into the social and environmental consequences of our actions thereby minimising our impact on the society and the environment in the process of value creation.

The social aspect is addressed through promoting various initiatives to support social development while the environmental aspect is addressed through supporting initiatives that conserve the surrounding ecosystem. As such, during the financial year, we implemented a few CSR initiatives to support the neighbouring communities. These include the distribution of food among the schools and support for social events organized in the area. Alongside, as a CSR measure, we have increased the Company's contribution to staff meals and their medical insurance coverage, improved hostel facilities, and enhanced the annual staff and family get-together with additional entertainment activities.

From an environmental perspective, we remain committed to minimising our environmental footprint and meticulously managing our resource usage. We strive to maintain a subtle balance between achieving our business objectives and the responsibility as a corporate citizen to safeguard the planet for future generations. For this purpose, we have established a robust environmental management system that provides a systematic blueprint for embracing sustainable practices. With appropriate

policies and procedures in place, we ensure that resources across the value chain are used efficiently minimising natural resource depletion and harmful impact on the environment and the communities at large. Additionally, where possible we also encourage tree planting initiatives.

Our People

Those who work tirelessly with dedication and passion are the cornerstone of our achievements over the years. Their unwavering commitment has propelled us forward sustaining quality excellence and steady growth, seamlessly navigating the challenges emanating from market headwinds. In appreciation of their continued dedication and loyalty, we constantly look into their health and well-being while providing industry-par remuneration and benefits to sustain their motivation and satisfaction, encouraging their long-term commitment to the Company. Apart from that, employees are also given opportunities for professional development through training focused on identified areas while preparing them to take over the next level of leadership. Well-performing employees are also recognized through rewards and incentives to sustain their motivation in the workplace. These efforts have in turn enabled us to cultivate a resilient and adaptable team that is well equipped to navigate the Company through any adversity.

Moreover, we value employee perspectives and ensure that their views and opinions are taken into account in our decision-making. While our open-door policy encourages them to freely share their views, we actively engage with them through training sessions, annual celebrations, and gatherings, fostering an environment where they feel encouraged to share their perspectives. Additionally, we support their career growth by offering them a range of training opportunities tailored for their requirements to enhance their existing capacities and acquire new knowledge, that would be instrumental in serving the modern customer.

We aim to nurture a competent team of professionals who could drive the sustainable progress of the Company while supporting their own professional and personal advancement for a successful future.

Future Outlook

The economy's strong rebound this financial year, coupled with the revival of the construction industry, has sparked optimism for the future of the industrial electrical wire and the cable sector. With large-scale construction projects scaling up, we look forward to reaping the opportunities in the domestic market while further strengthening the global presence to serve diverse market needs and increasing our market share. Hence, we will focus on accelerating our export sales while venturing into Pere trading. In this endeavour, product diversification will be a vital factor in catering to the unique requirements of the international markets. Leveraging the Company's Research and Development arm, we will continue to develop innovative products to suit the evolving customer preferences, without compromising quality and our brand image. While remaining constantly agile to market trends and customer behaviour patterns, we will continue to develop distinct products for the local and global markets using our state-of-the-art technologies and team capabilities. Building upon these strengths, we look forward to a promising year ahead in driving profitability.

Appreciation

I would like to take this moment to sincerely express my gratitude to the Chairman, the Board of Directors, and our exceptional team for their unwavering leadership, dedication, and hard work in guiding the Company through challenging times. Your steadfast commitment has been pivotal in steering us along our strategic path, despite the uncertainties we have encountered.

I also extend my heartfelt appreciation to our customers, dealers, suppliers, financial partners, and stakeholders for their continuous trust and support. Your confidence in our ability to create value has been truly invaluable. Together, we will continue to drive sustainable growth, ensuring a strong and prosperous future for the Company. Thank you for your continued collaboration and belief in our vision.



Mr. Harsha Jayatunga
Chief Executive Officer

26th August 2025

BOARD OF DIRECTORS



Mr. I. C. Nanayakkara
Chairman

(Appointed w.e.f. 28.05.2025)

Mr. Ishara Nanayakkara is a distinguished entrepreneur who serves on the boards of numerous leading corporations and conglomerates internationally. Hailing from a strong business lineage and early involvement in his family enterprises, he strategically ventured into the financial services sector through a pivotal investment in LOLC Holdings PLC, where he was appointed to the Board in 2002.

Over the past two decades, his visionary leadership has been instrumental in transforming LOLC into Sri Lanka's most profitable and diversified conglomerate, with a formidable presence in the global financial arena. Under his guidance, LOLC pioneered a dynamic MSME financial platform on an international scale, marking a historic milestone as the first Sri Lankan enterprise to achieve such global reach and impact.

Mr. Nanayakkara's expertise in microfinance and MSME markets has been a driving force behind the success of financial institutions across Sri Lanka, Cambodia, Myanmar, Pakistan, Indonesia, the Philippines, India, Zambia, Nigeria, Egypt, Malawi, Tanzania, Zimbabwe, Kenya, Kyrgyzstan, Kazakhstan, and Tajikistan. He was pivotal in establishing the Group's

Life and General Insurance ventures and pioneered the concept of Micro-Insurance in Sri Lanka and Cambodia, providing essential protection to underserved populations at the bottom of the economic pyramid.

His business acumen spans the key growth sectors of emerging economies, with strategic investments across multiple industries. In Leisure, he commands one of the largest hotel portfolios in Sri Lanka, the Maldives, and Mauritius. In Plantations, the Group has become the world's largest tea manufacturer, with operations in Sri Lanka, Kenya, Tanzania, China and Rwanda. These are complemented by significant investments in Construction, Trading, and Manufacturing, and more recently, in pioneering scientific and innovation-driven initiatives.

Mr. Ishara continues to lead the strategic direction of the LOLC Group, driving both financial and non-financial sector investments with a clear vision executed with precision, discipline, and a steadfast commitment to generating long-term value for all stakeholders.

He has held several distinguished positions, including serving as Chairman of the Sri Lanka Institute of Nanotechnology, the nation's premier institution for advanced nanotechnology solutions. Renowned for his innovative approach, he has steered the Group into pioneering biotech ventures, such as the conversion of pure graphite to graphene, leveraging cutting-edge technologies to enhance the value of the Group's diverse plantation portfolio spanning cinnamon, tea, sugarcane, rubber, and related by-products.

His strategic foresight has also extended to renewable energy initiatives in Sri Lanka and Sierra Leone, including the establishment of Africa's largest sugar-based bioethanol and power plant,

enriching the Group's portfolio with multidimensional expertise across global markets.

Mr. Ishara is a recognized businessman in the international community for his invaluable contributions to microfinance, acknowledged by independent international platforms such as INSEAD Business School. His entrepreneurial excellence was further distinguished by the prestigious 'Young Entrepreneur of the Year' Award at the Asia Pacific Entrepreneurship Awards (APEA) in 2012.

Mr. I. C. Nanayakkara serves as the Executive Chairman of LOLC Holdings PLC, Browns Investments PLC, and Brown & Company PLC, and also holds directorships on several other Group company boards, both locally and internationally.



Mr. W. A. P. Perera
Chairman/Non-Executive Director

(Resigned w.e.f. 21.05.2025)

Mr. W.A.P. Perera is a founder Director of Sierra Construction Limited and served as the Chairman of Sierra Cables PLC. He counts for over 44 years of experience in the construction industry.



Mr. D. S. Panditha
Executive Director

Mr. D.S. Panditha is an Executive Director of Sierra Cables PLC. He is a member of Institute of Incorporated Engineers, Life member of the Sri Lanka Institute of Marketing and also a fellow member of Chartered Institute of Professional Managers. He has over 50 years' experience in the Cable and Pipe industry.



Mr. M.A.P.N. Weerasingha
Executive Director

Joining the LOLC Group in 2018, Mr. Panduka Weerasingha currently holds several key management positions and serves on multiple boards in the group. He is the CEO of Browns Investments PLC,

CEO/Executive Director of Iconic Trust (Pvt) Ltd and an Executive Director of AgStar PLC, Sansun Boutique Hotels Ltd, Browns Developments Ltd. He is also a Director of LOLC Geo Technologies (Pvt) Ltd, Browns Teas, BG Air Services, Browns Metal & Sands (Pvt) Ltd & Browns Properties (Pvt) Ltd.

Mr. Weerasingha counts for over 28 years of management experience of which, 13 years in the capacity of a Director/ Chief Executive Officer. He possesses expertise in turning around loss making/ mismanaged entities to profitable ventures, Manufacturing, Investor/ Shareholder Relations, identifying & acquiring most profitable investment opportunities, Real-Estate Management, Channel Management, Project Management & People Development backed up with excellence in performance & achievements.

Before joining the LOLC Group, Mr. Weerasingha has held key leadership positions in leading MNC's /Companies such as Singer (Sri Lanka) PLC, Brown & Company PLC, Associated Battery Manufacturers (Pvt)Ltd, BASF Lanka, Ceyoka (Pvt) Ltd, International Construction Consortium (ICC).

In addition to the above, he has also been providing consultancy services to the mercantile sector.

Mr. Weerasinghe holds a Master of Business Administration (MBA) from American International University Los Angeles, California and an old boy of S. Thomas' College Mount Lavinia.

BOARD OF DIRECTORS



Mr. D. S. K. Amarasekera
Non- Executive Director

Mr. Kamantha Amarasekera is a member of the Institute of Chartered Accountants of Sri Lanka and is an Attorney- at-Law of the Supreme Court of Sri Lanka. He also holds a degree in Business Administration from the University of Sri Jaywardenepura and began his career in the year 1998. Mr. Amarasekera is an eminent Tax Consultant and the Senior Tax and Legal Partner of M/s. Amarasekera & Company, a leading tax consultancy firm in the country.

In addition to his directorship in this company, his other key appointments are; Director Eden Hotel Lanka PLC, Ceylon Hotels Corporation PLC, Palm Garden Hotels PLC, AgStar PLC, Serendib Hotels PLC, Dolphin Hotels PLC, Hotel Sigiriya PLC, Udapussellawa Plantations PLC, Hapugastenna Plantations PLC, Tea Smallholder Factories PLC and several other subsidiaries of Browns Investments Group.



Ms. V. G. S. S. Kotakadeniya
Non- Executive Director

Ms. Kotakadeniya is a fellow member of Chartered Institute of Management Accountants (UK), Chartered Global Management Accountant (USA) and holds a Masters in Business Administration from the University of Colombo. A senior Finance professional with extensive experience in strategic Management and Financial management in several industries holding senior positions in the Financial services, Insurance, Leisure, Trading, Manufacturing, Construction, Agriculture and Plantations and IT services sectors. She is a catalyst in change management, restructures, mergers, acquisitions and project management & has taken leadership in strategic change, driving organisations to leading positions.

Ms. Kotakadeniya held the position of Chief Financial Officer, LOLC Group overseeing finance functions for the group locally and internationally from 2005 to June 2025. She serves as a Director in several LOLC Group Companies including several regulated entities, such as Seylan Bank PLC, LOLC General Insurance PLC, Serendib Microinsurance PLC – Cambodia, Maturata Plantations Ltd, Hapugastenna Plantations PLC and Udapussellawa Plantations PLC.



Mr. P. E. A. B. Perera
Independent Non-Executive Director

Mr. Buwanekabahu Perera is a veteran Professional Banker with 41 years of experience serving in the Financial Sector in Sri Lanka with an established reputation as a prominent leader in Corporate Banking. Mr. Perera worked for over 14 years as the Head of Corporate Banking in the capacity of Senior Vice President at National Development Bank PLC, having previously worked at Deutsche Bank AG, Sampath Bank PLC and Banque Indosuez in the early part of his career. His qualifications include a BSc (Hon) in Financial Services from the University of Manchester, UK, a Post Graduate Diploma - Bank Financial Management, University of Sri Jaywardenapura, Associate Member of Certified Management Accountants, Sri Lanka and The Chartered Institute of Bankers, UK. He is also a passed finalist of the Chartered Institute of Management Accountants (CIMA). Mr. Perera is a past President of The Association of Professional Bankers, Sri Lanka 2008/09.

Currently he is an Independent Non-Executive Director of Cargills Bank Ltd and the Chief Executive Officer / Secretary General of the Ceylon Chamber of Commerce.



Mr. W.D.C.H. Jayatunga
Executive Director/CEO

(Appointed w.e.f. 26.09.2024)

Mr. Harsha Jayatunga is an accomplished corporate executive with over 20 years of diversified experience across finance, international marketing, operations, taxation, supply chain management, project management, and manufacturing. He currently serves as the Executive Director and Chief Executive Officer of Sierra Cables PLC, Sri Lanka's leading cable manufacturer and a strategic entity within the global LOLC Group.

Since joining Sierra Cables in 2019 as Deputy CEO and being appointed CEO in July 2020, Mr. Jayatunga has led the company through a phase of significant transformation and growth. Under his leadership, the company has achieved consistent improvements across key financial metrics and strengthened its market leadership both locally and internationally.

He has played a pivotal role in expanding Sierra Cables' global footprint, positioning the company as a prominent exporter in

the electrical manufacturing sector. The company now exports to key international markets including the United States, Europe, Africa, the Pacific region, and the Maldives.

In addition to his role at Sierra Cables PLC, Mr. Jayatunga serves on the board of Browns Manufacturing Ltd, supporting the company's strategic joint ventures and overseas operations.

Prior to joining Sierra Cables, he held senior leadership roles at Sierra Holdings, Bharti Airtel Lanka, Sierra Construction, and the Shapoorji Pallonji Lanka JV. He began his professional career at Hatton National Bank PLC.

Mr. Jayatunga holds an MBA and a BBA (Special in Financial Management) from the University of Colombo, where he was awarded the Gold Medal for Tax Planning and Management. He is a Fellow of the Institute of Chartered Accountants of Sri Lanka (FCA), the Chartered Institute of Management Accountants (UK) (FCMA), and the Chartered Global Management Accountants (USA) (CGMA), and an Associate Member of CPA Australia.

An alumnus of Ananda College, Colombo, Mr. Jayatunga also contributes to national and international trade initiatives as a Council Member of the National Chamber of Exporters (NCE), and as a member of both the Sri Lanka-USA and Sri Lanka-Maldives Business Councils.



Mr. P. D. G. Jayasena
Non- Executive Director

Joining LOLC Group in 2007, Mr. Gunendra Jayasena comes armed with years of expertise in key management roles with leading conglomerates in Sri Lanka.

He is an alumnus of the prestigious Royal College, Colombo and has a keen eye for effectively overseeing group administration. This unique skill has led him to play a pivotal role in the daily management strategy and execution of the Group. Mr. Jayasena's experience spans across a wide range of dynamic sectors such as; company acquisitions, investments, property trading, construction, renewable energy initiatives and mining to name a few. He currently functions as the Chief Administration Officer for LOLC and Browns Groups. Other key appointments: Head of Operations, Favourite International (Exports) Limited – FMCG Import, Export & Distribution. General Manager, Worldwide Resources Pvt. Ltd. – Apparel Trading & Exports. General Manager – Ventures, LOLC Holdings PLC – New Business Investments.



Mr. S.M.S.C. Jayasuriya
Independent Non-Executive Director

(Appointed w.e.f. 18.12.2024)

Mr. Sarath Jayasuriya is a Fellow Member of the Chartered Institute of Management Accountants (FCMA) (UK), Associate Member of the Institution of Bankers of Sri Lanka (AIB), Member of the Chartered Global Management Accountants (CGMA) (UK) and holds a Bachelor of Science Degree (B.Sc) from University of Sri Jayawardanapura.

He was appointed to the CBC Finance as an Independent Non-Executive in December 2017. He is the Senior Director and Chairman of the Board Audit Committee, Board Nomination Committee and Board HR & Remuneration Committee. In addition, he is a member of the Board Risk Management Committee, Board Credit Committee and Board Related Party Transaction Review Committee.

He counts over 30 years of service in Banking, specialized in Treasury Management, Investment Banking and

International Banking. He retired from Bank of Ceylon as the Deputy General Manager (International, Treasury and Investment Banking). Prior to that he was the Deputy General Manager (Finance & Planning).

He has served as a Director on the Boards of Ceybank Asset Management Ltd, Property Development Ltd (PDL), MBSL Insurance Co, Transnational Lanka Records Solutions (Pvt) Ltd and as an Alternative Director in CRIB and Property Development Management Ltd.



Prof. G.I.U.S. Perera
Independent Non-Executive Director

(Appointed w.e.f. 01.01.2025)

Professor Indika Perera is a Professor in the Department of Computer Science and Engineering (CSE), Faculty of Engineering, University of Moratuwa. Dept. of CSE is the premier computer and IT education provider in Sri Lanka, where its Bachelor's degree (BSc Engineering) and MSc in CS are highly sought-after programs in the country. Prof. Perera was the Head of the Department of CSE from 2020 to 2023 and was instrumental in developing its present curriculum, introducing new streams with the latest trends in AI, data science and cybersecurity. He led the expansion of the department and increased its student intake (both UG and PG), making the department one of the leading entities in the University of Moratuwa.

Prof Perera obtained his PhD from the University of St Andrews, Scotland, UK. His research expertise is in enterprise systems architecture, AI and business intelligence, decision support and augmented analytics, technology-enhanced learning, and User

Experience. He has over 20 years of industry, R&D, and academic experience. He is a Chartered Engineer registered in both the Engineering Council UK and the Engineering Council SL; He is a Senior member of IEEE and a member of CSSL. Prof. Perera was the recipient of the CVCD Young Researcher for Engineering in 2018, the most prestigious research award in Sri Lankan Universities.

Prof Perera has played a pivotal role in setting up the Engineering Faculty of the University of Sri Jayawardenepura and the University of Colombo (in progress), where he was the lead consultant for Computer Engineering curriculum development. He is a regular reviewer for the Ministry of Higher Education for Non-state degree program evaluations. Prof Perera is a regular consultant for large-scale business process re-engineering projects and e-governance projects of the Sri Lankan Govt. Prof Perera, at present, actively contributes to the progression and development of corporations, universities and government institutions, sharing his expertise.



Prof. A. K. W. Jayawardane
Independent Non-Executive Director

(Resigned w.e.f. 01.01.2025)

Prof. A.K.W. Jayawardane is a Senior Professor in Civil Engineering and a past Vice - Chancellor of the University of Moratuwa. He is an academic, a researcher and a consultant with experience and expertise in the broad areas of construction management, project management, technology management and entrepreneurship. He has extensive experience in organisation leadership and corporate governance. He has been a past Chairman of the Commercial Bank of Ceylon PLC, past Director General of the National Science Foundation and is serving in governing boards of several public and private sector corporate entities. He has a BSc Eng in Civil Engineering with first class honors from the University of Moratuwa, MSc in Construction from Loughborough University of Technology, United Kingdom and a PhD from the same University. He is a Past President and a Fellow of the Institution of Engineers, Sri Lanka, a Fellow of National Academy of Sciences Sri Lanka, a Fellow of the Institute of Project Managers, life member of Sri Lanka Association for Advancement of Science and a founding member of the Society of Structural Engineers, Sri Lanka. He is also a Graduate Member of Sri Lanka Institute of Directors.



Eng. B. W. N. Rupasinghe
Independent Non-Executive Director

(Resigned w.e.f. 16.12.2024)

Eng. B.W.N. Rupasinghe is a Chartered Electrical Engineer by profession, and a former General Manager of Central Engineering Consultancy Bureau. He is a consultant in electromechanical engineering, hydropower and renewable energy. He is an honorary life Member of the Institution of Engineers Sri Lanka and a Fellow of the Institution of Engineering & Technology, UK. He has a BSc Engineering (Hon) degree in Electrical and Electronics from the University of Peradeniya, an MSc Degree in Electrical Power Transmission and Distribution from the University of Manchester Institute of Science & Technology, UK and a MA Degree in Economics from the University of Colombo.



**POWERED BY
LIMITLESS
OPPORTUNITY**

OPERATING ENVIRONMENT

The Global Economy

The Global economy remained resilient during the financial year 2024/25 despite the significant challenges in the macroeconomic environment. As projected by the OECD, global GDP growth remained modest at 3.2% during the year, indicating stable economic activity. Global inflation continued to moderate, supported by the ongoing tight monetary policy stance adopted by many countries. As such, headline inflation returned to central bank targets in nearly half of the advanced economies and close to 60% of emerging market economies.

Labour markets softened gradually, though unemployment rates remained historically low. Robust nominal wage growth, combined with ongoing disinflation, has supported real household incomes. Nevertheless, private consumption growth remained subdued across most countries, driven by weaker consumer confidence. Meanwhile, global trade volumes continued to rebound, with a notable increase in 2024.

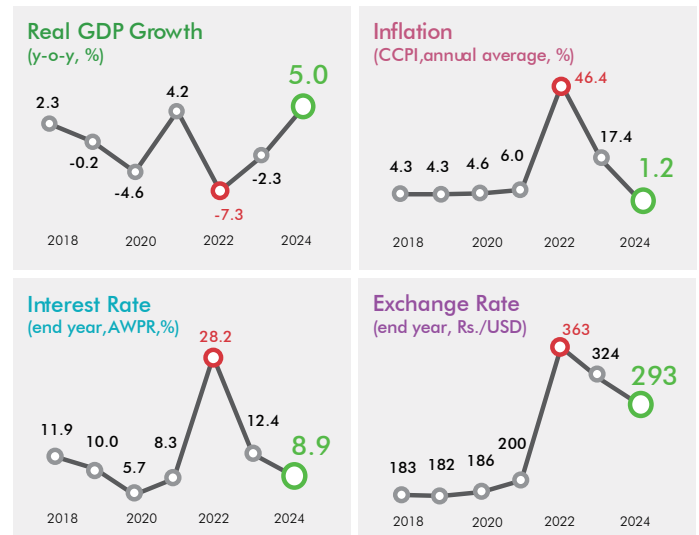
Nevertheless, growth projections significantly vary across regions. GDP growth in the United States is forecasted at 2.8% in 2025, moderating to 2.4% in 2026. In the euro area, growth is supported by rising real household incomes, resilient labour markets, and easing policy rates, with GDP expected to grow by 1.3% in 2025 and 1.5% in 2026. Japan's economy is projected to expand by 1.5% in 2025, followed by a slowdown to 0.6% in 2026. China's growth is anticipated to continue decelerating, reaching 4.7% in 2025 and 4.4% in 2026.

Significant challenges continue to pose uncertainties for the growth momentum. Geopolitical tensions present short-term risks, while elevated public debt levels and subdued medium-term growth prospects remain key concerns. This highlighted the necessity for policy measures to uphold macroeconomic stability - including cautiously regulated monetary easing to sustainably manage inflation, and fiscal strategies that rebuild fiscal buffers to address future spending demands. Strengthening long-term growth and productivity will require renewed focus on education and skills development, easing excessive barriers to business investment, and effectively addressing structural labour shortages.

In this backdrop, the global construction market grew by 2.3%, indicating a slowdown compared to the previous year. Although public-funded construction projects marked notable growth, especially in the energy sector, residential construction continued to decline due to cost pressures. However, according to the growth projections, this moderate rebound is expected to continue into the year 2025 with regional variations and geopolitical risks influencing market performance.

The Sri Lankan Economy

In fiscal year 2024/25, the Sri Lankan economy staged a strong rebound, demonstrating recovery from the 2022 economic crisis. Growth was underpinned by the revival of key sectors, renewed political stability and the successful IMF-led debt restructuring. As a result, GDP expanded by 5 percent during the year, propelled by robust industrial activity - especially the strong performance in manufacturing, mining, and construction sectors and a resurgence in tourism-related services. Meanwhile, the agricultural sector continues to contract at a slower pace while the growth in the services sector accelerated modestly driven by robust gains in insurance, financial services, hospitality, IT consulting, and logistics, including postal and courier services.



[Source: Annual Economic Review – CBSL:
https://www.cbsl.gov.lk/sites/default/files/cbslweb_documents/publications/aer/2024/en/06_Chapter_01.pdf]

With the expansion of the economy, both export and import volume indices witnessed a remarkable increase throughout the year while the external value of the Sri Lankan rupee was further stabilized towards the end of the year. Furthermore, new vehicle registrations climbed in Q4 2024, especially for freight, agricultural, and motorcycle categories. As interest rates trended downward, domestic credit expanded, injecting greater liquidity into the economy, particularly among private institutions and households.



Amidst this stabilizing economy, inflation also declined remaining within single-digit levels, creating a conducive environment for increased disposable income and an increase in purchasing power. The improved supply chain conditions also led to a reduction in input costs, contributing to price stability and improved consumer confidence.

Construction Sector Performance

Sri Lanka's construction industry was projected to grow by 7.3% in real terms in 2024, rebounding from a 21.8% contraction in 2023. This recovery was driven by a low base effect, increased gross fixed capital formation, rising investments in infrastructure, energy, and utilities, and improved external demand.

During the financial year, the Sri Lanka Purchasing Managers' Index for Construction (PMI - Construction) expanded, though at a slower pace in November 2024, recording a Total Activity Index value of 51.4. This was owing to the severe weather conditions that prevailed during the period disrupting the scheduled work. Apart from that, there was also a slowdown in the tender evaluation process of construction projects towards the latter part of the year, leading to a decline in new orders.

Some of the major allocations include LKR410 billion (\$1.09 billion) for the Ministry of Health, LKR404 billion (\$1.07 billion) for the Ministry of Transport and Highways, and LKR237 billion (\$627.5 million) for the Ministry of Education. In October 2024, the World Bank and the Government of Sri Lanka signed the Second Resilience, Stability, and Economic Turnaround (RESET) Development Policy Operation (DPO) worth LKR75.5 billion (\$200 million).

The construction industry is projected to grow at an average annual rate of 6% from 2025 to 2028, driven by both public and private investments in industrial, infrastructure, and energy projects, alongside the government's commitment to advancing renewable energy. Sri Lanka aims to source 70% of its electricity from renewables by 2030, targeting 3,805MW from solar power, 1,475MW from wind power, 1,100MW in Battery Energy Storage System (BESS) capacity, and 700MW from Pumped Storage Plants (PMP). In March 2024, the government announced plans to attract LKR 4.3 trillion (USD 11.3 billion) in investments over the next eight years to realize these renewable energy goals.

FINANCIAL REVIEW

Financial Review

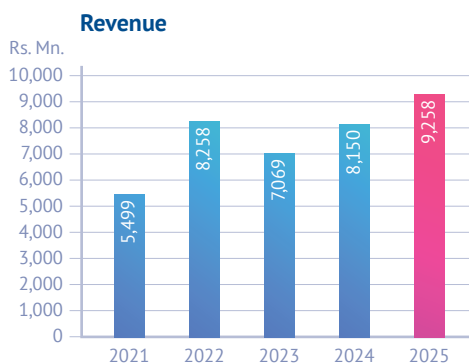
The financial year 2024/25 was a transformative and resilient year for Sierra Cables PLC, marked by strong revenue growth, improved profitability, and a solid financial position. Despite navigating a challenging macroeconomic environment, the Group demonstrated its operational agility and strategic focus by delivering consistent financial results and enhancing shareholder value.

Driven by increased market demand, both locally and internationally, Sierra Cables achieved notable improvements across all key financial indicators. The Group's proactive approach to cost management, investment in operational efficiencies, and prudent financial planning enabled it to maintain profitability and strengthen its balance sheet.

This year's performance is a testament to the Company's ability to adapt, innovate, and execute its strategic priorities effectively. The financial results for the year reflect not only the resilience of Sierra Cables' core business model but also its commitment to long-term value creation for stakeholders.

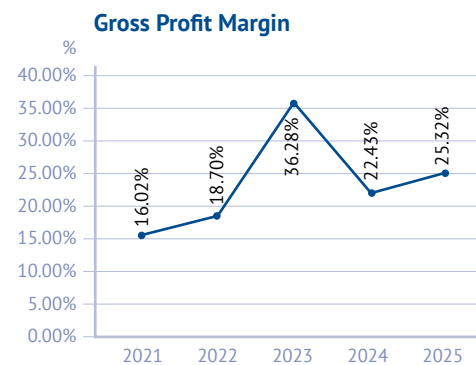
Revenue

Sierra Cables PLC reported a total revenue of Rs. 9.26 billion for the financial year 2024/25, reflecting a growth of approximately 13.6% compared to Rs. 8.15 billion in the previous year. This growth was largely driven by a strong performance in both local sales (Rs. 8.18 billion) and export sales (Rs. 1.08 billion). The revenue growth demonstrates the Group's ability to strengthen its market presence, expand its customer base, and meet increased demand across domestic and international markets despite economic uncertainties.



Gross Profit

Gross profit increased to Rs. 2.34 billion in FY2024/25, compared to Rs. 1.83 billion recorded in FY2023/24. This improvement is attributable not only to higher sales volumes but also to operational efficiencies and cost management measures implemented across the supply chain. Despite the rising costs of raw materials and currency volatility, the Group was able to preserve its gross profit margins through effective procurement strategies, optimal production scheduling, and increased capacity utilization. This reflects Sierra Cables' ability to maintain profitability under cost pressures while supporting top-line growth.



Profit from Operations

The Group reported a profit from operations of Rs. 1.41 billion, up from Rs. 1.23 billion in the previous financial year. The increase in operational profitability was driven by higher gross profit and careful control of overhead costs. Administrative expenses were kept within target levels, and while selling and distribution expenses rose due to expanded commercial activities, they remained proportionate to revenue growth. The absence of other operating expenses in the current year, in contrast to a one-off charge in the previous year, also contributed positively to the operating profit. The result reflects the Group's strong operating leverage and effective cost discipline.

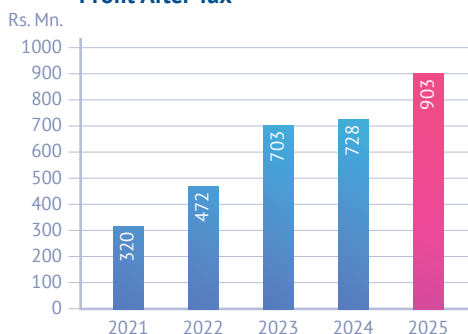
Operating Profit Margin



Profit After Tax

Net profit for the year increased to Rs. 903 million, compared to Rs. 728 million in the prior year, marking a growth of approximately 24%. The increase in profit after tax was primarily a result of improved operating income and a significant reduction in net finance costs, despite a higher tax charge. Finance income increased substantially due to enhanced returns on short-term investments, while finance costs rose moderately in line with increased borrowings for working capital and capital expansion. The Group's net earnings growth demonstrates a balanced approach to financing, alongside strong operational performance and tax efficiency.

Profit After Tax

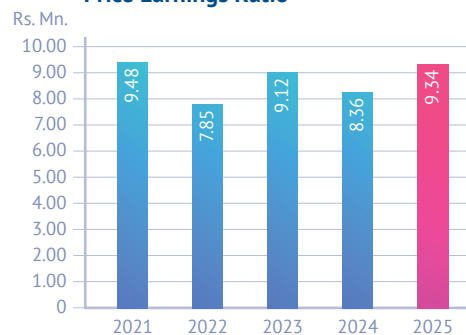


Price Earnings Ratio (P/E Ratio)

The Price to Earnings (P/E) ratio of Sierra Cables PLC for the year ended 31st March 2025 stands at 9.35, based on an earnings per share (EPS) of Rs. 1.68 and a closing share price of Rs. 15.70. This reflects an increase from the previous year's P/E of 8.36, indicating a moderate rise in the market's valuation of the company's earnings. From an investment perspective, the increase suggests improved investor confidence and a positive outlook for future earnings, while the relatively modest P/E still positions the stock

as reasonably valued compared to higher-growth or overvalued securities. From a financial reporting perspective, the growth in EPS by approximately 18% year-over-year demonstrates enhanced profitability, aligning with the improved P/E ratio. This upward trend supports a narrative of strengthened financial performance and growing market confidence in the company's operations and future prospects.

Price Earnings Ratio



Earnings Per Share (EPS) Analysis

For the financial year 2024/25, Sierra Cables PLC reported an Earnings Per Share (EPS) of Rs. 1.68, marking an increase from the previous year's EPS of Rs. 1.42. This improvement reflects the Company's enhanced profitability and operational performance during the year.

The growth in EPS was supported by a significant increase in net profit, which rose from Rs. 756 million in 2023/24 to Rs. 903 million in 2024/25, driven by strong revenue growth, margin improvements, and disciplined cost management. The Company also benefited from improved economies of scale, export expansion, and higher contribution from its overseas operations.

This upward trend in EPS signals stronger value creation for shareholders, as it represents the portion of the Company's profit allocated to each outstanding share. The growth in EPS also strengthens investor confidence and supports a higher market valuation, as reflected in the corresponding increase in the Price-to-Earnings (P/E) ratio from 8.36 in 2023/24 to 9.35 in 2024/25.

Despite a challenging economic backdrop, the Company's ability to increase earnings per share demonstrates financial resilience, effective strategic execution, and the ability to generate sustainable returns for its shareholders. Going forward, continued focus on export growth, backward integration, and efficiency improvements are expected to further support EPS growth.

Earnings Per Share



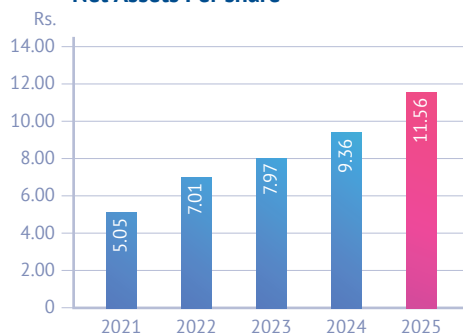
Net Asset Value per Share

As at 31st March 2025, the Net Asset Value per Share of Sierra Cables PLC increased to Rs. 11.56, compared to Rs. 9.36 recorded in the previous financial year. This upward movement reflects the company's strengthened financial position and growth in shareholders' equity, which rose from Rs. 5.03 billion to Rs. 6.21 billion during the year.

The increase in NAV per share was primarily driven by the retention of profits, revaluation of property, plant, and equipment, and a strong operating performance that contributed to the expansion of the Group's asset base. The revaluation reserve and retained earnings were the key components supporting this growth in equity.

The higher NAV per share is a positive indicator for shareholders, reflecting the underlying asset strength of the Group and its ability to create long-term value. It also signals sound financial management, disciplined reinvestment of earnings, and the Group's resilience in sustaining capital growth amidst an evolving economic environment.

Net Assets Per share



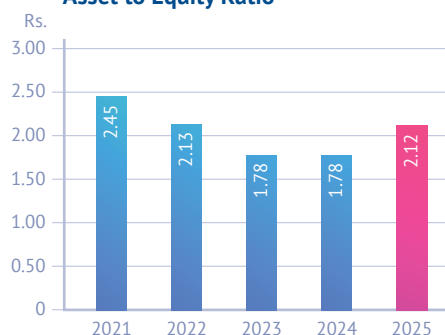
Asset to Equity Ratio

As at 31st March 2025, Sierra Cables PLC recorded a Total Assets to Equity Ratio of 2.12, compared to 1.78 in the previous financial year. This ratio indicates the proportion of total assets financed by shareholders' equity, providing insight into the Company's capital structure and leverage level.

The increase in the ratio from 1.78 to 2.12 reflects a greater reliance on debt and other liabilities to finance asset growth. Total assets expanded from Rs. 8.96 billion in 2023/24 to Rs. 13.17 billion in 2024/25, primarily driven by higher inventory levels, trade receivables, and capital expenditure related to capacity enhancements and overseas operations.

Going forward, the Company's strategic initiatives, including backward integration and export expansion, will likely sustain asset growth. However, maintaining an optimal balance between debt and equity will remain a key priority to support growth while managing risk.

