Annual Report
2025/26

COLOMBO CITY
HOLDINGS

THE Weightless Anatomy OF A LANDSCAPE

Contents

Financial Report

The Weightless Anatomy of a Landscape

We often mistake mass for permanence, assuming that enduring strength requires a heavy, unyielding footprint. Yet, nature operates on a vastly superior architectural principle. From the delicate, pressure-resistant geometry of a nautilus shell to the sweeping, wind-sculpted symmetry of a coastal sandbar, true endurance is found in flawless, weightless engineering. At Colombo City Holdings, we approach real estate through this exact lens. We believe a true luxury landscape is not violently imposed upon the earth, but carefully cultivated from it, achieving a perfect equilibrium between structural resilience and natural harmony.

This pursuit of weightlessness is not effortless; it requires absolute structural discipline. Creating environments that feel light, airy, and expansive demands rigorous financial foresight, precise architectural execution, and a profound respect for the ecosystem. Our portfolio represents the physical manifestation of this philosophy. We do not merely construct buildings; we engineer spaces that strip away the superfluous, leaving only the essential, premium elements of light, space, and compounding value. Our properties are designed to breathe, adapting seamlessly to the Sri Lankan environment while holding their ground with unshakeable stability.

As you navigate this year's report, we invite you to look closely at the underlying architecture of our growth. Examine our elevated perspectives on market strategy, the cultivated foundations of our physical assets, the enduring harmony of our environmental stewardship, and the engineered resilience of our financial bottom line. You will find that our legacy is not anchored by a heavy, immovable mass, but sustained by the flawless geometry of deliberate, continuous growth. This is the weightless anatomy of a landscape.

PERFORMANCE HIGHLIGHTS

	Group		Company	
	2025/26	2024/25	2025/26	2024/25
Balance Sheet - LKR				
Cash & Cash Equivalents	7,968,153	6,294,781	1,614,065	5,462,928
Other Financial Investments	1,334,592,044	1,607,994,405	1,206,844,042	1,490,918,355
Trade & Other Receivables	25,012,870	359,983,426	9,962,806	20,923,097
Total Current Assets	1,377,825,383	1,986,118,367	1,218,420,913	1,517,304,380
Total Non-Current Assets	2,228,578,903	1,388,661,763	1,947,992,648	1,523,799,710
Total Current Liabilities	135,002,195	418,242,997	28,094,352	319,713,259
Total Non-Current Liabilities	336,613,823	256,780,913	219,332,128	159,330,478
Total Shareholders' Equity	3,134,788,268	2,699,756,220	2,918,987,081	2,562,060,353
Income Statement - LKR				
Revenue	73,932,278	50,009,310	-	-
Gross Profit	72,553,377	47,035,934	-	-
EBITDA	605,010,104	332,528,707	481,022,797	316,951,176
Profit Before Taxes	582,004,625	317,494,195	461,514,503	303,973,375
Profit for the Year	434,909,431	258,630,478	356,804,111	244,239,063
KEY RATIOS				
Profitability Ratios				
Return on Equity	13.87%	9.58%	12.22%	9.53%
Return on Assets	12.06%	7.66%	11.27%	8.03%
Return on Sales	588.25%	517.16%	-	-
Gross Profit Margin	98.13%	94.05%	-	-
Asset Turnover Ratio	2.05%	1.48%	-	-
EPS	17.08	10.16	14.02	9.59
Dividend Per Share	-	-	-	-
Current Ratio	10.21	4.75	43.37	4.75
Quick or Acid Test Ratio	10.21	4.75	43.37	4.75
Debt to Equity Ratio	0.15	0.25	0.08	0.19
NAV Per Share	123.14	106.05	114.66	100.64
Interest Coverage Ratio	29.84	22.99	27.78	25.34

Elevated Perspectives

Masterful strategy requires the ability to see both the finest detail and the broadest horizon simultaneously. It is the practice of holding a massive vision with a light touch. This section details the clear vision, agile leadership, and elevated perspective guiding our long-term trajectory.

CHAIRMAN'S MESSAGE

"Our focus remains unwavering: to unlock the value of our assets, strengthen our foundations and create sustainable long term returns for our shareholders."

Dear Shareholders,

It is my privilege to present the Annual Report and Audited Financial Statements of Colombo City Holdings PLC for the Financial Year ended 31st March 2026. The year under review unfolded against a steadily improving economic backdrop in Sri Lanka.

MACROECONOMIC OVERVIEW

Macroeconomic stabilisation measures, improving fiscal discipline, easing inflationary pressures and the continued implementation of structural economic reforms collectively led to a more stable operating environment during the year. According to the Central Bank of Sri Lanka, the economy expanded by 5.0% in real terms, marking the second consecutive year of growth following the economic crisis period. Economic expansion was driven primarily by stronger industrial activity, particularly within manufacturing and construction, alongside continued recovery in services-related sectors including tourism, financial services and transportation. Agriculture also recorded improved performance during the year. GDP at current market prices increased to LKR 32.75 trillion in 2025 from LKR 30.10 trillion in 2024, while GDP per capita rose to approximately USD 5,003 reflecting improving economic activity and rising income levels.

Inflation remained largely contained throughout much of the year following the severe inflationary pressures experienced during the crisis period. Headline inflation, measured by the Colombo Consumer Price Index (CCPI), accelerated moderately to 2.1% by end 2025, compared to deflationary conditions of -1.7% recorded at the end of 2024. Inflationary pressures were influenced mainly by food price movements, revisions to electricity tariffs and the gradual normalisation of domestic demand conditions. Importantly, core inflation remained at relatively low and stable levels, indicating that underlying demand-side pressures remained moderate.

Monetary conditions became increasingly supportive of economic recovery during the year. Benign inflation conditions enabled an accommodative monetary policy stance, contributing to lower interest rates and stronger private sector credit growth. Lending to the private sector recorded broad-based expansion, supported by improving business confidence and increased consumption activity.

Sri Lanka's external sector demonstrated further improvement in 2025, with foreign exchange inflows strengthening considerably, supported by tourism earnings, workers' remittances and ongoing macroeconomic reforms. Gross official reserves increased to approximately USD 6.8 billion by end 2025, despite substantial external debt servicing obligations during the year.

Tourism recovery remained particularly encouraging, positively impacting hospitality, leisure, transportation and real estate-related sectors. Continued improvements in fiscal management, alongside the IMF-supported reform programme, contributed towards restoring investor confidence and strengthening overall economic sentiment.

Despite continuing global uncertainties, including trade policy risks and external market volatility, economic conditions during 2025 reflected a notable transition from crisis recovery towards stabilisation and medium-term growth. Improving confidence within tourism, premium real estate, infrastructure and investment-linked sectors created a more constructive operating environment for long-term capital investment and strategic development initiatives. The year 2025 represented an increasingly favourable environment for businesses operating within asset-backed, lifestyle-oriented and tourism-linked sectors, characterised by improving stability, recovering demand conditions and renewed investor optimism.

Against this backdrop, Colombo City Holdings PLC recorded a year of meaningful progress, underpinned by disciplined capital stewardship, strengthening asset values and the continued evolution of the Company's long-term growth platform. Our focus on enhancing shareholder value through the active optimisation of strategic assets, prudent capital allocation and the development of sustainable recurring revenue streams capable of supporting long-term earnings resilience was unwavering.

STRENGTHENING LONG-TERM SHAREHOLDER VALUE

Performance during the year reflected steady progress in strengthening the Group's operational and financial position amidst a gradually improving economic environment. Revenue increased from LKR 50 million to LKR 74 million, while profitability recorded a notable improvement, supported by stronger operational performance, improved cost alignment, and disciplined financial management across the portfolio. Focus remained firmly directed towards strengthening the balance sheet, optimising investment returns and advancing long-term opportunities across hospitality, tourism and premium real estate development. Operational profit increased from LKR 323 million to LKR 589 million, while profit after tax rose from LKR 259 million to LKR 435 million, reflecting the effectiveness of the Group's measured execution strategy and continued emphasis on sustainable shareholder value creation.

Our investment property portfolio continued to represent a key source of strength during the year. Appreciation in underlying asset values reinforced the intrinsic quality and long-term potential embedded within the Company's land holdings and investment base. The performance reflects not only improving market sentiment, but also the growing relevance of well-located, high-quality assets within an increasingly experience-driven and lifestyle-oriented investment environment. Strong liquidity and a valuable land bank located across strategically attractive regions of the country continue to place Colombo City Holdings PLC in a favourable position to participate in emerging opportunities across real estate, leisure and complementary sectors. Emphasis throughout the year was firmly centred on unlocking the latent value of these assets in a measured

and commercially disciplined manner, ensuring that growth initiatives are aligned with long-term shareholder interests rather than short-term market movements.

Diversification across Real Estate, Mixed Development /Leisure, Plantations, Warehousing and Diversified Investments continued to strengthen the Company's earnings profile and strategic resilience. This diversification is intended not merely to broaden operational exposure, but to create a more balanced portfolio capable of generating multiple streams of long-term value across varying economic conditions. Real estate and leisure remain central pillars of this direction, supported by growing investor demand for integrated lifestyle developments and destination-led experiences.

CREATING ENDURING LIFESTYLE AND INVESTMENT ASSETS

Among the Company's future initiatives, the Kosgoda Mixed development project remains particularly significant. Planned as a premium coastal destination integrating luxury apartments, villas and hospitality-inspired amenities, the project reflects a long-term vision focused on creating enduring lifestyle and investment value. Beyond its commercial potential, the development has also been shaped by a strong sensitivity towards environmental integration and ecological identity.

The Company's leisure portfolio also extends to the Sigiriya region, where strategic land assets continue to present significant long-term tourism and hospitality potential. Positioned within one of Sri Lanka's most culturally and environmentally significant destinations, these assets are expected to support future experience-driven leisure developments aligned with the country's growing appeal as a premium travel destination. Careful emphasis remains placed on ensuring that any future development approach preserves the

Chairman's Message

natural and cultural character of the surrounding environment while creating sustainable long-term value.

Broader opportunities within leisure and tourism-linked assets also continue to strengthen the Company's future potential. Recovery in international tourism, coupled with increasing interest in destination-driven developments, is expected to support long-term demand for differentiated experiences and premium lifestyle environments across Sri Lanka's emerging tourism corridors.

GOVERNANCE, SUSTAINABILITY AND RESPONSIBLE GROWTH

As developers operating within Sri Lanka's premium leisure and lifestyle landscape, environmental responsibility occupies a central position in the Company's long-term development philosophy. Colombo City Holdings PLC recognises that the value and longevity of destination-led developments are intrinsically linked to the preservation of the natural environments and communities within which they are situated. Environmental, social and governance (ESG) considerations continue to guide the manner in which investment and development decisions are approached across the Company.

Sustainability is regarded as an integral component of responsible long-term value creation. Careful attention continues to be placed on environmental sensitivity, responsible land use and creating developments that integrate respectfully with surrounding communities and ecosystems. Projects connected to tourism and coastal development, in particular, are being approached with a heightened awareness of environmental stewardship and long-term ecological sustainability. Greater emphasis is also being placed on ensuring that future developments contribute positively to local economic activity, employment generation and community engagement while preserving the natural character and integrity of their locations. Development planning therefore extends beyond commercial considerations alone, incorporating careful attention to ecological sensitivity, responsible land use and resource efficiency. Sustainable design principles increasingly prioritise harmony between the built environment and nature, ensuring that developments enhance rather than diminish the character and integrity of their locations.

Governance discipline, ethical conduct, and transparent decision-making continue to underpin these efforts, reinforcing the Company's belief that sustainable development and long-term shareholder value creation must progress in tandem. Governance standards continued to evolve alongside the Company's growth ambitions. Strong oversight by the Board, disciplined risk evaluation, transparent decision-making processes and prudent financial management, remain central to maintaining stakeholder confidence and safeguarding long-term shareholder interests.