Asset to Equity Ratio







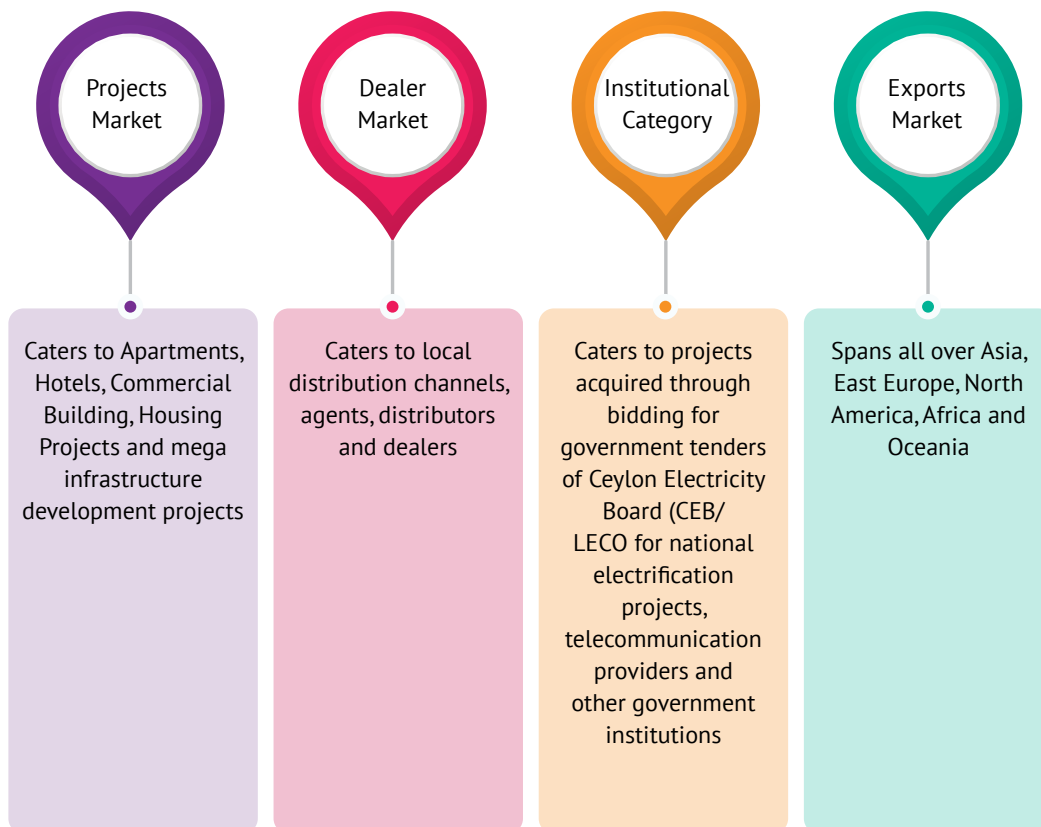
OUR CUSTOMERS & KEY STAKEHOLDERS

Our social connections and networks form an invaluable aspect of our value creation as they give us the social license to operate and uphold our brand image and reputation in the eyes of the various stakeholders. Therefore, we remain committed to maintaining healthy relationships with all our key stakeholder groups; the customers, suppliers, business partners, regulators and communities, nurturing trust that enhances our credibility as a reliable cable manufacturer and improved collaborations for a shared purpose. This in turn has enabled us to drive steady business progress over the years, delivering value to each stakeholder group through constructive engagement and catering to their unique needs.

Managing Customer Relationships

Our customer, being the heart of our business, drives our commitment to excellence, innovation, and personalized service. Hence, we focus on understanding their unique requirements within a constantly evolving market environment and thereby create products tailored to those specific needs. Consequently, we have succeeded in delivering quality products to the market with unmatched service excellence, continually surpassing customer expectations. Our steadfast dedication to quality and service excellence has solidified our reputation as a distinguished brand in the industry.

Key Customer Segments



Excellence in Product Quality

As a leading cable manufacturer in Sri Lanka with a significant global footprint, quality remains a key differentiator of our products within the markets. Therefore, we make an ongoing effort to maintain quality excellence, verifying their reliability through regular testing, ensuring that products are safe and meet the expected performance criteria and customer satisfaction, and upholding our brand reputation. In strengthening our quality-focused practices, the Company adheres to all the relevant local and global industry standards and protocols across every phase of our production process, beginning from sourcing raw materials for production to distributing the finished product to the market.

To ensure the highest quality of products, our products undergo quality verification at three stages. The first of these is the incoming check conducted at the stage of procuring raw materials. The second verification is the in-line check carried out during the manufacturing process while the third stage of verification is the final inspection after the completion of the manufacturing process. Apart from these quality checks, all the products also endure a mandatory Megger

and Continuity Test with heavy cables specifically undergoing high voltage testing before being dispatched to the market. These stringent quality control measures reflect our unwavering commitment to delivering products that meet the highest standards of reliability and performance.

Quality Controls in Cable Production

- ◆ Incoming, Inline and final Inspection
- ◆ Megger and Continuity Tests
- ◆ High Voltage Testing
- ◆ Obtaining a Compulsory Test report
- ◆ Tensile & Elongation Test
- ◆ Thickness Test
- ◆ Hot Set Test
- ◆ Insulation Resistance Test
- ◆ Diameter Test
- ◆ Lay Length Test
- ◆ Conductor Resistance Test
- ◆ High Voltage Test
- ◆ Flame Propagation & Smoke Density Test
- ◆ Aging Tests
- ◆ Halogen Acid Gas Test
- ◆ Temperature Index Test
- ◆ Oxygen Index Test
- ◆ Fire Resistance Cable Test (C, W, Z Category)
- ◆ Heat Shock Test
- ◆ Mass of Zinc Coating Test
- ◆ Wrapping Test

Compulsory Test Report

Sierra Cables is one of the two companies in Sri Lanka to have completed the 'Compulsory Test Report' as per the Government directives. Certified by the LCIE laboratory in France, this third-party accreditation test report underscores our steadfast commitment to quality excellence and reinforces the trust and satisfaction of the customers. Achieving this standard has also positioned us to actively pursue opportunities in government contracts.

We procure only the highest quality raw materials for the development of our entire product range, ensuring full compliance with all relevant industry standards without compromise. The key standards adhered to by Sierra Cables include:

- ◆ ISO 9001, ISO 14001 and ISO 45001.
- ◆ United Kingdom (BS), Australian (AS) New Zealand (NZS), France (NFC), Japanese (JIS), USA (ASTM, UL) and International Electro-Technical Commission (IEC) standards.
- ◆ Sri Lanka Standards Institutions: SLS 412, 733, 750, 1186 and 1542, SLS 1504-2-11, SLS 1504-2-31

Product Innovation

Product innovation remains at the forefront of our product development, as innovation and creativity are key drivers of our competitive advantage. We strive to introduce novel products to the market in line with the changing market trends within the industry. This commitment has enabled us to grow our product portfolio over the years, manufacturing tailored products for specific markets based on their requirements.

Our Dealer Network

We primarily operate via our own distribution & dealer network that is spread across the island. Our islandwide network has enabled us to efficiently reach customers across regions, ensuring timely delivery and expanding our market presence within the local market, reinforcing the Company as a preferred supplier for construction projects of varying scales across Sri Lanka. From a global perspective, Sierra Cables exercises its reach through its subsidiaries Sierra East Africa Private Limited in Kenya and Cables PTE Limited, a joint venture in Fiji. While these subsidiaries benefit from Sierra Cables' technical expertise and skilled workforce, they have also enabled the Company to foster strong relations with international clientele, enhancing its visibility and engagement at global level.

Local Operations

- ◆ Operates own dealer network that has a strong Distribution Network
- ◆ Main Supplier for Mega Projects

International Operations

- ◆ Manufacturing plant Fiji
- ◆ Assigned sales representative to Sierra sales operations in the Maldives

Customer Health and Safety

Cable manufacturing involves significant risk factors due to its direct connection with energy transmission. Therefore, any compromise in quality standards may result in hazardous product outcomes for the customers. To avoid such occurrences, the Company prioritizes customer health and safety in its product development, rigorously implementing strict quality controls across its product development process and refraining from using any harmful substances that could pose risks to our customers' health and safety.

Our entire product range endures Megger and Continuity Tests while high voltage testing is also carried out for heavy-duty cables. While we use pure copper and virgin PVC materials for product manufacturing, we also ensure in-depth inspections are carried out at every stage of the product development process. This consistent effort to uphold quality has enabled us to earn recognition for our Low Smoke Halogen Free Cable and FR cables, underscoring its safety features, and emphasizing our commitment to quality assurance. In the near term, we also anticipate driving innovation in our product development by adopting technology to elevate our product range.

Our product designs are crafted to address the diverse needs of our customers, with customized solutions available upon request. Throughout this process, we uphold all quality standards without exception, maintaining transparency with customers about product features and equipping them with the knowledge necessary for effective use. Our in-house packaging operations utilize high-quality materials to ensure product protection. During the review period, no incidents of non-compliance related to product information or labelling were reported, underscoring our commitment to regulatory compliance and customer satisfaction.

Marketing Outreach

We recognize the critical role that marketing and communication play in defining our brand identity. Accordingly, we uphold the highest ethical standards, guided by principles of honesty, transparency, accountability, and full disclosure in all our marketing practices. We treat customer information with the strictest confidentiality and never share it externally without explicit consent. Furthermore, we are dedicated to providing comprehensive product information and catalogues that align with regulatory requirements, empowering our customers to make informed decisions with confidence.

We actively engage with customers through social media platforms, enabling direct interaction while our sales representatives embody our brand value utilizing it to build personalized relationships with each client. To strengthen our digital presence, we implement Search Engine Optimization (SEO) strategies that enhance website visibility by refining content, structure, and technical components. Our brand visibility is further amplified through targeted awareness campaigns, including sponsorships and industry exhibitions such as our role as the Cable Partner for the Architect Exhibition 2024 and participation in key events. Additionally, we carry out public relations efforts to effectively shape and uphold the Company's and the brand's image and reputation.

Approaches to Enhancing Brand Visibility

- ◆ Social Media
- ◆ Sales representatives
- ◆ Official website
- ◆ Brand awareness campaigns
- ◆ Public relations initiatives
- ◆ Electrician engagement

Customer Engagement

We foster customer engagement through a range of initiatives designed to cultivate brand loyalty and ensure our customers feel valued and connected. These efforts not only enhance their experience but also encourage repeat purchases. To support this objective, we have introduced the following programs;

- ◆ **Social Media Engagement:** We respond to comments and messages, ask questions, run polls and contests, and encourage user-generated content (UGC)
- ◆ **Feedback and Surveys:** We obtain customer feedback through surveys, feedback forms, or online reviews demonstrating that the brand values their opinions.
- ◆ **Customer Support and Communication:** We delivered outstanding customer support and responsive communication channels, promptly addressing customer queries, concerns, and issues, demonstrating our genuine commitment to customer satisfaction and to foster long-term loyalty.

Anti-Competitive behaviour

Our product pricing strategy strictly aligns with the country's monetary policy as well as prevailing market trends and developments, ensuring fair and competitive practices. Throughout the financial year, the Company remained fully compliant with relevant regulations and did not incur any fines or penalties related to anti-competitive, anti-trust, or monopolistic behaviour.

Anti-Corruption

The Company maintains a zero-tolerance stance on corruption and has implemented a robust governance framework with comprehensive internal controls to uphold ethical manufacturing standards. We adhere strictly to industry regulations, including ISO system certification audits and SLS product certification audits. Our internal audit division oversees compliance with internal protocols and documentation practices across all departments. Additionally, CCTV surveillance is in place throughout our factory and office premises to deter and detect any fraudulent activities. Notably, there were no reported risks or incidents related to corrupt practices during the reporting period.

Managing Supplier Relationships

Our supplier network constitutes a vital component of our value creation as we rely on externally sourced raw materials for manufacturing cables and other electrical wires. Therefore, over the years we have built a pool of suppliers who supply the finest quality raw materials needed for our production. Considering this vital contribution of our suppliers in value creation, we continue to nurture strong relationships with our network of trusted long-term suppliers who align with our ethical and sustainable business practices. While we responsibly deal with our suppliers through

timely payments and transparent communication, we also conduct a thorough evaluation to verify whether they meet the required industry standards and other criteria necessary for industry, prior to onboarding them into our supplier pool.

Evaluation of Suppliers

In line with our ethical business practices, we conduct a rigorous supplier evaluation prior to onboarding suppliers to our supplier network. While we have set strict procurement guidelines for this purpose, we purchase raw materials from the registered supplier network. Prior to obtaining raw materials from a new supplier, we conduct systematic evaluations of those suppliers, assessing their transparency, ethical business practices, fair and competitive pricing, product quality, timely delivery, and ability to deliver optimal returns on investment.

Supplier Evaluation Criteria

- ◆ Level of certification with international standards such as ISO.
- ◆ History of supplying similar goods to Sri Lanka or other countries.
- ◆ Production facilities, manufacturing technologies and capabilities of continuous supply of the material.
- ◆ Negotiable and competitive pricing.
- ◆ Performance of the supplier in terms of delivery history, meeting required specifications, level of technical assistance when required and follow-up on complaints.
- ◆ Compliance with environmental standards when packing and supplying materials.

Phases of the Procurement Cycle



Sourcing Raw Materials

At Sierra Cables, we procure the raw materials required for manufacturing from both local and international suppliers, with whom we have fostered long-term relationships. While we maintain a list of such registered suppliers as per the ISO 9001 certification, we consistently assess their suitability to supply raw materials by examining their quality assurance and reliability, ensuring that we obtain the finest quality raw materials for production. International suppliers play a vital role in sourcing key raw materials for our cable production. These materials include Copper, Aluminium, Alloy Aluminium, PVC, XLPE/FR Compounds, and Steel Wire - primarily procured from suppliers located in Dubai, Vietnam, China, Malaysia, and India.

The raw material requirement for manufacturing is outlined in our Production Plan, providing guidance on the required quantities of raw material on a monthly basis, allowing us to place orders with suppliers as required. We ensure adequate lead times in raw material sourcing to maintain uninterrupted and efficient production operations.

Conformance of Regulatory Norms

As an ethical business entity that is committed to responsible manufacturing, we ensure that our suppliers and partners conform to all the necessary regulations including environmental and labour standards (including laws related to the use of child or forced labour) and other regulations.

OUR CUSTOMERS & KEY STAKEHOLDERS

The compliance framework is further strengthened by our ISO 14001 environmental management certification, which establishes guidelines for managing supplier and business partner relationships in accordance with the Company's standards.

There were no incidents of non-compliance related to supply chain activities during the financial year under review.

Sustaining External Partnerships

The Company has developed a strategic partnership with Brown & Company PLC, a member of our group that operates within our dealer market segment. Additionally, we have formed an alliance with AIESEC at the University of Moratuwa through the Energy Management "Switch of 13.0" project, supporting our CSR initiatives, including awareness campaigns for schoolchildren and job fairs for university undergraduates.

Organizational Affiliations

Local	International
◆ Ceylon Chamber of Commerce	◆ European Chamber of Commerce
◆ National Chamber of Exporters	◆ Germany Business Council
◆ The Ceylon National Chamber of Industries	◆ Sri Lanka-Australia-New Zealand Business Council
◆ Sri Lanka Chamber of Small & Medium Industries	◆ Sri Lanka-China Business Council
◆ The Plastics & Rubber Institute	

Liaising with Government & Regulatory Authorities

We conduct all our business activities in line with the rules and regulations stipulated by the regulatory bodies and uphold a zero-tolerance policy toward any deviations or violations of these conditions. This clearly demonstrates our commitment to transparency and accountability in conducting business transactions, as well as our strong relationships with government and regulatory authorities.

Compliance List

- ◆ Companies Act No. 7 of 2007
- ◆ Listing requirements of the Colombo Stock Exchange
- ◆ Code of Best Practice on Corporate Governance issued by ICASL (2017)
- ◆ Shop and Office Employees Act of 1954
- ◆ Inland Revenue Act No. 24 of 2017

Empowering Communities

Recognizing our broader responsibility as a business entity, we are dedicated to empowering marginalized communities and supporting social development. Throughout the year, we implement CSR initiatives focused on key areas such as education, community development, healthcare, and environmental conservation, targeting those social groups facing critical challenges. We believe these efforts create a meaningful impact on the communities where we operate, contributing to the nation's overall socioeconomic progress.

CSR activities implemented

- ◆ Distribution of food among the schools in the area
- ◆ Support for social events organized in the area. (Ex Cricket Matches/ Awurudu Uthsawaya in Korathota)
- ◆ Increase of the Company's contribution to staff meals and medical insurance coverage as well as improvement of their hostel facilities.



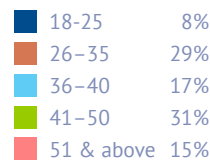
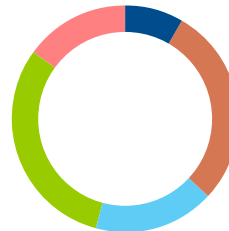
OUR EMPLOYEES

Our people continue to be the driving force behind our success, and their unwavering dedication has enabled the Company to navigate challenges and advance steadily over the years. With their diverse skill set, knowledge, and experience, they have harnessed innovation and creativity, utilizing their capacities to enhance productivity and profitability, ultimately delivering greater value to our stakeholders. Therefore, we continue to support their professional and personal development while ensuring their health and well-being at the workplace to ensure our competitive advantage and long-term growth.

With an improved macroeconomic context, we have been able to maintain healthy retention levels and continue to reinforce this with ongoing employee engagement and motivation in delivering our strategic goals. With resilience and adaptability, our employees have navigated the Company through periods of disruption, skillfully responding to shifting market dynamics and the uncertainties of a rapidly changing industry landscape. Their efforts have enabled us to maintain our market position and lay the foundation for continued growth in the years ahead.

Currently, we have a total workforce of 251 employees of which 35 are new recruits.

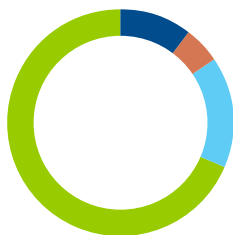
Employees by Age



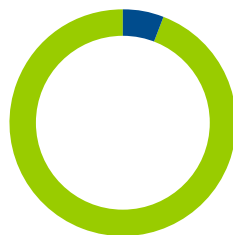
Management Approach

We have in place a structured Human Resource Policy Framework to provide clear direction in the management of our human capital, guiding us with developing best practices, systems and processes that align with the Company's strategic goals as well as vision, mission and values.

Employees by employee category



Employees by Gender



Our HR vision

◆ To be the most sought-after partner in our associates' progress while helping them to realise their professional and personal dreams.

Our HR mission

◆ Equipping our associates with the required knowledge, skills and abilities to undertake challenging roles in the dynamic business environment.

◆ Creating an organisational culture and climate that improve our associates' motivation, commitment and concern to serve customers through a high-performance work system for improved organisational performance.

Guiding Policies

- ◆ Health & Safety Management Policy
- ◆ Training & Development Policy
- ◆ Performance Appraisal Policy
- ◆ Staff Welfare Policy

Our Human Resource Management Framework concentrate on the following areas in managing the Company's human resources for optimal value creation.



Diversity and Equal Opportunity

The Company has cultivated a work culture that embraces a diverse mix of individuals from various backgrounds, encouraging a wide range of perspectives and ideas that enrich collaboration and decision-making. This inclusive work environment is further reinforced by the strong non-discriminatory stance adopted by the Company in promoting an equitable culture where employees are treated without bias based on gender, ethnicity, language, religion, or any other relevant factors. For the same purpose, the Company also has in place a Code of Conduct which is included in the Handbook. All employees are expected to respect and adhere to the Code of Conduct, with disciplinary action enforced in the event of non-compliance.

During the year under review, there were no reported incidents of discrimination on the grounds of race, sex, religion, political opinion, social origin, or any other relevant forms of discrimination during the year.

Actions Supporting Diversity and Equal Opportunity

- ◆ Equal remuneration for male and female employees who are in the same job categories.
- ◆ Counselling and awareness training sessions to educate employees on disciplinary procedures relating to workplace harassment.
- ◆ Freedom to engage in various cultural and religious activities in promoting respect for diverse cultures.
- ◆ Well-structured grievance management system for speedy resolutions of employee concerns.
- ◆ Policies in place related to sexual harassment, anti-bullying and gender equality.

Talent Acquisition

We remain persistent in attracting and retaining skilled individuals who can successfully contribute to the sustainable progress of the Company. Therefore, we continue to invest in hiring qualified individuals for appropriate positions to build a strong and effective workforce that is capable of driving long-term growth and profitability. Further, to nurture their existing skills and inculcate new knowledge, we provide ongoing exposure to training and development opportunities for both current employees and recruits thereby preparing them to cater to the modern customer needs and to remain competitive in an evolving market landscape.

The Company's recruitment policy establishes a clear, consistent, and fair framework for attracting, selecting, and hiring the most suitable candidates for an organization while ensuring a transparent and merit-based recruitment process. We continue

to update the recruitment policy to align with the Company's business objectives while regularly updating the policies and procedures in response to the evolving market needs.

While a formal recruitment process is followed for hiring new candidates, top-tier management positions are filled through professional networks and headhunting methods.

We have introduced a variety of initiatives to enhance employee motivation and satisfaction, including training programs, performance evaluations, reward schemes, statutory and non-statutory benefits, and engagement opportunities within a supportive work culture. Additionally, we continuously improve the workplace environment based on insights from periodic employee attitude and satisfaction surveys. These findings play a vital role in guiding proactive measures that promote a healthy, safe, and positive work culture.

During the year, we successfully maintained healthy retention levels in line with industry standards.

Strategies to Enhance Employee Engagement and Satisfaction

- ◆ Offer opportunities for professional development
- ◆ Promote employee engagement initiatives
- ◆ Provide both statutory and non-statutory benefits
- ◆ Rewards Scheme for exceptional performance
- ◆ Performance driven culture
- ◆ Conductive work environment
- ◆ Employee feedback system

Professional Growth Opportunities

At Sierra Cables, training and development of employees remain a critical component in enhancing their knowledge and skills which we believe would contribute positively to the Company's performance. Hence, we continue to focus on improving the skills and capacities of our workforce in building a robust team that could drive the Company successfully ahead in the long term. Therefore, we assess the training requirements via employee skill assessment and competency matrix and plan the trainings accordingly. The Company has also established a grading system for factory workers where they are assessed according to defined criteria to grant them career advancement opportunities.

The trainings are offered as a combination of technical and soft skill trainings that are offered in the form of internal and external trainings. This provides the employees with an opportunity to collect insights from both peers and industry experts, bringing innovative perspectives to process execution.

Moreover, the Company collaborates with the National Apprenticeship and Industrial Training Authority (NAITA) to develop NVQ-level training centres for cable machine operators in the cable industry. We believe this will enhance their professional profile, leading to greater recognition and advancement in their careers.

During the year under review, Sierra Cables conducted the following training programs.

- ◆ First Aid Training
- ◆ Workshop on Internal Auditing for ISO 9001:2015 QMS
- ◆ Training Programme on Measurement Assurance & Interpretation of Test Reports
- ◆ Training on Self Improvement
- ◆ Supervisor's Role in Productivity Improvement through Factory Floor Administration
- ◆ Training on QMS for Manufacturing Supervisors
- ◆ Induction Training for New Employees
- ◆ Forklift Operation and Maintenance
- ◆ Process Documentation
- ◆ Awareness of Trade Agreements

Performance Review and Reward System

Employee appraisals are carried out twice a year, based on which bonuses are granted in November and March. Through these appraisals, employees are evaluated for their eligibility for rewards, as well as their capability to take on special assignments and assume senior roles. Additionally, all employees receive a competitive benefits package, including industry-standard remuneration aligned with their job roles, to maintain motivation and encourage high performance.

Steps in Performance Evaluation

1. Self-Appraisal
2. Superior Appraisal
3. Cross-Functional team appraisal

Employee Health & Safety

We consider protecting our employees as a fundamental responsibility and thus remain committed to safeguard their health and safety having set in place necessary health and safety measures for employees to follow in their day-to-day operations. As a cable manufacturing Company, we place utmost importance on safety, not only limiting to compliance but providing protection for the employees from the inherent risks of the industry. We ensure strict adherence to all health and safety protocols and take

immediate corrective action in cases of non-compliance.

Core Safety Practices Adopted

- ◆ Transport arrangements for late-night staff
- ◆ Providing facemasks for all employees
- ◆ Providing personal protective equipment
- ◆ Fogging

We regularly update our staff on health and safety information through emails and notices. Additionally, we provide comprehensive training on the importance of responsible work practices and the proper use of safety equipment, in alignment with our ISO 45001 certification.

As a responsible business operation, we are dedicated to maintaining a robust health and safety management system to ensure a safe and risk-free work environment. By implementing comprehensive safety protocols throughout the organization, including thorough accident reporting and investigation procedures, we have succeeded in the prevention of fatalities. While we promote strict compliance with these measures, we also continuously take proactive steps to enhance and elevate our safety standards whenever necessary.

The accident follow-up procedure is as follows;

1. Report to immediate superior
2. Organise first aid if the accident is minor or take victims (permanent/ casual/contract) to the nearest hospital if the accident is major.
3. Report relevant information to the Department Head
4. Department Head to notify the Executive Director and HR Manager
5. HR Manager assigns an officer to investigate the cause of the accident
6. Ensure the welfare of victims by providing the necessary financial assistance

Grievance Handling

Employees are allowed to freely voice their views and grievances to their immediate superiors when necessary. For this purpose, the Company has in place an open-door policy providing step-by-step guidance for the employees to raise their concerns - first with their immediate supervisor, then with the supervisor's superior and finally escalating it with the executive director. Through this robust system, we ensure that all employee grievances are thoroughly evaluated and addressed promptly and impartially. Additionally, employee anonymity is protected throughout the entire process.

Employee Engagement

We actively encourage workforce engagement to boost employee satisfaction and motivation, driving improved performance. In this regard, a key initiative is cultivating a supportive work culture where employees feel empowered to share their opinions, suggestions, and feedback in decision-making

processes. We believe that fostering this freedom and sense of community nurtures employee ownership, resulting in stronger work outcomes. In support of this perspective, we continue to implement a range of engagement programs throughout the financial year.



Children's Day Celebration



Training Programmes



Sierra Spark 2025 (Family Get-together of all employees)



OUR EMPLOYEES



Environmental Sustainability

Climate change continues to be a persistent challenge in the present era, emphasising the need for climate action to combat its far-reaching consequences on ecosystems, economies, and communities worldwide. Therefore, in building a sustainable future for the next generation, it is imperative to focus on adopting measures that minimise environmental impact. This individual and collective responsibility is vital in realizing the larger environmental objectives of sustainability, conservation, and long-term ecological balance. As such, the corporate world has increased its intervention in conserving the ecosystem, adopting a range of practices aimed at aligning with environmental sustainability goals and contributing to the overall sustainable development agenda.

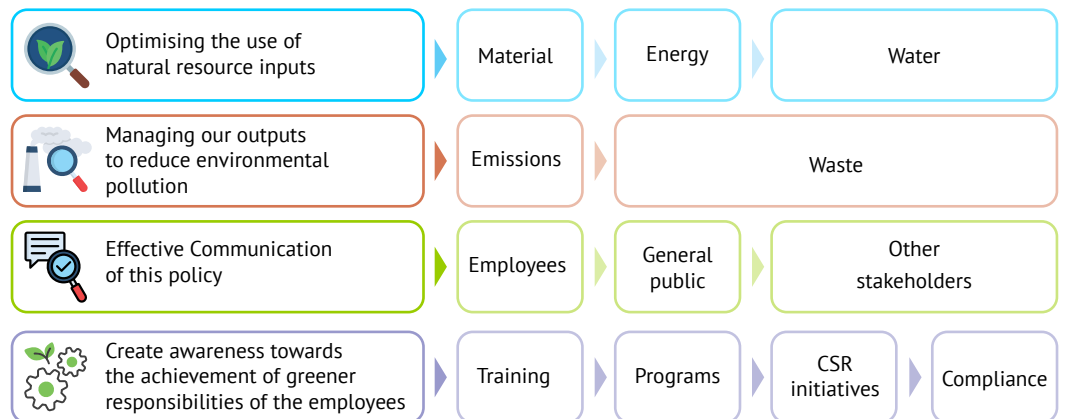
In light of the above, we recognize our crucial role in safeguarding the well-being of both current and future generations by upholding our responsibility to promote environmental sustainability. To achieve this, we consistently assess our environmental impacts, risks, and opportunities, shaping our strategies to align with our broader business objectives

while protecting the ecosystem. This commitment is further strengthened by our dedication to responsible and ethical business practices that prioritize stakeholder security and full compliance with environmental regulations and standards. Additionally, we actively pursue initiatives to minimize the environmental footprint of our operations through continuous process improvements, the adoption of sustainable policies, and the establishment of clear goals to enhance our overall environmental performance.

Environmental Management Policy

Our unwavering dedication to remain a responsible corporate has guided our approach to minimizing our environmental impact. Accordingly, we make a deliberate effort to efficiently manage our inputs (materials, energy, water, and biodiversity) without depletion and our outputs (emissions, waste, and effluents) with minimal harm to the ecosystem. This ensures a balanced pursuit of our business objectives while upholding our broader responsibility to conserve natural resources. Our comprehensive environmental management system supports this commitment through well-defined policies and procedures that promote environmentally responsible and socially equitable use of natural resources across our value chain, all while driving long-term profitability.

Core focus of the Environmental Management Policy



Input Management

Maximising efficiency in raw material utilisation

We ensure the efficient and responsible use of raw materials in our production processes by implementing the following practices.

- ◆ Reducing our rework by introducing production process efficiencies and operation layout.
- ◆ Maintenance of sufficient stocks of raw materials by placing bulk orders would also contribute to the reduction of our carbon footprint.

Maximising the efficiency of energy utilisation

The Company promotes efficient energy management across the organization by implementing the following practices.

- ◆ Reducing the number of plant operating days to save energy and overheads. The Plants that previously operated for seven consecutive days, is in operation for only 4 days since mid-2022. By limiting our plant operations to a more efficient schedule, we have been able to optimize resource usage achieving cost efficiency.
- ◆ Installation of 1MW solar system. The generated electricity is diverted to the national grid.
- ◆ Recovering energy through micro machines that have modified the steam recovery process.
- ◆ Reduce the power consumption of the lighting system by cleaning existing polycarbonate sheets and increasing the number of sheets to improve the natural lighting in the warehouse. Further, we also replaced the CFL bulbs in the plant with LED bulbs.
- ◆ Optimizing machine runs by encouraging machine runs at off-peak times and using the interlocking system during peak hours to prevent two machines from operating at the same time.
- ◆ Optimizing the compressed air system by introducing ring bowlers in reducing compressed air. Also, regular maintenance of water lines and airlines by fixing water filters and drainers and reducing compressed air leakages.
- ◆ Optimizing energy consumed by air conditioning units through replacing the old units with energy-saving inverter technology, running ACs at room temperature and adding an 'On-Off' timer for AC machines in automatic mode.
- ◆ UPS system installation for extruder machines to ensure interrupted power supply while manufacturing customized cables, so that in the event of a power failure, production may continue. With this system, there will be no requirement to restart machines, leading to both cost and time savings.
- ◆ Maintaining a 0.99 power factor in the factory.
- ◆ Installing the VFD (Variable Frequency Drive) for cutting Winder

Maximising the efficiency of Water utilisation

The Company routinely monitors its water usage and promotes mindful consumption, including the use of recycled water, to reduce the depletion of water resources. The following practices support this commitment.

- ◆ Educating all employees on the importance of water conservation and minimizing wastage.
- ◆ Preventing/fixing water leakages.
- ◆ Developing a rainwater harvesting plant at the factory premises to be used in cooling machinery.
- ◆ Fixing sensor taps for the canteen and using that wastewater for gardening.

Output Management

Emission Controls

We manage our emissions by implementing various modifications to our processors such as switching conventional scrubber methods for copper tinning to capture and divide all feasible emissions. Apart from that, we have rearranged the process layout by allocating a dedicated area for the solar cable manufacturing plant, enabling a reduction in forklift movement.

Waste Management

The Company continuously strives to minimise waste generation from its production process. This has enabled us to significantly reduce the amount of waste generated during the year, specifically reducing Copper waste by 1.3. This achievement was the result of the following practices.

- ◆ Shifting from the use of Grafted Polymer to Base Polymer has significantly contributed to reducing waste generated in the process of colour change, changeovers, as well as machine cleaning frequency. The use of base polymer has significantly improved the processing ability resulting in an overall reduction in wastage and rework of ABC cables.
- ◆ Encourage the sales team to return the wooden drums for the transportation of our cables to customers to reuse and reduce our consumption of wood.
- ◆ Recycling waste by bailing it into blocks to use as paving bricks and for other purposes. The bailing also helps to compact waste and saves storage space.
- ◆ We maintained Cu scrap below 1.3 during the year (2024-1.5)

Additional Improvements during FY

- ◆ As part of our research and development, we modified the Drum Twister armouring machine for steel tape armouring manufacturing.
- ◆ We also developed Loading Bay at the factory to ease the loading/unloading.

Promoting Environmental Consciousness Among Employees

We have fostered a culture of environmental awareness within our organization as a pivotal step in promoting voluntary eco-friendly actions among our employees. This has enabled us to be proactively and collectively involved in actions that minimize the overall ecological footprint. To support this goal, we frequently engage our team through awareness programs and encourage involvement in voluntary green initiatives.

As a responsible manufacturing Company, we place environmental sustainability at the heart of our operations, ensuring our projects do not harm natural habitats, wildlife, or plant life in the regions where we operate. Our commitment to environmental stewardship extends beyond regulatory compliance and project-level initiatives. We consistently engage our employees in environmental education and actively promote their involvement in sustainability efforts that champion biodiversity and safeguard ecosystems.

Green Practices

1. Awareness Training

We continue to raise employee awareness on 14001:2015 which focuses on Environmental Management Systems. Such trainings has fostered dedication, promoted meticulous planning, and effective implementation, as well as the necessity for evaluation and periodic review, contributing to the Company's environmental performance.

Furthermore, we also highlight each employee's role in environmental conservation while fostering a deep understanding of the 'Green Concept.' This holistic approach ensures our workforce remains fully engaged and committed to sustainable and eco-conscious practices.

2. Health & Safety Audit

We have carried out comprehensive health, safety and environmental audits across the Company with dedicated teams representing each department. These teams are equipped with the necessary knowledge through targeted training sessions that cover a wide range of topics, including environmental issues, pollution control, and sustainability auditing techniques.

3. Environmental Compliance

We operate in full compliance with applicable environmental laws and regulations and have obtained the following certifications as a testament to our commitment.

- ◆ Green Certificate by Ceylon Institute of Builders
- ◆ ISO 14001: 2015

During the financial year, we are proud to report that there were no incidents of non-compliance with environmental laws and regulations.

4. Implementing Environmental Solutions

We are proactively involved in several initiatives aimed at reducing waste further promoting sustainability across all levels of operations. These include measures such as compacting wastage, rainwater harvesting, increasing renewable energy capacity, reusing wooden drums, using base polymer and monitoring energy consumption.

5. Tree Planting Initiatives

Demonstrating our commitment to environmental stewardship, we planted over 300 fruit trees across our factory grounds as part of our ongoing sustainability initiatives.



**POWERED
BY GLOBAL
EXPANSION**

Chairman's Message on Corporate Governance

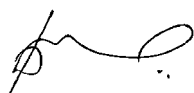
It gives me pleasure to present to you the Corporate Governance Report for the year 2024/25 on behalf of the Board of Directors of Sierra Cables PLC. This report covers our comprehensive approach to Corporate Governance and the related best practices that strengthen our foundation for value creation over the long term and meet the expectations of the stakeholders. The well-established Corporate Governance Framework of the Company has laid out the policies and procedures to promote transparent and ethical business practices, upholding accountability of our actions. This sound foundation has in turn positively contributed to solidifying our market position, including the expansion in the international market unlocking new business opportunities. Hence, we continue to promote good governance within the Company incorporating those principles in our forward strategy and action plan. This has enabled us to make informed and effective decisions while establishing clear roles and responsibilities aimed at value creation.

Key Focus Areas

The prevailing macroclimate during the financial year necessitated the Board to remain adaptable and agile to the uncertainties and fluctuations, taking a holistic perspective to its impact on the Company's business operations. In this regard, the Board regularly reviewed the Corporate Governance best practices adopted by the Company, refining, and adjusting them to address the evolving concerns, reinforcing the risk management facet to withstand potential impediments. With its unwavering commitment to accomplishing the strategic objectives towards business success and profitability, the Board continued to drive the Company's operations and the manufacturing process with flexibility and agility during the period. The Board initiated timely measures to address the hindrances emanating from the macroeconomic front while remaining open to the key economic stressors such as increasing interest rates, exchange rate volatility, rise in raw material prices and increase in expenditure, that impact our operations and performance.

Compliance

The Company's level of compliance with the Code of Best Practice on Corporate Governance 2023 and the extent of compliance with the Corporate Governance Rules issued by the Colombo Stock Exchange is described in this report. As stipulated by the Code, I affirm that I am not aware of any material violations of any of the provisions of the Code of Business Conduct and Ethics by any Director or any member of the Corporate Management.



Mr. I C Nanayakkara

Chairman/Non-Executive Director
(Appointed w.e.f. 28.05.2024)

26th August 2025

Our Approach to Corporate Governance

Corporate Governance, the system by which organizations are directed and managed, is a vital aspect in promoting a culture of integrity that leads to positive performance and sustainable business growth. Therefore, the Board remains committed to complying with all the necessary corporate governance standards within the organization and all levels of operations to ensure that business activities are carried out ethically and for the benefit of all stakeholders. To this end, the Company consistently assesses the good governance frameworks and policies in place and ensures that they are aligned with the Company's overall strategy and objectives, including the local and international best practices. Changing dynamics of the external environment and technological developments are also taken into consideration when setting corporate governance best practices.

Governance Framework

Sierra Cables PLC is guided by the following internal and external instruments in its overall value-creation process.

External Mechanisms	Internal Mechanisms
Companies Act No. 7 of 2007	Quality Standards: ISO 9001:2015, ISO 14001:2015, SLS 733, SLS 750, SLS 412, SLS 1186, SLS 1542, SLS 1504-2-11, SLS 1504-2-31
Securities & Exchange Commission of Sri Lanka, Act No. 19 of 2021	Safety Standards: ISO 45001:2018
Listing Rules issued by the Colombo Stock Exchange	Employee Handbook
Code of Best Practice on Corporate Governance issued by ICASL (2023)	
Shop and Office Employees Act of 1954 and amendments thereto Inland Revenue Act No. 24 of 2017	

Board of Directors

The Company's Board of Directors holds the responsibility for providing overall direction and guidance in determining the strategic direction and risk appetite of the Company. The Board collectively directs the affairs of the Company in the interest of the Company and all the shareholders. By combining its diverse skills and industry acumen, the Board effectively discharges its duties in achieving the long-term strategic aspirations of the Company. At Sierra Cables PLC, the Corporate Management team led by the Chief Executive Officer holds the responsibility of executing the corporate strategies while the Board assumes a supervisory role in overseeing the management and its performance.

Board Composition

Board Composition	Board Size
7 Non-Executive Directors	Total 10 Directors
3 Executive Directors	

Board Independence

3 Independent Non-Executive Directors	7 Non-Independent Directors
---------------------------------------	-----------------------------

Age Diversity

2 Below 50
5 Below 60
3 Over 60

Gender Diversity

9 Male Directors
1 Female Director

Board Expertise

2 Construction & Manufacturing
4 Banking, Finance & Law
1 Information Technology
3 Strategic Planning, Marketing & Administration

Separate Roles of the Chairman and the Chief Executive Officer
In maintaining the balance of power and authority in the positions and to encourage independent decision-making, the role of the Chairman and the Chief Executive Officer are held separately by two persons.

Chairman	Chief Executive Officer
<ul style="list-style-type: none"> ◆ Lead the Board and manage the business of the Board. ◆ Ensure that the Board receives accurate and timely information to make sound decisions. ◆ Improving shareholder value by formulating strategy, evaluating the viability and implementation to reach the desired objectives. ◆ Encourage constructive discussions among the Board members to facilitate effective decision-making. ◆ Monitoring the effectiveness of the Board. 	<ul style="list-style-type: none"> ◆ Continuous monitoring and reporting to the Board on the Company's performance. ◆ Ensuring compliance with all applicable legal and regulatory obligations. ◆ Ensuring that the Company operates within the approved risk appetite. ◆ Developing and recommending the budgets to the Board.

Sub Committees of the Board

The Board is assisted by several Board Sub-Committees in the discharge of its duties;

Sub-committee	Areas of oversight	Composition	Further information
Audit Committee	<ul style="list-style-type: none"> ◆ Financial Reporting ◆ Internal Controls ◆ Internal Audit ◆ External Audit 	Mr. P E A B Perera (C) Mr. S M S C Jayasuriya Mrs. V G S S Kotakadeniya	Refer to the Report of the Audit Committee on pages 74-75 for more information.
Remuneration Committee	<ul style="list-style-type: none"> ◆ Remuneration of the Chief Executive Officer and Key Management Personnel ◆ HR Policies, including Remuneration Policy ◆ Organizational structure ◆ HR Systems, including Performance Evaluation 	Prof. G I U S Perera (C) Mr. P E A B Perera Mr. D S K Amarasekara	Refer to the Report of the Remuneration Committee on page 76 for more information.
Related Party Transactions Review Committee	<ul style="list-style-type: none"> ◆ Related Party Transactions Policy ◆ Disclosures on related party transactions in the annual report ◆ Quarterly and annual disclosures of related party transactions 	Prof. G. I U.S. Perera (C) Mr. P E A B Perera Mr. M A P N Weerasingha	Refer to the Report of the Related Party Transactions Review Committee on page 77 for more information.
Nominations & Governance Committee Report	<ul style="list-style-type: none"> ◆ Recommendations to the Board on the appointments ◆ Assessing the structure, composition, and skills of the Board and its committees 	Mr. S M S C Jayasuriya (C) Mr. P E A B Perera Prof. G I U S Perera Mrs. V G S S Kotakadeniya Mr. W A P Perera (r.w.e.f 21.05.2025)	Refer to the Nomination Committee Report on page 78 for more information.

Board Meetings and Attendance

The Board and its Audit and Related Party Transactions Review Committees meets quarterly at minimum and additional meetings are convened when necessary. The Nominations & Governance and Remuneration Committees meets at minimum once every year and additional meetings are held if required. Meeting agendas and related papers are circulated to all Board members well in advance of each meeting to provide adequate time for preparation. As the Group has a state-of-the-art management information system to process and monitor Group performance, appropriate and timely information is made available to the Board members, who make additional inquiries when necessary. Any Director can call for a resolution to be presented to the Board if deemed necessary.

Directors ensures that relevant procedures and processes are in place for the Company to comply with all applicable laws and regulations and presents a compliance checklist to the Audit Committee.

To enhance the effectiveness of the Board's decision-making and preserve overall independence, the Company seeks independent professional advice when deemed necessary at the expense of the Company, including that of the Company's external lawyers and auditors.

Board Appointment, Resignations and Re-election

Directors' appointment and re-election are subject to review and recommendation of the Nominations & Governance Committee

Name of the Director	Board Meeting	Audit Committee	Remuneration Committee	Related party Transaction	Nomination & Governance
Total Number of meetings held	10	5	1	6	2
Mr. W. A. P. Perera (r.w.e.f. 21/05/2025)	10/10	-	-	-	2/2
Mr. D S Panditha	9/10	-	-	-	-
Mr. M A P N Weerasinghe	10/10	-	-	1/6	-
Ms. V G S S Kotakadeniya	9/10	1/5	-	-	1/2
Mr. P E A B Perera	8/10	5/5	1/1	6/6	2/2
Mr. B W N Rupasinghe (r.w.e.f. 16/12/2024)	6/10	3/5	-	4/6	1/2
Prof. A K W Jayawardena (r.w.e.f 01/01/2025)	9/10	4/5	-	5/6	2/2
Mr. D S K Amarasekera	6/10	-	1/1	-	-
Mr. W D C H Jayatunga	7/10	-	-	-	-
Mr. P D G Jayasena	9/10	-	-	-	-
Mr. S M S C Jayasuriya (a.w.e.f. 18/12/2024)	2/10	1	-	-	n/a
Prof. G I U S Perera (a.w.e.f. 01/01/2025)	1/10	1	1/1	1/6	n/a
Mr I C Nanayakkara (a.w.e.f. 28/05/2025)	n/a	n/a	n/a	n/a	n/a

Autonomous Decision Making

Directors make independent decision-making regarding strategy, resource allocation, performance, key appointments and standards of business conduct. Therefore, the Company has ensured a sufficient balance of power within the Board through appropriate Board composition and representation to ensure that one or few members would not dominate the decision-making.

The Board collectively and the Directors individually act in accordance with the laws of the country of operation, which are applicable to the business enterprise. Likewise, the Board of

in terms of fitness and propriety. They are then appointed to the Board and are subject to retirement and re-election by the shareholders at the next Annual General Meeting, in addition to the retirement by rotation of one third of the existing non executive directors in terms of the Articles of Association of the Company. Details of the Directors being re-elected at this year's AGM are given in the Notice of Meeting on page 160-161 Written communication is obtained from any Director resigning prior to the completion of his appointed term.

New appointments are communicated immediately to shareholders through the Colombo Stock Exchange along with their brief resume with relevant expertise, key appointments, shareholding, and status of independence.

Mr. B.W. N. Rupasinghe, Independent Non-Executive Director resigned from the Board of Directors with effect from 16th December 2024 and Prof. A.K.W. Jayawardane, Independent Non-Executive Director retired in terms of the Listing Rules from the directorship with effect from 01st January 2025

Mr. W.D.C.H Jayatunga, who is the CEO of the Company, was appointed as an Executive Director to the Board with effect from 26th September 2024. Mr. S M S C Jayasuriya and Prof. G I U S Perera were appointed as Independent Non-Executive Directors with effect from 18th December 2024 and 1st January 2025, respectively. Upon the resignation of Mr W A P Perera on 21st May 2025, Mr. I.C. Nanayakkara was appointed as the Non-Executive Chairman of the Board with effect from 28th May 2025 after the year under review. The aforesaid changes to the directorate were promptly communicated to the shareholders through announcements on the Colombo Stock Exchange.

Mr. D S Panditha, who is over 70 years, will retire in terms of Section 210 of the Companies Act No. 07 of 2007. Special notice

has been received from a shareholder of the intention to pass a resolution for his re-appointment

Company Secretary

LOLC Corporate Services (Private) Limited have been appointed as Company Secretaries whose members are registered company secretarial practitioners, including an Attorney at Law, a Chartered Governance Professional and a Chartered Corporate Secretary. They ensure that proper Board procedures are followed in line with applicable laws, rules, and regulations to ensure good governance. Their key responsibilities include :

1. Ensure that the Company complies with its Articles of Association, applicable statutory and regulatory requirements and maintains standards of corporate governance.
2. Develop and oversee the systems that ensure the company complies with all applicable codes, as well as its legal and statutory requirements.
3. Monitor changes in relevant legislation and the regulatory environment and their impact on the Company ; and advise the Board on appropriate action required.
4. Convene and administer Board and Sub Committee meetings and disseminate details of decisions.
5. Facilitate communication between the board of directors and company shareholders, reporting in a timely and accurate manner .

Compliance with the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka in 2023 Voluntary Provisions (as required by the Company, compliant to the extent of business exigency)

Code Ref.	Requirement	Compliance	Details of Compliance/Reference
A	Directors		
A.1	The Board	<input checked="" type="checkbox"/>	Refer - A diverse Board on pages 22-27
A.1.1	Board Meetings	<input checked="" type="checkbox"/>	Refer - Meetings and attendance on page 54
A.1.2	Roles and Responsibilities of the Board	<input checked="" type="checkbox"/>	Refer - Roles and responsibilities on page 52
A.1.3	Independent Professional Advice	<input checked="" type="checkbox"/>	The Board members are permitted to obtain independent professional advice as deemed necessary including that of the Company's external lawyers and auditors at the expense of the Company.
A.1.4	Access to advice and services of Company Secretary and Insurance Cover	<input checked="" type="checkbox"/>	Refer - Role of the Company Secretary on page 55 The Company has provided an appropriate insurance cover for Key Management Personnel (KMP's) according to the Group policy

Code Ref.	Requirement	Compliance	Details of Compliance/Reference
A.1.5	Independent Judgement	<input checked="" type="checkbox"/>	All the Board members actively participate in the Board meetings by bringing up their own independent judgment.
A.1.6	Dedicate Adequate Time and Effort to Board matters	<input checked="" type="checkbox"/>	The Board has determined that its Non-Executive Directors have devoted sufficient time to its deliberations during the year.
A.1.7	Calls for Resolutions	<input checked="" type="checkbox"/>	All Directors are encouraged to submit any items/ proposals to the agendas of the Board meetings and the Articles of Association provides directions as to how directors can request for a circular resolution to be presented to the Board.
A.1.8	Board Induction and Training	<input checked="" type="checkbox"/>	The Board has in place an induction programme for new Directors to ensure they are adequately briefed and have the requisite knowledge of the Group and its operations. The Board regularly reviews the training needs of the Directors and all Directors engage in relevant training Programs to enhance their skills and expertise.
A.2	Chairman & Chief Executive Officer	<input checked="" type="checkbox"/>	There is a clear demarcation of the responsibilities between the Chairman and the CEO. The functions performed by the Chairman and the CEO are distinct and separate, ensuring the balance of power and authority within the organization, so that no person has unfettered powers of decision-making and implementation. Refer- Roles and Responsibilities on page 53
A.3	Chairman's Role in Preserving Good Corporate Governance	<input checked="" type="checkbox"/>	The Chairman is responsible for the leadership of the Board, managing Board meetings and business undertakings. The Chairman is responsible for ensuring that all relevant issues of the Company are dealt with on the Board Agenda and that Directors receive all appropriate information and documentation in a timely manner, thus facilitating the Directors to contribute at the deliberations. Refer - Roles and Responsibilities on page 53
A.4	Availability of Financial Acumen	<input checked="" type="checkbox"/>	Our Directors with their professional and/or entrepreneurial financial skill, business acumen and wide practical wisdom contribute substantial value, knowledge and independent judgment in decision making on matters concerning finance and investment.
A.5	Board Balance	<input checked="" type="checkbox"/>	Seven of the Ten Directors on the Board hold office in Non- Executive capacity of whom three are Independent Directors Each Non-Executive Director submits a signed and dated declaration annually of his/ her Independence or Non -Independence. The Chairman meets the Independent Non-Executive Directors as and when necessary.
A.6	Provision of Appropriate and Timely Information	<input checked="" type="checkbox"/>	Board agendas and necessary Board Papers and minutes are dispatched in advance of the Board meetings.

Code Ref.	Requirement	Compliance	Details of Compliance/Reference
A.7	Appointments to the Board	<input checked="" type="checkbox"/>	Board appointments follow a transparent and formal process led by the Nominations & Governance Committee. The Board is satisfied that the experience and exposure of the Board members are adequate to meet the strategic demands faced by the Company.
A.8	Re-election of Directors	<input checked="" type="checkbox"/>	In compliance with the Articles of Association of the Company, 1/3 of the Non Executive Directors retire from office each year and are eligible for re-election. Details of the Directors being re-elected at the AGM are given in the Notice of Meeting on page 160. Written communication is obtained from any Director resigning prior to completion of his appointed term.
A.9	Appraisal of Board Performance	<input checked="" type="checkbox"/>	The Board annually appraises itself on its performance in the discharge of its key responsibilities. The Board also undertakes an annual self-evaluation of its own performance and that of its committees identifying any areas which require improvements.
A.10	Disclosure of information in respect of Directors	<input checked="" type="checkbox"/>	The names of the Directors of the Board, their expertise, skills and profiles are disclosed on pages 22-27 of this Annual Report. Directors' interests in contracts are indicated in note 33.2.1 of the Financial Statements of this Annual Report. Refer Corporate Governance Report on pages 52-64.
A.11	Appraisal of the Chief Executive Officer	<input checked="" type="checkbox"/>	At the start of each year the Board in consultation with the CEO sets the goals to be achieved by the CEO during the year. At the end of each year the performance of the CEO is evaluated against these set targets.
B.	Directors' Remuneration		
B.1	Remuneration Procedure	<input checked="" type="checkbox"/>	The details of the Remuneration Committee's composition, policies and responsibilities are set out on page 76 of this Annual Report The Board as a whole decides the remuneration of the Non-Executive Directors. The Non-Executive Directors receive a monthly fixed fee for being a Director of the Board. The Remuneration Committee obtains the input of the Chairman relating to the remuneration of Executive Directors and external professional advice is sought when deemed necessary
B.2	Level and Make-up of Remuneration	<input checked="" type="checkbox"/>	The remuneration scheme for Executive Directors is structured to align rewards to their individual and corporate performance targets and the Remuneration Committee ensures that the remuneration is on par with market standards.
B.3	Disclosures related to Remuneration in the Annual Report	<input checked="" type="checkbox"/>	Refer Remuneration Committee Report on page 76.

Code Ref.	Requirement	Compliance	Details of Compliance/Reference
C.	Relations with Shareholders		
C.1	Constructive use of the AGM and other General Meetings	<input checked="" type="checkbox"/>	<p>We ensure that all proxy votes are counted and the quantum of proxies lodged on each resolution is conveyed to the Chairman. Separate resolutions are proposed at the AGM on each substantial issue.</p> <p>At the AGM, the Chairman of each sub-committee provides any clarification required by Shareholders.</p> <p>The notice and the agenda of the AGM together with the Annual Report of the Company are published on the CSE Website 15 working days prior to the date of the AGM.</p>
C.2	Communication with shareholders	<input checked="" type="checkbox"/>	<p>The Investor Relations policy of the Company is committed to transparent, accurate and timely communication with its shareholders, investors and other stakeholders ensuring they receive all material information about the Company's governance, operations, financial performance and future prospects. Communication is managed through designated spokespersons and official channels such as the Company website, social media, press releases and annual general meetings with proper attention to confidentiality and regulatory compliance. Apart from the regular channel of the company secretaries, shareholders are able to communicate with the designated Investor Relations. Issues raised are escalated to the Board for their information / action and responded to by either the company secretary or investor relations as appropriate.</p>
C.3	Disclosure of Major and Material Transactions	<input checked="" type="checkbox"/>	<p>The Directors ensure that any transaction which may affect the net asset base of the Company is promptly communicated to the Shareholders and required approvals are obtained and disclosures are made in accordance with the Statutes.</p>
D.	Accountability and Audit		
D.1	Present a balanced and understandable assessment of the Company's financial position, performance and prospects	<input checked="" type="checkbox"/>	<p>With guidance from the Audit Committee, the Board aims to report a balanced and understandable assessment of the Group's financial position, performance and prospects through interim and annual reports in accordance with applicable accounting and auditing standards. The approval of the Board was granted prior to publication.</p> <p>After considering the financial position, operating conditions, regulatory and other factors and such matters required to be addressed in the Corporate Governance Code, the directors have a reasonable expectation that the company possesses adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the Going Concern basis in preparing the financial statements.</p> <p>Refer – Report of the Board of Directors (Page 85) Statement of Directors' Responsibility (Page 83) Management Discussion and Analysis (Pages 29-47) Independent Auditors' Report (pages 90-93) Related Party Transactions in Note 33.1 in the Financial Statements CEO and Group CFO's Statement on page 84.</p>

Code Ref.	Requirement	Compliance	Details of Compliance/Reference
D.2	Process of Risk Management and a sound system of Internal controls	<input checked="" type="checkbox"/>	The Board is committed to safeguarding its assets and investments through a robust risk management and internal control framework while monitoring its effectiveness on a continuous basis. Refer - Managing Risks on pages 71.
D.3	Audit Committee	<input checked="" type="checkbox"/>	Refer - Audit Committee Report (pages 74-75)
D4	Risk Committee		Supported by the Enterprise Risk Management Department of the Group, the Audit Committee oversee the processes of the Company's internal controls and risk identification and management according to the requirements of the Sri Lanka Auditing Standards.
D.5	Related Party Transactions Review Committee	<input checked="" type="checkbox"/>	Refer - Related Party Transactions Review Committee Report (page 77)
D.6	Code of Conduct and Ethics	<input checked="" type="checkbox"/>	The Internal Code on Business Conduct and Ethics outlines the expected ethical standards for directors and officers, emphasizing integrity, loyalty, legal compliance and accountability. It guides proper handling of conflicts of interest, protection of confidential information, accurate financial reporting, fair use of Company assets and responsible trading of Company securities. Directors and officers must declare personal interests, avoid personal gain from Company opportunities and report unethical or illegal behaviour without fear of retaliation. Compliance with laws is mandatory and any violations may lead to disciplinary action. Annual declarations of compliance are obtained, and waivers of the Code, if any must be approved by the Board of Directors. Refer - Our Employees on pages 41-46. - Chairman's Message on pages 14-17.
D.7	Corporate Governance Disclosures	<input checked="" type="checkbox"/>	Refer - Corporate Governance Report on pages 56-64
E/F	Institutional and Other Investors		
E.1&F.1	Encourage voting at AGM – Institutional and other investors	<input checked="" type="checkbox"/>	Institutional and other investors are encouraged to participate in the annual general meetings and exercise their voting rights. The Company has an effective mechanism to record and count all proxy votes lodged for each resolution
E.2	Evaluation of governance disclosures	<input checked="" type="checkbox"/>	Institutional investors are encouraged to give due consideration to all relevant factors related to Board structure and composition
F.2	Investing/divesting decisions	<input checked="" type="checkbox"/>	Individual shareholders investing directly in the shares of the Company are encouraged to carry out adequate analysis or seek independent advice in investing or divesting decision.

Code Ref.	Requirement	Compliance	Details of Compliance/Reference
G.	Internet of Things & Cyber security	<input checked="" type="checkbox"/>	<p>The Board is conscious of its responsibility to ensure investments in technology generate the desired business value while mitigating associated risks. The Board is assisted in the discharge of responsibilities by the Audit Committee which monitors and reviews the Management's initiatives to ensure that information technology risks, including emerging cyber security risks, are managed appropriately.</p> <p>Consequently, data protection and cyber security matters are regularly addressed at Board meetings.</p> <p>This is headed by the IT Manager who is responsible for the Group's IT security strategy and safeguarding against cyber threats</p>
H.	Sustainability: ESG Risk and Opportunities	<input checked="" type="checkbox"/>	<p>The Board places significant emphasis on sustainable development, embedding ESG considerations within the Company's value creation model, strategy, and governance structure. To ensure long-term conformance, performance, and sustainability, a comprehensive framework has been established that integrates ESG into risk management, policy development, decision-making, and stakeholder engagement, while also instituting monitoring and reporting mechanisms to drive accountability and continuous improvement.</p> <p>Refer- Risk management on pages 71-73. Environmental Sustainability on pages 47. Corporate Governance on pages 52-64.</p>

Compliance with Section 9 of the Listing Rules issued by Colombo Stock Exchange

Mandatory Provisions

Section	Principle, compliance and implementation	Effective date	Complied
9.1.3	<p>Disclosure in the Annual report with regard to the extent of compliance with the Rule.</p> <p>As detailed below, the Company is in compliance with the Listing Rules of the Colombo Stock Exchange.</p>	01st October 2023	<input checked="" type="checkbox"/>
9.2.1	<p>The Company shall disclose the fact of existence of the list of prescribed policies as set out in the rule together with the details relating to the implementation of such policies in the Annual report and make them available on its website .</p> <p>The Company's governance framework is regularly reviewed and updated to reflect stakeholder needs and regulatory/statutory requirements to enhance oversight, accountability, and operational effectiveness.</p> <p>Accordingly, the Group revised its existing policies to align with the requirements of the Exchange and are available on the Company's website. Extracts of these policies are set out on pages 68-70.</p>	01st October 2024	<input checked="" type="checkbox"/>
9.2.2	<p>Any waivers from compliance with the Internal Code of business conduct and ethics or exemptions granted.</p> <p>There has not been any material breach of the Code during the year under review.</p>	01st October 2024	<input checked="" type="checkbox"/>

Section	Principle, compliance and implementation	Effective date	Complied
9.2.3	<p>(i) List of policies in place as per Rule 9.2.1, with reference to website (ii) Any changes to policies adopted</p> <p>There has not been any material changes made to the policies during the year under review.</p>	01st October 2024	<input checked="" type="checkbox"/>
9.2.4	<p>The Company shall make available all such policies as set out in 9.2.1 to shareholders upon a written request being sent for such policy</p> <p>Shareholders have access to the detailed policies hosted on the Company's website. Summarised version of same is set out on pages 68-70.</p>	01st October 2024	<input checked="" type="checkbox"/>
9.3.1 / 9.3.2	<p>The prescribed Board subcommittees should be established and maintained at a minimum and shall function effectively.</p> <p>The required Committees have been established and are functioning effectively. These Committees assist the Board with its role of oversight of the Company's performance, conformance, and sustainability.</p> <p>Refer sections 9.11, 9.12, 9.13, and 9.14 below for details on compliance and the Committee Reports set out on pages 74-78.</p>	01st October 2023 (* 01st October 2024)	<input checked="" type="checkbox"/>
9.3.3	<p>Chairperson of the Board cannot be a Chairperson in any of the Board subcommittees</p> <p>Committee Reports set out on pages 74-78.</p>	01st October 2024	<input checked="" type="checkbox"/>
9.4.1	<p>Maintenance of records of all resolutions and other information stipulated in section 9.4.1 of the listing rules and shall provide copies of the same at the request of the Exchange and or SEC.</p> <p>All records of resolutions and information relating to General Meetings; i.e. upon a resolution being considered valid proxy votes, votes in favour, against and abstained for the resolutions, etc. are maintained by the Company Secretary.</p>	01st October 2023	<input checked="" type="checkbox"/>
9.4.2	<p>Communication and relations with shareholders and investors</p> <p>The Company has established methodologies to ensure effective communication and relations with shareholders. Details of same are set out in the Stakeholder Communication and Corporate Disclosure Policy adopted by the Company.</p> <p>Designated personnel have been identified as contact persons in the said policy for such inquiries /communication. Any significant/material issues raised by the shareholders/ investors are escalated to the Board where necessary in a transparent manner. The Company conducted its shareholder meetings online /virtual means while complying with the guidelines issued by the CSE.</p>	01st October 2024	<input checked="" type="checkbox"/>

Section	Principle, compliance and implementation	Effective date	Complied
9.5.1 & 9.5.2	<p>A Policy on governing matters relating to the Board of Directors should be established with specific requirements prescribed by the Exchange (a) to (j), and to disclose the level of compliance or non-compliance with reasons/remedial actions.</p> <p>The Governance Framework adopted by the Company and the level of compliance with Rule 9.5.1 is provided in detail in the Corporate governance report.</p> <p>The Company has revised its Board Charter to align with the requirements prescribed by the Exchange.</p> <p>Requirements set out in the Policy have been complied with, by the members of the Board.</p>	01st October 2024	<input checked="" type="checkbox"/>
9.6.1	<p>The Chairperson should be a Non-executive Director and the positions of Chairperson and CEO cannot be held by one person; unless a Senior Independent Director (SID) is appointed by the Listed entity.</p> <p>Mr. W A P Perera, the former Chairman of the Board was a Non Executive Director. The newly appointed Chairman Mr. I C Nanayakkara is also a Non Executive Director. Positions of the Chairperson and the CEO are held by two individuals. Refer the Report of the Board of Directors on pages 85-89 for details.</p>	01st October 2023	<input checked="" type="checkbox"/>
9.6.2 & 9.6.3	<p>The Market announcement with regard to the non-compliance with Rule 9.6.1 and the rationale for appointing the SID.</p> <p>A SID has not been appointed as the Company has complied with the requirements of the above Rule.</p>	01st October 2023	Not applicable
9.7.5	<p>(a) Statement on Directors and CEO satisfying Fit and Proper Assessment Criteria (b) Any non-compliance/s and remedial action taken</p> <p>Annual declarations were obtained as per the requirement of Rule 9.7.3 and the board members have complied with the relevant criteria. The said criteria was considered by the Nominations & Governance Committee when recommending the re-election of directors retiring before the AGM.</p> <p>Refer the Report of the Board of Directors on pages 85-89 for details.</p>	01st October 2023	<input checked="" type="checkbox"/>
9.8.1 & 9.8.2	<p>Minimum number of Directors on the Board should be 5 and the total minimum number of Independent Directors should 2 or 1/3 of the Board, whichever is higher</p> <p>The Board comprises 10 Directors of whom 3 are independent.</p>	01st October 2024	<input checked="" type="checkbox"/>

Section	Principle, compliance and implementation	Effective date	Complied
9.8.3 & 9.8.5	<p>An annual declaration should be obtained by each Non-Executive Director as per the defined format and the criteria should be assessed by the Nomination Committee of the Company.</p> <p>The Board has determined that Messrs. P E A B Perera, S M S C Jayasuriya and Prof. G I U S Perera are in fact independent.</p>	01st October 2023	<input checked="" type="checkbox"/>
9.9	<p>Alternate Director can be only appointed for a minimum period of one year under special circumstances and he/she should be of the same nature of Directorship</p> <p>There are no alternative Directors appointed to the Board. Due notice has been given seeking shareholder approval to amend the related clause in the Articles of Association of the Company as set out in the Notice of Meeting.</p>	01st January 2024	
9.10	<p>Disclosures regarding;</p> <p>a) the Maximum number of Directorships its members shall be permitted to hold as set out in Rule 9.10.1</p> <p>b) appointment of new directors as set out in Rule 9.10.2</p> <p>c) change to the composition of the Board /subcommittees as set out in Rule 9.10.3</p> <p>d) details of Directors profile as set out in Rule 9.10.4</p> <p>The Group policy adopted by the Company, permits a director to hold office as director in any number of companies/societies/bodies including subsidiaries and associates of the Company, subject to however, in the case of listed entities, such appointments being limited to 20.</p> <p>Announcements were made to the CSE on new appointments covering the criteria set out herein.</p> <p>Related details are set out in the Reports of the Board of Directors and Corporate Governance on pages 52-64 and 85-89.</p>	01st October 2023	<input checked="" type="checkbox"/>
9.11	<p>Disclosure requirements regarding the Nomination and Governance Committee under Rule 9.11.6</p> <p>Refer the Report of Nominations & and Governance Committee on page 78.</p>	01st October 2024	<input checked="" type="checkbox"/>
9.12	<p>Disclosure requirements regarding the Remuneration Committee under Rule 9.12.8</p> <p>Refer the Report of the Remuneration Committee on page 76.</p>	01st October 2023	<input checked="" type="checkbox"/>

Section	Principle, compliance and implementation	Effective date	Complied
9.13	Disclosure requirements regarding the Audit Committee under Rule 9.13.8 Please refer Report of the Audit Committee on pages 74-75.	01st October 2024	<input checked="" type="checkbox"/>
9.14	Composition, functions and general requirements of the Related Party Transactions Review Committee Refer Report of the Related Party Transactions Review Committee on page 77.	01st April 2024	<input checked="" type="checkbox"/>
9.14.8(1)	Disclosure of non-recurrent Related Party Transactions exceeding 10% of the Equity or 5% of the Total Assets, whichever is lower (in the specified format) Refer Note no 33 to the Financial Statements.	01st October 2023	<input checked="" type="checkbox"/>
9.14.8(2)	Disclosure of recurrent Related Party Transactions exceeding 10% of the gross revenue/ income (in the specified format) Refer Note no 33 to the Financial Statements.	01st October 2023	<input checked="" type="checkbox"/>
9.14.8(3)	Disclosure requirements regarding the Related Party Transaction Review Committee under Rule 9.14 Please refer Report of the RPTR Committee on page 77.	01st October 2023	<input checked="" type="checkbox"/>
9.14.8(4)	Affirmative declaration by the Board of Directors on compliance with RPT Rules or negative statement to that effect. Please refer Report of the RPTR Committee on page 77 and Board of Directors report on pages 85-89.	01st October 2023	<input checked="" type="checkbox"/>
9.16	Additional disclosures by Board of Directors under Rule 9.16 The relevant declarations by the Board of Directors are included in their report on pages 79-81.	01st October 2023	<input checked="" type="checkbox"/>

BOARD COMMITTEE MEETING ATTENDANCE- 2025

SIERRA CABLES PLC
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Board & Sub-Committee Compositions

Name of Director	Executive/ Non - executive	Independent/ Non - independent	Board & Sub-Committee Composition					Date appointed to the Board	Tenure on the Board (Years) as of 31st March 2025	Age
			Board	AC	REM COM	RPTRC	N&GC			
I C Nanayakkara (a.w.e.f 28.05.2025)	NED	NID	√	-	-	-	-	28.05.2025	-	52
W D C H Jayathunga	ED	NID	√	-	-	-	-	26.09.2024	06 months	49
D S Panditha	ED	NID	√	-	-	-	-	04.08.2004	20 years	73
P E A B Perera	NED	ID	√	√*	√	√	√	13.05.2021	04 years	64
V G S S Kotakadeniya	NED	NID	√	√	-	-	√	11.02.2022	03 years	58
M A P N Weerasinghe	ED	NID	√	-	-	√	-	11.02.2022	03 years	53
D S K Amarasekara	NED	NID	√	-	√	-	-	06.06.2022	03 years	54
P D G Jayasena	NED	NID	√	-	-	-	-	29.08.2023	02 years	53
S M S C Jayasuriya (a.w.e.f 18.12.2024)	NED	ID	√	√	-	-	√*	18.12.2024	03 months	68
G I U S Perera (a.w.e.f 01.01.2025)	NED	ID	√	-	√*	√*	√	01.01.2025	03 months	44
A K W Jayawardena (r.w.e.f. 01.01.2025)	NED	ID	√	√	√	√	-	05.09.2012	13 years	65
B W N Rupasinghe (r.w.e.f. 16.12.2024)	NED	ID	√	√	√	√	-	05.09.2012	13 years	73
W A P Perera (r.w.e.f. 21.05.2025)	NED	NID	√	-	-	-	√	23.02.2000	25 years	66

* Committee Chairman

AC - Audit Committee

REMCOM - Remuneration Committee

RPTRC - Related Party Transaction Review Committee

N&GC - Nominations & Governance Committee

BOARD COMMITTEE MEETING ATTENDANCE- 2025

SIERRA CABLES PLC
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Board Meeting Attendance

Name of Director	10. 04. 2024	20. 05. 2024	02. 08. 2024	24. 10. 2024	06. 11. 2024	18. 11. 2024	19. 11. 2024	12. 12. 2024	18. 12. 2024	10. 02. 2025	Total
W D C H Jayathunga	ab	ab	ab	√	√	√	√	√	√	√	7/10
P E A B Perera	√	√	√	√	√	√	√	ab	ab	√	7/10
V G S S Kotakadeniya	√	√	√	√	√	√	√	ab	√	√	9/10
M A P N Weerasinghe	√	√	√	√	√	√	√	√	√	√	10/10
D S K Amarasekara	√	ab	√	√	ab	√	√	√	ab	ab	6/10
P D G Jayasena	√	√	√	√	√	√	√	√	ab	√	9/10
D S Panditha	√	√	√	√	√	ab	√	√	√	√	9/10
S M S C Jayasuriya (a.w.e.f 18.12.2024)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	√	√	2/10
G I U S Perera (a.w.e.f 01.01.2025)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	√	1/10
A K W Jayawardena (r.w.e.f.01.01.2025)	√	√	√	√	√	√	√	√	√	n/a	9/10
B W N Rupasinghe (16.12.2024)	√	√	√	√	ab	√	√	ab	n/a	n/a	6/10
W A P Perera (r.w.e.f 21.05.2025)	√	√	√	√	√	√	√	√	√	√	10/10

Audit Committee Meeting Attendance

Name of Director	20.05.2024*	02.08.2024*	21.10.2024	06.11.2024	10.02.2025
P E A B Perera * ID	√	√	√	√	√
S M S C Jayasuriya -ID (a.w.e.f 18.12.2024)	n/a	n/a	n/a	n/a	√
V G S S Kotakadeniya - NED	n/a	n/a	n/a	n/a	√
Prof A K W Jayawardena (r.w.e.f 01.01.2025)	√	√	√	√	n/a
B W N Rupasinghe (r.w.e.f. 16.12.2024)	√	√	√	ab	√

Date* - Meetings with External Auditors participation

Related Party Transaction Review Committee Meeting Attendance

Name of Director	20.05.2024	02.08.2024	20.08.2024	24.10.2024	06.11.2024	10.02.2025
G I U S Perera * (a.w.e.f - 01.01.2025)	n/a	n/a	n/a	n/a	n/a	√
P E A B Perera	√	√	√	√	√	√
P Weerasinghe (appointed to the com on 01.01.2025)	n/a	n/a	n/a	n/a	n/a	√
B W N Rupasinghe (r.w.e.f. 16.12.2024)	√	√	√	√	ab	n/a
Prof A K W Jayawardena (r.w.e.f 01.01.2025)	√	√	√	√	√	n/a

Remuneration Committee Meeting Attendance

Name of Director	28.03.2025
G I U S Perera *	√
P E A B Perera	√
D S K Amarasekara (a.w.e.f 01.01.2025)	√
Prof A K W Jayawardena (r.w.e.f 01.01.2025)	n/a
B W N Rupasinghe (r.w.e.f. 16.12.2024)	n/a

Nominations & Governance Committee Meeting Attendance

Name of Director	26.08.2024	18.12.2024
S M S C Jayasuriya * (a.w.e.f. 01.01.2025)	n/a	n/a
G I U S Perera (a.w.e.f. 01.01.2025)	n/a	n/a
P E A B Perera	√	√
V G S S Kotakadeniya	√	ab
Prof A K W Jayawardena (r.w.e.f 01.01.2025)	√	√
B W N Rupasinghe (r.w.e.f. 16.12.2024)	√	√
W A P Perera (r.w.e.f 21.05.2025)	√	√

The Meeting of the NEDs was also held on the same date.

CORPORATE GOVERNANCE POLICIES OF THE COMPANY

Policy on Matters Relating to the Board of Directors

The Board of Directors at Sierra Cables PLC is responsible for providing strategic governance, overseeing financial performance, managing risks including sustainability-related risks and ensuring compliance with laws and ethical standards. The Board integrates sustainability into its strategy, approves related policies and oversees transparent reporting and stakeholder engagement on environmental, social and governance (ESG) matters. Committees may be established to support these functions with clear roles and accountability. The Board's composition balances skills, experience, diversity, and independence with regular meetings and performance evaluations to ensure effective governance and sustainability outcomes. Comprehensive records are maintained and progress is reported regularly to stakeholders ensuring transparency and adherence to regulations and best practices.

Policy on Board Committees

Board of Directors of Sierra Cables PLC may form Board and Management Committees to support its duties, delegate powers, and ensure effective governance. The Company is required to establish key Board Committees including Nominations & Governance Committee, Talent Development & Remuneration Committee, Audit Committee, Related Party Transactions Review Committee, Integrated Risk Management Committee and Sustainability Committee, in line with Colombo Stock Exchange rules and relevant standards. Each committee must have clear terms of reference, at least three directors (including two Independent Directors) and be chaired by an Independent Director who is not the Chairperson of the Board. Committees should consist of members with relevant expertise, have a designated Secretary, rotate members to encourage diverse perspectives and report on their activities at the Annual General Meeting.