OUTLOOK AND FUTURE POTENTIAL

The Company's long-term outlook remains highly encouraging. Sri Lanka continues to possess significant potential as a destination for premium tourism, lifestyle-driven real estate and sustainable investment. Recovery in international visitor arrivals, improving macroeconomic stability and growing investor appetite for differentiated development concepts are expected to create meaningful opportunities across several of the Company's operating sectors. Strategic partnerships with experienced operators, investors and development specialists are also expected to play an important role in supporting future expansion while maintaining strong governance oversight and operational discipline.

Confidence in the future is underpinned by a strong balance sheet, a high-quality asset base and a clear commitment to responsible long-term value creation. Colombo City Holdings PLC enters the next phase of its journey with increasing momentum and a disciplined focus on delivering sustainable returns for shareholders.

ACKNOWLEDGEMENT

I extend my sincere appreciation to our shareholders for their continued confidence, trust and long-term support. Gratitude is also due to my fellow Board members for their guidance and stewardship during a year of important progress and transition.

Meanwhile, I would like to recognise the management team and employees' dedication, professionalism and commitment continue to drive the Company forward, and my appreciation towards our partners, advisors and stakeholders whose continued collaboration remains invaluable to our growth journey.

Sgd.
Savanth Sebastian
Chairman

28 August 2026

CEO'S REVIEW

> "Our focus remains unwavering: to unlock the value of our assets, strengthen our foundations and create sustainable long term returns for our shareholders."

The financial year 2025/26 marked a defining period in the evolution of Colombo City Holdings PLC, characterised not simply by operational progress, but by a clear acceleration in strategic execution. During the year under review, meaningful steps were taken to reposition Colombo City Holdings PLC into a forward-looking development platform aligned with emerging market demand and long-term tourism and real estate trends. Historically, the Company has held substantial strengths in the form of strategic land holdings, liquidity and investment capacity.

PERFORMANCE AMIDST RECOVERY

Improving macroeconomic conditions contributed positively to business sentiment during the year. Stabilisation in interest rates, greater currency stability and recovering investor confidence gradually strengthened activity within premium real estate and tourism-linked sectors. International visitor arrivals also continued to recover steadily, supporting long-term optimism surrounding destination-led leisure developments.

Against this backdrop, the Group delivered a stronger operational and financial performance. Revenue increased from LKR 50 million to LKR 74 million, supported by improved operational activity and stronger alignment across the portfolio. Gross profit improved from LKR 47 million to LKR 73 million, reflecting enhanced operational efficiency, disciplined cost management, and stronger margin alignment. Operational profit increased from LKR 323 million to LKR 589 million, while profit after tax rose from LKR 259 million to LKR 435 million. Performance was further supported by appreciation in investment property values, reinforcing the underlying strength and future potential embedded within the Company's strategic asset base. The year remained firmly centred on strengthening the balance sheet, preserving liquidity, optimising investment returns and deploying capital selectively towards sectors capable of generating long-term shareholder value.

CEO's Review

BUILDING A MULTI-SECTOR GROWTH PLATFORM

One of the most important developments during the year was the continued evolution of Colombo City Holdings PLC into a broader multi-sector operating platform. Earlier phases of the Company's growth were primarily associated with selective property investments and individual development opportunities. Today, the business operates across five key verticals comprising Real Estate, Mixed Development / Leisure, Plantations, Warehousing and Diversified Investments. Greater balance across sectors reduces concentration risk and supports the creation of multiple revenue streams across varying economic cycles.

Real Estate and Leisure continue to remain central pillars of the Company's long-term direction, supported by increasing demand for premium lifestyle environments and integrated destination-led developments. Changing customer expectations are also reshaping the premium property sector. Buyers and investors increasingly seek experiences rather than space alone. Wellness, exclusivity, environmental integration, hospitality driven services and long-term lifestyle value now play a far greater role in shaping demand. The development strategy across the Group continues to evolve accordingly.

KOSGODA – SHAPING A LANDMARK COASTAL DESTINATION

Among the Company's future developments, the Kosgoda project represents the clearest expression of Colombo City Holdings PLC's long-term ambition. Planned as a large-scale premium coastal destination, the project integrates luxury apartments, villas, and hospitality-inspired amenities within a unified lifestyle environment. The development is expected to comprise an apartment tower, villas, recreational facilities, clubhouse amenities and integrated service infrastructure. Positioned along Sri Lanka's southern coastline, the project is expected to cater to both local and international investors seeking premium coastal lifestyle opportunities.

Ideas of continuity, belonging and harmony with nature have shaped broader thinking around the project's identity and long-term positioning. Design concepts inspired by natural forms and coastal ecosystems continue to influence spatial planning and environmental integration across the development.

Importantly, Kosgoda is intended to function not merely as a residential development, but as a destination-led lifestyle capable of generating long-term recurring value through both real estate and hospitality-driven revenue streams.

LEISURE, TOURISM AND EMERGING OPPORTUNITIES

Beyond Kosgoda, the Company continued to strengthen its broader leisure and tourism-linked positioning. Strategic assets located in the Sigiriya region remain particularly attractive given growing international interest in culturally and environmentally significant travel destinations. Long-term potential surrounding experiential tourism, wellness-led travel, and destination-driven hospitality continues to support optimism within the leisure vertical.

WAREHOUSING AND LOGISTICS

Warehousing and logistics also emerged as an increasingly important area of focus during the year. Meanwhile, the Warehousing sector is expected to provide stable and recurring income streams through logistics infrastructure, storage facilities and leasing operations. With increasing demand for supply chain and distribution support services, the sector is positioned to become a strategically important contributor to the Group's recurring revenue portfolio over time. Discussions relating to future partnerships and potential collaborations within logistics infrastructure reflect management's intention to gradually build more stable and recurring income streams capable of complementing the cyclical nature of development-led earnings.

PLANTATION SECTOR

The teak plantation in Angunakolapelessa represent a valuable appreciating asset with future potential for sustainable timber-related returns, while the coconut plantations continue to support ongoing land and agricultural value. In addition to direct economic contribution, these plantation holdings strengthen the Group's overall asset base, support portfolio diversification and provide potential future opportunities aligned with evolving market conditions and long-term strategic priorities. While not positioned as a high-growth operational segment, these assets remain strategically valuable within the Company's broader asset base.

STRENGTHENING EXECUTION CAPABILITY

Execution capability remained a major area of focus throughout the year. Greater integration across the Group's real estate-related interests is expected to improve operational coordination, strategic execution, and long-term development planning. Operationally, considerable attention was directed towards strengthening internal processes, improving project planning capability, enhancing governance oversight and building the organisational capacity required to support a significantly larger development pipeline over the coming years. Digital integration also continues to assume greater importance across operations. Technology-driven systems are expected to improve operational visibility, customer engagement, reporting accuracy and overall organisational efficiency as the business continues to scale.

MANAGING RISK THROUGH DISCIPLINE AND DIVERSIFICATION

Despite improving economic conditions, operating environments remain inherently dynamic. Interest rate movements, regulatory changes, construction cost pressures and broader macroeconomic uncertainties continue to influence investment and development decisions across the sector. Careful capital allocation phased investment structures and disciplined project evaluation therefore remain central to the Company's operating philosophy.

Opportunities emerging across Sri Lanka's premium tourism and lifestyle sectors continue to outweigh medium-term risks. Increasing investor interest in differentiated coastal developments, improving tourism performance and growing demand for premium integrated environments present compelling long-term opportunities for Colombo City Holdings PLC.

FUTURE PRIORITIES AND OUTLOOK

The period ahead is expected to be transformative for the Company, our focus will remain firmly directed towards progressing the Kosgoda Mixed development, strengthening strategic investments and accelerating execution across the broader development pipeline. Enhancing recurring income generation, strengthening operational capability, and improving the long-term quality of the Company's asset portfolio will be key priorities. Engagement with international operators, development partners and investors is expected to become increasingly important as projects move towards implementation and market positioning.

Confidence in the future remains firmly grounded in the strength of the Company's asset base, liquidity position, development potential, and long-term strategic clarity. Colombo City Holdings PLC enters its next phase with considerably stronger organisational alignment and a clear ambition to emerge as a differentiated player within Sri Lanka's premium real estate and leisure landscape.

APPRECIATION

I extend my sincere appreciation to the Board of Directors for their guidance, confidence and support throughout a year of significant progress and transition.

I wish to express my gratitude to our shareholders for their trust and long-term commitment to the Company's vision and future direction.

The management team and all employees displayed dedication and professionalism to drive the Company forward.

I also appreciate our partners, advisors and stakeholders whose continued collaboration remains integral to our progress.

Colombo City Holdings PLC moves into the future with renewed confidence and an unwavering commitment to creating enduring value.

Sgd.
Dr. Ranjan Dissabandara
Chief Executive Officer

28 August 2026

BOARD OF DIRECTORS

Mr. Savanth Sebastian

Chairman/Independent Non-Executive Director

Mr. Savanth Sebastian has a wealth of experience in economics, financial services and investment management and currently serves on the Boards of Directors of Ambeon Capital PLC, Ambeon Holdings PLC, Voguetex Pvt Ltd and ArpicoAtaraxia Asset Management. He also served on the Board of Directors of Nations Trust Bank PLC.

Mr. Sebastian brings with him twenty-one years of industry experience, having carried out responsibilities for nine years as the Senior Economist within the Global Markets research team at Commonwealth Bank in Australia, advising Federal and State Governments, high net worth private and institutional clients, and internal stake holders - including Colonial First State and the Commonwealth Bank senior leadership team.

Prior to this, he spent four years working in and then managing the International trading desk for Commonwealth Securities – the stock broking division of Commonwealth Bank, Australia which transacted across 31 international markets. While in the role he was responsible for the facilitation of Strategic Trading Accounts – allowing CBA Treasury to manage risk and drive an alternative source of revenue.

He holds a Bachelor of Commerce in Actuarial Studies & Finance, is an Accredited Advisor of the Australian Stock Exchange, and a Master Practitioner of the Australian Stockbrokers and Financial Advisers Association.

Mr. Sebastian has published numerous research reports for institutional clients covering domestic and global macroeconomic policy and analysis of equity markets.

Mr. Ananda Atukorala

Non-Executive Director

Mr. Ananda Atukorala currently serves as a Director of Arni Holdings & Investments (Pvt) Ltd., Unawatuna Boutique Resort (Pvt) Ltd.

He was formerly the Independent Non-Executive Chairman of the NAPPP, NDB Bank PLC., and DHPL Ltd. He was also an Independent Non-Executive Director of DFCC Bank PLC., DFCC Vardhana Bank Ltd., Union Bank PLC., UB Finance Company Ltd., Orient Finance PLC, United Motors Lanka PLC., Unimo Enterprises Ltd.,NDB Capital Holdings Ltd., NDB Securities (Pvt) Ltd, NDB Zephyr Partners Ltd, Mauritius., and a Non-Executive Director of on the Boards of SriLankan Airlines Ltd. and SriLankan Catering Ltd., TVS Lanka Ltd. and TAJ Lanka Hotels.

He possesses extensive experience in banking extending over 40 years, having been with the ANZ Grindlays Banking Group in Sri Lanka, London. & overseas territories and having served as Deputy General Manager of ANZ Grindlays Bank, Sri Lanka, Country Manager - Sri Lanka of Mashreq Bank PSC,.

He was also a former advisor to the Ministry of Policy Development & Implementation. He has also served as a Member of the Technology Initiative for the Private Sector - an USAID sponsored project with the Ministry of Industrial Development, a Member of the Commercial Banking Sector of the Presidential Commission on Finance and Banking and as a Committee Member of the Banker's Club of Sri Lanka.

He was a former Director of the Sri Lanka Banks Association (Guarantee) Ltd. and the Credit Information Bureau of Sri Lanka (CRIB). He holds a BSc (University of Leeds, UK), MTT (North Carolina State University, USA) and an MBA. He has had extensive training Overseas and recently participated in a Harvard Kennedy School Executive Program.

Dr. Sajeeva Narangoda

Non-Executive Director

Dr. Sajeeva Narangoda is currently the Group CEO/Executive Director of Ambeon Holdings PLC, Ambeon Capital PLC and Executive Director of Harischandra Mills PLC. Dr. Narangoda also serves as a Non-Executive Director on the respective Boards of Colombo City Holdings PLC, Eon Tec (Pvt) Ltd, Taprobane Capital Plus (Pvt) Ltd, Lexinton Resorts (Pvt) Ltd, and Sherwood Capital (Pvt) Ltd.

His illustrious career includes serving Dankotuwa Porcelain PLC as its Chief Executive Officer, Colombo City Holdings PLC as its Chief Executive Officer/Executive Director, and Millennium IT ESP as its Executive Director. Further, under his leadership Hemas Holdings PLC and Brown and Company PLC have established multiple secondary care general hospitals in Sri Lanka. He has also been serving the Australian Council on Healthcare Standards International (ACHSI) as an International Hospital Assessor since 2012 and as the Regional Representative for South Asia since 2019.

Dr. Narangoda holds a Bachelor of Dental Surgery degree from the University of Peradeniya, Sri Lanka, Master of Science (Finance and Management) from Keele University UK. He is also a Fellow Member of the Chartered Institute of Management Accountants (CIMA) UK and a fellow member of Certified Practicing Accountants (CPA) Australia. As an international researcher, he has been an integral member of the research team at the International Research Collaborative - Health and Equity at the University of Western Australia specializing in healthcare pricing and is the primary author for several international research publications.

Mr. Sharad Sridharan

Independent Non-Executive Director

Sharad co-founded ACP Asset Management and serves as its Chief Executive Officer and is a member of its Board of Directors and serves on the Investment Committee.

Sharad is responsible for sourcing, executing acquisitions and monitoring several of ACP Asset Management's portfolio companies. He serves on all investee company boards and maintains strong personal relationships with all stakeholders across the investment spectrum.

Prior to founding ACP Asset Management, Sharad trained and practiced as a corporate M&A lawyer in both Sydney and Abu Dhabi and has worked for several global law firms including Linklaters, Allens Arthur Robinson, and DLA Piper.

He holds a Bachelor of Business and a Juris Doctorate from the University of Technology, Sydney.

Board of Directors

Mr. Revantha Devasurendra

Non-Executive Director

Mr. Revantha Devasurendra is a distinguished board member serving numerous public and private companies. He specializes in driving strategic initiatives and implementing robust systems and processes that foster accountability, with a vision to inspire collective purpose and direction.

Mr. Devasurendra holds a Bachelor of Arts with Honours in Industrial Economics from the University of Nottingham and a certificate in Hotel, Real Estate Investments, and Asset Management from Cornell University's School of Hotel Administration. His educational background complements his extensive experience in the corporate and entrepreneurial landscape.

As a founding board member of the Entrepreneurs Organization (EO) Sri Lanka, Mr. Devasurendra played a pivotal role in the organization's establishment and success. He notably served as the Chapter President for the year 2020/21, where his leadership and vision significantly contributed to fostering a collaborative entrepreneurial community. Additionally, he is a founding board member of the EO Bangkok Metropolitan Chapter.

Guided by principles of gratefulness, positivity, servant leadership, and a beginner's mindset, Mr. Devasurendra continuously challenges the status quo while maintaining humility and a zest for life. His visionary approach and passion for innovative ideas enable him to anticipate and plan for various scenarios, often connecting seemingly unrelated concepts to develop creative solutions.

With strong visualization skills, Mr. Devasurendra has a talent for turning aspirations into reality, providing a calming influence amid chaos. His empathetic nature and high emotional intelligence allow him to adapt swiftly to changing circumstances, ensuring steady and effective leadership.

As a scaling-up coach in certification, Mr. Devasurendra empowers individuals and businesses to unlock their growth potential. He is also the driving force behind British Ceylon Capital, a venture capital company focused on investments in the hospitality and export products sectors in Sri Lanka, supporting their growth and development.

Passionate about connecting with like-minded individuals and organizations, Mr. Devasurendra is always exploring new possibilities for collaboration and meaningful impact. His commitment to excellence and innovation continues to shape the business landscape in Sri Lanka and beyond.

Mr. Duminda Weerasekare

Independent Non-Executive Director

Mr. Duminda Weerasekare brings over thirty years of extensive experience and expertise to his role as a Non-Executive Director. He is a Fellow of both the Institute of Chartered Accountants of Sri Lanka and the Chartered Institute of Management Accountants (UK).

Mr. Weerasekare's career includes leadership roles as CEO and COO across several prominent organizations, and he currently serves on the boards of various companies with diversified interests. He has a proven track record in establishing institutions for emerging businesses and managing complex negotiations. In recognition of his contributions, he has also been honored with a Fellowship from the Netherlands Development Bank.

Mr. Nelaka Haturusinha

Independent Non-Executive Director

Mr. Nelaka Haturusinha is an investment professional with over 8 years of experience leading overseas operations and strategic investments at Striders Corporation, a Tokyo Stock Exchange–listed company. Skilled in private equity, venture capital, and real estate investments across Japan, Southeast Asia, and South Asia. Proven ability in deal sourcing, cross-border advisory, and building partnerships that drive value creation. Multilingual (English, Japanese, Sinhalese) with strong leadership and cross-cultural management skills.

Presently he is the Section Head, Investment & Business at Striders Corporation - Tokyo, Japan and a Director of Omusubi Capital VCC, Singapore and Striders Global Investment Pte. Ltd., Singapore.

He holds an Executive MBA from Shizenkan University, Japan and BBA (Accounting & Finance) from Ritsumeikan Asia Pacific University, Japan.

Enduring Harmony

True value must be sustained across generations. Like the ancient marine life that navigates our shores, our commitment to environmental stewardship and ethical governance is built on longevity and balance. This section outlines the responsible practices that protect our ecosystem and our future legacy.

MANAGEMENT DISCUSSION & ANALYSIS

ABOUT US

Colombo City Holdings PLC (CCH) counts a heritage of more than a century, from its origins as Colombo Pharmacy. Today, CCH operates with a defined dual focus, strategic real estate development and diversified financial investments. Its corporate structure includes subsidiaries such as Lexinton Holdings (Pvt) Ltd, Lexinton Resorts (Pvt) Ltd and Heron Agro Products (Pvt) Ltd.

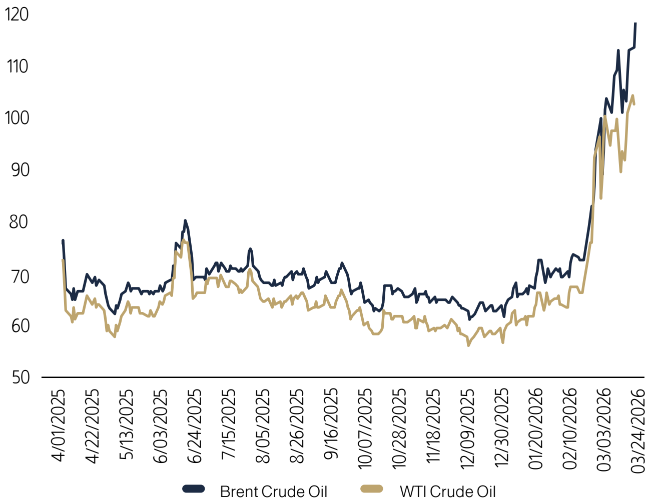
GLOBAL ECONOMY

The financial year ended 31st March 2026 unfolded against a complex and evolving global backdrop, characterised by shifting trade dynamics, escalating geopolitical tensions, volatile commodity markets, and changing monetary policy expectations.

A key development during the year was the reconfiguration of global trade following the introduction of U.S. reciprocal tariff measures in April 2025. In addition, geopolitical tensions intensified during the year, particularly in the Middle East, with the Israel–Iran conflict escalating in June 2025. Conditions deteriorated further by March 2026, when Israel, alongside the United States, undertook expanded military actions against Iran, raising the risk of a broader regional conflict.

As a response to the Middle Eastern crisis, oil markets reacted sharply, with Brent crude prices rising from the mid-to-high USD 60 per barrel range at the start of the financial year to above USD 120 by March 2026 rising 56%. This marked one of the most significant increases in recent history, placing upward pressure on global inflation through higher transportation, logistics and utility costs. Fuel-importing economies, in particular, experienced increased external sector vulnerabilities.

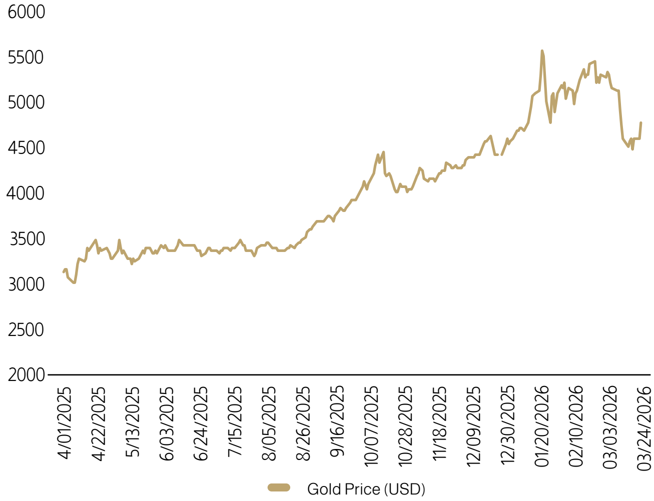
Crude Oil Prices



Source: Bloomberg

Despite these headwinds, global growth remained 3.4% for 2025. Growth was supported by steady consumption and investment, but was tempered by policy uncertainty, inflationary pressures and tighter financial conditions. Commodity markets reflected this uncertainty, with gold prices reaching record highs in early 2026 amid safe-haven demand before moderating as financial conditions tightened.

Gold Price

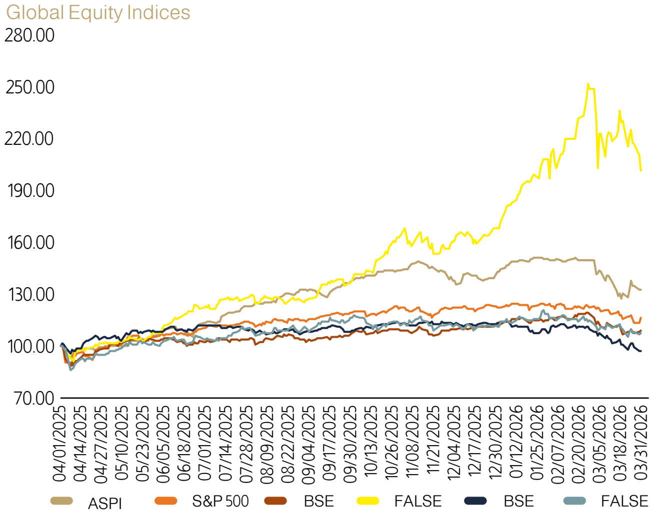


Source: Bloomberg

Global monetary-policy conditions also evolved during the year. Renewed inflationary pressures, largely driven by the sharp increase in energy prices following geopolitical disruptions, led to a reassessment of the policy trajectory. Inflation expectations became more entrenched, prompting central banks to adopt a more cautious approach.

Global financial markets mirrored these dynamics. Equity markets experienced periods of resilience supported by earnings growth and policy optimism, but volatility increased toward the latter part of the year as geopolitical risks and energy prices surged.

Global Equity Indices



Source: Bloomberg

Overall, the global environment during the year was defined by overlapping shocks: trade disruptions, geopolitical conflict and energy price volatility. For listed corporates, such as Colombo City Holdings PLC, this environment underscored the importance of cost management, liquidity preservation and strategic diversification.