Policy on Corporate Governance, Nominations and Re-Election

The Policy on Corporate Governance, Nominations, and Re-Election of Sierra Cables PLC outlines a transparent and structured process for appointing and re-electing board members to support strong governance and strategic alignment. It applies to all board and committee appointments with a Nominations and Governance Committee comprised mainly of Independent, Non-Executive Directors responsible for identifying, evaluating and recommending candidates based on relevant skills, experience, independence, diversity and alignment with corporate goals. Re-election is based on periodic performance reviews and adherence to governance standards with recommendations made to the

Board and ultimately approved by shareholders. The policy ensures full disclosure of nominee information and potential conflicts of interest and requires periodic review and Board approval for any amendments.

Policy on Remuneration

The Remuneration Policy of Sierra Cables PLC expects to attract, retain and motivate talent by offering competitive compensation aligned with market standards and Company performance. Executive Directors receive a base salary, perquisites and performance-based bonuses, with remuneration levels reviewed annually and benchmarked against similar companies. Non-Executive Directors are paid a monthly retainer and meeting fees, including additional fees for participation in Board Sub Committees. Alternate Directors are compensated per meeting in place of the Director they represent. The CEO's remuneration is performance-based and aligned with market standards. Bonuses for Executive Directors include both fixed and variable components, with the variable portion tied to performance.

Policy on Internal Code on Business Conduct and Ethics

The Internal Code on Business Conduct and Ethics of Sierra Cables outlines the expected ethical standards for directors and officers, emphasizing integrity, loyalty, legal compliance and accountability. It guides proper handling of conflicts of interest, protection of confidential information, accurate financial reporting, fair use of Company assets and responsible trading of Company securities. Directors and officers must declare personal interests, avoid personal gain from Company opportunities and report unethical or illegal behaviour without fear of retaliation. Compliance with laws is mandatory and any violations may lead to disciplinary action. Annual declarations of compliance are required, and waivers of the Code, if any must be approved by the Board of Directors.

Policy on Risk Management and Internal Controls

Sierra Cables PLC is committed to safeguarding its assets and investments through a robust risk management and internal control framework. This policy applies to all employees, departments and encourages stakeholders to support its provisions. The Company regularly identifies and assesses various risks including strategic, market, operational, regulatory, reputational and sector-specific risks and employs strategies like risk avoidance, reduction, sharing and acceptance to mitigate them. SIERRA promotes a controlled culture with well-established processes, segregation of duties, authorization

controls and physical security measures to protect assets and ensure operational continuity. Compliance with laws and industry standards is maintained, with risk ownership assigned to business unit heads who regularly review controls. Internal audits provide independent evaluations, and all employees are responsible for reporting any control weaknesses. The policy supports sustainable operations, informed decision-making, and continuous improvement and is reviewed periodically to remain effective.

Policy on Relations with Shareholders and Investors

Sierra Cables PLC is committed to transparent, accurate and timely communication with its shareholders, investors and other stakeholders ensuring they receive all material information about the Company's governance, operations, financial performance and future prospects. Communication is managed through designated spokespersons and official channels such as the Company website, social media, press releases and annual general meetings with proper attention to confidentiality and regulatory compliance. The Company proactively addresses market rumours, provides access to analysts and the media and encourages shareholder engagement and feedback. Material information is disclosed promptly following a clear approval process while insiders are strictly regulated to prevent misuse of confidential data. Major developments and crisis situations are handled with special care, ensuring all stakeholders remain well-informed. The Company regularly updates its policies and provides multiple channels for stakeholders to connect and stay informed.

Policy on Environmental, Social and Governance Sustainability

The Environmental, Social, and Governance (ESG) Sustainability Policy of Sierra Cables PLC outlines the Company's commitment to responsible, inclusive and forward-thinking business practices that balance economic growth, social responsibility and environmental protection. Guided by a clear vision and mission, the Company integrates sustainability into all aspects of its operations through initiatives that support employee well-being, community development, environmental conservation and sound corporate governance. The policy sets ambitious targets for 2030 across economic, environmental and social dimensions, including reducing emissions, promoting ethical sourcing, fostering innovation and enhancing board diversity. Progress is tracked through defined key performance indicators and reported annually through a Sustainability Report, along with internal updates and stakeholder engagement to ensure transparency, accountability and continuous improvement.

Policy on Control and Management of Company Assets and Shareholder Investments

The Policy on Control and Management of Company Assets and Shareholder Investments of Sierra Cables PLC outlines the commitment to efficiently managing, protecting and utilizing its assets and shareholder funds. It applies to all employees, management and board members and covers the categorization, acquisition, use, verification, transfer, depreciation and disposal of assets including physical, intangible and investment properties. All assets are recorded in a centralized register, tagged with unique identification and managed under strict approval and documentation processes. The policy ensures shareholder investments are used strategically with clear reporting, risk management and governance oversight. Regular audits, employee training and annual policy reviews are conducted to maintain compliance, transparency and effectiveness.

Policy on Stakeholder Communication and Corporate Disclosures

The Stakeholder Communication & Corporate Disclosure Policy of Sierra Cables PLC ensures timely, accurate and transparent communication with all stakeholders including regulators, shareholders, customers, employees, suppliers, creditors and the community while complying with applicable laws and Colombo Stock Exchange (CSE) rules. The policy mandates that material information be disclosed fairly, prohibits selective disclosure or insider trading, and requires confidentiality of undisclosed material information. Communication channels include financial reports, press releases, websites, social media and direct communication with only authorized personnel permitted to speak on behalf of the Company. The policy also regulates interactions during blackout periods, ensures language accessibility for customers and upholds the Company's brand image across all platforms.

Policy on Anti-bribery and Corruption

The Anti-Bribery and Corruption Policy of Sierra Cables PLC outlines the Group's strong commitment to ethical conduct, transparency and accountability, ensuring all operations are free from fraud and corruption. The policy is applicable to all employees (excluding interns) which defines fraud and corruption broadly including bribery, extortion, facilitation payments, conflicts of interest and misuse of resources and sets out procedures for prevention, detection, reporting and response. It emphasizes strong leadership, internal controls, third-party due diligence, mandatory training and whistle-blower protection. Roles and responsibilities

CORPORATE GOVERNANCE POLICIES OF THE COMPANY

are clearly assigned across executive management, supervisors, ERM, IT, auditors and all employees ensuring compliance with national and international regulations. The policy includes clear mechanisms for confidential reporting and investigation with disciplinary actions for violations or retaliation. Regular reviews, monitoring by the Compliance Department and authority for justified exceptions (by Chief Human Resources Officer / Group Managing Director) ensure its effectiveness and alignment with evolving risks and legal requirements.

Policy on Whistleblowing

Sierra Cables PLC is committed to promoting honesty, integrity and transparency by encouraging employees and stakeholders to report any unethical or illegal conduct without fear of retaliation. This whistleblowing policy covers all forms of fraud, misconduct, harassment, safety violations and breaches of laws or company policies. Reports can be made to immediate supervisors, the Head of Enterprise Risk Management and will be treated with strict confidentiality. The Company protects whistle-blowers from any retaliation and will take disciplinary action against anyone who retaliates. Upon receiving a report, a fair and impartial investigation will be promptly conducted and appropriate actions taken. This policy applies to all employees and stakeholders and is reviewed periodically to ensure its effectiveness.

Terms of Reference for Board Members

The Terms of Reference for Board Members of Sierra Cables PLC define the general roles, responsibilities and appointment criteria for Executive, Non-Executive, Independent, Alternate Directors, the Chairman, the Managing Director/CEO, the Senior Independent Director (SID) and Senior Advisors in line with the Colombo Stock Exchange rules and the Companies Act. Executive Directors manage day-to-day operations and strategic direction while Non-Executive and Independent Directors contribute to oversight, governance and policy. The Chairman leads the Board, ensuring balance, effectiveness and stakeholder communication and the SID acts as an intermediary and shareholder liaison especially when the Chairman lacks independence. Alternate Directors may serve in exceptional cases and must meet independence criteria if substituting for an Independent Director. Senior Advisors offer non-binding, strategic counsel without voting rights to support Board deliberations. All roles are subject to formal appointment procedures, annual evaluations and ongoing compliance with governance standards.

RISK MANAGEMENT REVIEW

Risk management plays a vital role in identifying the specific risks pertaining to a Company thereby providing an avenue to address the potential risks in facilitating proactive and sustainable value creation. By implementing a strong risk management framework, a Company can effectively identify, analyze, and respond to risk factors, thereby mitigating future risks. Therefore, a robust risk management foundation will reinforce a Company's ability to confront challenges, both internal and external, thereby driving uninterrupted growth of the Company.

Risk Landscape in FY 2024/25

The risk environment during the financial year was mainly molded by the macroclimate at the time. Hence, the subdued performance of the economy during the first half of the year and the slow growth witnessed towards the second half of the year had an impact on our operations and performance. The contraction of the key economic sectors including the construction sector that is directly related to the electrical wire and cable industry as well as the other economic stressors such as high interest regime, commodity price hikes, inflationary pressure, supply conditions and tax increase all continue to weigh on the business environment during the period.

The construction sector in particular demonstrated a marked decline severely impacting on our performance. On the supply side, the high cost of raw materials due to exchange rate volatility, the increase in other input prices and substandard products of competitors continue to impact our operations. On the demand side, domestic demand witnessed a marked reduction due to pressure on the disposable income driven by unpredictability of the performance of key economic indicators. Likewise, the project market also witnessed a considerable reduction curtailing new investments into construction projects.

These factors contributed to the Company's risk profile necessitating timely internal controls and risk management to safeguard our operations against the impediments in ensuring strong performance during the year.

Approach To Risk Management

At Sierra Cables, risk management is considered an ongoing, forward-looking process that is steered by the Company's leadership and robust risk management framework that encompasses all levels of operations. The Board of Directors hold the ultimate responsibility of managing risks, communicating risk strategy and approving policies for effective risk management, while the Audit Committee reviews the comprehensive risk profile and receives quarterly reports on risk management, which includes individual company risk portfolios, sound internal control systems and other mitigation actions.

Strategic Business Units are held responsible for identifying, measuring, monitoring, managing and reporting risks giving due consideration to the business climate, competition, stakeholder concerns and the SBU's business goals.

Managing Risks

Board of Directors



Retains overall accountability for the governance of risk and effective risk management.

Board Audit Committee



Reviews the adequacy of the risk management framework by evaluating the risk management reports submitted by the respective department heads as well as from internal and external auditors.

Management



Each department head is responsible for identifying the key risks affecting the respective areas in the business that they handle and adopt appropriate risk mitigation measures with the approval of Executive Directors and CEO.

Internal audit plan is designed to identify key business risks and assess the effectiveness of measures designed to address those risks.

Any key risk identified by the External Auditors during the year's end is reported to the Board Audit Committee via the management letter.

RISK MANAGEMENT REVIEW

Three Levels of Defense

Sierra Cables utilize the industry-standard three lines of defense model to articulate accountabilities and responsibilities for managing risk. This has been instrumental in embedding effective risk management throughout the organization.

1st line of defence: Management	2nd line of defence: Board Audit Committee	3rd line of defence: Board of Directors
Each department head is responsible for identifying the key risks affecting the respective areas in the business that they handle and adopting appropriate risk mitigation measures with the approval of the Executive Directors and CEO.	Reviews the adequacy of the risk management framework by evaluating the risk management reports submitted by the respective department heads as well as from internal and external auditors.	Retains overall accountability for the governance of risk and effective risk management.
The internal audit plan is designed to identify key business risks and assess the effectiveness of measures designed to address those risks.		
Any key risk identified by the External Auditors at the year-end is reported to the Board Audit Committee via the management letter.		

Risk Management Process

The Company has implemented a well-planned risk management process that involves risk identification, analysis, mitigation, implementation and monitoring, as well as review. These steps are given below;

Risk Identification	The purpose of risk identification is to find, recognise and describe risks that might help or prevent an organization from achieving its objectives.
Risk Analysis	The purpose of risk analysis is to comprehend the nature of risk and its characteristics, including, where appropriate, the level of risk. Risk analysis involves a detailed consideration of uncertainties, risk sources, consequences, likelihood, events, scenarios, controls and their effectiveness.
Risk Mitigation	Based on the risk analysis and the likelihood and impact of the risk, the decision is taken to either accept, minimize, avoid or transfer the risks.
Implementation and monitoring	Once the risk mitigation plans have been put in place, continuous monitoring is carried out to assess the effectiveness of the measures taken.
Review	Continuous review is performed in recognition of the evolving trends of the business and external environment, and the risk strategies and plans are updated accordingly to stay ahead of the changes and potential impacts.

Risk Register

The Company maintains a risk register, which is addressed quarterly with risk owners to support the above risk management process.

Risk Culture

The Company has also inculcated a culture of risk awareness amongst its employees, emphasizing the collective responsibility of employees in risk management. Risk management is considered the responsibility of all employees and not a separate and standalone process. Therefore, exposure to regular risk awareness training is considered a vital element in the training calendar of the organization.

Key Risks

Key risks	Risk Level	Impact	Response and mitigating action in 2023/24
Financial Risk	H	Escalating cable prices due to economic challenges may lead to decreased sales and revenue, affecting financial stability. Unpredictable currency fluctuations could further impact profitability.	Implement rigorous cost analysis and control measures.
		Higher lending rates can raise borrowing costs, affecting spending, investments, and financial stability.	Explore natural hedging strategies such as matching to manage currency risk. Maintain foreign currency reserves. Maintain a proper combination of fixed and floating rates and Effective management of working capital
Market Risk	H	The decline in the local construction industry has caused reduced demand for construction-related products. This shift may result in excess production capacity and missed growth opportunities.	Diversify product portfolio to cater to different industries. Explore export markets.
		Substandard products in the market can shrink domestic market share.	Strong brand loyalty by the contractors and retail customers
Customer Risk	M	Economic hardships may impact customers' purchasing power, affecting their ability to buy cables.	Cultivate strong customer relationships. Provide flexible payment options. Adapt product offerings to suit changing needs.
		Customer retention and loyalty might decline, leading to potential revenue loss.	Enhance export market presence and place representatives at target locations.
Employee Risk	M	Migration of talented employees due to country situation could lead to a loss of critical skills and expertise. This might impact production quality, employee morale, and hinder innovation.	Implement employee retention strategies. Foster a supportive work environment.
			Identify training needs through skill gap analysis and provide ongoing as well as cross functional trainings to increase awareness of other department functions.
Inventory & Supply Chain Risk	M	Dependency on imported raw materials and poor inventory management could result in production delays, potentially leading to stockouts or increased holding costs.	Strengthen supply chain partnerships. Implement advanced inventory tracking and management systems.
Information Risk	M	Real time accurate information greatly impacts management decisions and a loss of sensitive information may lead to a loss of competitive advantage.	Regular system upgrades and implementing the ERP system inclusive of new functions. Improving cyber security to protect confidential information.

REPORT OF THE BOARD AUDIT COMMITTEE

Composition and Meetings

As at 31st March 2025 the Committee comprised the following Directors:

Mr. P E A B Perera – *Committee Chairman*

Mr. S M S C Jayasuriya – *Member (appointed w.e.f. 01st January 2025)*

Mrs V G S S Kotakadeniya – *Member (appointed w.e.f. 01st January 2025)*

Prof. A K W Jayawardane – *Member (retired w.e.f. 01st January 2025)*

Mr. B W N Rupasinghe – *Member (resigned w.e.f. 16th December 2024)*

Terms of Reference

The Audit Committee was established to assist the Board in fulfilling its oversight responsibility for the Group's financial reporting system, compliance with legal and regulatory requirements, internal control mechanism, risk management process, internal audit function and review of independence and performance of External Auditors with a view to safeguarding the interests of shareholders and all other stakeholders.

The Audit Committee Charter clearly defines the Terms of Reference, the composition and role and responsibilities of the Committee and is reviewed periodically to ensure that emerging trends in the business environment are adequately addressed within the Committee's functions.

Key Responsibilities of the Committee

- ◆ Exercising oversight in relation to compliance of published financial reports with the Companies Act No. 07 of 2007, CSE listing Rules, the SEC Act, other legal and regulatory requirements, reporting standards and governance standards.
- ◆ Review of controls in the preparation and presentation of the financial statements and ensuring the adequacy of disclosures in accordance with the Sri Lanka Accounting Standards.
- ◆ Monitoring and review of the adequacy and effectiveness of the Group's internal control system and risk management function and ensuring the Company's assets are properly safeguarded.
- ◆ Monitoring the internal audit function and carrying out discussions with the internal auditors regarding the audit Program, audit findings and following up on the issues presented.

- ◆ Assessing the independence and performance of the external auditors and making recommendations to the Board relating to the appointment, re-appointment and removal of the External Auditors.
- ◆ Defining the non-audit services to be obtained from the external auditors.
- ◆ Approving remuneration and terms of engagement of the External Auditors.
- ◆ Carrying out discussions in relation to the findings arising from the annual financial statements audit.
- ◆ Recommending to the Board the approval of the Annual Report and Audited Annual Financial Statements and Quarterly Reports.

Activities in 2024/2025

Financial reporting

The Audit Committee reviewed and recommended the Company's quarterly and annual financial statements to the Board for approval, prior to release, including the extent of compliance with Sri Lanka Accounting Standards (LKASs and SLFRSs) and the adequacy of disclosures required by other applicable laws, rules and guidelines. Accordingly, the Committee ensured that an effective of financial reporting system is in place providing reasonable assurance on the reliability and timeliness of the information provided to the stakeholders.

The Board obtained declarations from CEO and the group CFO that Company's interim and annual financial statements are prepared in conformity with applicable accounting standards, relevant laws and regulations and gives true and fair view of the financial position and performance, risk management and effectiveness of the internal controls.

Furthermore, discussions were carried out in consultation with the management on the accounting developments and tax regulations that were likely to affect the financial statements.

Internal Audit, Risk and Controls

The Committee reviewed the Internal Audit plan at regular intervals and accommodated changes to suit the operating environment and business needs. Performance of the Internal Auditors and the resourcing requirements were also monitored and discussed.

Monitoring of follow-up action was done to ensure audit findings are addressed in a timely manner.

The Committee also reviewed the adequacy and effectiveness of internal controls and risk management methods in place highlighting areas which required attention by the Board. Upon reviewing the processes established for identification, evaluation and management of operational risks faced by the Company during the year, the Committee was satisfied that an effective system of internal controls was in place to safeguard the Company's assets.

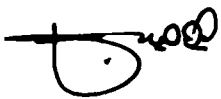
External Audit

Messrs. KPMG were appointed as the External Auditors of the Company since the Company's inception. As the engagement partner was rotated every 5 years, the Audit Committee is satisfied that the independence and objectivity of the External Auditors has not been adversely influenced by the firm's years of engagement or any event or audit/non audit services that could result in a conflict of interest. Due consideration has been given to the level of audit fees received by the External Auditors. The Company has not obtained any non audit services from KPMG during the year under review.

The Committee also reviewed the arrangements made by the Auditors to maintain their independence and a confirmation has been received from the Auditors of their compliance with the independence guidance given in the Code of Ethics of the Institute of Chartered Accountants of Sri Lanka. On such declaration of independence, the Committee made a determination of the independence of auditors during the period under review. The performance of the External Auditors has been discussed with the senior management of the Company and the Audit Committee has recommended to the Board that Messrs. KPMG, Chartered Accountants be re-appointed as External Auditors for the ensuing financial year, subject to approval by the shareholders at the Annual General Meeting.

Committee Effectiveness

The performance of the Committee is reviewed annually as part of the Board effectiveness review. The Committee completed its self-assessment for the year 2024/25, conducted by the Chairman and Committee Members and the review concluded that the Committee continues to operate effectively.



Mr. P.E.A.B. Perera
Chairman- Audit Committee

26th August 2025

REPORT OF THE BOARD REMUNERATION COMMITTEE

Composition and Meetings

As at 31st March 2025 the Committee comprised the following Directors:

Prof. G I U S Perera - *Committee Chairman (appointed w.e.f. 01st January 2025)*
Mr. P E A B Perera - *Member*
Mr. D S K Amarasekera – *Member (appointed as a member w.e.f. 01st January 2025)*
Prof. A K W Jayawardane – *Committee Chairman (retired w.e.f. 01st January 2025)*
Mr. B W N Rupasinghe - *Member (Resigned w.e.f. 16th December 2024)*

Terms of Reference

The committee's terms of reference outline the composition, role and responsibilities of the committee.

The objective of the Committee is to ensure that appropriate human resource policies and practices are adopted across the Group and a strong remuneration framework is in place to attract, retain and motivate high caliber Key Management Personnel (KMP) who contribute positively to achieving the Company's strategic goals.

Remuneration Policy

The remuneration policy of Sierra Cables PLC is designed to:

- ◆ Attract and retain high caliber individuals.
- ◆ Provide a competitive total compensation package including benefits.
- ◆ Ensure fair and equitable compensation.
- ◆ Be in line with the industry benchmarks and individual performance standards.
- ◆ Ensure compliance with the laws and regulations applicable in the country.

Key Responsibilities of the Committee

- ◆ Set the principles, parameters and governance framework of the Company's remuneration policy.
- ◆ Make recommendations to the Board regarding the Company's remuneration practices ensuring those are in line with the overall business strategy, objectives and long-term interests of the Company.
- ◆ Make recommendations to the Board regarding the remuneration of the Chairman,
- ◆ Executive Directors and Chief Executive Officer.
- ◆ Succession Planning for key positions of the Company.

Activities in 2024/2025

- ◆ Evaluated the Company Remuneration Policy against the current market trends and industrial norms.
- ◆ Evaluated the performance of the Executive Directors including the Chief Executive Officer as well as the individual and collective performance of Directors and Senior Management.
- ◆ Reviewed, monitored and evaluated performance of Key Management Personnel as well as their development needs and succession planning.

Committee Effectiveness

The annual evaluation of the performance of the Committee was carried out by its members and the results communicated to the Board. The Committee was deemed to be operating effectively.

The Committee will continue to assist the Board of Directors by strengthening and presenting policies and systems aimed towards reinforcing the Human Capital resource in line with strategic business priorities and provide opportunities to the employees to enhance and acquire new skills and knowledge within the Company for their career progression.



Prof. G. I. U.S. Perera

Chairman-Remuneration Committee

26th August 2025

REPORT OF THE BOARD RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

Composition and Meetings

As at 31st March 2025 the Committee comprised the following Directors:

Prof. G I U S Perera - Committee Chairman (appointed w.e.f. 01st January 2025)

Mr. P E A B Perera - Member

Mr. M A P N Weerasinghe - Member w.e.f. 01st January 2025

Mr. B W N Rupasinghe - (resigned w.e.f. 16th December 2024)

Prof. A K W Jayawardane - Member (retired w.e.f. 01st January 2025)

Terms Of Reference

The Committee is governed by the mandate approved by the Board of Directors which encompasses the Committee's purpose, duties and responsibilities. The Committee assists the Board in fulfilling its oversight responsibilities pertaining to all aspects of related party transactions in line with the listing rules of the Colombo Stock Exchange and the Code of Best Practice on Related Party Transactions issued by the Institute of Chartered Accountants of Sri Lanka. In doing so, the Committee places emphasis on ensuring that procedures are in place to ensure that the Company does not engage in any transactions with related parties in a manner that would be more advantageous to such parties and acts in the interest of the shareholders.

Key Responsibilities of The Committee

- ◆ Ensuring the effectiveness of the mechanisms implemented for documenting related
- ◆ party transactions in line with LKAS 24 and CSE listing rules.
- ◆ Establishing threshold values for each transaction and making recommendations on related party transactions which have to be pre-approved by the Board, those that require immediate market disclosure, those that require Shareholder approval and those which require disclosure in the Annual Report.
- ◆ To review in advance all proposed related party transactions of the Group either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such review, prior to the completion of the transaction.
- ◆ Obtain competent independent professional advice to assess all aspects of proposed related party transactions where necessary. Additionally, the Committee is authorised to access data and information pertaining to Related Parties as well as obtain clarifications from the Management & Auditors (External or Internal) on any associated matter.

Activities In 2024/2025

- ◆ The Committee reviewed all recurrent and non-recurrent related party transactions and their compliance and communicated their observations to the Board.
- ◆ A detailed disclosure of all the related party transactions including Recurrent and Non Recurrent related party transactions which are required to be disclosed under section 9.3.2 of the Listing Rules of the Colombo Stock Exchange has been made in Note 33 to the Financial Statements on pages (142-144).

Committee Effectiveness

The annual evaluation of the performance of the committee was carried out by its members and the committee was deemed to be operating effectively. The Committee will continue to assist the Board of Directors by reviewing all related party transactions and ensuring that:

- ◆ They comply with Section 9.14 of the Listing Rules of the Colombo Stock Exchange.
- ◆ The Shareholder interests are safeguarded.
- ◆ They are carried out at arms-length on fair, transparent and commercial terms.

A declaration by the Board of Directors as an affirmative statement of compliance with the Listing rules pertaining to RPTs is given in the Report of the Board of Directors set out in page 87 of the report.



Prof. G I U S Perera

Chairman-Related Party Transactions Review Committee

26th August 2025

REPORT OF THE NOMINATIONS AND GOVERNANCE COMMITTEE REPORT

SIERRA CABLES PLC
Annual Report 2024/25

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Composition and Meetings

As at 31st March 2025 the Committee comprised the following Directors:

- ◆ Mr. S M S C Jayasuriya – Committee Chairman (appointed w.e.f. 01st January 2025)
- ◆ Mr. P E A B Perera – Member (appointed w.e.f. 6th September 2024)
- ◆ Prof. G I U S Perera – Member (appointed w.e.f. 01st January 2025)
- ◆ Mrs. V G S S Kotakadeniya – member (appointed w.e.f. 6th September 2024)
- ◆ Prof. A K W Jayawardane (served as Committee Chair from 6th September 2024 until his retirement on 01st January 2025)
- ◆ Mr. B W N Rupasinghe (served as member from 6th September 2024 until his resignation on 16th December 2024)
- ◆ Mr. W A P Perera – (stepping down as Committee Chair served in the capacity of member from 6th September 2024 until his resignation on 28th May 2025)

Terms of Reference (TOR) of the Committee

The Board renamed its previously established Nominations Committee to Nominations and Governance on 6th September 2024 and enhanced its scope of duties in compliance with revised Corporate Governance Rules of the Colombo Stock Exchange. The Committee has adopted Section 9.11 of the Listing Rules of the Colombo Stock Exchange as its Terms of Reference.

Key Functions of the Committee

The Policy in place mandates the Committee to adopt best practices in ensuring that the Company maintains the highest standard of ethics while building value for all stakeholders. The Committee lead the process of all board nominations, board and subcommittee appointments taking into consideration their experience, skills, age, gender and independence/relationships; re-election and re-appointment; board induction, evaluation and discussion of outcomes at Board level; periodic succession planning for Board members in consultation with the Chairman; and review the CG framework considering applicable laws, rules and regulations, and continue to strengthen the Company's governance practices to promote transparency, accountability and shareholder confidence.

Key Activities in 2024/2025

During the year under review, having assessed the fitness and propriety of the incumbent Directors, the Committee recommended the following Directors for re-election for the ensuing year under the provisions of Articles of Association of the Company.

1. To re-elect Mr. P D G Jayasena and in terms of Article No. 91 of the Articles of Association of the Company
2. To re-elect Mr. D S K Amarasekara in terms of Article No. 91 of the Articles of Association of the Company

3. To re-elect Prof G I U S Perera in terms of Article No. 97 of the Articles of Association of the Company
4. To re-elect Mr. S M S C Jayasinghe in terms of Article No. 97 of the Articles of Association of the Company
5. To re-elect Mr. I C Nanayakkara in terms of Article No. 97 of the Articles of Association of the Company
6. To re-appoint Mr. D S Panditha who is over 70 years of age as an Executive Director.

In its review the Committee also considered the aspects of independence/non independence, years of service, last re-election, collective skills and expertise that add value to the strategic needs of the Board and or its subcommittees, other principal obligations/positions held at present and over the last three years in listed entities.

Evaluation of the Board Members including the CEO on performance, is undertaken annually. Responses are evaluated by the Chairman and recommendations or concerns discussed with the Board at a meeting and appropriate actions taken.

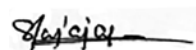
The Executive Directors as a practice, discuss key issues relating to the Company/Group and obtain feedback from the independent directors prior to implementation of decisions.

The Company Secretaries and the Management ensure that the Board of Directors are kept updated of changes to laws, rules, regulations including the Listing Rules and applicable capital market provisions. Furthermore, the directors participate in related regulatory forums when necessary.

Subject to the transitional provisions provided for the age limit and years of service till 1st January 2025, all other criteria specified by the Listing Rules of the Colombo Stock Exchange have been met by the independent directors.

Key concerns of the Committee are escalated to the executive board members immediately for necessary action. The effectiveness of the Committee was evaluated at year end by each member and results reviewed and gaps communicated to the Board.

The Committee reviewed the level of compliance with the Corporate Governance Framework and confirm that all applicable requirements under Section 9 of the Listing Rules have been met as described in the Corporate Governance Report on pages 52-64.



Mr. S.M.S.C Jayasuriya

Chairman

Nomination and Governance Committee

26th August 2025

DIRECTORS' DECLARATIONS

Name of the Director	Directorates as at 31.03.2025	Nature of appointment
I C Nanayakkara	Sierra Cables PLC	Non-Executive Chairman
	Brown & Company PLC	Executive Chairman
	L O L C Holdings PLC	Executive Chairman
	Browns Investments PLC	Executive Chairman
	Agstar PLC	Non-Executive Chairman
	LOLC Capital (Pvt) Ltd	Director
	Ceylon Graphene Technologies (Pvt) Ltd	Chairman
	LOLC Advanced Technologies (Pvt) Ltd	Director
W D C H Jayathunga	Sierra Cables PLC	Executive Director
D S Panditha	Sierra Cables PLC	Executive Director
	Bhagya Industries (Pvt) Ltd	Director
	Xeptagon (Private) Limited	Director
	T & G Lanka (Pvt) Ltd	Director
P E A B Perera	Sierra Cables PLC	Non-Executive Director
	Cargills Bank PLC	Non-Executive Director
V G S S Kotakadeniya	Sierra Cables PLC	Non-Executive Director
	LOLC General Insurance PLC	Non-Executive Director
	Seylan Bank PLC	Non-Executive Director
	Maturata Plantations Ltd	Non-Executive Director
	Browns Metal & Sands (Pvt) Ltd	Non-Executive Director
	Hapugastenne Plantations PLC	Non-Executive Director
	Udapussellawa Plantations PLC	Non-Executive Director
M A P N Weerasinghe	Sierra Cables PLC	Executive Director
	L O L C Geo Technologies (Private) Limited	Director
	Browns Properties (Pvt) Ltd	Director
	Browns Teas (Pvt) Ltd	Director
	B.G Air Services (Pvt) Ltd	Director
	Browns Metal & Sands (Pvt) Ltd	Director
	FLPC Management (Pvt) Ltd	Director
	Browns Piling (Private) Ltd	Director
	Iconic Trust (Pvt) Ltd	Director
	Agstar PLC	Director
	Sansun Boutique (Pvt) Limited	Director

DIRECTORS' DECLARATIONS

Name of the Director	Directorates as at 31.03.2025	Nature of appointment
	Browns Developments Limited	Director
	Agstar Grains (Pvt) Ltd	Director
	Agstar CropCare (Pvt) Ltd	Director
	Agstar Seeds (Pvt) Ltd	Director
	Prith Seeds (Pvt) Ltd	Director
	Royal Seeds Company (Pvt) Ltd	Director
	Mahaweli Agro Trading (Pvt) Ltd	Director
P G D Jayasena	Sierra Cables PLC	Non-Executive Director
	LOLC Eco Solutions Ltd	Director
	LOLC Investments Ltd	Director
	LOLC Motors Limited	Director
	United Dendro Energy Ambalanthota (Pvt) Ltd	Director
	United Dendro Energy Walaweatte (Pvt) Ltd	Director
	Thurushakthi (Pvt) Ltd	Director
	East Coast Land Holdings (Pvt) Ltd	Director
	Green Orchard Property Investments (Pvt) Ltd	Director
	Eagle Recoveries (Pvt) Limited	Director
	Dickwella Resorts (Pvt) Ltd	Director
	Sundaya Lanka (Private) Limited	Director
	L O L C Property Six (Private) Limited	Director
	L O L C Eco Technologies (Private) Limited	Director
	L O L C Investment Holdings Four (Private) Limited	Director
	Leapstitch Apparel (Private) Limited	Director
	LOLC Serendib (Pvt) Ltd	Director
	Commercial Factors (Private) Limited	Director
	B I Commodities and Logistics (Private) Limited	Director
	B G Air Services (Private) Limited	Director
	B I Zhongtian Holdings (Private) Limited	Director
	Browns Global Farm (Private) Limited	Director
	Browns Leisure (Private) Limited	Director
	Browns Properties (Private) Limited	Director
	Browns Teas (Private) Limited	Director
	F L P C Management (Private) Limited	Director
	General Accessories and Coating (Private) Limited	Director
	Green Paradise (Private) Limited	Director
	Sagasolar Power (Private) Limited	Director
	Sun & Fun Resorts (Private) Limited	Director

Name of the Director	Directorates as at 31.03.2025	Nature of appointment
	Iconic Property 3 (Private) Limited	Director
	Iconic Property 5 (Private) Limited	Director
	Iconic Property 6 (Private) Limited	Director
	Iconic Property 8 (Private) Limited	Director
	Iconic Property 9 (Private) Limited	Director
	Iconic Property 10 (Private) Limited	Director
	Iconic Property 13 (Private) Limited	Director
	Iconic Property 15 (Private) Limited	Director
	Iconic Property 17 (Private) Limited	Director
	Iconic Property 18 (Private) Limited	Director
	Iconic Property 21 (Private) Limited	Director
	Monkey Beach Estate (Pvt) Ltd	Director
	LOLC Factors Limited	Director
	LOLC Investment Holdings Two (Pvt) Ltd	Director
	Browns Engineering and Construction (Pvt) Ltd	Director
	Tropical Villas (Pvt) Ltd	Director
	Browns Property Holdings (Pvt) Ltd	Director
	Ceylon Roots Lanka (Pvt) Ltd	Director
	Sansun Boutique Hotels Limited	Director
S M S C Jayasuriya	Sierra Cables PLC	Non-Executive Director
	Agstar PLC	Non-Executive Director
	CBC Finance PLC	Non-Executive Director
G I U S Perera	Sierra Cables PLC	Non-Executive Director
D S K Amarasekara	Sierra Cables PLC	Non-Executive Director
	Browns Investments PLC	Non-Executive Director
	Browns Capital PLC	Non-Executive Director
	Eden Hotel Lanka PLC	Non-Executive Director
	Palm Garden Hotels PLC	Non-Executive Director
	Serendib Hotels PLC	Non-Executive Director
	Dolphin Hotels PLC	Non-Executive Director
	Hotel Sigiriya PLC	Non-Executive Director
	Ceylon Hotels Corporation PLC	Non-Executive Director
	Hapugastenne Plantations PLC	Non-Executive Director
	Udapussellawa Plantations PLC	Non-Executive Director
	Tea Smallholder Factories PLC	Non-Executive Director



FINANCIAL CONTENT

- 83 - Statement of Directors' Responsibility
- 84 - Chief Executive Officer's and Group Chief Financial Officer's Responsibility Statement
- 85 - Annual Report of The Board of Directors
- 90 - Independent Auditors' Report
- 94 - Income Statement
- 95 - Statements of Profit or Loss and Other Comprehensive Income
- 96 - Statement of Financial Position
- 98 - Consolidated Statement of Changes in Equity
- 100 - Statement of Cash Flow
- 102 - Notes to the Financial Statements

STATEMENT OF DIRECTORS' RESPONSIBILITY

The responsibility of the Directors in relation to the Financial Statements for the year ended 31st March 2025 which have been prepared and presented in conformity with the requirements of the Sri Lanka Accounting Standards, the Listing Rules of the Colombo Stock Exchange and the Companies Act No.7 of 2007, is set out in the following statement.

The responsibility of the Auditors in relation to the Financial Statements is set out in the Report of the Auditors on pages 69 to 72 of the Report. As per the provisions of the Companies Act No. 7 of 2007, the Directors are required to prepare Financial Statements, for each financial year and place before a General Meeting which comprise of:

- 1) An Income Statement, which presents a true and fair view of the profit and loss of the Company and its subsidiaries for the financial year;
- 2) A Statement of Financial Position, which presents a true and fair view of the state of affairs of the Company and its subsidiaries as at the end of the financial year;
- 3) A Statement of Changes in Equity which presents a true and fair view of the changes in the Company's and its subsidiaries retained earnings for the financial year;
- 4) A Statement of Cash Flow which presents a true and fair view of the flow of cash in and out of the business for the financial year

and which comply with the requirements of the Act.

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

- ◆ The appropriate accounting policies have been selected and applied in a consistent manner. Material deviations, if any have been disclosed and explained;
- ◆ All applicable Accounting Standards, as relevant, have been followed;
- ◆ Judgements and estimates have been made which are reasonable and prudent.