SRI LANKA ECONOMIC OVERVIEW

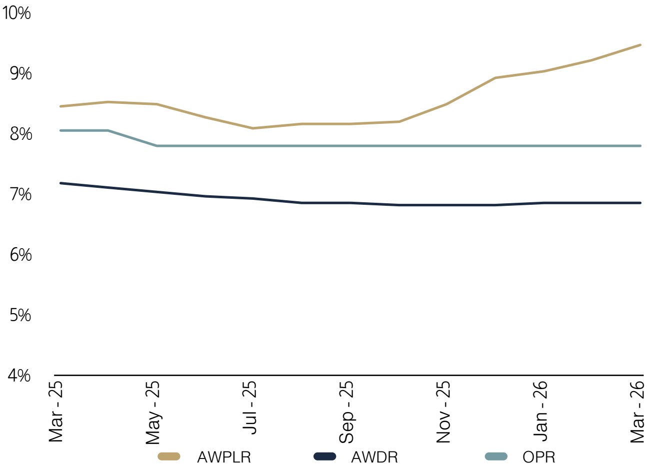
Sri Lanka's economy demonstrated resilience during the year, continuing its recovery trajectory despite both domestic and external challenges.

A major setback occurred in November 2025 with Cyclone Ditwah, one of the most severe natural disasters in recent history. The event caused widespread flooding and landslides, significantly disrupting agriculture, transportation, and livelihoods, with estimated economic losses of approximately USD 4.1 billion. However, reconstruction efforts provided a boost to the construction sector, while international support including financial and humanitarian aid helped mitigate the immediate impact.

Despite these disruptions, the economy recorded a strong real GDP growth of 5.0% in 2025. Growth was broad-based, with industry expanding by 7.8%, services by 3.3%, and agriculture by 1.4%. Key contributors included construction, manufacturing, and mining-related activities, alongside notable improvements in utilities and service sectors. Early indicators for 2026 suggest a continued recovery momentum following the post-disaster rebuilding phase.

Monetary policy remained accommodative and stable throughout the year, supporting economic recovery and underpinning growth momentum. Policy rates were reduced by 25bps to 7.75% in May 2025 and remained unchanged thereafter. However, AWPLR trended upward, increasing ~100 bps coupled with a widening of interest rate spreads. During the year, the Central Bank introduced the Overnight Policy Rate (OPR), strengthening the effectiveness and transparency of the monetary policy framework.

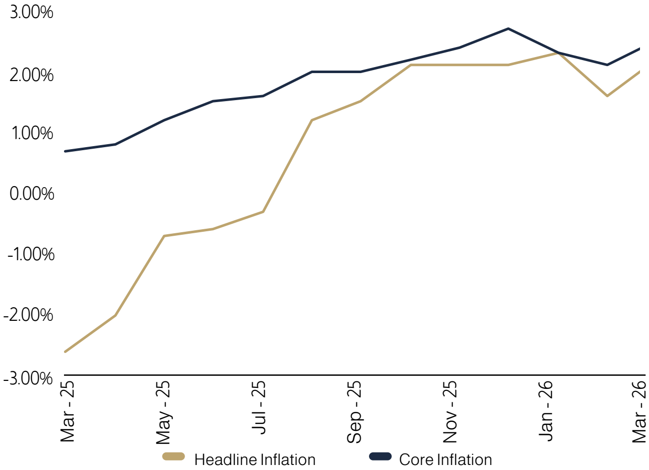
Lending and Deposit Rates



Source: CBSL

At the beginning of the financial year, inflation remained in negative territory, reflecting deflationary conditions. However, it gradually recovered and turned positive by August 2025, reaching 2.5% by March 2026, supported by a rebound in domestic demand and continued expansion in money supply.

Inflation (YoY%) measured by CCPI



Source: CBSL

Sri Lanka's sovereign credit profile also improved, reflecting progress in macroeconomic stabilisation and debt restructuring. Rating upgrades by international agencies (S&P Global: CCC+/C, Fitch: CCC+) signaled increased confidence, although ratings remain within speculative territory, highlighting ongoing structural vulnerabilities.

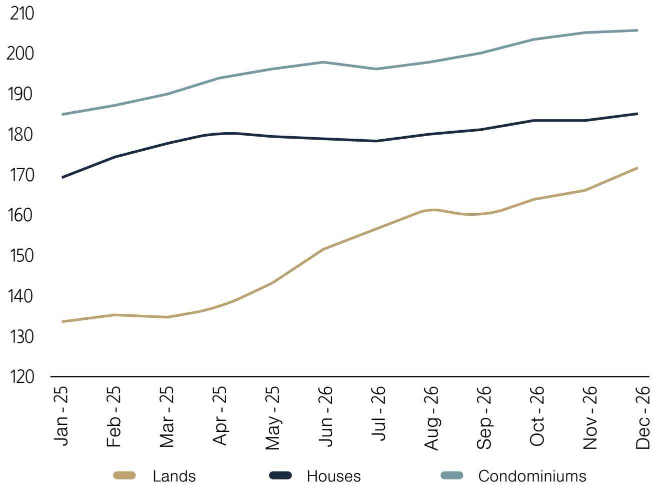
Sri Lanka also achieved significant milestones in its external debt restructuring process. Agreements were reached with bilateral creditors, including members of the Official Creditor Committee, as well as key lenders such as China, India and Japan.

The IMF-supported reform programme continued to play a central role in Sri Lanka's stabilisation efforts. Performance remained broadly on track, with key structural reforms implemented, including cost-reflective energy pricing and strengthened fiscal management measures. Fiscal consolidation progressed during the year, supported by tax reforms, including VAT adjustments, and continued efforts to restructure state-owned enterprises.

The construction and real estate sectors demonstrated a notable recovery during the year. The Construction Purchasing Managers' Index (PMI) remained largely above the 50 threshold, signaling sustained expansion despite ongoing cost pressures and logistical bottlenecks. Activity in the condominium segment strengthened significantly, with the property sales volume index recording a marked increase between 4Q2024 and 4Q2025. Land prices led the recovery, rising by approximately 28%, reflecting strong investor interest and expectations of future development. Overall, the broad-based upward trend across real estate segments points to renewed confidence in the sector, underpinned by improving macroeconomic stability, a rebound in tourist arrivals, earlier monetary easing, and continued post-crisis recovery momentum.

Management Discussion & Analysis

Real Estate Asking Price Indices



Source: CBSL

Despite challenges, the Colombo Stock Exchange recorded a strong performance during the year, with the ASPI reaching multiple all-time highs, peaking at approximately 24,000 in January 2026 and delivering annual returns of over 32%.

Sri Lanka's external sector displayed a mixed performance during the year. While the current account recorded a surplus for a considerable part of the period, the trade deficit continued to widen as imports expanded at a faster pace than exports. Foreign reserves remained relatively stable at around USD 7 billion by March 2026. Tourism earnings increased by 18%, while worker remittances grew by 25%.

FUTURE ECONOMIC OUTLOOK

The global outlook remains fragile, with downside risks primarily stemming from geopolitical developments and ongoing energy market disruptions. A prolonged or further escalation of the Middle East conflict could sustain elevated energy prices, intensify inflationary pressures, tighten global financial conditions and weigh on global demand. According to IMF projections, global growth is expected to moderate to 3.0% in 2026 and 3.4% in 2027, compared to 3.4% in 2025.

Against this global backdrop, Sri Lanka's near-term outlook remains cautiously optimistic but exposed to external headwinds. Economic growth is projected to moderate to 4.0% in 2026 and 4.2% in 2027, following a strong expansion of 5.0% in 2025.

Rising fuel and electricity costs are expected to exert upward pressure on inflation, while continued exchange rate depreciation may further increase import costs, particularly given Sri Lanka's heavy reliance on fuel imports. Higher energy prices have already widened the import bill and increased pressure on the trade balance.

In this context, interest rates may face upward pressure in the period ahead, driven by rising inflation expectations and currency depreciation, which could tighten financial conditions and moderate the pace of economic recovery. Inflation has already increased to 5.4% as of April 2026, exceeding the Central Bank's target range.

The continuation of the IMF programme remains critical, with further disbursements expected following the completion of upcoming reviews. Sri Lanka received the combined fifth and sixth tranches amounting to approximately USD 700 million in mid-2026. While fiscal consolidation and structural reforms continue to progress, maintaining macroeconomic stability will require careful policy calibration to balance growth support with ongoing adjustment efforts.

Overall, the operating environment is expected to remain challenging. Sustaining growth will depend on preserving price stability, strengthening external buffers, maintaining fiscal discipline, and continuing structural reforms. For corporates, adaptability, financial discipline, and strategic agility will remain essential to navigating an increasingly uncertain economic landscape.

STRATEGIC DIRECTION

The year under review represented an important phase in the evolution of Colombo City Holdings PLC. Historically positioned primarily as an investment and property-holding entity, the Company is now progressively transitioning into a broader, development-oriented and diversified operating platform. Management focus during the year centred on unlocking the latent value embedded within the Company's strategic asset base while simultaneously strengthening long-term earnings resilience through sector diversification and recurring income opportunities. Significant emphasis was placed on repositioning historically underutilised assets into commercially productive investments capable of generating long-term capital appreciation and sustainable shareholder returns.

Operationally, the Company now functions across five strategic verticals:

» Real Estate

» Mixed Development / Leisure

» Plantations

» Warehousing

» Diversified Investments

Diversification across these sectors reflects a deliberate effort to reduce concentration risk while creating a more balanced and future-ready portfolio structure capable of sustaining performance across varying economic cycles. Real Estate Mixed development and Leisure continue to remain the primary growth drivers within the portfolio, supported by increasing demand for premium lifestyle environments and integrated destination-led experiences. Warehousing and logistics initiatives are expected to contribute greater recurring income stability over the medium term, while plantation assets continue to enhance long-term land value and portfolio resilience.

FINANCIAL REVIEW

The Group recorded improved operational and financial performance during the year amidst gradually improving market conditions. Revenue increased from LKR 50 million to LKR 74 million, representing a growth of 47.84% compared to the previous financial year. Improved revenue performance was supported by stronger asset utilisation, enhanced operational alignment, and increasing activity across key segments.

Gross profit increased from LKR 47 million to LKR 73 million, resulting in a gross profit margin of 98.13% compared to 94.05% in the previous year. Margin expansion reflects improved cost discipline, better resource allocation, and stronger operational efficiencies achieved across the portfolio.

Operational profit increased from LKR 323 million to LKR 589 million during the year, while profit after tax rose from LKR 259 million to LKR 435 million. Profitability growth was further supported by fair value gains recorded on investment properties, reflecting the intrinsic strength and strategic positioning of the Company's land and property assets.

Total assets increased to LKR 3.6 billion as of 31 March 2026, supported primarily by investment property appreciation and ongoing portfolio expansion initiatives. Net asset value per share improved correspondingly, reinforcing long-term shareholder value creation.

Return on assets improved to 12.06% compared to 7.66% in the previous year, while return on equity strengthened to 13.87%, reflecting improving profitability and stronger capital utilisation. Liquidity ratios remained healthy throughout the year, supported by prudent financial management and disciplined capital allocation practices.

The balance sheet continued to remain resilient, providing the Company with sufficient flexibility to pursue strategic investments and future development opportunities while maintaining financial discipline.

SECTOR REVIEWS

Real Estate

Real Estate continued to represent the largest contributor to the Company's overall asset base and long-term growth strategy during the year. Investment properties remained a key driver of profitability, supported by fair value appreciation and improving sentiment across premium real estate segments.

Demand patterns within the market continue to evolve beyond conventional residential offerings. Buyers increasingly seek integrated lifestyle environments combining hospitality, wellness, recreation, and long-term experiential value. Such structural shifts are reshaping development priorities across the sector and creating opportunities for differentiated premium developments capable of addressing these evolving preferences.

Colombo City Holdings PLC continued to align its development strategy, accordingly, focusing on destination-led projects capable of generating both capital appreciation and recurring long-term income streams.

Kosgoda Mixed Development Project

Set along the pristine southern coastline of Sri Lanka, the Kosgoda development represents Colombo City Holdings PLC's most ambitious and transformative lifestyle project to date. Conceived as an exclusive coastal sanctuary integrating premium residences, hospitality-inspired experiences and environmentally conscious design, the development is envisioned as a destination defined by rarity, refinement and emotional connection to place. Positioned strategically between established leisure and residential destinations, Kosgoda has been designed to redefine contemporary coastal living through a carefully curated blend of luxury, privacy, wellness and long-term investment value. The project's masterplan incorporates a striking apartment tower, a collection of exclusive villas, curated recreational spaces, clubhouse facilities, and integrated lifestyle infrastructure, collectively creating a sophisticated resort-style environment along one of Sri Lanka's most naturally captivating beachfront settings.

Unlike conventional high-density developments, Kosgoda adopts a distinctly low-density planning philosophy centred around openness, tranquillity and uninterrupted engagement with the surrounding coastal landscape. Spacious layouts, carefully orientated residences and fluid architectural forms have been intentionally designed to maximise privacy, ocean views, natural light and seamless interaction with the natural environment. Every aspect of the development has been conceptualised to create a sense of calm exclusivity, where contemporary luxury coexists harmoniously with the rhythm and serenity of the coastline.

Kosgoda's differentiation within Sri Lanka's premium real estate landscape lies not only in its physical attributes, but in the depth of its experiential positioning. Rather than functioning solely as a residential complex, the development has been envisioned as a fully integrated lifestyle where hospitality-grade service standards, curated amenities, wellness experiences and refined coastal living converge within a single destination. Attention to ambience, materiality, spatial experience and service integration is expected to create a consistently elevated living environment aligned with internationally benchmarked luxury standards.

Target market positioning has similarly been approached with considerable strategic precision. The project is expected to appeal to a discerning clientele comprising high-net-worth local buyers, overseas Sri Lankan investors, diaspora communities and international lifestyle-oriented purchasers seeking secure, high-quality coastal investments within an emerging luxury market. Appeal extends beyond primary residential ownership towards holiday living, lifestyle migration and long-term asset appreciation within Sri Lanka's rapidly evolving southern coastal corridor.

Management Discussion & Analysis

Marketing strategy surrounding the project reflects its premium positioning. Internationally aligned branding, high-end visual storytelling, digital engagement platforms, virtual experiences and targeted global outreach initiatives are expected to support visibility across key investor markets. Strategic partnerships with international property advisors and sales channels are also expected to strengthen market access among globally mobile investor segments seeking differentiated lifestyle assets with strong long-term potential.

Leisure Sector

Recovery in Sri Lanka's tourism industry continued to strengthen the outlook for the Company's leisure-related assets and future hospitality developments. Increasing international visitor arrivals, renewed airline connectivity, and improving occupancy levels collectively contributed towards a more favourable tourism operating environment.

The Company's leisure strategy remains focused on experience-driven developments aligned with premium tourism and destination-led hospitality trends. Strategic land assets located in Sigiriya continue to present attractive long-term opportunities within the cultural and eco-tourism segment. Demand for environmentally integrated, boutique, and experiential tourism offerings is expected to continue strengthening over the medium term.

Leisure developments are also expected to complement the Company's broader real estate strategy by supporting recurring hospitality-related income streams while simultaneously enhancing the overall value proposition of destination-based developments.

Warehousing and Logistics Sector

Warehousing and logistics emerged as an increasingly important area of strategic focus during the year. Structural changes within supply chains, increasing demand for organised storage infrastructure, and the continued expansion of logistics-related activity continue to support long-term opportunities within the sector.

The Company continued evaluating collaborative opportunities and strategic partnerships within warehousing infrastructure. Development of recurring lease-based income streams remains a key objective within this segment, supporting greater earnings stability and portfolio resilience over time.

Meanwhile, the Warehousing sector is expected to provide stable and recurring income streams through logistics infrastructure, storage facilities, and leasing operations. With increasing demand for supply chain and distribution support services, the sector is positioned to become a strategically important contributor to the Group's recurring revenue portfolio over time.

Plantation Assets

Plantation assets comprising teak and coconut cultivation continue to strengthen the Company's diversified land portfolio while contributing long-term asset value. The Angunakolapelessa plantation primarily comprises mature teak trees, Lunumidella trees and coconut plantations that have been cultivated and maintained over an extended period, contributing both agricultural and long-term asset value to the Group's diversified portfolio. The Group remains committed to the responsible maintenance and preservation of these plantation assets to enhance their long-term value and sustainability.

The teak plantations, in particular, represent a valuable appreciating asset with future potential for sustainable timber-related returns, while the coconut plantations continue to support ongoing land and agricultural value. In addition to direct economic contribution, these plantation holdings strengthen the Group's overall asset base, support portfolio diversification, and provide potential future opportunities aligned with evolving market conditions and long-term strategic priorities. Long-term opportunities connected to sustainable agriculture, eco-tourism integration and land appreciation continue to support the strategic relevance of plantation holdings within the Group's broader asset portfolio.

Human Capital and Organisational Development

As Colombo City Holdings PLC continues to expand across multiple sectors, strengthening organisational capability remains a strategic priority. Development-led growth requires not only financial and operational resources, but also a workforce capable of supporting increasingly sophisticated project execution, stakeholder engagement, customer management, and sector-specific expertise.

Focus during the year remained centred on strengthening leadership capability, improving operational alignment, and cultivating a performance-driven organisational culture. Training and development initiatives were undertaken across technical, operational, customer engagement, compliance, and management functions to ensure employees remain equipped to operate within an increasingly dynamic business environment.

Employee engagement, collaboration, accountability, and long-term capability development continue to remain central to the Company's people strategy. Management recognises that sustained success within premium real estate and leisure sectors is closely linked to the quality, professionalism, and commitment of its people.

CUSTOMER EXPERIENCE AND MARKET ENGAGEMENT

Customer expectations within premium real estate and leisure sectors continue to evolve rapidly. Buyers and investors increasingly seek developments capable of delivering lifestyle integration, exclusivity, convenience, environmental sensitivity, and long-term experiential value rather than purely transactional offerings.

Development planning and customer engagement strategies were increasingly shaped around these evolving expectations during the year. Greater emphasis was placed on understanding behavioural trends, lifestyle preferences, and the growing demand for integrated environments combining residential, hospitality, wellness, and recreational elements.

Within future developments such as Kosgoda, customer experience considerations are expected to extend across the full development lifecycle, from conceptual planning and architectural design through to hospitality integration, recreational amenities, and long-term community creation. Focus remains on creating environments capable of fostering emotional connection, sense of belonging, and long-term lifestyle value.

MARKETING, BRAND POSITIONING AND STRATEGIC VISIBILITY

Marketing and brand positioning continued to evolve alongside the Company's broader transformation strategy. Earlier positioning centred primarily around selective asset ownership and individual projects. Increasing emphasis is now being placed on establishing Colombo City Holdings PLC as a diversified premium lifestyle and development platform with strong long-term growth potential.

Brand direction associated with future developments, particularly Kosgoda, reflects a more internationally aligned positioning strategy focused on destination-led experiences, environmental integration, and premium coastal living. Strategic marketing initiatives are expected to support investor engagement, project positioning, and international visibility through digital campaigns, investor roadshows, and targeted outreach initiatives.

The Company increasingly recognises the importance of storytelling and experiential branding within premium real estate and tourism sectors.

DIGITAL TRANSFORMATION AND TECHNOLOGY INTEGRATION

Digital integration continues to assume greater importance across operational and strategic functions. Technology-enabled systems are increasingly being utilised to improve operational visibility, strengthen customer engagement, support data-driven decision-making, and enhance overall organisational responsiveness.

Going forward, the Group plans to deploy advanced Enterprise Resource Planning (ERP) solutions across its operations as a key strategic initiative aimed at strengthening digital integration and improving operational efficiency.

Digital platforms are similarly expected to strengthen future marketing and investor engagement initiatives connected to the Group's real estate and leisure developments, particularly in engaging international investors, diaspora markets, and premium lifestyle-focused customer segments.

EMBEDDED SUSTAINABILITY COMMITMENT

Environmental, social, and governance considerations continue to remain closely integrated with the Company's development philosophy and long-term strategic direction. Sustainability principles are increasingly embedded within project planning, design, land use considerations and operational thinking. Particular emphasis continues to be placed on environmentally sensitive development approaches within coastal and tourism-linked projects. Preservation of natural ecosystems, responsible land utilisation, biodiversity awareness and environmental integration remain central considerations in the conceptualisation of major developments such as Kosgoda.

Social responsibility also continues to form part of the Company's broader long-term value creation approach. Engagement with local communities, support for employment generation and contribution towards regional economic activity remain important considerations in future development planning. As projects progress, the Company expects to further strengthen community engagement initiatives connected to tourism, livelihoods, environmental awareness and sustainable development.

RISKS AND OPPORTUNITIES

Operating conditions continue to present both opportunities and challenges across the sectors in which the Company operates.

RISKS

Macroeconomic volatility, regulatory changes, financing cost fluctuations, construction cost escalation and execution-related risks remain important considerations, particularly within large-scale development projects. Exposure to tourism-related demand cycles and evolving investor sentiment also continue to influence market dynamics across leisure and premium real estate segments.

OPPORTUNITIES

Recovery in tourism, increasing interest in premium lifestyle developments, growing demand for integrated destination environments and improving investor confidence continue to create favourable conditions for future growth. Strong liquidity, a high-quality land bank, diversified operating exposure and disciplined financial management collectively position Colombo City Holdings PLC favourably to capitalise on these emerging opportunities while maintaining resilience against market volatility.

FUTURE OUTLOOK

The outlook for Colombo City Holdings PLC remains positive. Improving macroeconomic conditions, continued tourism recovery and increasing demand for differentiated lifestyle developments are expected to support future growth momentum across key operating sectors. The Company's priority during the coming years will consist of advancing the Kosgoda development, strengthening recurring income generation, expanding strategic partnerships and enhancing execution capability across the broader portfolio. Diversification across multiple sectors is expected to further strengthen earnings resilience while supporting sustainable growth over the medium to long term for Colombo City Holdings PLC to emerge as a differentiated participant within Sri Lanka's evolving premium real estate and leisure landscape.

CORPORATE GOVERNANCE REPORT

The Board is accountable to the shareholders to create and deliver sustainable value through oversight of the management of the Group's business, approving strategic plans, monitoring their implementation, and providing the necessary support for their successful execution. The Board performs its responsibilities within a clearly defined governance framework supported with appropriate monitoring, communication, and reporting mechanisms. Through this framework, the Board, without abdicating its responsibilities, delegates its governance responsibilities to key Committees of the Board and the Management.

The Board retains ultimate accountability and responsibility for the performance and affairs of the Company and ensures that the Group adheres to high standards of ethical behaviour. The Board's commitment to upholding high standards of corporate governance are in compliance with the Listing Rules of the Colombo Stock Exchange (CSE) and other relevant regulations. Thereby the Board confirms that the Company is compliant with the requirements stipulated in the Rules on Corporate Governance contained in the Listing Rules of the CSE and the requirements stipulated in the Companies Act No. 7 of 2007.

This report outlines the Corporate Governance framework, application and practice of the Company for the financial year 2025/26.

1. The Board

The Company's business is managed under the supervision of the Board. The role of the Board includes:

- Providing entrepreneurial leadership;
- Providing strategic guidance and evaluating, reviewing and approving corporate strategy;
- Approving and monitoring financial and other reporting practices adopted;
- Effectively reviewing and constructively challenging management performance in meeting the agreed goals, monitoring the reporting of performance and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives.