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

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

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

The Directors are required to prepare the Financial Statements and to provide the Auditors with every opportunity to take whatever steps and undertake whatever inspections they may consider to be appropriate to enable them to give their Audit Opinion.

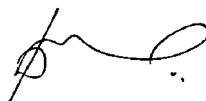
The Directors are of the view that they have discharged their responsibilities as set out in this statement.

Compliance Report

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

The Board of Directors confirms that the Company, based on the information available, satisfies the Solvency test as and when required according to the Section 56 (2) of the Companies Act No 07 of 2007.

By order of the Board



Mr. I C Nanayakkara
Chairman/Non-Executive Director
(Appointed w.e.f. 28.05.2025)

26th August 2025

CHIEF EXECUTIVE OFFICER'S AND GROUP CHIEF FINANCIAL OFFICER'S RESPONSIBILITY STATEMENT

The Financial Statements of the Company are prepared in compliance with the following regulations;

- ◆ Sri Lanka Accounting Standards (SLFRS/LKAS) issued by The Institute of Chartered Accountants of Sri Lanka
- ◆ The Companies Act No. 07 of 2007
- ◆ Sri Lanka Accounting & Auditing Standards Act No.15 of 1995
- ◆ Code of Best Practice on Corporate
- ◆ Governance issued by CA Sri Lanka.

The Company has used the Accounting policies appropriately to prepare its Consolidated Financial Statements in a consistent manner except unless otherwise stated in the Notes accompanying the Financial Statements. No deviations from the prescribed Accounting Standards were reported in their adoption. The Audit committee of the Company has reviewed significant accounting policies and estimates that involved a high degree of judgement and complexity. The Comparative information has been provided whenever required to comply with the current presentation.

The Board and the Management hereby confirms that they are responsible for preparation and presentation of these financial statements which give a true and fair view of the financial performance and position of the Company. The relevant estimates and judgements were made on a prudent and reasonable basis. For this purpose, proper and adequate measures have been taken to adopt a system of internal controls and accounting records, which are reviewed and updated on a regular basis.

The Company continuously update its accounting controls to ensure prudence and completeness of the financial statements which ensures that the accounting records are free from error and omission. The existing internal controls are regularly reviewed and updated in order to ensure that it functions properly. All procedure manuals are updated whenever necessary and they are easily accessible to all the staff.

The Financial Statements of the Company and its subsidiaries for the financial year end of 31st March 2025 were audited by Messrs. KPMG, Chartered Accountants. Periodic internal audits have been conducted by the internal auditors of the Company to provide reasonable assurance that the Company has followed its established policies and procedures consistently. However, there are inherent limitations that should be recognised in weighing the assurances provided by any system of internal controls and accounting.

The internal and external auditors of the Company are invited to join the quarterly Audit Committee meetings as and when required to review the performance or to discuss on the audit procedures adopted. Major audit observations and issues regarding any internal controls are discussed with the management during the meetings. Both auditors have free and full access to the members of the Audit committee to discuss any matters of substance.



Mr. Harsha Jayatunga
Chief Executive Officer



M I I Ibrahim
Group Chief Financial Officer

26th August 2025

ANNUAL REPORT OF THE BOARD OF DIRECTORS

SIERRA CABLES PLC
Annual Report 2024/25

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The Directors of Sierra Cables PLC takes pleasure in presenting its Annual Report together with the Audited Financial Statements for the year ended 31st March 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are manufacturing, marketing and distribution of power cables.

Sierra Cables East Africa Limited is engaged in sales of wires and cables in Kenya. Its associate and joint venture companies, T & G Lanka (Private) Limited and Cables PTE Limited respectively, have also diversified into manufacturing of cables. Furthermore, cable manufacture and sale operations have been expanded to Zambia and Maldives.

The Company's associate investment, The Tea Leaf Resort Holding (Private) Limited, which has not commenced commercial operations is subject to a voluntary winding up in accordance with the provisions of the Companies Act No. 07 of 2007.

REVIEW OF OPERATIONS

A review of the Company's business and its performance during the financial year is contained in the Chairman's message on pages 14-17 and the Chief Executive Officer's report on pages 18-21 of the Annual Report, together with the Financial Statements which reflects the state of affairs of the Company.

FINANCIAL STATEMENTS

The Directors are responsible for the preparation of Financial Statements of the Company to reflect a true and fair view of the state of its affairs.

The Financial statements together with the Notes thereon, found on pages 94 to 155 are in compliance with Sri Lanka Accounting Standards and the requirements of the Companies Act No. 7 of 2007.

AUDITORS' REPORT

M/s KPMG Chartered Accountants have carried out the audit of the Financial Statements for the financial year ended 31st March 2025 and their Report on the Financial Statements appear on pages 90 to 93 of this Annual Report.

AUDITORS

The Financial Statements for the year ended 31st March 2025 have been audited by Messrs. KPMG (Chartered Accountants) who offer themselves for reappointment. As far as the Directors are aware, the Auditors do not have any relationship (other than that of an Auditor) with the Company other than those disclosed

above. The Auditors also do not have any interest in the Company. The Auditors Messrs. KPMG, Chartered Accountants were paid Rs. 2,840,000/- (2023/24 Rs. 2,525,000/-) as Audit fees by the Company. A resolution relating to their re-appointment and authorizing the Directors to determine their remuneration will be proposed at the Annual General Meeting.

FINANCIAL RESULTS

The Group made Profit After Taxation of Rs. 903Mn during the year compared to Rs. 728 Mn in the previous year. The detailed results are given in the Income Statement on page 94.

DIVIDENDS

No dividends were declared by the Company during the year under review.

SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial statements are given on pages 102 to 115 and changes to accounting policies made during the accounting period is described under Note 01-04 to the Financial Statements.

PROPERTY, PLANT AND EQUIPMENT

An analysis of the Property, Plant and Equipment of the Company is disclosed in Note 12 of the Financial Statements on pages 119 to 122.

STATED CAPITAL

The stated Capital of the Company as at the date of this report is Rs. 894,565,898/- which consists of 537,512,430 ordinary voting shares. (2023/2024- Rs. 894,565,898 which consists of 537,512,430 ordinary voting shares)

RESERVES

The Group retained earnings and other reserves as at 31st March 2025 amounted to Rs. 5,319,681,506/- as compared with Rs. 4,135,809,305/- in the previous year.

DONATIONS

Donations made by the Company during the year amounted to Rs. 2,685,207/-.

CAPITAL COMMITMENTS

Capital commitments made by the Company as at the reporting period as disclosed in the Note 30 of the financial statements.

PROVISION FOR THE TAXATION

Provision for taxation of the Company is disclosed in Note 9 of the financial statements.

STATUTORY PAYMENTS

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments due to relevant authorities have been made by the Company.

CONTINGENT LIABILITIES

There were no material contingent liabilities as at the reporting date which require adjustments to or disclosure in the financials Statements.

POST BALANCE SHEET EVENTS

Post balance sheet events of the Company are disclosed in Note 31 of the financial statements.

MANDATORY OFFER BY BROWNS INVESTMENTS PLC

Pursuant to the Mandatory Offers made by Iconic Trust (Private) Limited in September 2024 and thereafter by Browns Investments PLC in March 2025 to purchase the ordinary voting shares of Sierra Cables PLC in terms of the Company Take-overs and Mergers Code 1995 as amended in 2003, Browns Investments PLC and the parties acting in concert hold 56.6% (304,271,422 Ordinary Voting Shares) of the Company.

RISK MANAGEMENT AND INTERNAL CONTROL

The details of the significant risks identified by the Company and strategies and actions adopted in managing them are set out on pages 71 to 73.

The Board of Directors declare that they have conducted a review of the internal controls covering financial, operational and compliance controls and risk management through the Audit Committee.

The Enterprise Risk Management Division (ERM) periodically assesses procedures in relation to established guidelines for risk management and internal controls. The Audit Committee receive the ERM findings and any flaws or vulnerabilities found are communicated with the pertinent operational staff to ensure that the gravity of the position is understood by all and to expedite remedial action. Decisions are followed up at subsequent Board or Committee meetings. For the year under review the Directors affirm that they have received a reasonable guarantee of their effectiveness and successful adherence.

GOING CONCERN

The Directors having made an assessment of the Company's operating conditions, financial position, risks and future prospects have a reasonable expectation that the Company has adequate resources to continue its operations as a going concern in the foreseeable future.

THE BOARD OF DIRECTORS

The Board of Directors for the year under review comprise the following:

Mr. I C Nanayakkara - Chairperson/Non-Executive Director
(appointed on 28.05.2025)

Mr. D S Panditha - Executive Director

Mr. W D C H Jayatunga - Executive Director /CEO *(appointed on 27.09.2024)*

Mr. M A P N Weerasingha - Executive Director *(served as an Executive Director up to 27th September 2024; redesignated as a Non-Executive Director; re - appointed as an Executive Director on 28th May 2025)*

Mr. D S K Amarasekara - Non-Executive Director

Mrs. V G S S Kotakadeniya - Non-Executive Director

Mr. P D G Jayasena - Non-Executive Director

Mr. P E A B Perera - Independent Non-Executive Director

Mr. S M S C Jayasuriya - Independent Non-Executive Director
(appointed on 18.12.2024)

Prof. G I U S Perera - Independent Non-Executive Director
(appointed on 01.01.2025)

Mr. W A P Perera - Non- Executive Chairman *(resigned with effect from 21.05.2025)*

Prof. A K W Jayawardane – Independent Non- Executive Director
(retired on 01.01.2025)

Mr. B W N Rupasinghe - Independent Non- Executive Director
(resigned on 16.12.2024)

The Board places on record its appreciation for the contributions made by the former Chairman Mr. Priyantha Perera and Independent Directors, Prof. Ananda Jayawardane, and Mr. Nimal Rupasinghe during their tenure at Sierra Cables which has been marked by a series of developments.

The Board warmly welcomes Mr. Ishara Nanayakkara, Prof Indika Perera, Mr Sarath Jayasuriya and Mr Harsha Jayatunga who were appointed as directors and anticipate benefitting from their strategic insights and expertise in achieving significant growth.

RE-ELECTION OF DIRECTORS

In accordance with Article 91 of the Company's Articles of Association, Mr. P D G Jayasena and Mr. D S K Amarasekara, retires by rotation and being eligible, seek re-election.

In accordance with Article 97 of the Company's Articles of Association, Mr. I C Nanayakkara, Prof. G I U S Perera and Mr S M S C Jayasuriya who were appointed to the Board after the last annual general meeting will retire and seek re-election.

The Directors recommend that Mr. D S Panditha, who vacate office in terms of Section 210 (2) (b) of the Companies Act, be re-appointed as a Director of the Company, in terms of Section 211 of the Companies Act No. 7 of 2007 for a period of one year or until the conclusion of the next Annual General Meeting whichever occurs first and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Director.

BOARD COMMITTEES

The Board has established the following Committees for better monitoring and guidance of different aspects of operations and control:

The Audit Committee
The Remuneration Committee
The Related Party Transactions Review Committee
The Nominations & Governance Committee

The composition and mandate of each of these sub committees is provided by their regulatory guideline. The reports of the respective Committees are included in this Report on pages 74 to 78.

The Board sub committees are empowered to call for additional information, and also to invite key management personnel to provide further details, or to facilitate a dialogue. This enables the Board to ensure that proposed initiatives, changes to procedures or enhancing of controls are practical and also clearly communicated to the senior management.

Committee Meeting minutes are tabled at Board meetings. Thus, while the entire Board is aware of Committee deliberations and decisions, they have the assurance of knowing that matters receive the focused attention of sub committees.

COMPLIANCE WITH LAWS AND REGULATIONS

Through participation in various workshops/ forums and updates from the Company Secretaries and the Management, the Board of Directors keeps abreast of laws, rules, regulations and changes thereto, particularly to Listing Rules and applicable capital market provisions.

To the best of the knowledge of the Directors, the Company has not engaged in any activity that contravenes any applicable law or regulation, and has been in compliance with all prudential requirements, regulations and laws. Furthermore, the Directors confirm that there were no fines which are material imposed on the Company by any Governmental or regulatory authority in the country.

The Company was fully compliant with the Listing Rules of the Colombo Stock Exchange, as at 31st March 2025.

CORPORATE GOVERNANCE

Your Board of Directors is committed towards maintaining an effective corporate governance framework by effectively implementing systems and structures required to ensuring best practices in corporate governance.

The information called for by this item with respect to the practice followed by the Company is set out in the Corporate Governance Report on pages 52 to 64

RESPONSIBILITY STATEMENTS

The Chief Executive Officer's and Chief Financial Officer's responsibility statement appears on page 84. The Directors' statement on responsibility for financial reporting appears on page 83.

RELATED PARTY TRANSACTIONS

The Directors declare that the Company is in compliance with the Listing Rules of the Colombo Stock Exchange pertaining to Related Party Transactions during the financial year ended 31st March 2025 and that such transactions with the Company if any, have been disclosed while abstaining from voting on any matters of material interest.

In terms of LKAS 24, the Directors have disclosed transactions which are classified as related party transactions under Note 33.1 on pages 143 to 144 of the Financial Statements.

DIRECTORS' INTEREST IN CONTRACTS

The Company maintains an Interest Register in terms of the Companies Act No. 7 of 2007. The Directors have made declarations and disclosed their interests to the Board and those interests are recorded in the minutes and entered in the interests register as provided for in Section 192(2) of the Companies Act No. 7 of 2007.

None of the Directors had a direct or indirect interest in any contracts or proposed contracts with the Company other than as disclosed in Note 33.2.1 on page 144 to 145 of the financial statements. The Directors confirm that all material interests in contracts involving the Company have been disclosed to the Board and wherever any Director is materially interested in a contract or proposed contract with the Company, they would refrain from voting on such contracts.

The declarations made by the directors confirm that there are no financial, business, family or other material/relevant relationship(s) between Mr W A P Perera, former Chairman and or the incumbent

ANNUAL REPORT OF THE BOARD OF DIRECTORS OF SIERRA CABLES PLC

SIERRA CABLES PLC
Annual Report 2024/25

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Chairman Mr I C Nanayakkara and Mr W D C H Jayatunga, the Executive Director /CEO and/or amongst the other members of the Board

Other directorships held by the Directors in Sri Lanka are disclosed on pages 79 to 81. Directors of subsidiaries and associate companies are given on pages 22 to 27.

DIRECTORS' SHAREHOLDINGS

Name	31.03.2025	31.03.2024
I C Nanayakkara	-	-
D S Panditha	-	10,499,549
M A P N Weerasinghe	60,000	60,000
Mrs V G S S Kotakadeniya	-	-
D S K Amarasekera	-	-
P E A B Perera	-	-
P D G Jayasena	1,000	1,000
W D C H Jayatunga	-	-
S M S C Jayasuriya	-	-
G I U S Perera	-	-
W A P Perera (r.w.e.f 01.01.2025)	598,078	598,078
B W N Rupasinghe (r.w.e.f 16.12.2024)	-	-
Prof. A K W Jayawardane (r.w.e.f 01.01.2025)	-	-

DIRECTORS REMUNERATION AND OTHER BENEFITS OF DIRECTORS

Directors' remuneration in respect of the Company for the financial year 2024/2025 is given in Note 33.2.1 to the financial statements on page 94 to 155.

FIT AN PROPER ASSESSMENT OF DIRECTORS

In accordance with Rule 9.7.4 of the Colombo Stock Exchange's Listing Rules, declaration were obtained from the directors attesting to their continuous satisfaction of the Listing Rules' fit and proper assessment criteria as of the declaration date and through out the financial year under review.

HUMAN RESOURCES

Human Capital Strategies of the Company are based on respected HR practices to attract and retain right people. Policies are in place to develop and motivate the workforce for current and future business needs of the Company.

Disciplinary matters are dealt according to the board approved policies in compliance with labour regulations. There was no occurrence of any issue detrimental to the harmonious industrial relations of the Company during the year under review which required disclosure under Rule 7.6 (vii) of the Listing Rules.

CODE OF ETHICS

The Board sets the tone from the top to instil the right behaviours across all levels, from directors to staff, based on the Company's Code of Business Conduct and Ethics, which provides guidance to ensure duties are carried out with the highest standards of integrity. This also enable the Company to manage any potential impact with fair treatment. The Board confirms that there has not been any material breach of the Code during the year under review.

FAIR TREATMENT FOR STAKEHOLDERS

The Company has taken necessary measures to ensure fair and equitable treatment for all its stakeholders.

SHAREHOLDERS INFORMATION

The distribution and analysis of shareholding is given on page 157.

PUBLIC SHAREHOLDING

As at 31st March 2025 the public shareholding was 43.282% (2024 – 42.07%) representing 232,648,430 shares (2024 – 226,132,791) held by a total of 20,522 public shareholders (2024 – 20,396)

FLOAT ADJUSTED MARKET CAPITALISATION

The float adjusted market capitalization for the year ended 31st March 2025 was Rs. 3,652,000,000/-.

The float adjusted market capitalization of the Company falls under Option-4 as per section 7.13.1 (a) of the Listing Rules of Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

ANNUAL REPORT

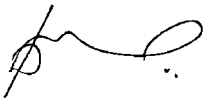
The Board of Directors approved the Consolidated Financial Statements on 25 08 2025. The appropriate number of copies of this report will be submitted to the Colombo Stock Exchange and to the Sri Lanka Accounting and Auditing Standards Monitoring Board within the stipulated time frame.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held on Thursday, 25th September 2025 at 10.30 a.m. as a virtual meeting and the Notice of Meeting is on pages 160 to 161.

Immediately following the routine business, a special item has been included into the Notice of Meeting under item 10, for the purpose of considering and if thought fit to pass the Special Resolution to amend Articles 77 (l) and 81 of the Articles of Association of the Company to reflect requirements pertaining to Number of Directors and Alternate Directors under Section 9 of the Listing Rules of the Colombo Stock Exchange.

By Order of the Board



I C Nanayakkara
Chairman / Non-Executive Director
(Appointed w.e.f. 28.05.2025)



W D C H Jayatunga
Executive Director/CEO



LOLC Corporate Services (Private) Limited
Secretaries

26th August 2025
Colombo

INDEPENDENT AUDITORS' REPORT

SIERRA CABLES PLC
Annual Report 2024/25

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

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

To the Shareholders of Sierra Cables PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sierra Cables 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 March 31, 2025, and the income statement, 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 94 to 155 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 March 31, 2025, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Carrying value of Inventories

Refer note 17 to the financial statements and the accounting policies in note 3.6 to the Financial Statements.

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.

Risk Description	Our response
The Company and the Group recorded inventories of Rs. 3.753 Bn as at 31st March 2025.	Our audit procedures included; ◆ Obtaining an understanding and assessing the design, implementation, and operating effectiveness of management's key controls over the inventory valuation and monitoring.
The Company and the Group have a significant amount of inventory and judgment is exercised with regard to categorisation of inventories as obsolete and/or slow-moving to be considered for provision/write off; estimates are then involved in arriving at the amount to be provided/ written off, against cost in respect of slow moving and obsolete inventories to arrive valuation based on lower of cost and net realizable value.	◆ Comparison of inventory levels, by product group, to sales data to corroborate whether slow-moving and obsolete inventories had been appropriately identified and challenge the categorisation as obsolete or slow moving. ◆ On a sample basis, physically verifying the inventories and challenging the inventory provisioning in line with our observations of potentially obsolete inventory. ◆ Performing roll-back/roll-forward procedures to ensure the movements between the physical verification date and inventories as at reporting date is accurate.
Given the level of judgements and estimates involved, this is considered to be a key audit matter.	◆ On a sample basis, assessing the realisations of inventories after the period end, in particular of clearance categories, and comparing these to the expected recoveries with the cost to identify any instances of NRV is lower than cost. ◆ Assessing whether the accounting policies had been consistently applied and the adequacy of the disclosures in respect of the judgement and estimation made in respect of inventory write-off.

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

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

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

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



Impairment of Trade Receivables

Refer note 18 to the financial statements and the accounting policies in note 3.8.4 to the Financial Statements.

Risk Description	Our response
<p>The Company and the Group recorded trade receivable balance (net of impairment) of Rs. 1.624 Bn as at 31st March 2025.</p> <p>The determination of impairment provision using the expected credit loss model is subject to a number of key parameters and assumptions, estimates of the probability of default, loss given default, macroeconomic forecasts, exposures at default and discount rate, adjustments for forward-looking information, and other adjustment factors.</p> <p>In particular, the determination of the impairment provision is heavily dependent on the external macro environment and the Group's internal credit risk management strategy. Management judgement is involved in the selection of those parameters and the application of assumptions. Further recoverability of trade receivables remains one of the most significant judgment made by the management particularly in light of the prevailing uncertain and volatile macro- economic outlook in Sri Lanka as at the reporting date.</p> <p>We identified the impairment of trade receivables as a key audit matter because of the inherent uncertainty and management judgement involved and the materiality of the reported amounts for trade receivables (and impairment provision thereof).</p>	<p>Our audit procedures included;</p> <ul style="list-style-type: none"> ◆ Obtaining an understanding and assessing the design, implementation, and operating effectiveness of management's key internal controls over the approval, recording, and monitoring of trade receivables. ◆ Assessing the reliability of the expected credit loss model used by management in determining impairment provisions, including assessing the appropriateness of the key parameters and assumptions in the expected credit loss model, including the identification of probability of default, loss given default, exposure at default, discount rate, adjustments for forward-looking information and other management adjustments and assessing the reasonableness of key management judgement; ◆ Evaluating the model methodology and key assumptions by testing the completeness and accuracy of key inputs into models and assessed the appropriateness of other assumptions. We substantially tested the completeness and accuracy of key inputs into models and assessing the appropriateness of assumptions. ◆ Recalculating the amount of impairment for trade receivables to verify the calculation accuracy of the impairment provision. ◆ Evaluating whether the disclosures on impairment of trade receivables meet the disclosure requirements of the prevailing accounting standards.



Revaluation of the Land, Buildings and Motor Vehicle

Refer note 12 to the financial statements and the accounting policies in note 3.3.5 to the Financial Statements.

Risk Description	Our response
<p>As at 31st March 2025, freehold land, building and motor vehicle are carried at fair value and classified as property, plant and equipment. The Group and the Company have recorded a net gain on revaluation of freehold land, buildings and motor vehicle amounting to Rs.433 million as at 31st March 2025.</p> <p>Management's assessment of fair value of these land, buildings and motor vehicle were determined on valuations performed by a qualified independent property valuer in accordance with recognized industry standards.</p> <p>We identified assessing the valuation of land, buildings and motor vehicles owned by the Group and the Company as a key audit matter because of the complexity of the valuation, significant judgement and estimation.</p>	<p>Our audit procedures included;</p> <ul style="list-style-type: none"> ◆ Assessing the objectivity, independence, competence and qualifications of the external valuer. ◆ Assessing the key assumptions applied and conclusions made by the valuers in deriving the revalue of the properties and comparing the same with evidence of current market values and consultation with internal specialist. ◆ Assessing the adequacy of the disclosures 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.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 2599.

A handwritten signature in black ink, appearing to be 'K. M. M.', written over a horizontal line.

Colombo, Sri Lanka

26th August 2025

INCOME STATEMENT

SIERRA CABLES PLC
Annual Report 2024/25

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For the year ended 31 st March	Note	Group		Company	
		2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Revenue	5	9,257,863,965	8,150,443,782	9,257,863,965	8,085,771,731
Cost of Sales		(6,914,069,222)	(6,322,574,589)	(6,910,806,535)	(6,179,914,897)
Gross Profit		2,343,794,743	1,827,869,193	2,347,057,430	1,905,856,834
Other Income	6	52,206,080	99,769,568	52,206,080	111,384,449
Selling and Distribution Expenses		(480,145,729)	(142,921,311)	(480,145,729)	(116,019,567)
Administrative Expenses		(510,524,288)	(556,756,610)	(510,489,392)	(252,540,267)
Profit from Operations	7	1,405,330,806	1,227,960,840	1,408,628,389	1,648,681,449
Finance Income	8.1	441,359,368	92,969,393	441,140,024	92,114,568
Finance Cost	8.2	(661,039,147)	(502,197,351)	(661,039,147)	(471,933,710)
Net Finance Costs	8	(219,679,779)	(409,227,958)	(219,899,123)	(379,819,142)
Share of Profit of Equity-Accounted Investees, (Net of Tax)	15	82,112,597	104,219,380	-	-
Profit Before Taxation		1,267,763,624	922,952,262	1,188,729,266	1,268,862,307
Income Tax Expense	9	(364,294,001)	(195,224,045)	(364,294,001)	(195,224,045)
Profit for the Year		903,469,623	727,728,217	824,435,265	1,073,638,262
Profit/(Loss) Attributable to :					
Owners of the Company		903,460,401	764,722,463	824,435,265	1,073,638,262
Non - Controlling Interests		9,222	(36,994,246)	-	-
Profit for the Year		903,469,623	727,728,217	824,435,265	1,073,638,262
Basic Earnings Per Share	10	1.68	1.42	1.53	2.00

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes to these Financial Statements set out on pages 102 to 155 of the Annual Report.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

SIERRA CABLES PLC
Annual Report 2024/25

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For the year ended 31 st March	Note	Group		Company	
		2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Profit for the Year		903,469,623	727,728,217	824,435,265	1,073,638,262
Other Comprehensive Income					
Items that will not be Reclassified to Profit or Loss					
Revaluation Surplus on Land , Building & Motor Vehicle	12	433,154,697	-	433,154,697	-
Deferred Tax Impact on Revaluation Surplus of Land & Building		(152,492,324)	-	(152,492,324)	-
Actuarial Gain/(Loss) on Defined Benefit Obligation	23	(7,567,101)	190,508	(7,567,101)	190,508
Deferred Tax Impact on Acturial Gain/ (Loss)	24.3	2,270,131	(57,152)	2,270,131	(57,152)
Equity Investments at FVOCI - Net Change in Fair Value		4,692,546	12,212,663	4,692,546	12,212,663
Items that are or may be Reclassified to Profit or Loss					
Foreign Operations- Foreign Currency Translation Difference		372,475	(4,447,858)	-	-
Other Comprehensive Income for the Year, Net of Tax		280,430,424	7,898,161	280,057,949	12,346,019
Total Comprehensive Income for the Year		1,183,900,047	735,626,378	1,104,493,214	1,085,984,281
Total Comprehensive Income Attributable to :					
Owners of the Company		1,183,872,201	772,843,017	1,104,493,214	1,085,984,281
Non - Controlling Interests		27,846	(37,216,639)	-	-
Total Comprehensive Income for the Year		1,183,900,047	735,626,378	1,104,493,214	1,085,984,281

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes to these Financial Statements set out on pages 102 to 155 of the Annual Report.

STATEMENT OF FINANCIAL POSITION

SIERRA CABLES PLC
Annual Report 2024/25

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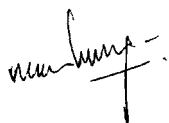
As at 31st March	Note	Group		Company	
		2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	12	3,531,182,874	2,569,460,629	3,701,582,319	2,736,597,387
Intangible Assets	13	4,550,000	5,950,000	4,550,000	5,950,000
Investments in Subsidiaries	14	-	-	-	-
Investment in Equity-Accounted Investees	15	289,964,769	207,852,172	31,610,163	31,610,163
Other Non-Current Assets	16	72,932,094	105,758,174	72,932,094	105,758,174
Total Non-Current Assets		3,898,629,737	2,889,020,975	3,810,674,576	2,879,915,724
Current Assets					
Inventories	17	3,752,989,734	2,316,836,578	3,752,989,734	2,316,836,578
Trade and Other Receivables	18	2,299,326,038	1,699,741,894	2,299,326,038	1,699,741,894
Amounts due from Related Companies	19	2,446,593,850	1,843,403,596	2,446,593,850	1,843,403,596
Short Term Investment	20	744,723	691,909	744,723	691,909
Cash and Cash Equivalents	21	771,840,524	215,327,120	767,464,618	211,508,137
Total Current Assets		9,271,494,869	6,076,001,097	9,267,118,963	6,072,182,114
Total Assets		13,170,124,606	8,965,022,072	13,077,793,539	8,952,097,838
EQUITY AND LIABILITIES					
Equity					
Stated Capital	22.1	894,565,898	894,565,898	894,565,898	894,565,898
Revaluation Reserve	22.2	1,614,556,308	1,333,893,935	1,458,680,605	1,178,018,232
Fair Value Reserve	22.3	34,792,372	30,099,826	34,792,372	30,099,826
Foreign Currency Translation Reserve	22.4	76,498,191	76,144,340	-	-
Retained Earnings		3,593,834,635	2,695,671,204	3,971,871,204	3,152,732,909
Merger Reserve		-	-	(237,775,033)	(237,775,033)
Total Equity Attributable to Equity Holders of the Company		6,214,247,404	5,030,375,203	6,122,135,046	5,017,641,832
Non-Controlling Interest	14.4	218,795	190,949	-	-
Total Equity		6,214,466,199	5,030,566,152	6,122,135,046	5,017,641,832

As at 31st March	Note	Group		Company	
		2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Non-Current Liabilities					
Retirement Benefit Obligations	23	106,206,102	89,470,580	106,206,102	89,470,580
Deferred Tax Liabilities	24	676,808,620	515,441,102	676,808,620	515,441,102
Term Loans Due After One Year	25	1,384,572,349	95,540,774	1,384,572,349	95,540,774
Total Non-Current Liabilities		2,167,587,071	700,452,456	2,167,587,071	700,452,456
Current Liabilities					
Trade and Other Payables	26	755,697,098	519,609,296	755,697,184	519,609,382
Term Loans Due Within One Year	25	1,200,010,970	1,334,094,452	1,200,010,970	1,334,094,452
Amounts due to Related Companies	27	568,886,843	358,352,526	568,886,843	358,352,526
Import Demand Loans	28	1,980,730,797	897,620,054	1,980,730,797	897,620,054
Income Tax Payable		280,330,521	121,918,029	280,330,521	121,918,029
Bank Overdraft	21	2,415,107	2,409,107	2,415,107	2,409,107
Total Current Liabilities		4,788,071,336	3,234,003,464	4,788,071,422	3,234,003,550
Total Liabilities		6,955,658,407	3,934,455,920	6,955,658,493	3,934,456,006
Total Equity and Liabilities		13,170,124,606	8,965,022,072	13,077,793,539	8,952,097,838
Net Asset Value per Share		11.56	9.36	11.39	9.33

Figures in brackets indicate deductions.

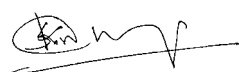
The Financial Statements are to be read in conjunction with the related notes to these Financial Statements set out on pages 102 to 155 of the Annual Report.

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



R.D.S. Malinga
Head of Finance

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



S.S. Kotakadeniya
Director



W.D.C.H. Jayatunga
Director

26th August 2025
Colombo

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SIERRA CABLES PLC
Annual Report 2024/25

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Group	For the year ended 31st March						Non Controlling Interest	Total Equity
	Attributable to Owners of the Company							
	Stated Capital	Revaluation Reserve	Foreign Currency Translation Reserve	Fair Value Reserve	Retained Earnings	Total		
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Balance as at 1st April 2023	894,565,898	1,333,893,935	80,369,805	17,887,163	1,958,401,475	4,285,118,276	25,100,535	4,310,218,811
Profit / (Loss) for the Year	-	-	-	-	764,722,463	764,722,463	(36,994,246)	727,728,217
Other Comprehensive Income								
Equity Investments at FVOCI - Net Change in Fair Value	-	-	-	12,212,663	-	12,212,663	-	12,212,663
Actuarial Gain on Retirement Benefit Obligation, Net of Tax	-	-	-	-	190,508	190,508	-	190,508
Deferred Tax on Actuarial Gain	-	-	-	-	(57,152)	(57,152)	-	(57,152)
Net exchange Differences on Translation of Foreign Operations	-	-	(4,225,465)	-	-	(4,225,465)	(222,393)	(4,447,858)
Total Comprehensive Income for the Year	-	-	(4,225,465)	12,212,663	764,855,819	772,843,017	(37,216,639)	735,626,378
Transactions with owners of the Company								
Acquisition of Non Controlling Interest	-	-	-	-	(27,586,090)	(27,586,090)	12,307,053	(15,279,037)
	-	-	-	-	(27,586,090)	(27,586,090)	12,307,053	(15,279,037)
Balance as at 31st March 2024	894,565,898	1,333,893,935	76,144,340	30,099,826	2,695,671,204	5,030,375,203	190,949	5,030,566,152
Balance as at 01st April 2024	894,565,898	1,333,893,935	76,144,340	30,099,826	2,695,671,204	5,030,375,203	190,949	5,030,566,152
Profit for the Year	-	-	-	-	903,460,401	903,460,401	9,222	903,469,623
Other Comprehensive Income								
Equity Investments at FVOCI - Net Change in Fair Value	-	-	-	4,692,546	-	4,692,546	-	4,692,546
Actuarial Loss on Retirement Benefit Obligation, Net of Tax	-	-	-	-	(7,567,101)	(7,567,101)	-	(7,567,101)
Deferred Tax on Actuarial Gain	-	-	-	-	2,270,131	2,270,131	-	2,270,131
Revaluation Surplus on Land ,Building & Motor Vehicles	-	433,154,697	-	-	-	433,154,697	-	433,154,697
Deferred Tax Impact on Revaluation surplus on Land & Building	-	(152,492,324)	-	-	-	(152,492,324)	-	(152,492,324)
Net exchange Differences on Translation of Foreign Operations	-	-	353,851	-	-	353,851	18,624	372,475
Total Comprehensive Income for the Year	-	280,662,373	353,851	4,692,546	898,163,431	1,183,872,201	27,846	1,183,900,047
Balance as at 31st March 2025	894,565,898	1,614,556,308	76,498,191	34,792,372	3,593,834,635	6,214,247,404	218,795	6,214,466,199

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes to these Financial Statements set out on pages 102 to 155 of the Annual Report.

For the year ended 31st March Company	Stated Capital Rs.	Revaluation Reserve Rs.	Fair Value Reserve Rs.	Merger Reserve Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1st April 2023	894,565,898	1,178,018,232	17,887,163	-	2,078,961,291	4,169,432,584
Profit for the Year	-	-	-	-	1,073,638,262	1,073,638,262
Other Comprehensive Income						
Equity Investments at FVOCI - Net Change in Fair Value	-	-	12,212,663	-	-	12,212,663
Actuarial Loss on Retirement Benefit Obligation, Net of Tax	-	-	-	-	190,508	190,508
Deferred Tax on Actuarial Gain	-	-	-	-	(57,152)	(57,152)
Total Comprehensive Income for the Year	-	-	12,212,663	-	1,073,771,618	1,085,984,281
Transactions with owners of the Company						
Amalgamation - Sierra Industries (Pvt)	-	-	-	(237,775,033)	-	(237,775,033)
Total Transactions with owners of the Company	-	-	-	(237,775,033)	-	(237,775,033)
Balance as at 31st March 2024	894,565,898	1,178,018,232	30,099,826	(237,775,033)	3,152,732,909	5,017,641,832
Balance as at 1st April 2024	894,565,898	1,178,018,232	30,099,826	(237,775,033)	3,152,732,909	5,017,641,832
Profit for the Year	-	-	-	-	824,435,265	824,435,265
Other Comprehensive Income						
Equity Investments at FVOCI - Net Change in Fair Value	-	-	4,692,546	-	-	4,692,546
Revaluation Surplus on Land ,Building & Motor Vehicles	-	433,154,697	-	-	-	433,154,697
Deferred Tax Impact on Revaluation surplus on Land & Building	-	(152,492,324)	-	-	-	(152,492,324)
Actuarial Gain on Retirement Benefit Obligation	-	-	-	-	(7,567,101)	(7,567,101)
Deferred Tax on Actuarial Gain	-	-	-	-	2,270,131	2,270,131
Total Comprehensive Income for the Year	-	280,662,373	4,692,546	-	819,138,295	1,104,493,214
Balance as at 31st March 2025	894,565,898	1,458,680,605	34,792,372	(237,775,033)	3,971,871,204	6,122,135,046

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes to these Financial Statements set out on pages 102 to 155 of the Annual Report.

STATEMENT OF CASH FLOW

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For the year ended 31st March		Group		Company		
		Notes	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Cash Flow from Operating Activities						
Profit Before Tax			1,267,763,624	922,952,262	1,188,729,266	1,268,862,307
Adjustments for:						
Depreciation		12	180,709,734	179,686,386	177,447,047	139,459,505
Amortization of Intangible Asset		13	1,400,000	8,210,774	1,400,000	1,050,000
Provision / (Reversal) for Impairment of Trade Receivables		18	62,870,692	(115,137,728)	62,870,692	(119,138,350)
Written Back of Creditors No Longer Payable		6	-	(12,526,492)	-	-
Share of Profit of Equity-Accounted Investees, (Net of Tax)		15	(82,112,597)	(104,219,380)	-	-
Written Off of Inventory			188,129,342	302,235,767	188,129,342	56,645,438
Written Off of Intangible Assets		13	-	40,577,718	-	-
Written Off of Other Receivables			-	2,712,081	-	-
Provision for Impairment of Inventories		17	36,664,693	4,574,114	36,664,693	-
Provision for Impairment of Other Receivables		18	51,528,407	25,265,421	51,528,407	25,265,421
Provision for Employee Benefit Obligation		23	17,481,943	17,843,757	17,481,943	17,843,757
Net Foreign Exchange Gain/Loss			(27,487,348)	56,159,036	(27,487,348)	53,521,709
Interest Expenses		8.2	661,039,147	502,197,351	661,039,147	471,933,710
Interest Income		8.1	(362,872,117)	(69,792,223)	(362,814,713)	(69,716,765)
Dividend Income		8.1	(569,914)	(91,398)	(569,914)	(28,444,394)
Operating Profit Before Working Capital Changes			1,994,545,606	1,751,499,217	1,994,418,562	1,817,282,338
(Increase)/Decrease in Inventories			(1,660,947,191)	(324,678,656)	(1,660,947,191)	(411,358,135)
(Increase)/Decrease in Trade and Other Receivables			(357,412,498)	87,610,258	(357,412,498)	(22,611,058)
(Increase)/Decrease in Dues from Related Parties			36,612,295	(426,587,491)	36,612,295	(414,789,040)
Increase/(Decrease) in Trade and Other Payables			175,044,740	(93,087,644)	175,245,925	(40,471,275)
Increase/(Decrease) in Dues to Related Parties			210,534,317	71,473,743	210,534,317	56,606,141
Cash Generated from Operations			398,377,269	1,066,229,427	398,451,411	984,658,971
Interest Expense Paid			(588,311,011)	(429,469,215)	(588,512,196)	(399,205,574)
Income Tax Paid			(194,155,639)	(320,469,368)	(194,155,639)	(320,469,368)
Retirement Benefit Paid		23	(8,313,522)	(9,076,665)	(8,313,522)	(9,076,665)
Net Cash From/(Used In) Operating Activities			(392,402,903)	307,214,180	(392,529,946)	255,907,364

For the year ended 31st March		Group		Company	
		Notes	2025 Rs.	2024 Rs.	2025 Rs.
Cash Flows from Investing Activities					
		21,545,871	39,393,682	21,488,467	39,318,224
		-	25,433,402	-	25,433,402
		494,330	87,893	494,330	87,893
	12	(709,277,282)	(30,142,343)	(709,277,282)	(30,142,343)
		-	-	-	(15,279,037)
		37,518,626	(40,000,000)	37,518,626	(40,000,000)
		-	(15,279,037)	-	-
		(1,600,000,000)	(1,050,000,000)	(1,600,000,000)	(1,050,000,000)
		960,197,451	-	960,197,451	-
		-	113,033,728	-	113,033,728
		(1,289,521,004)	(957,472,675)	(1,289,578,408)	(957,548,133)
Cash Flows from Financing Activities					
		8,391,032,712	4,416,494,940	8,391,032,712	4,416,494,940
		(6,152,973,876)	(3,740,215,135)	(6,152,973,876)	(3,696,934,131)
		2,238,058,836	676,279,805	2,238,058,836	719,560,809
		556,134,929	26,021,310	555,950,481	17,920,040
		372,475	(4,447,858)	-	-
		212,918,013	191,344,561	209,099,030	241,577,523
		-	-	-	(50,398,533)
		769,425,417	212,918,013	765,049,511	209,099,030
Analysis of Cash & Cash Equivalents					
	21	771,840,524	215,327,120	767,464,618	211,508,137
	21	(2,415,107)	(2,409,107)	(2,415,107)	(2,409,107)
		769,425,417	212,918,013	765,049,511	209,099,030

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes to these Financial Statements set out on pages 102 to 155 of the Annual Report.

NOTES TO THE FINANCIAL STATEMENTS

SIERRA CABLES PLC
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1. REPORTING ENTITY

1.1 Domicile and Legal Form

Sierra Cables PLC (the Company) is a public limited liability Company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The registered office and principal place of business is located at 39/1A, Galwarusawa Road, Korathota, Kaduwela.

The consolidated Financial Statements of the Group as at and for the year ended 31st March 2025 comprise the Financial Statements of the Company and its subsidiaries (together referred as the "Group" individually as Group entities) and the Group's interest in equity accounted investees.

1.2 Principal activities and nature of operations

The principal activity of the Company is manufacture and sale of wires and cables. The principal activities of the Company's subsidiaries and associates are as follows:

Subsidiary

Sierra Cables East Africa Limited - Manufacture of power transmission cables.

Associates

T & G Lanka (Private) Limited - Manufacturing of Fiber Optical Cables, Electrical and Electronic Cables and sub-assemblies for Export

Cables PTE Limited - Manufacturing and Wholesale of Cables

Tea Leaf Resort Holdings (Private) Limited- Leisure Sector

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The consolidated Financial Statements of the Group and the separate Financial Statements of the Company, which comprise the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, and notes to the Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) promulgated by the Institute of Chartered Accountants of Sri Lanka (ICASL) further, these statements comply with the requirement of Companies Act No. 07 of 2007.

2.2 Approval of financial statements by Directors

The Financial Statements of the Group and the Company for the year ended 31st March 2025 were approved and authorised for issue by the Board of Directors on 25th August 2025.

2.3 Basis of Measurement

The Financial Statements of the Group and the Company have been prepared on the historical cost basis, except for the following material items in the statement of financial position.

- ◆ Fair value through other comprehensive income financial assets are measured at fair value;
- ◆ Defined benefit obligations is carried at the present value of the defined benefit.
- ◆ Land, buildings and motor vehicles are measured at cost at the time of acquisition and subsequently at revalued amounts, which are the fair values at the date of revaluation
- ◆ Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources.

2.4 Going concern

The Directors have made an assessment of the Group's ability to continue as a going concern, and being satisfied that it has the resources to continue in business for the foreseeable future, confirm that they do not intend either to liquidate or to cease operations of any business in the Group.

The Group's performance improved substantially during the financial year. This also validates the effectiveness of the strategies taken by the Group especially via streamlining of business processes and stringent control of costs.

The Directors have also assessed the prevailing macroeconomic conditions in the country and the impact on the operations of the Group companies when determining the basis of preparing the financial statements for the year ended 31st March 2025.

2.5 Reporting date

The Financial Statements of all Companies in the group are prepared for a common financial year, which ends on 31st March except for Sierra Cables East Africa Limited, T & G Lanka (Private) Limited and Cables PTE Ltd whose financial year ends on 31st December and 30th June respectively.

2.6 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 rupee, unless stated otherwise.

2.7 Use of Estimates and Judgments

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

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

Information about critical estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements is provided in the following notes.

Judgements and Assumptions

- ◆ Equity accounted investees - whether the Group has significant influence over an investee.
- ◆ Measurement of defined benefit obligation: key actuarial assumptions
- ◆ Impairment on trade receivable- Measurement of ECL allowance for trade receivables and amounts due from related parties classified as amortised cost: key assumptions in determining the weighted average loss rate.
- ◆ PPE Valuation & Useful life Assessment

2.8 Fair Value

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

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities

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

Level 3 : inputs for the asset or liability 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.

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable further information about the assumptions made in determining fair value is disclosed in the notes specific to that asset or liability.

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

- ◆ In the principal market for the asset or liability Or
- ◆ In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and

best use or by selling it to another market participant that would use the asset in its highest and best use.

The group recognizes transfers between level of the fair-value hierarchy at the end of the reporting period during which the change has occurred.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

3. MATERIAL ACCOUNTING POLICIES

3.1 Basis of consolidation

3.1.1 Business combinations and Goodwill

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

As required by SLFRS 3 - Business Combinations and amendments to the SLFRS 3, when the Group acquires a business, it assesses the financial assets and liabilities assumed under classifications or designations on the basis of the contractual terms, economic conditions, its operating or accounting policies and other pertinent conditions that exists as at the acquisition date. The Group applies Definition of a Business (Amendments to SLFRS 3) to business combinations whose acquisition dates are on or after 1 January 2020 in assessing whether it had acquired a business or a group of assets.

The Group measures goodwill at the acquisition date, as excess of the aggregate of the fair value of the consideration transferred; the recognised amount of any non-controlling interests in the acquiree; the fair value of the pre-existing interest in the acquiree if the business combination is achieved in stages; and the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed; measured 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. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted within equity, or else subsequent changes in the fair value of the contingent consideration is recognised in the income statement.

The goodwill arising on acquisition of subsidiaries is presented as an intangible asset. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually as at 31st March or when circumstances indicate that the carrying value of the goodwill may be impaired. For the purpose of impairment testing, from the acquisition date, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity acquired exceed the cost of the acquisition of the entity, the surplus, which is a gain on bargain purchase is recognised immediately in the consolidated income statement.

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

3.1.2 Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

3.1.3 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Financial Statements of subsidiaries are included in the consolidated Financial Statements from the date that control commences until the date that control ceases.

3.1.4 Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as equity-accounted investee or as a fair value through other comprehensive income financial asset depending on the level of influence retained.

3.1.5 Interest in equity-accounted investees

The Group's interest in equity-accounted investees comprise interest in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated Financial Statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

3.1.6 Intra-group transactions

Pricing policies of all intra-group sales are identical to those adopted for normal trading transactions, which are at market prices.

3.1.7 Transactions eliminated on consolidation

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

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

3.1.8 Amalgamation of business with a common control combination

In its consolidated financial statements, the acquirer is permitted, but not required to re-present its comparatives and adjust its current reporting period before the date of the transaction as if the combination had occurred before start of the earliest period presented.

As per the company's accounting policies, amalgamation of two entities under common control is accounted by adding assets and liabilities as at the amalgamated date to the controlling entity and directly recognising the excess in the Statement of Changes in Equity as amalgamated reserve. No restatement is done to the comparative financials and controlling entity's current year statements of financial position will carry both entities assets and liabilities

3.2 Foreign currency

3.2.1 Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are re-translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate when 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 are generally recognised in profit or loss and presented within finance cost.

However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income.

- ◆ An investment in equity securities designated as at FVOCI.

3.2.2 Foreign operations

The results and financial position of overseas operations that have functional currency different from the Group's presentation currency are translated into the Group's presentation currency as follows:

Assets and liabilities and fair value adjustments arising on acquisition, are translated at the rates of exchange ruling as at the Reporting date.

Income and expenses are translated at the average exchange rate for the period.

The exchange differences arising on translation for consolidation are recognised in other comprehensive income and accumulated in the foreign currency translation reserve (Translation Reserve), which is a separate component of equity, except to the extent that the translation difference is allocated to the NCI.

When a foreign operation is disposed of such that the control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

If the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, then the relevant proportion of the cumulative amount of the translation reserve is reattributed to NCI.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation.

3.3 Property, Plant and Equipment

3.3.1 Recognition and measurement

All items of property, plant and equipment are initially recorded at cost. Where items of property, plant and equipment are subsequently revalued, the entire class of such assets is revalued. Revaluations are made with sufficient regularity to ensure that their carrying amounts do not differ materially from their fair values at the reporting date.

Subsequent to the initial recognition of the asset at cost, the revalued property, plant and equipment are carried at revalued amounts less accumulated depreciation thereon and accumulated impairment losses. The Group applies revaluation model to land, building, Motor Vehicles and cost model to the remaining assets under property, plant and equipment which are stated at historical cost less accumulated depreciation less accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprise its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the asset to the working condition for its intended use and capitalised borrowing costs. This also includes cost of dismantling and removing the items and restoring in the site on which they are located. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

3.3.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

The costs of the day to day servicing of property, plant and equipment are recognised in profit or loss as incurred.

3.3.3 De-recognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on derecognition are recognised within other income in profit or loss.

3.3.4 Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each Component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Asset Category	Useful Life (Years)	Depreciation Rate (%)
Building	20-25	5-4
Plant and Machinery	10-20	10-5
Factory Equipment	5	20
Furniture Fittings	5	20
Motor Vehicles	5	20
Offices and Computer Equipment	5	20

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.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

3.3.5 Revaluation policy

The Group's land, buildings and motor vehicles are revalued with sufficient regularity once in three years. The revaluation surplus is accounted in the revaluation reserve.

3.3.6 Reclassification to investment property

When the use of property changes from owner occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognized in profit or loss to the extent that is reverse a previous impairment loss on the specific property, with any remaining gain recognised OCI and presented in the revaluation reserve.

Any loss is recognised in profit or loss. However, to the extent that an amount is included in the revaluation surplus for that property, the loss is recognized in OCI and reduced the revaluation surplus within equity.

3.4 Intangible Assets and Goodwill

3.4.1 Intangible assets

An intangible asset is recognised if it is probable that economic benefits are attributable to the assets will flow to the Group and cost of the assets can be measured reliably and carried at cost less accumulated amortisation and accumulated impairment losses.

3.4.1.1 Goodwill

Goodwill that arises on the acquisition of subsidiaries is presented with intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1.1.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and any impairment loss is allocated to the carrying amount of the equity accounted investee as a whole.

Goodwill is tested for impairment annually as at 31st March or when circumstances indicate that the carrying value of the goodwill may be impaired. For the purpose of impairment testing, from the acquisition date, goodwill acquired in a business combination is allocated to each of the Group's cash-generating

units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

3.4.1.2 Computer software

All computer software cost incurred, which are not an integral part of the related 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.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

Asset Category	Useful Life (Years)	Depreciation Rate (%)
Computer Software	05	20

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

3.5 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

3.5.1 Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.5.1.1 Right-of-use assets

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 re-measurement 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. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

3.5.1.2 Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

3.5.1.3 Short-Term leases and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the low value assets recognition exemption to leases that are considered to be low-value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.6 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sales.

The costs incurred in bringing inventories to its present location and condition, are accounted for as follows:

Raw materials

At actual cost, on Weighted Average basis Finished goods and work-in-progress

Finished goods and work-in-progress

At actual cost, on Weighted Average for work in progress and finished goods

3.7 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an assets or cash generating unit (CGU) exceeds its recoverable amount.

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

Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGU (if any) and then to reduce the carrying amounts of other assets in the CGU (group of CGUs) on 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 assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.8 Financial instruments

3.8.1 Recognition and initial measurement

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

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.

3.8.2 Classification and subsequent measurement

Financial assets on initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI - debt investment; FVOCI-equity investment; or FVTPL.

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

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

Financial assets - Business model assessment

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

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

Financial assets - 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 permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets-Subsequent measurement and gains and losses

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

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.8.3 Derecognition

3.8.3.1 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.

3.8.3.2 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 liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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

3.8.4 Impairment

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;

The Group measures loss allowances at an amount equal to lifetime ECL, except for following, which are measured at 12 months ECLs;

- ◆ other debt securities and bank charges 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 allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, 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 obligations to the Company in full, without recourse by the Group to actions such as realising security (if any is held).
- ◆ The financial asset is more than 90 days past due.

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

ECL 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 Group expects to receive.)

ECL 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 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 or issuer;
A breach of contract such as a default or being more than 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.

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.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

3.8.5 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments.

3.8.6 Derivative Financial Instruments

The Group holds derivative financial instruments to mitigate its foreign currency risk exposures. Derivatives are initially measured at fair value. Subsequent to the initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

3.9 Stated capital

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with LKAS 12.

3.10 Defined benefit plan

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 by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The retirement benefit obligation of the Group is based on the actuarial valuation using Projected Unit Credit (PUC) methods as recommended by Sri Lanka Accounting Standard (LKAS 19) Employee Benefits. The calculation is performed by Independent Actuary using the projected unit credit method.

The assumptions based on which the results of the actuarial valuation was determined, are included in Note 23.2 to the Financial Statements.

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

The Group recognises all actuarial gains and losses arising from the defined benefits plans immediately in the other comprehensive income. The liability is disclosed under Non-current liabilities in the Statement of Financial Position and not externally funded.

However, as per the Payment of Gratuity Act No. 12 of 1983 the liability to an employee arises only on completion of 5 years of continued service.

Defined Contribution Plans - Employees' Provident

Fund and Employee Trust Fund. All employees who are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions are covered by relevant contributions funds in line with the relevant statutes. Employer's contributions to the defined contribution plans are recognised as an expense in profit or loss when incurred.

3.11 Provisions

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

3.12 Revenue from contracts with customers

The Group's generates revenue through sales.

A. Performance obligation and revenue recognition Policies

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over good to a customer.

The "effective interest rate" is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- ◆ the gross carrying amount of the financial asset; or
- ◆ the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit - impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to the initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income to the gross basis.

The following table provide information about the nature and timing of the satisfaction of performance obligations in contract with customers, including significant payment terms, and the related revenue recognition policies.

Type of products	Nature and timing of satisfaction of performance	Revenue Recognition under SLFRS 15
Electric Wires, Cables and PVC Pipe & Fitting	Customers obtain control of goods when the goods are delivered to and have been accepted at their premises. Invoices are at the point in time. Invoices are usually payable within 30-60	Revenue is recognised when the goods are delivered and have been accepted by customers at their premises.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue and associated costs incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes.

3.13 Operating Expenses

All expenses incurred in day to day operations of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the statement of comprehensive income in arriving at the profit for the year. Provision has also been made for impairment of financial assets, slow moving inventories, all known liabilities and depreciation on property, plant and equipment.

3.14 Borrowing Costs

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

3.15 Net Finance Income/(Expenses)

- ◆ The Group's finance income and finance costs include:
- ◆ interest income.
- ◆ interest expense.
- ◆ dividend income.
- ◆ the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised using the effective interest method.

3.16 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised 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 tax, and therefore accounted for them under LKAS 37 "Provisions, Contingent Liabilities and contingent Assets".

3.16.1 Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of tax payable and receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

3.16.2 Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for;

temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

Deferred tax assets are recognised 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 recognise 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 realised; such deductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised 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 and reflects uncertainty related to income taxes, if any. Deferred tax assets and liabilities are offset only if certain criteria are met.

3.17 Related party transactions

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is being charged or not.

The relevant details are disclosed in the respective notes to the Financial Statements.

3.18 The statement of cash flows

Interest received and dividends received are classified as investing cash flows, while dividend paid and interest paid, is classified as financing cash flows for the purpose of presentation of statement of cash flows which has been prepared using the 'Indirect Method'.

3.19 Earnings Per Share (EPS)

Basic Earning Per Share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the number of shares outstanding at the reporting date.

3.20 Events occurring after the reporting period

Events after the reporting period are those events favourable and unfavourable that occur between the end of the reporting period and the date when the Financial Statements are authorised for issue.

The materiality of the events occurring after the reporting period is considered and appropriate adjustments to or disclosures are made in the Financial Statements, where necessary.

04. AMENDMENTS TO ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

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.

The following amended standards are not expected to have a significant impact on the Group's and Company's financial statements.

1. SLFRS S1 General requirements for disclosure of sustainability related financial information and SLFRS S2 Climate-related disclosures
 - ◆ SLFRS S1 General Requirements for Disclosure of Sustainability related Financial Information requires an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.
 - ◆ SLFRS S2 Climate-related Disclosures is to requires an entity to disclose information about its climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.
 - ◆ These standards will become effective for the Group and the Company from 1 April 2025. No financial impact is expected on the Group and the Company except for additional disclosures.
 - ◆ General requirements for disclosure of sustainability-related financial information (SLFRS S1) and Climate-related disclosures (SLFRS S2)

NOTES TO THE FINANCIAL STATEMENTS

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For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
5 REVENUE				
Local Sales	8,177,518,803	7,403,614,216	8,177,518,803	7,346,070,540
Export Sales	1,080,345,162	746,829,566	1,080,345,162	739,701,191
	<u>9,257,863,965</u>	<u>8,150,443,782</u>	<u>9,257,863,965</u>	<u>8,085,771,731</u>

6 OTHER INCOME				
Dividend Income from Associates Companies	-	-	-	28,352,996
Written Back of Creditors No Longer Payable	-	12,526,492	-	-
Miscellaneous Income	1,100,000	2,091,933	1,100,000	2,091,933
Scrap Sales	24,250,460	42,242,248	24,250,460	38,030,625
Income on Solar Power Generation	26,855,620	42,908,895	26,855,620	42,908,895
	<u>52,206,080</u>	<u>99,769,568</u>	<u>52,206,080</u>	<u>111,384,449</u>

7 PROFIT FROM OPERATIONS

Profit from Operations is stated after charging/(Crediting) all the expenses/(Income) including following;

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Directors' Fees and Emoluments	33,025,000	21,400,000	33,025,000	21,400,000
Auditors' Remuneration - Audit	2,840,000	2,802,475	2,840,000	2,525,000
- Audit Related Services	300,000	300,000	300,000	300,000
Depreciation and Amortization	182,109,734	187,897,160	178,847,047	140,509,505
Provison / Reversal for Impairment of Inventories	36,664,693	(4,574,115)	36,664,693	-
Written Off of Inventories	188,129,342	302,235,767	188,129,342	56,645,438
Provison/Reversal for Impairment of Related Party Receivable - Non Trade	-	-	-	(6,013,176)
Provision for Impairment of Other Receivables	51,528,407	25,265,421	51,528,407	25,265,421
Provision/Reversal for Impairment of Trade Receivables	62,870,692	(115,137,728)	62,870,692	(119,138,350)
Donations	2,685,207	2,976,247	2,685,207	2,976,247
Personnel Costs				
Salaries, Wages and Related Costs	272,447,452	248,547,232	272,447,452	242,042,964
Defined Contribution Plan Cost	29,191,595	26,898,770	29,191,595	26,131,178
Defined Benefit Plan Cost (Note 23)	17,481,943	17,843,757	17,481,943	17,843,757

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
8 NET FINANCE COSTS				
8.1 Finance Income				
Interest Income	362,872,117	69,792,223	362,814,713	69,716,765
Dividend Income from Quoted Investments	569,914	91,398	569,914	91,398
Net Exchange Gain	77,917,337	23,085,772	77,755,397	22,306,405
	441,359,368	92,969,393	441,140,024	92,114,568
8.2 Finance Costs				
Interest on - Overdraft	1,150,595	15,547,916	1,150,595	5,130,574
- Import Demand Loans	212,657,196	179,733,788	212,657,196	179,733,788
- Bank Loans	447,231,356	306,915,647	447,231,356	287,069,348
	661,039,147	502,197,351	661,039,147	471,933,710
Net Finance Costs	219,679,779	409,227,958	219,899,123	379,819,142
9 INCOME TAX EXPENSE				
Income Tax on Profit for the Year (Note 9.1)	397,399,665	239,573,116	397,399,665	239,573,116
(Over)/Under Provision in respect of Previous Year	(44,250,989)	(47,130,675)	(44,250,989)	(47,130,675)
Deferred Tax (Reversal) (Note 24.3)	11,145,325	2,781,604	11,145,325	2,781,604
	364,294,001	195,224,045	364,294,001	195,224,045
9.1 Reconciliation Between Accounting Profit/(Loss) and Tax Expense				
Profit/(Loss) Before Tax	1,267,763,624	922,952,262	1,188,729,266	1,268,862,307
Share of Loss/(Profit) of Equity-Accounted Investees	(82,112,597)	(104,219,380)	-	-
Consolidation Adjustment	3,078,239	57,459,096	-	-
	1,188,729,266	876,191,978	1,188,729,266	1,268,862,307
Non Business Income	(391,340,247)	(143,960,394)	(391,340,247)	(143,161,987)
Aggregate Disallowable Expenses	324,778,170	127,657,854	324,778,170	44,984,532
Aggregate Allowable expenses	(187,843,140)	(99,012,278)	(187,843,140)	(103,586,394)
Aggregate Tax Losses from Business	-	306,221,298	-	-
Taxable Profit from Business	934,324,049	1,067,098,458	934,324,049	1,067,098,458
Income from Other Sources	390,341,500	113,570,832	390,341,500	113,570,832
Total Statutory Income	1,324,665,549	1,180,669,290	1,324,665,549	1,180,669,290
Tax Loss Claimed (Note No 9.2)	-	(382,092,237)	-	(382,092,237)
Taxable Income	1,324,665,549	798,577,053	1,324,665,549	798,577,053
Income Tax				
Tax on Business Income @ 30%	397,399,665	239,573,116	397,399,665	239,573,116
	397,399,665	239,573,116	397,399,665	239,573,116

9.2 Accumulated Tax Losses

For the year ended 31st March	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Balance as at 1st April	137,299,319	523,839,414	-	-
Amalgamation- Sierra Industries (Pvt) Ltd	-	-	-	382,092,237
Tax Loss Claimed	-	(382,092,237)	-	(382,092,237)
Exchange Difference	372,475	(4,447,858)	-	-
Balance as at 31st March	137,671,794	137,299,319	-	-

Sierra Cables PLC

The Company is liable for income tax in accordance with Inland Revenue Act No. 24 of 2017 and income tax has been calculated and accounted on the taxable income of the Company at a standard rate of 30% for all segments for the Year of Assessment.

Sierra Cables East Africa Limited

Based on the prevailing legislation on income tax effective in Kingdom of Kenya, profit from operation together with other profits and income taxable at rate of 30%.

10 BASIC EARNING PER SHARE

Basic Earnings Per Share is calculated based on the Profit after taxation attributable to the Ordinary Shareholders divided by the Weighted Average Number of Ordinary Shares outstanding during the year.

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
Profits Attributable to Ordinary Shareholders (Rs.)	903,460,401	764,722,463	824,435,265	1,073,638,262
Weighted Average Number of Ordinary Shares	537,512,430	537,512,430	537,512,430	537,512,430
Basic Earnings Per Share (Rs.)	1.68	1.42	1.53	2.00

10.1 Diluted Earnings per Share

There were no potentially dilutive ordinary shares at any time during the year, hence diluted earning per share is equal to the basic earnings per share

11 DIVIDEND PER SHARE

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
Dividend for the Year (Rs.)	-	-	-	-
Number of Ordinary Shares	537,512,430	537,512,430	537,512,430	537,512,430
Dividend per Share (Rs.)	-	-	-	-

12 PROPERTY, PLANT AND EQUIPMENT

As at 31st March 2025	Land	Buildings	Plant and Machinery	Motor Vehicle	Furniture and Fittings	Factory Equipment	Office & Computer Equipment	Capital Work in Progress	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Company									
Cost / Valuation									
Balance as at 1st April	1,057,507,000	1,227,898,614	1,110,356,793	57,861,215	5,754,112	294,444,574	45,438,360	175,121,980	3,974,382,648
Additions	22,910,000	40,656,844	32,902,156	686,441	1,044,587	19,879,701	7,513,152	583,684,401	709,277,282
Surplus on Revaluation	156,388,400	238,464,202	-	38,302,095	-	-	-	-	433,154,697
Balance as at 31st March	1,236,805,400	1,507,019,660	1,143,258,949	96,849,751	6,798,699	314,324,275	52,951,512	758,806,381	5,116,814,627
Depreciation									
Balance as at 1st April	-	320,291,319	605,758,775	42,202,625	5,483,429	225,989,298	38,059,815	-	1,237,785,261
Charge for the Year	-	62,040,805	63,116,408	9,524,370	108,528	39,711,599	2,945,337	-	177,447,047
Balance as at 31st March	-	382,332,124	668,875,183	51,726,995	5,591,957	265,700,897	41,005,152	-	1,415,232,308
Net Book Value									
Balance as at 31st March 2024	1,057,507,000	907,607,295	504,598,018	15,658,590	270,683	68,455,276	7,378,545	175,121,980	2,736,597,387
Balance as at 31st March 2025	1,236,805,400	1,124,687,536	474,383,766	45,122,756	1,206,742	48,623,378	11,946,360	758,806,381	3,701,582,319

Assets pledged as security against the long term and short term borrowings have been disclosed in Note 32 to the Financial Statements.

As at 31st March 2025	Land	Buildings	Plant and Machinery	Motor Vehicle	Furniture and Fittings	Factory Equipment	Office & Computer Equipment	Capital Work in Progress	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Group									
Cost / Valuation									
Balance as at 1st April	1,057,507,001	1,238,285,090	1,228,214,862	64,151,054	5,970,986	286,355,425	47,684,607	29,260,694	3,957,429,719
Additions	22,910,000	40,656,844	32,902,156	686,441	1,044,587	19,879,701	7,513,152	583,684,401	709,277,282
Surplus on Revaluation	156,388,400	238,464,202	-	38,302,095	-	-	-	-	433,154,697
Balance as at 31st March	1,236,805,401	1,517,406,136	1,261,117,018	103,139,590	7,015,573	306,235,126	55,197,759	612,945,095	5,099,861,698
Depreciation									
Balance as at 1st April	-	330,677,793	737,759,720	48,492,462	5,700,303	225,158,572	40,180,240	-	1,387,969,090
Charge for the Year	-	62,040,805	66,379,095	9,524,370	108,528	39,711,599	2,945,337	-	180,709,734
Balance as at 31st March	-	392,718,598	804,138,815	58,016,832	5,808,831	264,870,171	43,125,577	-	1,568,678,824
Net Book Value									
Balance as at 31st March 2024	1,057,507,001	907,607,297	490,455,142	15,658,592	270,683	61,196,853	7,504,367	29,260,694	2,569,460,629
Balance as at 31st March 2025	1,236,805,401	1,124,687,538	456,978,203	45,122,758	1,206,742	41,364,955	12,072,182	612,945,095	3,531,182,874

Assets pledged as security against the long term and short term borrowings have been disclosed in Note 32 to the Financial Statements.

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12 PROPERTY, PLANT AND EQUIPMENT (Continued)

As at 31st March 2024	Land	Buildings	Plant and Machinery	Motor Vehicle	Furniture and Fittings	Factory Equipment	Office & Computer Equipment	Capital Work in Progress	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Company									
Balance as at 1st April	823,337,000	1,016,447,776	664,663,371	57,501,215	5,149,261	242,820,910	40,704,813	301,593,347	3,152,217,693
Amalgamation - Sierra Industries (Pvt) Ltd	234,170,000	209,801,338	313,952,781	360,000	280,692	31,771,712	839,574	846,515	792,022,612
Additions	-	1,649,500	587,575	-	324,159	19,851,952	3,893,973	3,835,184	30,142,343
Transfers during the year			131,153,066					(131,153,066)	-
Balance as at 31st March	1,057,507,000	1,227,898,614	1,110,356,793	57,861,215	5,754,112	294,444,574	45,438,360	175,121,980	3,974,382,648
Depreciation									
Balance as at 1st April	-	239,770,930	421,217,357	31,604,530	5,120,509	165,836,342	34,838,684	-	898,388,352
Amalgamation - Sierra Industries (Pvt) Ltd		26,540,417	146,983,571	360,000	280,692	24,977,202	795,522		199,937,404
Charge for the Year	-	53,979,972	37,557,847	10,238,095	82,228	35,175,754	2,425,609	-	139,459,505
Balance as at 31st March	-	320,291,319	605,758,775	42,202,625	5,483,429	225,989,298	38,059,815	-	1,237,785,261
Net Book Value									
Balance as at 31st March 2023	823,337,000	776,676,846	243,446,014	25,896,685	28,752	76,984,568	5,866,129	301,593,347	2,253,829,341
Balance as at 31st March 2024	1,057,507,000	907,607,295	504,598,018	15,658,590	270,683	68,455,276	7,378,545	175,121,980	2,736,597,387

Assets pledged as security against the long term and short term borrowings have been disclosed in Note 32 to the Financial Statements.

As at 31st March 2024	Land	Buildings	Plant and Machinery	Motor Vehicle	Furniture and Fittings	Factory Equipment	Office & Computer Equipment	Capital Work in Progress	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Group									
Cost / Valuation									
Balance as at 1st April	1,057,507,001	1,236,635,590	1,227,627,287	64,151,054	5,646,827	266,503,473	43,790,634	25,425,510	3,927,287,376
Additions	-	1,649,500	587,575	-	324,159	19,851,952	3,893,973	3,835,184	30,142,343
Balance as at 31st March	1,057,507,001	1,238,285,090	1,228,214,862	64,151,054	5,970,986	286,355,425	47,684,607	29,260,694	3,957,429,719
Depreciation									
Balance as at 1st April	-	269,285,394	670,537,910	38,098,365	5,618,075	187,003,575	37,739,385	-	1,208,282,704
Charge for the Year	-	61,392,399	67,221,810	10,394,097	82,228	38,154,997	2,440,855	-	179,686,386
Balance as at 31st March	-	330,677,793	737,759,720	48,492,462	5,700,303	225,158,572	40,180,240	-	1,387,969,090
Net Book Value									
Balance as at 31st March 2023	1,057,507,001	967,350,196	557,089,377	26,052,689	28,752	79,499,898	6,051,249	25,425,510	2,719,004,672
Balance as at 31st March 2024	1,057,507,001	907,607,297	490,455,142	15,658,592	270,683	61,196,853	7,504,367	29,260,694	2,569,460,629

Assets pledged as security against the long term and short term borrowings have been disclosed in Note 32 to the Financial Statements.

12.1 Fully-Depreciated Assets

The initial cost of fully-depreciated Property, Plant and Equipment which are still in use as at Reporting Date are as follows:

As at 31st March,	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Machinery	152,341,402	149,723,192	152,341,402	149,723,192
Furniture and Fittings	5,456,629	5,388,865	5,429,950	5,388,865
Factory Equipment	239,104,068	112,403,872	228,116,683	112,403,872
Office & Computer Equipment	34,914,738	32,715,545	34,176,813	32,715,545
Motor Vehicle	-	1,917,859	-	1,917,859
	431,816,838	302,149,333	420,064,849	302,149,333

12.2 Details of Property Plant and Equipment of the Group Stated at Valuation are Indicated below:

In compliance with the accounting policy, land and building owned by group companies are revalued by independent professional valuers at least once in every three years unless there is an indication of a significant change in the market rates. Details of the revalued land and buildings given below. Tax impact on revaluation of land is given in note 24 to the financial statements.

Property Location	Method of Valuation	Effective date of valuation	Estimated price per perch	Estimated price per square foot	No of Buildings	Valuer	Land Extent (Acres)	Carrying Value of Revalued Assets as at 31st March 2025 if carried at Historical Cost Rs.	Carrying Value of Revalued Assets as at 31st March 2025 Rs
Land, buildings at Sierra Cables PLC Galwarusa Road, Korathota (within the limits of kaduwela Pradeshiya Sabha)	Market Approach	31 st March 2025	LKR 450,000-850,000	LKR 250 - LKR 9,500	25	Mrs. Wathsala Wickramanayake. FRICS(UK),B. Sc EMV (Sp) (Hons), Chartered Valuation Surveyor	11.2816	187,138,448	2,323,882,936
								187,138,448	2,323,882,936
Land, building at Sierra Cables PLC Kananvila Village, Horana (within the limits of Horana Pradeshiya Sabha)	Market Approach	31 st March 2025	LKR 200,000-300,000	LKR 3,000	2	Mrs. Wathsala Wickramanayake. FRICS(UK),B. Sc EMV (Sp) (Hons), Chartered Valuation Surveyor	0.35625	26,149,250	37,610,000
								26,149,250	37,610,000

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Motor Vehicle	Method of Valuation	Effective date of valuation	No of Vehicles	Valuer	Carrying Value of Revalued Assets as at 31st March 2025 if carried at Historical Cost Rs.	Carrying Value of Revalued Assets as at 31st March 2025 Rs
Motor Vehicle of Sierra Cables PLC	Market Approach	31st March 2025	7	Mr. Nishantha Jayakodi AMIAE (SL)	-	45,122,756
					-	45,122,756

The Group has determined that the fair value of land, building and motor vehicles can be categories under Level 03 of fair value hierarchy.

Market approach method uses prices and other relevant information generated by market transactions involving identical or comparable assets.

12.3 The carrying amount of revalued assets that would have been included in the Financial Statements, had the assets been carried at Cost less Accumulated Depreciation is as follows;

	As at 31st March 2025 Rs.	As at 31st March 2024 Rs.
At Cost	213,287,698	298,869,843
At Valuation	2,406,615,692	1,980,772,885

	Carrying Value of Revalued Assets as at 31st March 2025 if carried at Historical Cost Rs.	Carrying Value of Revalued Assets as at 31st March 2025 Rs
Sierra Cables PLC		
Land	186,640,305	1,236,805,400
Building	26,647,393	1,124,687,536
Motor Vehicle	-	45,122,756
Total	213,287,698	2,406,615,692

12.4 Capital work-in-progress represents the amount of expenditure recognised under property plant and equipment during the construction of the Building and machinery worth of Rs. 174.3 Mn brought back from Kenya which is yet to be installed.

12.5 The exchange difference has arisen as a result of the translation of property, plant and equipment of foreign Subsidiaries which are accounted for in foreign currencies and translated to the reporting currency at the balance sheet date.

12.6 On re-assessment of the fair value of the Group's assets, it has been identified that there is no impairment of property plant and equipment which requires provision in the financial statements.