The composition of Board of Directors is as follows during the financial year and as at date:

Name of Director	Position
Mr. S L Sebastian	Independent Non-Executive Director
Mr. A W Atukorala	Non-Independent Non-Executive Director
Dr. K S Narangoda	Non-Independent Non-Executive Director
Mr. S Kumar *(resigned w.e.f. 25th October 2025)*	Independent Non-Executive Director
Mr. S Sridharan	Independent Non-Executive Director
Mr. R T Devasurendra	Non-Independent Non-Executive Director
Mr. D M Weerasekare	Independent Non-Executive Director
Mr. N Haturusinha *(appointed w.e.f. 3rd November 2025)*	Independent Non-Executive Director

Table 1 – Composition of the Board

The profiles of the Directors are found on pages 12 to 15 of this Report.

» Composition and Balance of the Board

The Board comprises of Seven Directors of whom all are Non-Executive Directors. The Non-Executive Directors bring with them years of experience in managing sustainable business growth and collectively represent an impregnable leadership that supports effective decision making. The Board believes that a truly diverse and inclusive Board will not only be able to leverage the differences in perspectives, industry experience, knowledge and skill, it will also help the Group retain its competitive industry edge.

The Board includes one qualified Chartered Accountant and one Management Accountant who provides the Board with the required financial acumen and knowledge on financial matters.

The Board considers that the composition and expertise of the Board is sufficient to meet the present needs of the Company but will continue to review the composition to enhance the mix of skills and expertise on an ongoing basis to align with the evolving business needs and complexity of environment in which the Company operates.

» Board Independence

Based on the declarations made annually by each of the non-executive directors in accordance with the requirements set out in the Listing Rules of the CSE, Mr. S L Sebastian, Mr. S Sridharan, Mr. D M Weerasekare and Mr. N Haturusinha are considered independent. These directors are independent of management and free from any business or other relationship, which could materially interfere with the exercise of their judgment.

The Board considers Dr. K S Narangoda and Mr. R T Devasurendra as non-independent, as they are nominees of Ambeon Holdings PLC, the major shareholder of the Company. Mr. A W Athukorala is considered non independent since he is above 70 years.

» Division of Responsibilities

The roles of the Chairman and the CEO are separate with a clear distinction of responsibilities between them, which ensures the balance of accountability and authority between the running of the Board, and the executive responsibility for the running of the business.

The role of the Chairman is to provide leadership to the Board, for the efficient organization and conduct of the Board's function, and to ensure the integrity and effectiveness of the relationship between the non-executive and executive director(s).

The role of the CEO is to implement policies and strategies approved by the Board and develop and recommend to the Board the business plans and budgets that supports long-term strategy and vision that would lead to the maximization of shareholder value.

The Management of the company provided the Board of Directors necessary information required for decision making and where necessary, the Board of Directors obtain independent opinions from legal and accounting professionals in order to bring in wider perspectives on matters of importance.

» Board Meetings and Attendance

The Board meetings are scheduled in advance to enable the directors and management to plan accordingly and fit meetings into their respective calendars.

To ensure that Board meetings are conducted effectively and efficiently, members of the management and external advisors are invited as and when required to attend Board meetings to present proposals and provide further clarity to the Board. All proceedings of the Meetings, including Directors' concerns regarding matters which are not resolved unanimously, are recorded in the Board Minutes.

The Board meets quarterly with a view to discharging its duties. In addition, special Board meetings are also held whenever necessary to deal with specific matters. Where necessary Board approval was obtained for urgent decisions via a resolution in writing which contained several documents in a like form, each signed and assented to by the Directors who were entitled to receive notice of a board meeting. A total of five (04) meetings were held during the financial year. Attendance at Board meetings are given below:

Name of Director	Board Meetings
Mr. S L Sebastian	4/4
Mr. A W Atukorala	4/4
Dr. K S Narangoda	4/4
Mr. S Sridharan	4/4
Mr. S Kumar *(resigned w.e.f. 28th October 2025)*	2/2
Mr. R T Devasurendra	4/4
Mr. D M Weerasekare	4/4
Mr. N Haturusinha *(appointed w.e.f. 3rd November 2025)*	2/2

Table 2 – Attendance of Directors at Board meetings

» Access to Information

To enable the Board to make informed decisions, the Board is supplied with complete and adequate information in advance of each meeting, which includes an agenda, minutes, board papers with background or explanatory information, financial and operational performance reports. The Board also receives regular review reports and presentations on business development, risk profiles and regulatory updates. Any additional information may be requested by any director as and when required.

The Board has separate and independent access to the Management. All Directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures and applicable rules and regulations are complied with.

» Independent judgement

Directors' exercise independent judgment on aspects relating to strategy, resource allocation, performance, key appointments as well as standards of business conduct. The Board composition and representation ensures that there is a sufficient balance of power within the Board, with limited tendency for one or few members to dominate 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. The Board of Directors ensures that procedures and processes are in place to ensure that the Company complies with all applicable laws and regulations and present a compliance checklist to the Audit Committee.

In enhancing 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.

» Professional Development and Performance Evaluation

The directors are provided with the opportunity to update and enhance their skills and knowledge through training conducted by both external and in-house facilitators, and periodically updated with the changes to relevant laws, regulations and accounting standards which may impact the Company's business and the directors.

The Remuneration Committee is responsible for evaluating the Board's performance and decides how the Board's performance may be evaluated and proposes the objective criteria.

» Delegation of Authority and Board Committees

Other than the matters reserved for the Board, the Board has adopted Policies and Limits of Authority, by which the Board has delegated authority to its Board Committees and management. The Policies state the principles and sets out the tone by which business is to be conducted whereas the primary purpose of the Limits of Authority is to set out clear guidance to management as to the matters over which the Board reserves authority and those which it delegates to management. The Limits of Authority has established a sound framework

Corporate Governance Report

of authority and accountability, which facilitates timely, effective and quality decision making at the appropriate level.

The Board is supported by the following Board Committees which have been delegated with certain specific responsibilities:

a. Audit Committee
b. Remuneration Committee
c. Related Party Transactions Review Committee
d. Nominations & Governance Committee

All Board Committees have written Terms of Reference approved by the Board. Regular reports are provided to the Board updating the proceedings and deliberations made at the respective Committee meetings. In instances where committees have no authority to make decisions on matters reserved for the Board, recommendations are highlighted for approval by the Board. The Chairpersons of each of the Board Committees report the outcome of the Committee meetings to the Board and the relevant decisions are incorporated into the minutes of the Board meetings. The Company Secretary acts as secretary to all Board Committees.

Given below are the references to each Board Subcommittee report which gives a comprehensive account of each committee.

Committee Name	Page
Audit Committee	39/40
Remuneration Committee	42
Related Party Transactions Review Committee	41
Nominations and Governance Committee	43

» Re-appointment and Re-election

In accordance with the Company's Articles of Association, Directors who were appointed during the year must submit themselves to the shareholders for re-election at the first AGM following their appointment and 1/3 of the non-executive directors are subject to retirement and re-appointment by rotation at every AGM. The directors who retire by rotation are those who have been longest in office since their appointment/reappointment.

2. REMUNERATION

The Company's remuneration policy endeavours to attract, retain and motivate directors of the quality and experience commensurate with the stature and operational complexity of the Company. The remuneration policy for directors is proposed, evaluated and reviewed by the Remuneration Committee, in keeping with criteria of reasonability.

3. ACCOUNTABILITY AND AUDIT

» Financial Reporting

The Board believes that independent verification is necessary to safeguard the integrity of the accounting and financial reporting.

The Board aims to provide and present a balanced and understandable assessment of the Company's position and prospects. Therefore, the Board has established a formal and transparent process to independently verify and safeguard the integrity of the Company's accounting and financial reporting and internal control systems which are periodically reviewed and monitored to ensure effectiveness.

The Head of Finance declares in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and that operational results are stated in accordance with relevant accounting standards.

4. RECOGNISE AND MANAGE RISK

» Internal Control

The Board acknowledges its overall responsibility in ensuring that a sound system of internal control is maintained to safeguard shareholders' investment and Company's assets.

The Audit Committee conducts a review of the effectiveness of the system of internal controls and reports its findings to the Board. The review covers all material controls, including financial, operational and compliance controls and risk management systems. The Head of Finance provides the Audit Committee with a certificate of compliance confirming compliance with all applicable statutory and regulatory requirements on a quarterly basis.

» Risk Management, Compliance & Control

The Company has established and implemented an Enterprise Risk Management system for identifying, assessing, monitoring and managing material risk throughout the organization, which includes:

a) Oversight of the risk management system.
b) Examination of the Company's risk profile which contains a description of the material risks facing the Company including financial and non-financial matters.
c) Assessment of compliance and control.

Assessment of effectiveness – mechanism to review, at least annually, the effectiveness of the Company's implementation of the risk management system.

Internal Audit

During the financial year internal audits were conducted as and when necessary, by KPMG which is independent of management. The Internal Auditors have access to management and the authority to seek information, records, properties and personnel relevant to the subject of audit review. Once an audit review is completed, a report is submitted to the Audit Committee.

To ensure independence, objectivity and enhance performance of the internal audit function, a direct reporting line has been created from the internal audit function to the Audit Committee.

5. RESPONSIBLE DECISION MAKING

The Code of Business Ethics and Employee Code of Conduct actively promotes ethical and responsible decision-making and endeavours to influence and guide the directors, employees and other stakeholders of the practices necessary to maintain confidence and to demonstrate the commitment to ethical practices.

6. RESPECT FOR THE RIGHTS OF SHAREHOLDERS

The Company is committed to having regular, proactive and effective communication with the investors and shareholders. The Company respects the rights of the shareholders and seeks to empower them by communicating effectively and providing ready access to balanced information about the Company.

» Communication with Shareholders

The Company communicates with the shareholders through the following means of communication:-

a) Annual General Meeting (AGM)

The AGM is the main event for the shareholders to meet with the Board which allows reasonable opportunity for informed shareholders to communicate their views on various matters affecting the Company and the forthcoming AGM will be used to effectively communicate with shareholders. The AGM is also attended by the Management and External Auditors.

b) Announcements to the Colombo Stock Exchange (CSE)

Announcements of quarterly interim financial results and announcements on corporate actions are disclosed to the CSE in a prompt and timely manner in compliance with the Listing Rules of the CSE.

» Investor Relations

The Group Investor Relations (IR) Team proactively disseminates relevant information about the Company to the investor community, specifically the institutional fund managers and analysts. The IR team maintains close contact with the investor community through regular one-on-one meetings, teleconferences, emails etc. to ensure that the strategies, operational activities and financial performance are well understood and that such information is made available to them in a timely manner.

» Major Transactions

There were no transactions during the financial year deemed as a “major transaction” as defined by the Companies Act No. 7 of 2007.

Corporate Governance Report

Appendix 1: Compliance with Section 7.6 of the Listing Rules of the Colombo Stock Exchange (CSE).

The table below summarises the status of compliance with Section 7.6 of the Listing Rules of the Colombo Stock Exchange on the contents of the Annual Report.