13 INTANGIBLE ASSETS

As at 31st March	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Cost				
Balance as at 1st April	30,275,443	71,013,935	30,485,736	23,275,443
Written off	-	(47,738,492)	-	-
Additions	-	7,000,000	-	7,000,000
Amalgamation - Sierra Industries (Pvt) Ltd	-	-	-	210,293
Balance as at 31st March	30,275,443	30,275,443	30,485,736	30,485,736
Amortization Charge				
Balance as at 1st April	24,325,443	23,275,443	24,535,736	23,275,443
Written off	-	(7,160,774)	-	-
Charge for the year	1,400,000	8,210,774	1,400,000	1,050,000
Amalgamation - Sierra Industries (Pvt) Ltd	-	-	-	210,293
Balance as at 31st March	25,725,443	24,325,443	25,935,736	24,535,736
Carrying Value as at 31st March	4,550,000	5,950,000	4,550,000	5,950,000

Intangible assets represents the cost of Computer Software acquired by the Company. The initial cost of fully-amortised intangible assets which are still in use as at Reporting Date was Rs. 23,485,734/- (2023/24- 23,275,441/-)

14 INVESTMENTS IN SUBSIDIARIES

	Company	
	2025 Rs.	2024 Rs.
Sierra Cables East Africa Limited (Note 14.1)	182,735,166	182,735,166
Sierra Industries(Private) Limited (Note No 14.2)	-	-
	182,735,166	182,735,166
Provision for Impairment of Subsidiaries (Note 14.2.1)	(182,735,166)	(182,735,166)
	-	-
14.1 Sierra Cables East Africa Limited		
Balance as at 1st April	182,735,166	182,735,166
Investment made During the Year	-	-
Balance as at 31st March	182,735,166	182,735,166

14.2 Sierra Industries(Private) Limited

	Company	
	2025	2024
	Rs.	Rs.
Balance as at 1st April	-	265,216,310
Investment made During the Year	-	15,279,037
Amalgamation - Sierra Industries (Pvt) Ltd	-	(280,495,347)
Balance as at 31st March	-	-

14.2.1 Provision for Impairment of Investment in Subsidiaries

The Company has made a provision for impairment of Rs. 182,735,166/- on the investment in subsidiary, Sierra Cables East Africa Ltd as at 31st March 2025 due to the adverse business environment in which the subsidiary company operates. This has resulted by continuous operating losses and negative operating cash flows in subsidiary company and net assets attributable to the parent company has been considered as the recoverable amount for the calculation of the provision for impairment as at the each reporting date. Currently, the subsidiary is being wound up and the breakup of the impairment provision is as follows;

	Company	
	2025	2024
	Rs.	Rs.
Sierra Cables East Africa Limited	182,735,166	182,735,166
	182,735,166	182,735,166

14.3 Investment Information of Subsidiaries

	2025
	Rs.
	Sierra Cables East Africa Limited
Number of shares	11,400
Holding	95%
Cost of the Investment	182,735,166

14.4 Non-Controlling Interest (NCI) in Subsidiary

As at 31st March	Sierra Cables East Africa Limited	
	2025	2024
NCI Percentage (%)	5%	5%
Total Assets	4,375,906	3,818,983
Total Liabilities	-	-
Net Assets	4,375,906	3,818,983
Carrying Amount of NCI	218,795	190,949
Profit/(Loss) for the period	184,448	(11,088,797)
Other Comprehensive Income	372,475	(4,447,858)
Total Other Comprehensive expenses for the period	556,923	(15,536,655)
Total Comprehensive Income/(Loss) allocated to NCI	27,846	(776,833)
Cash Flows from Operating Activities	-	(11,088,797)
Cash Flows from Investing Activities	-	56,418
Cash Flows from Financing Activities	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	-	(11,032,379)

15 EQUITY - ACCOUNTED INVESTEEES

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Interest in Joint Venture (Note 15.1)	153,059,707	99,991,976	28,310,163	28,310,163
Interest in Associates (Note 15.2)	136,905,062	107,860,196	3,300,000	3,300,000
	289,964,769	207,852,172	31,610,163	31,610,163

15.1 Joint Venture

Cables PTE Limited is a joint venture in which the Company has joint control and a 30% ownership interest. The Company is principally engaged in the manufacturing of industrial and commercial cable products.

The company classified its interest in Cables PTE Limited as a joint venture. Cables PTE Limited has a financial reporting period ended 30th June as per their reporting requirements.

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	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Cost of the Investment	28,310,163	28,310,163	28,310,163	28,310,163
Share of Profit/(Loss) for the Year (Net of Tax)	53,067,731	68,663,228	-	-
Accumulated Share of Profit/ (Loss)	71,681,813	3,018,585	-	-
Net Asset Value of Associate as at 31 March	153,059,707	99,991,976	28,310,163	28,310,163

15.1.1 Summarised Financial information of Joint Venture

	Cables PTE Limited	
	2025	2024
Percentage Ownership Interest	30%	30%
Revenue	2,134,580,060	1,852,246,125
Net Profit	176,892,436	228,877,428
Company Profit Share	53,067,731	68,663,228
Non- Current Assets	893,877,256	882,749,820
Current Assets	1,303,280,440	1,011,613,438
Non- Current Liabilities	678,217,765	743,848,899
Current Liabilities	895,117,559	667,026,022
Elimination of the Share Advance	152,950,717	163,248,000
Net Assets (100%)	623,822,372	483,488,337
Group Share of Net Assets (30%)	187,146,712	145,046,501
Conversion Impact	(34,087,005)	(45,054,525)
Carrying Amount of Investment in Joint Venture	153,059,707	99,991,976

15.2 Associates

As at 31st March	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Tea Leaf Resort Holdings (Private) Limited (Note 15.2.2)	-	-	2,500,000	2,500,000
T & G Lanka (Private) Limited (Note 15.2.2)	136,905,062	107,860,196	3,300,000	3,300,000
	136,905,062	107,860,196	5,800,000	5,800,000
Provision for Impairment of Investment in Associate (Note 15.2.1)	-	-	(2,500,000)	(2,500,000)
	136,905,062	107,860,196	3,300,000	3,300,000
15.2.1 Provision for Impairment of Investment in Associates				
Tea Leaf Resort Holdings (Private) Limited	-	-	(2,500,000)	(2,500,000)
	-	-	(2,500,000)	(2,500,000)

15.2.2 Net Assets Value of Associates

As at 31st March	2025 Rs.	2024 Rs.
Tea Leaf Resort Holdings (Private) Limited		
Cost of the Investment	2,500,000	2,500,000
Share of Profit for the Year (Net of Tax)	-	-
Accumulated Share of Profit/ (Loss)	(2,500,000)	(2,500,000)
Net Asset Value of Associate as at 31 March	-	-
T & G Lanka (Private)Limited		
Cost of the Investment	3,300,000	3,300,000
Share of Profit for the Year (Net of Tax) (Note 15.2.3)	29,044,866	35,556,152
Accumulated Share of Profit/ (Loss)	104,560,196	97,357,040
Dividend Received	-	(28,352,996)
Net Asset Value of Associate as at 31 March	136,905,062	107,860,196

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15.2.3 Summarized Financial Information of Associates

	Tea Leaf Resort Holdings (Private) Limited As at 31st March		T & G Lanka (Private) Limited As at 31st December	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Percentage Ownership Interest	49.9%	49.9%	22%	22%
Revenue	-	-	716,979,628	704,167,839
Profit/(Loss) for the Year	(189,211)	(50,729)	131,670,060	161,187,887
Non-Current Assets	-	-	121,832,896	144,273,947
Current Assets	1,987,594	2,217,686	617,245,498	536,703,574
Non-Current Liabilities	-	-	6,693,116	4,674,550
Current Liabilities	7,095,540	7,136,540	95,735,271	131,026,050
Net Assets (100%)	(5,107,946)	(4,918,854)	636,650,007	545,276,921
Group Share of Net Assets	-	-	140,437,502	120,281,674
Net Assets Value of Associate as at Year End	-	-	136,905,062	107,860,196
Dividend Received for Year 2021/22	-	-	3,532,441	3,532,441
Dividend Received for Year 2024/25	-	-	-	8,889,037
Group Share of Net Assets	-	-	140,437,503	120,281,674
Carrying Amount of Investment In Associates	-	-	136,905,062	107,860,196
Share of Profit for the Year (Net of Tax)	(94,416)	(25,314)	29,044,866	35,556,152

16 OTHER ASSETS - NON-CURRENT

16.1 Equity Securities - At FVOCI

	Group/ Company 2025		Group/ Company 2024	
	No of Ordinary Shares/Units	Fair Value Rs.	No of Ordinary Shares/Units	Fair Value Rs.
National Development Bank PLC	28,626	3,062,982	25,608	1,741,344
Richard Pieris Exports PLC	10,359	3,884,625	10,359	4,537,242
ACL Cables PLC	3,040	370,880	3,040	255,664
DFCC Bank PLC	12,053	1,277,618	11,896	904,096
Chevron Lubricants PLC	3,678	505,725	3,678	396,305
Kelani Cables PLC	200	103,900	200	56,000
NDB Aviva Growth Fund Investment in Units	2,199,836	37,265,213	2,199,836	27,277,960
NDB Aviva Growth Fund Investment in Units	-	-	1,422,860	46,589,563
		46,470,943		81,758,174
16.2 Investments in Fixed Deposit				
Sampath Bank PLC		26,461,151		24,000,000
		26,461,151		24,000,000
Total Other Financial Assets		72,932,094		105,758,174

The Group designated the investments shown above as equity securities at FVOCI because these equity securities represent investments that the Group intends to hold for the long term for strategic purposes. However certain investments were disposed during 2024/25 in order to optimise the portfolio.

17 INVENTORIES

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Raw Materials	2,067,062,901	959,333,463	2,067,062,901	959,333,463
Work in Progress	397,298,889	364,023,391	397,298,889	364,023,391
Finished Goods	784,315,429	747,550,713	784,315,429	747,550,713
Packing Materials	50,991,161	25,728,191	50,991,161	25,728,191
Engineering Items	85,674,080	68,755,770	85,674,080	68,755,770
Goods in Transit	412,537,492	159,670,575	412,537,492	159,670,575
	3,797,879,952	2,325,062,103	3,797,879,952	2,325,062,103
Less: Provision for obsolete Inventories (Note 17.1)	(44,890,218)	(8,225,525)	(44,890,218)	(8,225,525)
	3,752,989,734	2,316,836,578	3,752,989,734	2,316,836,578

17.1 Provision for Obsolete Inventories

Balance as at 1st April	8,225,525	12,799,640	8,225,525	8,225,525
Provision Reversal During the Year	36,664,693	(4,574,115)	36,664,693	-
Balance as at 31st March	44,890,218	8,225,525	44,890,218	8,225,525

Inventories pledged as security against the long term and short term borrowings have been disclosed in Note 32 to the Financial Statements.

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18 RECEIVABLE AND DERIVATIVES

18.1 Trade and Other Receivables

As at 31st March	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Trade Receivables	1,740,333,995	1,256,465,500	1,740,333,995	1,256,465,500
Less: Provision for Impairment (Note 18.1.1)	(116,257,034)	(128,717,773)	(116,257,034)	(128,717,773)
	1,624,076,961	1,127,747,727	1,624,076,961	1,127,747,727
VAT Receivable	525,198,755	326,412,925	525,198,755	326,412,925
NBT Receivable	2,885,136	2,885,136	2,885,136	2,885,136
Deposits, Prepayments and Advances	342,738,048	386,740,561	342,738,048	386,740,561
	870,821,939	716,038,622	870,821,939	716,038,622
Provision for Impairment (Note 18.1.2)	(195,572,862)	(144,044,455)	(195,572,862)	(144,044,455)
	675,249,077	571,994,167	675,249,077	571,994,167
Total Trade and Other Receivables	2,299,326,038	1,699,741,894	2,299,326,038	1,699,741,894

Trade receivables pledged as security against the long term and short term borrowings have been disclosed in Note 32 to the Financial Statements.

18.1.1 Provision for Impairment of Trade Receivables

Balance as at 1st April	128,717,773	320,855,925	128,717,773	284,839,464
Amalgamation - Sierra Industries (Pvt) Ltd	-	-	-	40,017,083
Provision/ Reversal made during the year	62,870,692	(115,137,728)	62,870,692	(119,138,350)
Provision written off*	(75,331,431)	(77,000,424)	(75,331,431)	(77,000,424)
Balance as at 31st March	116,257,034	128,717,773	116,257,034	128,717,773

*Trade receivables with the contractual amount of Rs. 75 Mn. written off during 2025 are still subject to enforcement activity

18.1.2 Provision for Impairment of Other Receivables

Balance as at 1st April	144,044,455	300,633,783	144,044,455	118,779,034
Provision written off	-	(181,854,749)	-	-
Provision made during the year	51,528,407	25,265,421	51,528,407	25,265,421
Balance as at 31st March	195,572,862	144,044,455	195,572,862	144,044,455

19 AMOUNTS DUE FROM RELATED COMPANIES

As at 31st March	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Non trading				
Tea Leaf Holding (Private) Limited	2,500,000	2,500,000	2,500,000	2,500,000
Cables PTE Limited	33,013,461	33,013,461	33,013,461	33,013,461
Iconic Trust (Private) Limited	82,570,009	82,570,009	82,570,009	82,570,009
L O L C Holdings PLC (19.1)	2,009,383,527	1,052,862,712	2,009,383,527	1,052,862,712
Provision for Non Trading Receivables (Note 19.2)	(6,430,180)	(6,430,180)	(6,430,180)	(6,430,180)
Total	2,121,036,817	1,164,516,002	2,121,036,817	1,164,516,002
Trading				
Sierra Global Network (Private) Limited	151,040	363,051	151,040	363,051
Sierra Construction Limited	10,385,199	1,876,429	10,385,199	1,876,429
Brown & Company PLC	38,285,066	437,063,289	38,285,066	437,063,289
Browns Engineering and Construction (Private) Limited	13,968,470	867,772	13,968,470	867,772
NPH Investment (Private) Limited	265,285,864	241,235,659	265,285,864	241,235,659
	328,075,639	681,406,200	328,075,639	681,406,200
Provision for related party trade receivable (Note 19.3)	(2,518,606)	(2,518,606)	(2,518,606)	(2,518,606)
Total	2,446,593,850	1,843,403,596	2,446,593,850	1,843,403,596

19.1 Loan Given to LOLC Holding PLC

This includes a Loan given to LOLC Holdings PLC amounting to Rs. 1,689,802,549/- (2023/24- Rs. 1,050,000,000/- and the interest accrued amounting to Rs. 319,580,978/- (2023/24- Rs. 2,862,712/-)as at 31st March 2025.

Repayment Terms & Conditions

Interest Rate - 13.5% Annually

Interest shall be paid at Monthly

The Capital payment shall be paid on Demand.

19.2 Provision for Non Trading Receivables

Balance as at 1st April	6,430,180	6,430,180	6,430,180	12,443,356
Provision / (Reversal) during the year	-	-	-	(6,013,176)
Balance as at 31st March	6,430,180	6,430,180	6,430,180	6,430,180

19.3 Provision for Related Party Trade Receivable

Balance as at 1st April	2,518,606	2,518,606	2,518,606	2,518,606
Provision / (Reversal) during the year	-	-	-	-
Balance as at 31st March	2,518,606	2,518,606	2,518,606	2,518,606

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20 SHORT TERM INVESTMENT

As at 31st March	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Short Term Investment*	744,723	691,909	744,723	691,909
	744,723	691,909	744,723	691,909

*Short Term Investments includes investment in Short Term Bank Deposit.

21 CASH AND CASH EQUIVALENTS

Favourable Balances

Cash in Hand	32,317,430	3,202,562	32,317,430	3,202,562
Cash in Bank	739,523,094	212,124,558	735,147,188	208,305,575
Cash and Cash Equivalents in the Statement of Financial Position	771,840,524	215,327,120	767,464,618	211,508,137

Unfavorable Balances

Bank Overdrafts Repayable on Demand and Used for Cash Management Purpose	(2,415,107)	(2,409,107)	(2,415,107)	(2,409,107)
Cash and Cash Equivalents for the Purpose of Statement of Cash Flows	769,425,417	212,918,013	765,049,511	209,099,030

22 CAPITAL AND RESERVES

22.1 SHARE CAPITAL

As at 31st March	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
537,512,430 Ordinary Shares	894,565,898	894,565,898	894,565,898	894,565,898
	894,565,898	894,565,898	894,565,898	894,565,898

All ordinary shares rank equally with regard to the Company's residual assets.

Holders of ordinary shares are entitled to dividends as declared from time to time are entitled to one vote per share at general meetings.

22.2 Revaluation Reserve

The revaluation reserve relates to the revaluation of property, plant and equipment.

22.3 Fair Value Reserves

The fair value reserve comprises of the cumulative net change in the fair value of equity securities designated at FVOCI.

22.4 Foreign Currency Transaction Reserve

The transaction reserve comprises all foreign currency differences arising from the translation of the Financial Statements of foreign operations.

23 RETIREMENT BENEFIT OBLIGATIONS

As at 31st March	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Balance as at 1st April	89,470,580	80,893,996	89,470,580	79,402,004
Amalgamation - Sierra Industries (Pvt) Ltd	-	-	-	1,491,992
Current Service Cost	7,640,179	5,818,612	7,640,179	5,818,612
Gratuity payments made for those employees who transferred out	-	(726,366)	-	(726,366)
Interest Cost	9,841,764	12,025,145	9,841,764	12,025,145
Actuarial (Gain) / Loss	7,567,101	(190,508)	7,567,101	(190,508)
Benefits Paid by the Plan	(8,313,522)	(8,350,299)	(8,313,522)	(8,350,299)
Balance as at 31st March	106,206,102	89,470,580	106,206,102	89,470,580

23.1 The total amount charged to Statement of Comprehensive Income in respect of Retirement Benefit Obligations made up as follows;

Current Service Cost	7,640,179	5,818,612	7,640,179	5,818,612
Interest Cost	9,841,764	12,025,145	9,841,764	12,025,145
Recognized in Income Statement	17,481,943	17,843,757	17,481,943	17,843,757
Actuarial (Gains) / Losses arising from;				
Financial Assumptions	(4,534,264)	9,368,000	(4,534,264)	9,368,000
Demographic Assumptions	44,400	690,721	44,400	690,721
Experience Adjustment	12,056,965	(10,249,229)	12,056,965	(10,249,229)
Expense recognised in Other Comprehensive Income	7,567,101	(190,508)	7,567,101	(190,508)

23.2 LKAS 19 requires the use of actuarial techniques to make a reliable estimate of the amount of retirement benefits that employees have earned in return for their service in the current and prior periods and discount that benefit using projected unit credit method in order to determine the present value of the retirement benefit obligation and the current service cost. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates about demographic variables and financial variables that will influence the cost of the benefit.

An Actuarial Valuation of the Retirement Benefit Obligation of the Company was carried out as at 31st March 2025, by Messers M. Poopalanathan, a firm of Professional Actuaries. The valuation was carried out as per the "Projected Unit Credit" (PUC) method.

The following key assumptions were made in arriving at the above figure.	Group/ Company	
	2025	2024
Expected Annual Average Salary Increment	10%	11%
Discount Rate	11%	11%
Retirement Age	60 Years	60 Years
Mortality	A 1967/70 Mortality Table issued by the Institute of Actuaries, London	
Staff Turnover Rate	18% for age up to 54 and thereafter zero.	
Weighted Average Duration of Defined Benefit Obligation (Years)	4	

Discount rate

LKAS 19 requires the risk discount rate to be based on the market yield of high quality Corporate bonds (AA and above) of similar duration to the liability. Due to the lack of long term high quality bonds available in the Sri Lankan market, discount rate is determined by examining short and medium term government and corporate bonds. For the purpose of this valuation, the Company has considered discount rate of 11%. A rate of discount of 11% has been used at the previous valuation.

Assumptions regarding valuation of the retirement benefits based on published statistics. The discount rate has been used in order to reflect the current market conditions.

23.3 Sensitivity Analysis - Salary Escalation Rate/Discount Rate

The calculation of the Retirement Benefit Obligations is sensitive to the assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased (decreased) as a result of a change in the respective assumptions by one percent.

	Group		Company	
	Retirement Benefit Obligation		Retirement Benefit Obligation	
	One percentage point increase	One percentage point decrease	One percentage point increase	One percentage point decrease
	Rs.	Rs.	Rs.	Rs.
Effect on the Discounting Rate	(3,699,903)	4,022,155	(3,699,903)	4,022,155
Effect on the Salary Escalation Rate	4,512,528	(4,223,039)	4,512,528	(4,223,039)

24 DEFERRED TAX LIABILITY

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Balance as at 1st April	515,441,102	512,602,346	515,441,102	394,186,422
Amalgamation - Sierra Industries (Pvt) Ltd	-	-	-	118,415,924
(Reversal)/Provision (Note 24.3)	161,367,518	2,838,756	161,367,518	2,838,756
Balance as at 31st March	676,808,620	515,441,102	676,808,620	515,441,102

The effective tax rate which were applied by the Company and its subsidiaries are as follows.

	2025	2024
Sierra Cables PLC	30%	30%

24.1 The Deferred Tax Liability is attributable to the followings

Company

As at 31st March	2025		2024	
	Temporary Difference	Tax Effect	Temporary Difference	Tax Effect
	Rs.	Rs.	Rs.	Rs.
On Property, Plant and Equipment	46,991,137	14,097,341	19,987,000	5,996,100
On Retirement Benefit Obligations	(106,206,102)	(31,861,831)	(89,470,580)	(26,841,175)
On Revaluation of Land & Building	2,364,442,514	709,332,755	1,856,134,766	556,840,430
On Other Provisions - Debtor	(49,198,816)	(14,759,645)	(68,514,178)	(20,554,253)
	2,256,028,733	676,808,620	1,718,137,008	515,441,102

Group

As at 31st March	2025		2024	
	Temporary Difference	Tax Effect	Temporary Difference	Tax Effect
	Rs.	Rs.	Rs.	Rs.
On Property, Plant and Equipment	46,991,137	14,097,341	19,987,000	5,996,100
On Retirement Benefit Obligations	(106,206,102)	(31,861,831)	(89,470,580)	(26,841,175)
On Revaluation of Land & Building	2,364,442,514	709,332,755	1,856,134,766	556,840,430
On Other Provisions - Debtor	(49,198,816)	(14,759,645)	(68,514,178)	(20,554,253)
	2,256,028,733	676,808,620	1,718,137,008	515,441,102

24.2 UNRECOGNISED DEFERRED TAX ASSETS

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefit therefrom.

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Tax Losses	137,671,794	137,299,319	-	-

24.3 Deferred Tax Liabilities – (Reversal)/Provision

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Origination/(Reversal) of Temporary Differences				
Recognized in the Statement of Profit or Loss				
Origination/(Reversal) of Temporary Differences	11,145,325	2,781,604	11,145,325	2,781,604
	11,145,325	2,781,604	11,145,325	2,781,604
Recognized in the Statement of Other comprehensive Income				
Reduction in tax rate in relation to Revaluation surplus	152,492,324	-	152,492,324	-
Origination/(Reversal) of Temporary Differences	(2,270,131)	57,152	(2,270,131)	57,152
	150,222,193	57,152	150,222,193	57,152
	161,367,518	2,838,756	161,367,518	2,838,756

25 LONG TERM LOANS

As at 31st March	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Balance as at 1st April	1,429,635,226	1,301,958,820	1,429,635,226	1,149,594,816
Amalgamation - Sierra Industries (Pvt) Ltd	-	-	-	109,083,000
Loans Obtained	2,806,574,412	1,050,000,000	2,806,574,412	1,050,000,000
Repayments	(1,651,626,319)	(922,323,594)	(1,651,626,319)	(879,042,590)
Balance as at 31st March	2,584,583,323	1,429,635,226	2,584,583,319	1,429,635,226
Term Loans due within One year	1,200,010,970	1,334,094,452	1,200,010,970	1,334,094,452
Term Loans due after One year	1,384,572,349	95,540,774	1,384,572,349	95,540,774
	2,584,583,319	1,429,635,226	2,584,583,319	1,429,635,226

26 TRADE AND OTHER PAYABLES

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Trade Creditors	587,016,435	325,926,054	587,016,521	325,926,140
Other Payables	168,680,663	193,683,242	168,680,663	193,683,242
	755,697,098	519,609,296	755,697,184	519,609,382

27 AMOUNTS DUE TO RELATED COMPANIES

Trading

Iconic Trust (Private) Limited	121,151,082	7,592,814	121,151,082	7,592,814
Browns Investments PLC	24,560,042	110,943	24,560,042	110,943

Term Loan

Browns Investments PLC*	423,175,719	350,648,769	423,175,719	350,648,769
	568,886,843	358,352,526	568,886,843	358,352,526

* Interest rate of 30% per Annum will be applied for Term Loan from Browns Investments PLC

28 IMPORT DEMAND LOAN

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Balance as at 1st April	897,620,054	349,016,655	897,620,054	349,016,655
Loans Obtained	5,584,458,300	3,366,494,940	5,584,458,300	3,366,494,940
Repayments	(4,501,347,557)	(2,817,891,541)	(4,501,347,557)	(2,817,891,541)
Balance as at 31st March	1,980,730,797	897,620,054	1,980,730,797	897,620,054

29 COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefits is not probable or cannot be readily measured as defined in the Sri Lanka Accounting Standard – LKAS 37 (Provisions, Contingent Liabilities and Contingent Assets).

In the normal course of business, the Group makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions

To meet the financial needs of customers and subsidiaries, the Company/ Group enters into various irrevocable commitments and contingent liabilities. These consist of financial guarantees, letter of credit and other undrawn commitments to lend. Letter of credit, guarantees and acceptance commit the group to make payments on behalf of customers or subsidiaries in the event of a specific act, generally related to the import or export of goods. Guarantees and standby letters of credit carry a similar credit risk to loans.

Contingent liabilities are not recognised in the Statement of Financial Position but are disclosed unless its occurrence is remote.

29.1 Contingent Liabilities

	LKR
Letter of credits opened	874,116,082

30 CAPITAL COMMITMENTS

The Group has commitments for acquisition of property, plant & equipment incidental to the ordinary course of business which have been approved by the Board of Directors, the details of which are as follows:

	LKR
Commitments in relation to Property, Plant & Equipment	327,872,659

Sierra Cables PLC

The Board of Directors of the Company has approved LKR 211 Mn budget for the construction of the main Stores Building and LKR 116 Mn for Construction of Factory Building.

There is no any material issues pertaining to employees and industrial relations of the entity for the financial year ended 31st March 2025.

31 EVENTS OCCURRING AFTER THE REPORTING PERIOD

No circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the financial statements.

32 ASSETS PLEDGED AS SECURITY AND REPAYMENT TERMS

The following assets have been pledged as securities against the long term and short term borrowings that have been disclosed in Notes 25, and 28 to the Financial Statement respectively.

Name of the Bank	Facility Obtained	Facility Amount	Rate of Interest	Amount Outstanding as at the end of the year	Securities Pledges
Commercial Bank of Ceylon PLC					
(1) Overdraft Facility		Rs.40 Mn	AWPLR+1% p.a	Nil	01) A Primary Bond for Rs.550 Mn and A Secondary Mortgage Bond for Rs.500 Mn executed over the Land and Buildings, Plant and Machinery and Equipment.
(2) Import Loan Facility		Rs.2 Billion	AWPLR+1% p.a	Rs. 1,675,998,843	02) Primary Mortgage Bond for Rs.490 Mn and Secondary Mortgage Bond for Rs.540 Mn executed over stocks & trade receivables 03) Primary Mortgage Bond for Rs.350 Mn over the Machinery and Equipment. 04) Primary Mortgage Bond for Rs.105 Mn over Machinery and Equipment.
(3) Term Loan Facility		Rs.300 Mn	10.25% for the first year and AWPLR+0.5% for remaining 4 years	Rs. 295,000,000	05) Primary Mortgage Bond for Rs.150 Mn over Machinery and Equipment.

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Name of the Bank	Facility Obtained	Facility Amount	Rate of Interest	Amount Outstanding as at the end of the year	Securities Pledges
Bank of Ceylon					
	(1) Overdraft Facility	Rs.25 Mn	AWPLR+2% p.a	Nil	Overdraft Agreement
	(2) Hypothecation Loan	Rs.750 Mn	AWPLR+2% p.a	Nil	Hypothecation over stocks intrade,raw material and working progress
Cargills Bank Limited					
	(1) Overdraft Facility (Sub Limit of Facility No 02)	Rs.25 Mn	AWPLR+1% p.a	Nil	N/A
	(2) Import Loan Facility	Rs.200 Mn	AWPLR+1% p.a	Nil	N/A
	(3) Short Term Loan Facility (Sub Limit of Facility No 02)	Rs.100 Mn	AWPLR+1% p.a	Nil	N/A
DFCC Bank					
	(1) Overdraft Facility	Rs.50 Mn	AWPLR+1.25% p.a	Nil	01) A Primary mortgage Bond for Rs.120 Mn and further Mortgage Bond for Rs.180 Mn executed over Book Debts and Stocks 02) A primary mortgage for Rs.50 Mn over land depicted in plan no 4457 03) Promissory Note for Rs.100 Mn and Rs.150 Mn
	(2) Import Loan Facility	Rs.450 Mn	AWPLR+1% p.a	Nil	
	(3) Revolving Short Term Loan (Sub Limit of Facility No 02)	Rs.250 Mn	Market Rate	Nil	
	(4) Term Loan Facility	Rs.80Mn	AWPLR+1.75% p.a	Rs. 36,842,090	A primary mortgage over Movable Assets (Solar PV system and Inverter)
HNB					
	(1) Overdraft Facility	Rs.50 Mn	AWPLR+1.75%	Nil	Demand Promissory Note for Rs.400 Mn
	(2) Import Loan Facility	Rs.350 Mn	Market Rate	Rs. 132,416,813	Mortgage Bond for Rs.400 Mn over Book Debts ad Stocks
	(3) Short Term Loan Facility (Sub Limit of Facility No 02)	Rs.250 Mn	Market Rate	Rs.200,000,000	
Standard Chartered Bank					
	(1) Import Loan Facility	Rs.300 Mn	AWPLR+1%	Nil	Further mortgage for Rs.300 Mn over Book Debts and Stocks

Name of the Bank	Facility Obtained	Facility Amount	Rate of Interest	Amount Outstanding as at the end of the year	Securities Pledges
Sampath Bank PLC					
	(1) Overdraft Facility	Rs.110 Mn	AWPLR+1.5% p.a	Nil	Overdraft Agreement for Rs.110 Mn
	(2) Import Loan Facility	Rs.450 Mn	AWPLR+1.5% p.a	Rs. 172,315,090	Short Term Import Loan agreement for Rs.450 Mn
	(3) Short Term Loan Facility (Sub Limit of Facility No 02)	Rs.250 Mn	AWPLR+1.5% p.a	Nil	Short Term Loan agreement for Rs.250 Mn
	(4) Term Loan Facility	Rs.92 Mn	AWPLR+1.5% p.a	Nil	Hypothecation Bond for Rs.350 Mn and for Rs.210 Mn over Book Debts and Stocks
	(5) Term Loan Facility	Rs.85Mn	AWPLR+1.5% p.a	Rs. 4,400,000	Primary Mortgage bond for Rs.85 Mn and Additional mortgage bond for Rs.83.6 Mn over property situated at Korathota, Kaduwela
	(6) Term Loan Facility	Rs.90 Mn	AWPLR+1.5% p.a	Rs. 3,500,000	Loan agreement for Rs.90 Mn Mortgage Bond for Rs.90 Mn over HDPE Pipe Machine
Pan Asia Banking Corporation PLC					
	(1) Overdraft Facility	Rs.50 Mn	AWPLR+1% p.a and any excess will be 30% p.a	Nil	Overdraft Agreement
	(2) Import Loan Facility (Sub Limit of Facility No 01)	Rs.250 Mn	AWPLR+2.75% p.a	Nil	Series of Loan Agreement
	(3) Short Term Loan Facility (Sub Limit of Facility No 01)	Rs.250 Mn	At the time of granting	Rs. 9,287,190	Series of Loan Agreement Corporate Guarantee from LOLC Holdings PLC for Rs.300 Mn
Capital One Partners Pvt Ltd -Arranger					
HNB-Trustee	Asset Receivable Backed Facility	Rs.950 Mn	Based on Face Value	Rs.750 Mn	Mortgage bond for Rs.1,314,456,366/96 over selected Book Debts
		Rs.400 Mn	Based on Face Value	Rs.400 Mn	Mortgage bond for Rs.618,845,706/06 over selected Book Debts
		Rs.150 Mn	Based on Face Value	Rs.150 Mn	Mortgage bond for Rs.233,345,951/17 over selected Book Debts
JB Financial Pvt Ltd -Arranger					
	Commercial Paper	Rs.500 Mn	Based on Face Value	Rs.500 Mn	N/A

33 RELATED PARTY DISCLOSURE

The Company carried out transactions in the ordinary course of the business on an arm's length basis at commercial rates with parties who are defined as Related Parties as per the Sri Lanka Accounting Standard - LKAS 24 'Related Party Disclosures', except for the transactions that the Key Management Personnel (KMP) have availed under schemes uniformly applicable to all staff at concessionary rates.

Non-recurrent related party transactions

There were no non-recurrent related party transactions which in aggregated value exceed 10% of the equity 5% of the total assets which is lower of the company as per 31st March 2025 audited financial statement, which required additional disclosures in the 2024/25 Annual report under Colombo Stock Exchange listing Rules 9.3.2 and Code of Best Practice on Related Party Transactions under the securities and Exchange Commission Directive issued under Section 13(c) of the Securities Exchange Commission Act.

Recurrent related party transactions

There were no recurrent related party transactions which in aggregate value exceed 10% of the consolidated revenue of the Group as per 31 March 2025 audited financial statements, except for the transactions mentioned in the below table, which required additional disclosures in the 2024/25 Annual Report under Colombo Stock Exchange listing Rules 9.3.2 and Code of Best Practice on Related Party Transactions under the securities and Exchange Commission Directive issued under Section 13(c) of the Securities Exchange Commission Act.

Name of the Related Party	Relationship	Nature of the Transaction(s)	Aggregate Value of Related party Transaction(s) entered into during the financial year	Aggregate Value of Related party Transaction(s) as a % of Gross Revenue / Income	Terms and Conditions of the Related party Transaction(s)
LOLC Holdings PLC	Related Company	Short term Investment	1,600,000,000	17%	Interest Rate -13.5%
		Loan Settlements	960,197,451	10%	

33.1 Transactions with Related Parties

(i) Companies within the Group engage in trading transactions under normal commercial terms and conditions

Name of the Company	Nature of the Transactions	Transaction Value		Balance Outstanding as at 31st March	
		2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Transactions with Associate Companies					
Cables PTE Limited	Funds Transfers / settlements	-	60,000	33,013,461	33,013,461
Tea Leaf Holding (Private) Limited		-	-	2,500,000	2,500,000
Transactions with Other Related Companies					
Iconic Trust (Private) Limited	Transfer from Sierra Group	-	23,827,937	82,570,009	82,570,009
	Professional Fee and Charges	(13,558,268)	(4,647,839)	(121,151,082)	(7,592,814)
	Selling & Distribution Expenses	(100,000,000)	-	-	-
LOLC Holdings PLC	Loan Granted	1,600,000,000	1,050,000,000	2,009,383,527	1,052,862,712
	Loan Settlements	(960,197,451)	-		
	Interest Income	316,718,266	2,862,712		
Browns Investments PLC	Short Term Loan	-	-	(423,175,719)	(350,648,769)
	Loan Interest Expense	(72,526,950)	(72,728,137)	-	-
	Expenses Reimbursements	(24,449,099)	(110,943)	(24,560,042)	(110,943)
	Interest Income	-	17,293,620	-	-
	WHT on Interest	-	(1,221,329)		
	Proceed from Settlement of Commercial Paper	-	(154,266,517)		
Brown & Company PLC	Sale of Goods	125,651,876	1,143,678,151	38,285,066	437,063,289
	Settlement of Invoice	(524,430,099)	(751,825,715)		

Name of the Company	Nature of the Transactions	Transaction Value		Balance Outstanding as at 31st March	
		2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Browns Engineering and Construction (Private) Limited	Sale of Goods	56,272,883	11,218,286	13,968,470	867,772
	Settlement of Invoice	(43,172,185)	(18,901,500)		
NPH Investment (Private) Limited	Sale of Goods	-	2,661,662	265,285,864	241,235,659
	Settlement of Invoice	-	(2,706,527)		
	Interest Income	24,050,205	23,143,258		
	Unrealized Exchange Loss	-	(18,075,229)		
Sierra Construction Limited	Sale of Goods	50,738,071	5,369,582	10,385,199	1,876,429
	Settlement of Invoices	(42,229,301)	(13,995,930)		
Sierra Global Networks (Private) Limited	Sale of Goods	151,040	2,711,851	-	-
	Settlement of Invoices	(363,051)	(3,069,604)	151,040	363,051

33.2 Key Management Personnel (KMP)

Key Management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Group. Accordingly the Directors of the Company (including Executive and Non Executive Directors) have been classified as Key Management Personnel of the Company, Group.

33.2.1 Transactions with Key Management Personnel

(i) Loans to Directors

No loans have been given to the Directors of the Company.