CSE Rule reference and description		Section reference in the Annual Report
7.6 Contents of the Annual Report		
a)	Names of persons who during the financial year were Directors of the Entity	Annual Report of the Board of Directors on pages 36 to 38
b)	Principal activities of the entity and its subsidiaries during the year, and any changes therein.	Annual Report of the Board of Directors on pages 36 to 38
c)	The names and the number of shares held by the 20 largest shareholders of voting and non-voting shares and the percentage of such shares held	Investor Information on pages 92 to 93
d)	The float adjusted market capitalization, the public holding percentage, number of public shareholders and option under which the Company complies with the minimum public holding requirement	Investor Information on pages 92 to 93
e)	A statement of each Director's holding and Chief Executive Officer's holding in shares of the Entity at the beginning and end of each financial year	Annual Report of the Board of Directors on pages 36 to 38 Investor Information on pages 92 to 93
f)	Information pertaining to material foreseeable risk factors of the Entity.	Risk Management Report on pages 34 to 35
g)	Details of material issues pertaining to employees and industrial relations of the Entity.	Annual Report of the Board of Directors on pages 36 to 38
h)	Extent, locations, valuations and the number of buildings of the Entity's land holdings and investment properties.	Note 10.1 to the financial statements on pages 70 to 73
i)	Number of shares representing the Entity's Stated Capital	Note 12 to the financial statements on page 74
j)	A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings.	Investor Information on pages 92 to 93
k)	Financial ratios and market price information	Investor Information on pages 96 to 97
l)	Significant changes in the Entity's or it's subsidiaries fixed assets, and the market value of land, if the value differs substantially from the book value.	Note 9 to the financial statements on page 70
m)	Details of funds raised through a public issue, rights issue and a private placement during the year.	During the year under review, there were no public issues, rights issues or private placements.
n)	Information in respect of Employees Share Ownership or Stock Option Scheme	The Company does not have any Employee Share Option or Share Purchase Schemes at present.
o)	Disclosures pertaining to Corporate Governance practices in terms of Section 9 of the Listing Rules	Please refer Appendix 2
p)	Related Party Transactions exceeding 10% of the equity and 5% of the total assets of the Entity as per the audited financial statements, whichever is lower.	Please refer Note No. 30.3 on page 88

Appendix 2: Compliance with Section 9 of the Listing Rules of the Colombo Stock Exchange (CSE) on Corporate Governance is given below

Section reference	Requirement	Extent of Compliance	Status of Compliance
9.1 9.1.1 9.1.2 9.1.3	Corporate Governance Rules Extent of compliance with Corporate Governance Rules	The extent of compliance with Corporate Governance Section 9 of the Listing Rules issued by CSE is tabulated below	✓
9.2 9.2.1.	Policies Availability of policies	a) Policy on matters relating to the Board of Directors b) Policy on Corporate Governance, Nominations and re-election c) Policy on Shareholder and Investor Communications d) Policy on Remuneration e) Policy on Board Subcommittees f) Policy on Corporate Disclosures g) Policy on Anti-bribery and Corruption h) Policy on Internal Code of Conduct i) Policy on ESG j) Policy on control and management of company assets and shareholder investments k) Policy on whistle blowing l) Policy on risk management and internal controls	✓
9.2.2	Waivers and exemptions from compliance with the Code of Business Conduct and Ethics	At present there are no waivers and exemptions granted.	✓
9.2.3	Disclosures in the Annual Report on policies	All policies have been implemented and the availability of the same have been disclosed on the website of Ambeon Holdings PLC https://ambeonholdings.com/colombo-city-holdings-plc-corporate-governance/.	✓
9.2.4	Requesting of policies by shareholders	The Company shall make available all such policies to shareholders upon a written request being made for any such policy.	✓
9.3 9.3.1	Board Committees Establishment of Board Committees	Nominations and Governance Committee, Remuneration Committee, Audit Committee and Related Party Transactions Review Committee are in place.	✓
9.3.2	Board Committees - Composition, Responsibilities and Disclosures	Please refer the Board Subcommittee Reports for details.	✓
9.3.3	Chairperson of Board Committees	The Chairman, does not serve as the Chair in any of the Board Subcommittees.	✓
9.4	Adherence to principles of democracy in the adoption of meeting procedures and the conduct of General Meetings with Shareholders		
9.4.1	Record maintenance on resolutions	The Company Secretary maintains records of all resolutions and information (appointment of proxy, number of votes in favour and against) of General Meetings. This year, the proxy form will have the option for the shareholders if preferred, to abstain from voting and the record of the same will also be maintained. Copies of such records will be made available to CSE/SEC upon request.	✓

Corporate Governance Report

Section reference	Requirement	Extent of Compliance	Status of Compliance
9.4.2 a - c	Communication and relations with shareholders and investors	Policy has been implemented and the availability of the same have been disclosed on the website.	✓
9.4.2 d	Holding virtual/hybrid General Meetings	The Company will adhere to the guidelines issued by CSE on conducting virtual/hybrid shareholder meetings. The AGMs which were held virtually adhered to the guidelines.	✓
9.5 9.5.1	Policy on matters relating to the Board of Directors Formal governing policy on matters relating to the Board of Directors	Policy has been implemented and the availability of the same has been disclosed on the website.	✓
9.5.2	Disclosures in the Annual Report relating to 9.5.1	Please refer pages 36 to 38 Report of the Board of Directors on the affairs of the Company	✓
9.6 9.6.1	Chairperson and CEO Position of Chairperson and CEO	The Chairperson is a Non-Executive Director. The position of Chairperson and CEO are held by two individuals.	✓
9.6.2	Disclosure of non-compliance	Not applicable	
9.6.3 a-e and 9.6.4	The requirement for a SID	The need to appoint a SID has not arisen.	✓
9.7 9.7.1	Fitness of Directors and CEO Appointment of fit and proper persons as Directors and CEO	The Board Nominations and Governance Committee has been delegated with the authority to ensure that the Directors and CEO meet the fitness and propriety criteria under the Listing Rules.	✓
9.7.2		The Board Nominations and Governance Committee makes recommendations to the Board on the appointment of a new director or when a director is coming up for re-election/re-appointment at the AGM.	✓
9.7.4	Annual declarations from Directors	Annual declarations from Directors confirming that each of them has continuously satisfied the fit and proper assessment criteria as at the date of confirmation as set out in Section 9.7.3 (a), (b), and (c) of Listing Rules were obtained.	✓
9.7.5	Disclosures in the Annual Report	Please refer the Corporate Governance Report on pages 24 to 33 for the disclosure.	✓
9.8 9.8.1	Board Composition Board at minimum to consist of five (5) Directors.	The Company has complied with the requirement as at the reporting date. The Board as at the reporting date comprised of seven (7) Directors.	✓
9.8.2	Minimum number of Independent Directors (Min: 2 or 1/3 of total number, whichever is higher)	The Company is in compliance with the requirement as at the reporting date. The Board at the end of the reporting date comprised of four (4) Independent Non-Executive Directors.	✓
9.8.3 & 9.8.4	Criteria for determining independence	The Company complied with the criteria for determining independence of a Director.	✓
9.8.5	Declarations	Each Non-Executive Director submitted a signed and dated declaration of independence against the criteria specified in the Listing Rules. The names of independent directors are disclosed in the Corporate Governance Report on pages 24 to 33	✓

Section reference	Requirement	Extent of Compliance	Status of Compliance
9.9 9.9 a-e	Alternate Directors Appointment of alternate director	Not applicable.	
9.10 9.10.1	Disclosures relating to Directors Policy on maximum number of directorships		✓
9.10.2	Appointment of new Directors	Appointments made to the Board which were duly disclosed and market announcement captured the requirements under rule 9.10.2.	✓
9.10.3	Changes to the composition	Any changes to the committee compositions have been duly disclosed.	✓
9.10.4	Disclosures in the Annual Report	Please refer the Directors profiles and the Corporate Governance Report for details	✓
9.11 9.11.1	Nominations and Governance Committee Availability of Nominations and Governance Committee		✓
9.11.2	Formal procedure for appointment and re-election of Directors	The Committee maintains a formal procedure for the appointment of new Directors and re-election of Directors to the Board.	✓
9.11.3	Terms of Reference	The Committee has adopted a Term of Reference which define the scope, authority, duties and matters pertaining to the quorum of meetings.	✓
9.11.4 (1) – (3)	Composition – Minimum of three (3) Directors, out of which a minimum of two (2) members shall be Independent Directors	Composition of the Committee is in line with the Rules.	✓
9.11.5	Functions	The Committee has documented the functions of the Committee in the Terms of Reference.	✓
9.11.6	Disclosures in the Annual Report	Please refer Nominations and Governance Committee Report on page 43	✓
9.12	Remuneration Committee		
9.12.2	Availability of a Remuneration Committee	A Board Remuneration Committee is in place	✓
9.12.3 and 9.12.4	Remuneration Policy – Executive Directors/Non-Executive Directors	The Committee was established with the purpose of providing assistance to the Board of Directors in fulfilling their oversight responsibility to establish and maintain a formal and transparent procedure for developing remuneration policies on Directors including Executive Directors and for the employees including the CEO.	✓
9.12.5	Terms of Reference	The Committee has adopted a Terms of Reference which defines the scope, authority, duties and matters pertaining to the quorum of meetings.	✓
9.12.6 (1) – (3)	Composition – Minimum of three (3) Directors, out of which a minimum of two (2) members shall be Independent Directors Remuneration Committee of the subsidiary	Please refer the Board Remuneration Committee Report on page 42 for details on composition. The Board Remuneration Committee does not function as the remuneration committee of the subsidiaries.	✓

Corporate Governance Report

Section reference	Requirement	Extent of Compliance	Status of Compliance
9.12.7	Functions	The Committee has documented the functions of the Committee in the Terms of Reference. All functions are effectively discharged by the Committee. Please refer Remuneration Committee Report on page 42	✓
9.12.8	Disclosures in the Annual Report	Please refer Remuneration Committee Report on page 42	✓
9.13	Audit Committee		
9.13.1	Audit Committee	Both the risk and audit functions are performed by the Board Audit Committee.	
9.13.2	Terms of Reference	The Committee has documented the functions of the Committee in the Terms of Reference. All functions are effectively discharged by the Committee. Please refer Audit Committee Report on pages 39 to 40	✓
9.13.3	Composition	Please refer Audit Committee Report on pages 39 to 40 for composition, meetings and other information.	✓
9.13.4	Functions	The Committee has documented the functions of the Committee in the Terms of Reference. All functions are effectively discharged by the Committee. Please refer Audit Committee Report on pages 39 to 40	✓
9.13.5	Disclosure in the Annual Report	Please refer Audit Committee Report on pages 39 to 40	✓
9.14 9.14.1	Related Party Transactions Review Committee Availability of the Related Party Transactions Review Committee	Related Party Transactions Review Committee is in place.	✓
9.14.2	Composition	Please refer Related Party Transactions Review Committee Report on page 41 The parent company Related Party Transactions Review Committee does not function as the Related Party Transactions Review Committee of the Subsidiaries.	✓
9.14.3	Functions	The Committee has documented the functions of the Committee in the Terms of Reference. All functions are effectively discharged by the Committee. Please refer Related Party Transactions Review Committee Report on page 41	✓
9.14.4 (1)	Quarterly meetings	The Committee met four (4) times during the financial year and the minutes of all meetings are properly documented and tabled at the subsequent Board meetings for ratification.	✓
9.14.4 (2)	Access to knowledge or expertise to assess all aspects of proposed related party transactions	The Committee ensures that they have or have access to knowledge and expertise to assess all aspects of the proposed Related Party Transactions. Under the Terms of Reference, the Committee is empowered to seek appropriate professional and expert advice from a qualified person.	✓
9.14.4 (3)	Approval by the Board of Directors	Where necessary, the Committee will request the Board of Directors to approve the related party transaction which has been reviewed by the Committee.	✓

Section reference	Requirement	Extent of Compliance	Status of Compliance
9.14.4 (4)	Conflict of Interest	The Related Party Transactions Review Committee oversees the process relating to the said subject. Steps have been taken by the Board to avoid any conflicts of interest, that may arise, in transacting with related parties. Directors provide declarations to the Board about their material interests in business transactions at the time of appointment and thereafter as and when required. If a Director has a material interest being considered at a Board Meeting to approve a related party transaction as required in Rule 9.14.4 (3) such Director will not, (a) Be present while the matter is being considered at the meeting and; (b) Vote on the matter	✓
9.14.5	Review of Related Party Transactions by Related Party Transactions Review Committee	The Committee takes into account the provisions of the Listing Rules when reviewing related party transactions.	✓
9.14.8	Disclosures in the Annual Report	Please refer Related Party Transactions Review Committee Report on page 41 and the Annual Report of the Board of Directors on the affairs of the Company on pages 36 to 38 for disclosures.	✓
9.16	Additional disclosures	Please refer pages 36 to 38 for the Annual Report of the Board of Directors on the affairs of the Company for the disclosures.	✓

Appendix 3: Statement of Compliance of Company's Act No. 07 of 2007

Section Reference	Requirement	Annual Report Reference
168 (1) (a)	The nature of the business of the Group and the Company together with any change thereof during the accounting period	36
168 (1) (b)	Signed Financial Statements of the Group and the Company for the accounting period completed	36
168 (1) (c)	Auditors' Report on Financial Statements of the Group and the Company	46/48
168 (1) (d)	Accounting Policies and any changes made during the accounting period	54/61
168 (1) (e)	Particulars of the entries made in the Interest Register during the accounting period	37
168 (1) (f)	Remuneration and other benefits paid to Directors of the Company during the accounting period	37
168 (1) (g)	Corporate donations made by the Company during the accounting period	37
168 (1) (h)	Information on the Directorate of the Company and its subsidiaries during and at the end of the accounting period	36
168 (1) (i)	Amounts paid/payable to the External Auditor as audit fees and fees for other services rendered during the accounting period	38
168 (1) (j)	Auditors' relationship or any interest with the Company and its subsidiaries	38
168 (1) (k)	Acknowledgement of the contents of this Report and Signatures on behalf of the Board	38

RISK MANAGEMENT

In an increasingly dynamic and evolving business environment, effective risk management remains integral to the long-term sustainability and resilience of Colombo City Holdings PLC ("the Company"). During the financial year under review, the Company continued to operate amidst ongoing macroeconomic uncertainties, evolving regulatory requirements, technological advancements, and changing stakeholder expectations. In response, the Company maintained a proactive and structured approach to risk management to safeguard business continuity, financial stability, and sustainable value creation for shareholders and other stakeholders.