(ii) Key Management Personnel Compensation

As at 31st March	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Directors' Fees	11,500,000	10,600,000	11,500,000	10,600,000
Short Term Employee Benefits	21,525,000	10,800,000	21,525,000	10,800,000
	33,025,000	21,400,000	33,025,000	21,400,000

(iii) Other Transactions With Key Management Personnel

The names of Directors of Sierra Cables PLC and their share holdings are given on page 88. There were no other transactions with key management personnel other than those disclosed in Note 33 to the Financial Statement.

34 GOING CONCERN

Sierra East Africa (Private) Limited

The Company recorded a Profit of Rs. 184,448/- during the year ended 31st December 2024 (2023 – Loss of Rs. 11,088,797/-) and as that date, the Current Assets exceeded Current Liabilities by Rs. 4,375,906/- (2023 - Current Assets exceeded Current Liabilities by Rs. 3,818,983/-). Accordingly, Board of Directors has decided to close down the operation of the Company

35 FINANCIAL RISK MANAGEMENT

35.1 Introduction and Overview

The Group has exposure to the following risks from its use of financial instruments:

- ◆ Credit Risk
- ◆ Liquidity Risk
- ◆ Market Risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks, and the Group's management of capital.

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

i. Credit Risk

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

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;

As at 31st March	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Trade Receivables	1,740,333,995	1,256,465,500	1,740,333,995	1,256,465,500
Amounts due from Related Companies	2,455,542,636	1,852,352,382	2,455,542,636	1,852,352,382
Investment in Fixed Deposits	26,461,151	24,000,000	26,461,151	24,000,000
Short Term Investment	744,723	691,909	744,723	691,909
Balances with Banks	739,523,094	212,124,558	735,147,188	208,305,575
	4,962,605,599	3,345,634,349	4,958,229,693	3,341,815,366

Trade Receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management has established a credit policy under which each new customer is analysed individually for credit worthiness before the group standard payment and delivery terms offered.

The requirement for an impairment is analysed at each reporting date on an individual basis for major customers. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The aging of trade receivables at the reporting date was as follows:

As at 31st March 2025	Group		Company	
	Amount Outstanding Rs.	Provision Rs.	Amount Outstanding Rs.	Provision Rs.
Past due 0-60 days	1,386,944,791	11,226,322	1,386,944,791	11,226,322
Past due 61-90 days	66,920,808	1,846,405	66,920,808	1,846,405
Past due 90-120 days	77,230,603	2,474,397	77,230,603	2,474,397
Past due 121-150 days	22,881,918	1,504,366	22,881,918	1,504,366
Past due 151-180 days	26,742,492	2,388,730	26,742,492	2,388,730
Past due 181-210 days	30,702,525	4,837,606	30,702,525	4,837,606
Past due 211-240 days	10,024,598	1,969,246	10,024,598	1,969,246
Past due 241-270 days	10,311,275	2,755,758	10,311,275	2,755,758
Past due 271-300 days	17,841,306	5,970,042	17,841,306	5,970,042
Past due 301-330 days	14,057,888	5,593,742	14,057,888	5,593,742
Past due 331-360 days	5,053,457	2,435,258	5,053,457	2,435,258
Past due Over 360 days	71,622,334	73,255,164	71,622,334	73,255,164
Total	1,740,333,995	116,257,034	1,740,333,995	116,257,034

35.1 Introduction and Overview (Contd.)

As at 31st March 2024	Group		Company	
	Amount Outstanding Rs.	Provision Rs.	Amount Outstanding Rs.	Provision Rs.
Past due 0-60 days	552,190,525	3,525,259	552,190,525	3,525,259
Past due 61-90 days	255,011,860	2,210,738	255,011,860	2,210,738
Past due 90-120 days	117,311,976	4,423,101	117,311,976	4,423,101
Past due 121-150 days	77,205,903	2,225,305	77,205,903	2,225,305
Past due 151-180 days	77,183,371	4,685,738	77,183,371	4,685,738
Past due 181-210 days	9,967,443	1,034,441	9,967,443	1,034,441
Past due 211-240 days	52,217,961	8,685,636	52,217,961	8,685,636
Past due 241-270 days	-	-	-	-
Past due 271-300 days	-	-	-	-
Past due 301-330 days	148,113	44,376	148,113	44,376
Past due 331-360 days	26,578,904	11,600,904	26,578,904	11,600,904
Past due Over 360 days	88,649,445	90,282,275	88,649,445	90,282,275
Total	1,256,465,500	128,717,773	1,256,465,500	128,717,773

The maximum exposure to credit risk for trade and other receivables is the carrying amounts at the end of the reporting period, and it is analysed by geographic regions as follows,

As at 31st March	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Local Debtors	1,281,181,443	1,016,980,334	1,281,181,443	1,016,980,334
Foreign Debtors	459,152,552	239,485,166	459,152,552	239,485,166
	1,740,333,995	1,256,465,500	1,740,333,995	1,256,465,500
Provision for Impairment	(116,257,034)	(128,717,773)	(116,257,034)	(128,717,773)
	1,624,076,961	1,127,747,727	1,624,076,961	1,127,747,727

The Group has a number of bank deposits, these deposits have been placed in several banks (A+ or Above) in order to minimise the credit risk in accordance with the policy directions provided by the Board. In order to further minimise the credit risk, the Group exposure and credit rating of banks are regularly monitored and diversified investment portfolio is maintained. In the event of any weakening of credit metrics of a bank the Group may decide to liquidate its investments and move to an institution with a higher credit rating.

ii. Liquidity Risk

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

Group

As at 31st March 2025	Carrying Amount	Within 1 year Rs.	Between 1-2 years Rs.	Between 2-5 years Rs.	More than 5 years Rs.	Total Rs.
Non-Derivative Financial Liabilities						
Trade and Other Payables	755,697,098	755,697,098	-	-	-	755,697,098
Amounts due to Related Companies	568,886,843	568,886,843	-	-	-	568,886,843
Borrowings- Term Loans	2,584,583,319	1,457,177,010	372,880,406	1,263,827,852	-	3,093,885,269
Borrowings- Import Loans	1,980,730,797	1,980,730,797	-	-	-	1,980,730,797
Bank Overdraft	2,415,107	2,415,107	-	-	-	2,415,107

As at 31st March 2024	Carrying Amount	Within 1 year Rs.	Between 1-2 years Rs.	Between 2-5 years Rs.	More than 5 years Rs.	Total Rs.
Non-Derivative Financial Liabilities						
Trade and Other Payables	519,609,296	519,609,296	-	-	-	519,609,296
Amounts due to Related Companies	358,352,526	358,352,526	-	-	-	358,352,526
Borrowings- Term Loans	1,429,635,230	1,531,955,967	64,816,267	28,977,053	23,966,291	1,649,715,579
Borrowings- Import Loans	897,620,054	897,620,054	-	-	-	897,620,054
Bank Overdraft	2,409,107	2,409,107	-	-	-	2,409,107

Company

As at 31st March 2025	Carrying Amount	Within 1 year Rs.	Between 1-2 years Rs.	Between 2-5 years Rs.	More than 5 years Rs.	Total Rs.
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Non-Derivative Financial Liabilities

Trade and Other Payables	755,697,184	755,697,184	-	-	-	755,697,184
Amounts due to Related Companies	568,886,843	568,886,843	-	-	-	568,886,843
Borrowings- Term Loans	2,584,583,319	1,457,177,010	372,880,406	1,263,827,852	-	3,093,885,269
Borrowings- Import Loans	1,980,730,797	1,980,730,797	-	-	-	1,980,730,797
Bank Overdraft	2,415,107	2,415,107	-	-	-	2,415,107

As at 31st March 2024	Carrying Amount	Within 1 year Rs.	Between 1-2 years Rs.	Between 2-5 years Rs.	More than 5 years Rs.	Total Rs.
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Non-Derivative Financial Liabilities

Trade and Other Payables	519,609,382	519,609,382	-	-	-	519,609,382
Amounts due to Related Companies	358,241,583	358,352,526	-	-	-	358,241,583
Borrowings- Term Loans	1,429,635,230	1,531,955,967	64,816,267	28,977,053	23,966,291	1,649,715,579
Borrowings- Import Loans	897,620,054	897,620,054	-	-	-	897,620,054
Bank Overdraft	2,409,107	2,409,107	-	-	-	2,409,107

iii. Market Risk

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

(a) Currency Risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than Sri Lankan Rupees. The foreign currencies in which these transactions primarily denominated are United States Dollars (USD) and Euro.

Exposure to Currency Risk

The summarised quantitative data about the Group's exposure to currency risk as reported to the Management of the Group based on its risk management policy was as follows:

As at 31st March	Group		Company	
	2025 USD	2024 USD	2025 USD	2024 USD
Trade Receivables	1,541,268	115,450	1,541,268	115,450
Trade Payables	(1,397,707)	(1,805)	(1,397,707)	(1,805)
Net Statement of Financial Position Exposure	143,561	113,645	143,561	113,645

Exposure to Currency Risk

As at 31st March	2025 USD	2024 USD
Trade Payables - Foreign Creditors	1,397,707	1,805
Gross Statement of Financial Position Exposure	1,397,707	1,805

The following significant exchange rates were applicable during the year

As at 31st March	Average Rate		Reporting Date Spot Rate	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
USD	297.91	317.97	296.35	301.18

Sensitivity Analysis

A strengthening of the Rs, as indicated below, against the USD at 31st March 2025 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.

	Strengthening Profit or Loss Rs.	Weakening Profit or Loss Rs.
31st March 2025		
USD (15% Movement)	62,130,992	(62,130,992)
31st March 2024		
USD (15% Movement)	81,545	(81,545)

Currently, the impact on the Company from forex movements mainly arise from the revaluation of the Group's USD denominated borrowings and supplier liabilities as required by IFRS and do not entail an actual cash transaction loss.

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuate because of changes in market interest rates. The Groups exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligation. The Group utilises various financial instruments to manage exposures to interest rate risks.

At the reporting date, the Group's interest-bearing financial instruments were as follows:

As at 31st March	Carrying Amount	
	2025 Rs.	2024 Rs.
Variable Rate Instruments		
Financial Liabilities		
Long Term Loans	2,584,583,319	1,429,635,226
Import Demand Loans	1,980,730,797	897,620,054
Bank Overdrafts	2,415,107	2,409,107
	<u>4,567,729,223</u>	<u>2,329,664,387</u>

35 FINANCIAL RISK MANAGEMENT (Continued)

(b) Interest Rate risk (Continued)

Cash Flow Sensitivity Analysis for Variable Rate Instruments

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

	Profit or Loss	
	100 bp Increase Rs.	100 bp Decrease Rs.
31st March 2025		
Variable Rate Instruments	(45,677,292)	45,677,292
Cash Flow Sensitivity (Net)	(45,677,292)	45,677,292

35.2 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain share holder, 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 to ordinary shareholders.

The Group's Net Debt to adjusted Equity ratio at the end of the reporting period was as follows:

As at 31st March	Group		Company	
	2025 Rs	2024 Rs	2025 Rs	2024 Rs
Total Liabilities	6,955,658,407	3,934,455,920	6,955,658,493	3,934,456,006
Less: Cash and Cash Equivalents Favourable	(771,840,524)	(215,327,120)	(767,464,618)	(211,508,137)
Net Debt	6,183,817,883	3,719,128,800	6,188,193,875	3,722,947,869
Total Equity	6,214,466,199	5,030,566,152	6,122,135,046	5,017,641,832
Net Debt to Equity Ratio	100%	74%	101%	74%

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.

36 FAIR VALUE MEASUREMENT

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1 : Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2 : Valuation techniques based on observable inputs.

Level 3 : Valuation techniques using significant unobservable inputs

36.1 Financial Instruments carried at Fair Value and Valuation Bases

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized.

As at 31st March 2025	Company			Total Rs
	Level 1 Rs	Level 2 Rs	Level 3 Rs	
Fair Value through OCI	46,470,943	-	-	46,470,943
	46,470,943	-	-	46,470,943

As at 31st March 2024	Company			Total Rs
	Level 1 Rs	Level 2 Rs	Level 3 Rs	
Fair Value through OCI	81,758,174	-	-	81,758,174
	81,758,174	-	-	81,758,174

36 FAIR VALUE MEASUREMENT

36.2 Fair Value of Financial Instruments carried at Amortized Cost

The following table summarizes the carrying amounts and the Group's estimate of fair values of those financial assets and liabilities not presented on the Group's Statement of Financial Position at fair value.

	2025	
	Carrying Amount Rs	Fair Value Rs
Assets		
Cash and Cash Equivalents	771,840,524	771,840,524
Trade Receivables	1,624,076,961	1,624,076,961
Short Term Investment	744,723	744,723
Investment in Fixed Deposits	26,461,151	26,461,151
Amounts due from Related Companies	2,446,593,850	2,446,593,850
Liabilities		
Trade Payables	587,016,521	587,016,521
Interest Bearing Borrowings	4,565,314,116	4,565,314,116
Amounts due to Related Companies	568,886,843	568,886,843
Bank Overdraft	2,415,107	2,415,107

Cash and Cash Equivalents

The carrying amount of the cash and cash equivalents and balances with banks approximate the fair value as these are short term in nature.

Trade and Other Receivables

Trade and other receivables are expected to be settled within one year from the reporting date and hence the discounting impact would be immaterial. Therefore carrying amount approximate the fair value as at the reporting date.

Tax recoverable, deposits and prepayments, prepayments to suppliers and advances amounting to Rs. 870,821,939/- (2024 - Rs. 716,038,622/-) have been excluded as they are not financial instruments

Trade and Other Payables

Trade and other payables are expected to be settled within one year from the reporting date and hence the discounting impact would be immaterial. Therefore carrying amount approximate the fair value as at the reporting date.

Interest Bearing Borrowings

Long term borrowings are repriced either monthly, quartely or semi annually in line with the changes in the market rates.Hence carrying value of these borrowings approximate the fair value.Other borrowings are short term in nature and hence carrying value approximate the fair value.

36.3 Categorization of Financial Assets and Liabilities as at the Reporting Date

Group -2025	Classification				Fair Value		
	Amortized Cost	FVTPL	FVOCI	Other Financial Liabilities	Level 1	Level 2	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Financial Instrument							
Trade Receivables	1,624,076,961	-	-	-	-	-	
Amount due from Related Parties	2,446,593,850	-	-	-	-	-	
Other Financial Assets	-	-	46,470,943	-	46,470,943	-	
Short Term Investment	744,723	-	-	-	-	-	
Cash and Cash Equipments	771,840,524	-	-	-	-	-	
Financial liabilities							
Trade Payables	-	-	-	587,016,521	-	-	
Borrowings	-	-	-	4,565,314,116	-	-	
Amounts due to Related Parties	-	-	-	568,886,843	-	-	
Bank Overdraft	-	-	-	2,415,107	-	-	

Group -2024	Classification				Fair Value		
	Amortized Cost	FVTPL	FVOCI	Other Financial Liabilities	Level 1	Level 2	Level 3
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Financial Instrument							
Trade Receivables	1,127,747,727	-	-	-	-	-	-
Amount due from Related Parties	1,843,403,596	-	-	-	-	-	-
Other Financial Assets	-	-	81,758,174	-	81,758,174	-	-
Short Term Investment	691,909	-	-	-	-	-	-
Cash and Cash Equipments	215,327,120	-	-	-	-	-	-
Financial liabilities							
Trade Payables	-	-	-	325,926,054	-	-	-
Borrowings	-	-	-	2,327,255,280	-	-	-
Amounts due to Related Parties	-	-	-	358,352,526	-	-	-
Bank Overdraft	-	-	-	2,409,107	-	-	-

SHAREHOLDER INFORMATION

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Distribution of Shareholders as at 31st March 2025

Shareholding From -To	As at 31st March 2025			As at 31st March 2024		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
1-1000	13,686	11,797,649	2.20	13,760	11,998,650	2.23
1,001-10,000	5,816	13,527,345	2.52	5,940	13,612,390	2.53
10,001-100,000	781	26,986,151	5.02	614	18,737,266	3.49
100,001-1,000,000	202	63,834,795	11.87	75	22,090,672	4.11
1,000,001-10,000,000	43	421,366,490	78.39	14	471,073,452	87.64
Total	20,528	537,512,430	100.00	20,403	537,512,430	100.00

Shareholding Composition of Shareholders	As at 31st March 2025			As at 31st March 2024		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
Resident	20,488	532,410,212	99.05	20,364	531,262,237	98.84
Non-Resident	40	5,102,218	0.95	39	6,250,193	1.16
Total	20,528	537,512,430	100.00	20,403	537,512,430	100.00

Individual	20,184	114,237,958	21.25	20,169	70,058,028	13.03
Institutional	344	423,274,472	78.75	234	467,454,402	86.97
Total	20,528	537,512,430	100.00	20,403	537,512,430	100.00

Share Price	As at 31st March 2025 (Rs)	As at 31st March 2024 (Rs)
High	18.60	13.10
Low	8.00	9.40
Last Traded	15.70	11.90

Top 20 Shareholders

No	Name	As at 31st March 2025		As at 31st March 2024	
		Shareholding	(%)	Shareholding	(%)
1	Iconic Trust (Private) Limited	163,580,768	30.43	156,866,167	29.18
2	Browns Investments PLC	140,623,654	26.16	-	-
3	Hatton National Bank PLC /Almas Capital (Private) Limited	28,996,655	5.39	54,591,396	10.16
4	Deutsche Bank AG Trustee to Lynear Wealth Dynamic Opportunities Fund	8,344,440	1.55	-	-
5	Seylan Bank PLC/W.G.U.I. Ranaweera	5,863,952	1.00	-	-
6	Mr. H. Yusoof	5,000,000	0.93	-	-
7	Invenco Capital (Private) Limited	4,226,429	0.79	-	-
8	Amana Bank PLC/Hi-Line Trading (Private) Limited	3,652,082	0.68	-	-
9	Tranz Dominion,L.L.C.	3,600,000	0.67	3,600,000	0.67
10	Seylan Bank PLC/Mohamed Mushtaq Fuad	3,498,600	0.65	-	-
11	Union Assurance PLC-Universal Life Fund	3,155,731	0.59	-	-
12	People S Leasing And Finance PLC/Nagoya Ceylon Trading (Private) Limited	3,138,894	0.58	-	-
13	Deutsche Bank AG-National Equity Fund	2,966,681	0.55	-	-
14	Commercial Bank of Ceylon PLC/W. Jinadasa	2,476,403	0.46	976,403	0.18
15	Mrs. R.J. Vidanapathirana	2,191,329	0.41	-	-
16	Mr. N.R. Gajendran	2,080,500	0.39	-	-
17	Mrs. S. Balendra	2,000,000	0.37	-	-
18	Mr. S.A. Cooray	2,000,000	0.37	-	-
19	Mr. A.M. Weerasinghe	2,000,000	0.37	-	-
20	Lynear Wealth Management/Mr. H. Yusoof	1,888,675	0.35	-	-
TOTAL		391,284,793	72.69	216,033,966	40.19

TEN YEAR SUMMARY - GROUP

SIERRA CABLES PLC
Annual Report 2024/25

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For the year ended 31 March	2016	2017	2018	2019	2020
Operating Results					
Turnover	3,036,010,858	4,044,449,473	4,069,119,607	4,699,675,203	5,563,252,957
Gross Profit	630,701,896	878,893,414	570,545,593	579,954,537	946,681,164
Profit From Operations	377,663,501	498,862,100	169,031,973	302,240,663	473,118,590
Profit Before Associate Company's Share of Profit	273,134,238	346,794,764	(11,975,586)	27,513,370	255,970,660
Profit After Tax	191,013,313	265,459,538	(38,725,906)	12,396,169	228,758,686
As at 31 March					
Assets					
Property Plant & Equipment	1,223,660,989	1,114,052,321	1,494,627,990	1,440,230,560	1,464,116,282
Other Non Current Asset	48,772,074	39,622,551	106,629,108	45,469,381	46,135,786
Current Assets	1,987,568,805	3,262,364,862	3,418,897,764	3,819,142,501	3,387,938,408
Total Asset	3,260,001,867	4,416,039,734	5,020,154,863	5,304,842,442	4,898,190,476
Liabilities					
Long Term Debt	142,263,090	71,484,209	97,601,618	61,585,178	113,244,086
Other Non Current Liabilities	217,033,415	201,002,005	304,376,702	273,262,392	263,240,870
Short Term Debt	72,104,387	98,056,157	238,221,924	276,052,246	186,423,083
Other Current Liabilities	1,285,901,220	2,359,206,714	2,548,651,323	2,897,005,339	2,313,300,813
Shareholders' Funds					
Share Capital	894,565,898	894,565,898	894,565,898	894,565,898	894,565,898
Reserves	644,158,268	786,971,222	928,280,433	892,087,895	1,117,937,088
Minority Interest	3,975,590	(1,842,470)	8,393,965	10,283,494	9,478,637
Ratios					
Total Assets/Equity	2.11	2.63	2.74	2.95	2.42
Turnover/Assets	0.93	0.92	0.81	0.89	1.14
Net Margin(%)	6.29	6.56%	-0.95%	0.26%	4.11%
Return on Equity(%)	12.41	16.13%	(1.51%)	0.75%	11.82%
Return on Assets(%)	5.86	6.01%	(0.77%)	0.23%	4.67%
Share Information					
Earnings per Share	0.36	0.50	(0.05)	0.02	0.43
Price Earnings Ratio	8.16	6.23	(43.10)	64.24	4.92
Net Assets Per share	2.86	3.12	3.39	3.39	3.74

	2021	2022	2023	2024	2025
	5,498,555,123	8,257,835,280	7,069,360,002	8,150,443,782	9,257,863,965
	880,957,894	1,544,135,340	2,564,786,486	1,827,869,193	2,343,794,743
	495,404,118	1,078,940,198	1,725,536,198	1,227,960,840	1,405,330,806
	322,561,981	562,946,915	851,259,145	818,732,882	1,185,651,027
	319,961,155	471,680,985	703,352,327	727,728,217	903,469,623
	1,942,237,593	2,799,890,735	2,719,004,672	2,569,460,629	3,531,182,874
	66,676,972	83,306,697	209,269,791	319,560,346	367,446,863
	4,641,080,288	5,187,457,912	4,763,189,695	6,076,001,097	9,271,494,869
	6,649,994,853	8,070,655,345	7,691,464,158	8,965,022,072	13,170,124,606
	142,094,560	301,965,249	379,635,225	95,540,774	1,384,572,349
	269,535,698	374,084,107	593,496,342	604,911,682	783,014,722
	132,699,932	324,537,052	72,749,948	2,409,107	2,415,107
	3,387,220,329	3,273,648,327	2,335,363,832	3,231,594,357	4,785,656,229
	894,565,898	894,565,898	894,565,898	894,565,898	894,565,898
	1,810,974,781	2,874,719,220	3,390,552,378	4,135,809,305	5,319,681,506
	12,903,655	27,135,487	25,100,535	190,949	218,795
	2.45	2.13	1.78	1.78	2.12
	0.83	1.02	0.92	0.91	0.70
	5.82%	5.71%	9.95%	8.93%	9.76%
	11.94%	12.35%	16.32%	15.20%	14.54%
	4.81%	5.84%	9.14%	8.12%	6.86%
	0.60	0.87	1.32	1.42	1.68
	9.48	7.85	9.12	8.36	9.34
	5.05	7.01	7.97	9.36	11.56

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 22ND ANNUAL GENERAL MEETING of the Company will be held on Thursday, 25th September 2025 at 10:30 am as a virtual meeting with arrangements for the on-line meeting platform made at LOLC Holdings PLC, No.100/1, Sri Jayawardenapura Mawatha, Rajagiriya.

The business to be brought before the meeting will be:

Routine Business

1. To receive and consider the Report of the Directors and Statement of Accounts of the Company for the Financial Year ended 31st March 2025 with the Auditors' Report thereon.
2. To re-elect as a Director Mr. P D G Jayasena who retires by rotation in terms of Article No. 91 of the Articles of Association of the Company
3. To re-elect as a Director Mr. D S K Amarasekara who retires by rotation in terms of Article No. 91 of the Articles of Association of the Company
4. To re-elect as a Director Mr. S M S C Jayasuriya who was appointed on 18th December 2024 in terms of Article No. 97 of the Articles of Association of the Company
5. To re-elect as a Director Prof. G I U S Perera who was appointed on 01st January 2025 in terms of Article No. 97 of the Articles of Association of the Company
6. To re-elect as a Director Mr. I C Nanayakkara who was appointed on 28th May 2025 in terms of Article No. 97 of the Articles of Association of the Company
7. To re-appoint as a Director Mr. D S Panditha, who retires in terms of Section 210 of the Companies Act No. 7 of 2007, for which the passing of the following Ordinary Resolution is recommended:

"Resolved that Mr. D.S. Panditha who reached the age of 70 years on 14th July 2022 be re-appointed a Director of the Company and that the age limit stipulated in Section 210 of the Companies Act No. 7 of 2007 shall not apply him."

8. To re-appoint M/s KPMG, Chartered Accountants as the auditors for the ensuing financial year at a remuneration to be fixed by the Directors.
9. To approve in terms of Companies (Donations) Act No. 26 of 1951 the making of donations by the Directors as determined by them for the current Financial Year and until the next Annual General Meeting of the Company.

Special Business

10. To approve by Special Resolution the following amendments to the Company's Articles of Association in line with the revised Listing Rules of the Colombo Stock Exchange:

"Resolved that the existing Article 77 (I) on Number of Directors and Article 81 on Alternate Directors, of the Articles of Association of the Company be deleted in its entirety, and be substituted with the new Articles 77(I) and 81 reflecting requirements mandated under Section 9 of the Listing Rules as set out below:

77 (I) The Board of Directors of the Company shall comprise of not less than five nor more than twelve directors.


81 (I) An Alternate Director shall only be appointed in exceptional circumstances by any Director giving notice in writing left at the Office of the Company and approved by the Board to be an Alternate Director of the Company to act in their place during their absence, subject to applicable laws, rules and regulations. Any such appointment shall not exceed a period of one year from the date of appointment and the following provisions of this Article shall apply to any person so appointed.

(II) A person appointed to be an Alternate Director shall not in respect of such appointment be entitled to receive any remuneration from the Company nor be required to hold any share qualification but the Board may repay the Alternate Director such reasonable expenses as they may incur in attending and returning from meetings of the Board which they are entitled to attend or as they may otherwise properly incur in or about the business of the Company or may pay such allowances as they may think proper in respect of these expenses.

(III) An alternate Director shall (on them giving an address for such notices to be served) be entitled to receive notices of all meetings of the Board and to attend and vote as Director at any such meeting at which the Director appointing them is not personally present and generally to perform all the functions of their appointor as a Director in the absence of such appointor.

- (IV) *An Alternate Director may be appointed for a specified period or until the happening of a specified event subject to Clause 81 (I) but they shall ipso facto cease to be an Alternate Director in any of the following events, that is to say:*
- a. *upon the return of their appointor including a return to Sri Lanka;*
 - b. *if their appointor ceases for any reason to be a Director; provided that if any Director retires by rotation but is re-elected at the meeting at which such retirement took effect, any appointment made by them pursuant to this Article which was in force immediately prior to their retirement shall continue to operate after their re-election as if they had not so retired;*
 - c. *if the appointment of the Alternate Director is revoked by their appointor, by notice in writing left at the office;*
 - d. *if the Board resolves that the appointment of the Alternate Director be terminated.*
 - e. *If they become prohibited by law from acting as alternate Director including*
 - i. *being convicted of any offense punishable by imprisonment; or*
 - ii. *convicted of any offense involving dishonest or fraudulent acts whether in Sri Lanka or elsewhere.*
 - f. *If they resign by writing under their hand left at the Office.*
 - g. *If they cease to hold office in terms of Section 207 of the Act*
 - h. *If they become disqualified from being a Director in terms of Section 202 of the Act.*
- (V) *A Director shall not vote on the question of the approval of an Alternate Director to act for them or on the question of the termination of the appointment of such an Alternate Director under sub-paragraph (iv) of the foregoing sub-clause of this Article, and if they do so their vote shall not be counted; nor for the purpose of any resolution for either of these purposes shall they be counted in the quorum present at the meeting.*
- (VI) *If an Alternate Director is appointed for a non-executive director, such alternate should not be an executive of the Company. Similarly, if an Alternate Director is appointed for an independent director, the person so appointed shall meet the criteria for independence under applicable laws, rules and regulations.*
- (VII) *The attendance of any Alternate Director at any meeting subject to article 81(V) above, including Board committee meetings shall be counted for the purpose of quorum."*

By order of the Board



L O L C Corporate Services (Private) Limited
Secretaries

26th August 2025

FORM OF PROXY

I/ We.....ofbeing a member/
members of Sierra Cables PLC hereby appoint; of whom failing

- Mr. I C Nanayakkara or failing him
- Mr. D S Panditha or failing him
- Mr. M A P N Weerasingha or failing him
- Ms. V G S S Kotakadeniya or failing her
- Mr. D S K Amarasekara or failing him
- Mr. P D G Jayasena or failing him
- Mr. P E A B Perera of failing him
- Mr. W D C H Jayatunga or failing him
- Mr. S M S C Jayasuriya or failing him
- Prof. G I U S Perera

as my/our proxy to represent me/us and vote on my/our behalf at the Twenty Second Annual General Meeting of the Company to be held as an online meeting on Thursday, 25th September 2025 at 10.30 am and at any adjournment thereof and at every poll which may be taken in consequence of the aforesaid Meeting.

Please indicate your preference by placing an “x” against the resolution.

	For	Against	Abstained
1. To re-elect Mr. P D G Jayasena as a Director in terms of Article No. 91 of the Articles of Association of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To re-elect Mr. D S K Amarasekara as a Director in terms of Article No. 91 of the Articles of Association of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To re-elect Mr. S M S C Jayasuriya as a Director in terms of Article No. 97 of the Articles of Association of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To re-elect Prof. G I U S Perera as a Director in terms of Article No. 97 of the Articles of Association of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. To re-elect Mr. I C Nanayakkara as a Director in terms of Article No. 97 of the Articles of Association of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. To re-appoint Mr. D S Panditha as a Director who is over 70 years of age as an Executive Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. To re-appoint M/s KPMG Chartered Accountants, as the External Auditors of the Company for the ensuing financial year at a remuneration to be fixed by the Directors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. To authorize Directors to make donations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. To approve by Special Resolution the amendments to the Company’s Articles of Association as set out in the Notice of Meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

dated this day of Two Thousand and Twenty five .

.....
Signature of Shareholder/s

FORM OF PROXY

Please provide the following details:

Shareholder's NIC No. :

No. of Shares Held :

Proxy Holder's NIC No. :

(If not a Director of the Company)

(Please delete inappropriate words and refer overleaf for instructions)

Notes:

- 1 Please return the completed Form of Proxy after filling in legibly your full name and address, signing on the space provided and filling in the date of signature.
- 2 The Proxy shall:
 - a) in the case of an individual, be under the hand of the shareholder or his or her attorney, and if signed by an attorney, a notarially certified copy of the Power of Attorney should be attached to the completed Form Proxy if it has not already been registered with the Company.
 - b) if the shareholder is a company or a corporation, be either under its common seal or under the hand of an officer or attorney authorized by such organization in that behalf in accordance with its Articles of Association or Constitution.
- 3 Please indicate with an 'X' how the proxy should vote on each Resolution. If no indication is given, the proxy shall exercise his/her discretion and vote as he/she thinks fit.
- 4 The completed Form of Proxy should be deposited at LOLC Corporate Services (Private) Limited, Secretaries to Sierra Cables PLC, No.100/1, Sri Jayawarenapura Mawatha, Rajagiriya, scanned and emailed to corporateservices@lolc.com with the email subject titled "SIERRA AGM 2025 PROXY" not less than 48 hours before the time appointed for the holding of the Meeting.

STAKEHOLDER FEEDBACK FORM

Sierra Cables PLC values your opinions and feedback. We invite you to share your thoughts to help us enhance our governance, operations, financial condition, and future prospects. Please take a moment to fill out this form with your comments and suggestions. Your feedback will be treated confidentially and used solely for the purpose of improving our stakeholder communication and overall performance.

Contact Information

Name:

Email:

Phone:

Company/Organization:

WHICH STAKEHOLDER GROUP/S DO YOU BELONG TO? (You may tick more than one)

- | | | |
|---|--|---|
| <input type="checkbox"/> Shareholder | <input type="checkbox"/> Employee | <input type="checkbox"/> Service Provider |
| <input type="checkbox"/> Customer | <input type="checkbox"/> Student | <input type="checkbox"/> Supplier |
| <input type="checkbox"/> Community | <input type="checkbox"/> Regulatory Body | <input type="checkbox"/> Special Interest Group |
| <input type="checkbox"/> Public Authority | <input type="checkbox"/> Journalist | |

General Feedback

1. How would you rate your overall satisfaction with the Company's communication practices?

- Very Satisfied
- Satisfied
- Neutral
- Dissatisfied
- Very Dissatisfied

2. How often do you feel the Company provides timely and accurate information?

- Always
- Often
- Sometimes
- Rarely
- Never

3. How effective do you find the Company's use of its website and social media for communication?

- Very Effective
- Effective
- Neutral
- Ineffective
- Very Ineffective

STAKEHOLDER FEEDBACK FORM

SPECIFIC FEEDBACK

1. What specific aspects of the Company's communication do you find most useful?

- Financial Reports
- Annual Reports
- Press Releases
- Investor Briefings
- Social Media Updates
- Website Content
- Other (please specify):

2. How would you rate the accessibility of the Company's spokespersons for providing information and responding to queries?

- Very Accessible
- Accessible
- Neutral
- Inaccessible
- Difficult to Access

3. How effectively does the Company address your concerns and queries?

- Very Effective
- Effective
- Neutral
- Ineffective
- Very Ineffective

FORWARD-LOOKING INFORMATION & MAJOR DEVELOPMENTS

1. How useful do you find the Company's forward-looking comments and information on future prospects?

- Very Useful
- Useful
- Neutral
- Not Useful
- Not Useful at All

2. How effectively does the Company handle the communication of major corporate developments (e.g., mergers, acquisitions, new products)?

- Very Effectively
- Effectively
- Neutral
- Ineffectively
- Very Ineffectively

CRISIS COMMUNICATION & CONFIDENTIALITY

1. How confident are you in the Company's ability to manage crisis communications?

- Very Confident
- Confident
- Neutral
- Not Confident
- Not Confident at All

2. How well does the Company maintain the confidentiality of sensitive information?

- Very Effectively
- Effectively
- Neutral
- Ineffectively
- Very Ineffectively

Additional Comments

Please provide any additional comments or suggestions you have for improving the Company's communication practices.

.....

.....

.....

.....

Submission

Please return the completed form to:
Head of Finance /Investor Relations OR Group Communications

Sierra Cables PLC

Email: malinga_r@sierracables.com and susaanb@lolc.com

CORPORATE INFORMATION

NAME OF THE COMPANY

Sierra Cables PLC

COMPANY REGISTRATION NO.

PQ 166 (Under Companies Act No. 7 of 2007)

REGISTERED OFFICE

No.39/1A, Galvarusa Road, Korathota, Kaduwela

STOCK EXCHANGE LISTING

The ordinary shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka on 2nd November 2005.

RATING

Fitch ratings assigned the company a solid rating of A+(lka)

PRINCIPAL ACTIVITIES AND NATURE OF OPERATIONS

The principal activity of the Company is manufacturing, marketing and distribution of power cables.

COMPANY SECRETARIES

LOLC Corporate Services (Private) Limited
No.100/1, Sri Jayawardenapura Mawatha, Rajagiriya
Tel: 011-7248248 ,0117248512
Fax: 011-2865606
Email : corporateservices@lolc.com

AUDITORS

KPMG (Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P>O>Box 186, Colombo 03.
Tel: 011 5426426
Fax ; 011 2445872
Email : frt@kpmg.lk

SUBSIDIARY COMPANIES

Sierra Cables East Africa Limited, Kenya.

EQUITY ACCOUNTED INVESTEEES

T & G Lanka (Private) Limited – Associate
The Tea Leaf Resort Holding (Pvt) Ltd – Associate
Cables PTE Limited, Fiji – Joint Venture

BANKERS

Commercial Bank of Ceylon PLC
Sampath Bank PLC
Bank of Ceylon
People's Bank
DFCC Bank
Cargills Bank Limited
Hatton National Bank PLC
Standard Chartered Bank
Habib Bank Limited
Bank of China
Pan Asia Banking Corporation

DOMICILE AND LEGAL FORM

Sierra Cables PLC is a Limited Liability Company
Incorporated and domiciled in Sri Lanka.
Tel: 011 4412000-4
Fax : 011 277029,011 4412573
E-mail: info@sierracables.com

INVESTOR RELATIONS

Mr. R D S Malinga
Tel : 0775671682
Email : malinga_r@sierracables.com

COMMUNICATIONS

Mr. Susaan Bandara
Tel : 0117797203
Email : susaanb@lolc.com



Sierra Cables PLC

No. 39/1A, Galvarusa Road, Korathota, Kaduwela.

Tel: 011 4412000-4 | Fax: 011 2770291, 011 4412573

E-mail: info@sierracables.com | Web: www.sierracables.com