The Company recognizes that prudent risk-taking is essential to achieving strategic objectives and driving growth. Accordingly, risk management is embedded within the Company's governance framework and decision-making processes, ensuring that risks are identified, assessed, monitored, and mitigated in a timely and effective manner. The Company continues to foster a strong risk-aware culture across all levels of the organization, reinforcing accountability and encouraging responsible business conduct.

The risk management framework is aligned with internationally accepted principles and practices, including the COSO Framework and ISO 31000 guidelines. This structured approach enables the Company to strengthen resilience, enhance operational effectiveness, improve responsiveness to emerging risks, and align risk management practices with strategic priorities and regulatory expectations.

STRATEGIC AND OPERATIONAL RISK MANAGEMENT

The Company's risk management process encompasses both strategic and operational risks that may impact the achievement of corporate objectives.

Strategic risks include changes in macroeconomic conditions, market dynamics, regulatory developments, technological disruptions, and industry-related challenges. These risks are continuously evaluated by the Board of Directors and senior management to ensure the Company remains agile, resilient, and responsive to evolving business conditions.

Operational risks arise from internal processes, systems, human resources, and external operational disruptions. These include process inefficiencies, system failures, cybersecurity threats, human errors, and supply chain interruptions. Such risks are managed through established internal controls, standard operating procedures, periodic monitoring mechanisms, and continuous process improvements. Risk ownership is assigned to relevant management personnel, with escalation procedures in place for material risk exposures.

Project-related risks associated with investments and strategic initiatives are also assessed during the planning, implementation, and monitoring stages to ensure effective execution and alignment with business objectives.

All identified risks are documented within a centrally maintained risk register, which is periodically reviewed and updated by management and the Audit Committee. The risk register facilitates continuous monitoring of risk exposures, mitigation actions, and emerging risk trends, enabling timely management intervention where necessary.

INTERNAL AUDIT AND RISK ASSURANCE

The internal audit function continues to play a vital role in strengthening the Company's governance and control environment. During the year under review, internal audit activities focused on evaluating the adequacy and effectiveness of internal controls, operational processes, financial reporting mechanisms, and compliance with applicable laws, regulations, and internal policies.

The Group Risk team continued to review and refine the scope of internal audit assignments to ensure alignment with the evolving risk profile of the business. Based on the identified risk priorities, internal audit reviews were conducted across key operational and financial areas to assess control effectiveness and identify opportunities for improvement.

Findings and recommendations arising from internal audit reviews were presented to the Audit Committee and management for discussion and appropriate corrective action. Where control deficiencies or significant risk exposures were identified, management implemented targeted mitigation measures and action plans, which were subsequently monitored for timely completion and effectiveness.

Continuous engagement among the internal audit function, Group Risk team, management, and the Audit Committee facilitated ongoing dialogue on governance, risk management, and compliance matters, further strengthening the Company's overall control environment and reinforcing a culture of continuous improvement.

RISK GOVERNANCE AND ESCALATION FRAMEWORK

The Company maintains a structured governance framework to support effective oversight and management of risks across the organization. Risk identification and reporting follow a bottom-up approach, enabling operational-level risks to be identified and escalated promptly for management attention and resolution.

The Board of Directors retains overall responsibility for the Company's risk management framework, including the determination of risk appetite, approval of risk management policies, and oversight of the effectiveness of mitigation strategies and internal controls. The Board also ensures that risk considerations are integrated into strategic planning and business decision-making processes.

The Audit Committee, operating under the authority delegated by the Board, plays a key role in overseeing the Company's risk management and internal control framework. The Committee regularly reviews the Company's risk profile, evaluates the adequacy of internal controls, and monitors the effectiveness of risk mitigation measures relating to strategic, operational, financial, and compliance risks.

Where necessary, significant risks and material matters are escalated through the Group structure to the Boards of Ambeon Holdings PLC and Ambeon Capital PLC to ensure appropriate oversight, alignment, and coordinated responses across the Group.

PRINCIPAL RISKS AND MITIGATION MEASURES

During the year under review, the Company continued to monitor and manage a broad range of internal and external risks that could impact business performance and long-term sustainability. Appropriate mitigation strategies were implemented to strengthen resilience and minimize potential adverse impacts.

Principal Risk	Mitigation Strategies
Economic and Business Risk	» Continuous monitoring of macroeconomic developments and their impact on business performance and strategic objectives. » Sensitivity analyses are conducted to assess the impact of economic fluctuations on budgets and operations. » The Company maintains strong relationships with financial institutions and suppliers to support operational continuity and funding requirements, while investment decisions are aligned with long-term economic and policy outlooks.
Investment Risk	» Comprehensive feasibility studies and financial evaluations are conducted prior to undertaking investments. » The Company performs ongoing market assessments to identify emerging opportunities and regularly reviews investment performance against predefined performance indicators. » Strategic portfolio reviews are carried out to optimize investment returns and evaluate non-performing investments.
Liquidity Risk	» Liquidity is managed through effective treasury management and continuous monitoring of cash flows, funding requirements, and working capital levels. » Management regularly reviews liquidity ratios and financial positions to ensure the Company maintains adequate financial flexibility to meet operational and strategic requirements.
Human Resource Risk	» The Company continues to invest in talent attraction, employee engagement, succession planning, and capability development initiatives. » Competitive remuneration structures, training programs, and employee well-being initiatives support workforce retention, productivity, and long-term organizational sustainability.
Cybersecurity and Information Security Risk	» The Company continues to strengthen its cybersecurity framework through the implementation of secure access controls, network security systems, data protection mechanisms, and regular system monitoring. » Cybersecurity awareness programs, vulnerability assessments, penetration testing, and business continuity planning are conducted periodically to enhance resilience against evolving cyber threats.

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

The Board of Directors of Colombo City Holdings PLC takes pleasure in presenting their Report on the Affairs of the Company together with the Financial Statements for the year ended 31 March 2026, conforming to the requirements of the Companies Act No. 07 of 2007 and Sri Lanka Accounting Standards. The report also includes certain disclosures required to be made under Listing Rules of the Colombo Stock Exchange and are guided by the recommended best practices on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and the Colombo Stock Exchange.

CORPORATE PROFILE

Colombo City Holdings PLC is a public quoted company with limited liability incorporated on 04 April 1913, re-registered under the Companies Act No. 07 of 2007 on 13 August 2007 and bears registration number PQ71.

Principal Activities of the Company and review of performance during the year

The principal activity of the company is to operate as an Investment Holding and Management Company in Real Estate.

FINANCIAL STATEMENTS

The Financial Statements of the Company for the year ended 31 March 2026 are given on pages 49 to 91 of this Annual Report.

SUMMARIZED FINANCIAL STATEMENTS

Group	31 March 2026 LKR	31 March 2025 LKR
Revenue	73,932,278	50,009,310
Profit for the period	434,909,431	258,630,478

AUDITORS' REPORT

The Report of the Independent Auditors on the Financial Statements of the Company and its subsidiaries is given on 46 to 48.

ACCOUNTING POLICIES AND CHANGES

The Accounting Policies adopted in the preparation of the Financial Statements are given on 54 to 61 as required by Section 168 (1) (d) of the Companies Act.

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors are responsible for the preparation of the Financial Statements of the Company and the Group which reflect a true and fair view of the financial position and the performance of the Company and the Group.

BOARD OF DIRECTORS

The names of the Directors who held office during the financial year and as at date are given below;

Name of Director	Position
Mr. A W Atukorala	Non-Independent Non-Executive Director
Dr. K S Narangoda	Non-Independent Non-Executive Director
Mr. S L Sebastian	Independent Non-Executive Director
Mr. S Kumar (resigned w.e.f. 28th October 2025)	Independent Non-Executive Director
Mr. S Sridharan	Independent Non-Executive Director
Mr. R T Devasurendra	Non-Independent Non-Executive Director
Mr. D M Weerasekare (appointed w.e.f. 5th August 2024)	Independent Non-Executive Director
Mr. N Haturusinha (appointed w.e.f. 3rd November 2025)	Independent Non-Executive Director

The present Directors of the Company and their profiles are shown on pages 12 to 15 of the Annual Report.

RE-ELECTION/RE-APPOINTMENT AND RETIREMENT OF DIRECTORS

In accordance with the provisions of Article 24 (iv) of the Articles of Association, Mr. D M Weerasekare retires by rotation and being eligible offers himself for re-election with the unanimous support of the Board.

In terms of Section 210 of the Companies Act No. 07 of 2007, Mr. A W Atukorala, who has reached the age of 77 years vacates his office, at the conclusion of the Annual General Meeting. In compliance with Section 211 of the Companies Act No. 7 of 2007, a resolution will be tabled for the re-appointment of Mr. A W Atukorala with the unanimous support of the Board.

In accordance with the provisions of Article 24 (ii) of the Articles of Association, Mr. N Haturusinha Director appointed since the last Annual General meeting retires from office at the conclusion of the forthcoming Annual General Meeting. Mr. N Haturusinha offers himself for re-election with the unanimous support of the Board.

BOARD SUB COMMITTEES

The Board, while assuming overall responsibility and accountability for the management of the Company, has appointed four Board Sub-Committees; Audit Committee, Related Party Transactions Review Committee, Remuneration Committee and the Nominations and Governance Committee, to ensure oversight and control over certain affairs of the Company.

The Board approved Terms of References of these Sub Committees conform to the recommendations made by various regulatory bodies such as the Institute of Chartered Accountants of Sri Lanka, The Securities and Exchange Commission of Sri Lanka and the Colombo Stock Exchange.

INTERESTS REGISTER

Directors' Interest in Transactions

The Directors have made general disclosures as provided for in Section 192 (2) of the Companies Act No. 07 of 2007. Arising from this, details of contracts in which they have an interest are disclosed in Note 30 to the Financial Statements on pages 86 to 88.

DIRECTORS' REMUNERATION

The Directors' Remuneration is disclosed in Note 24 to the Financial Statements on page 83.

DIRECTORS' INTEREST IN SHARES

The Directors of the Company who have an interest in the shares of the Company have disclosed their shareholdings in compliance with Section 200 of the Companies Act No. 07 of 2007.

CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of governance, the process by which the Company is directed and managed. Risks are identified and controlled, and effective accountability assured. The Board of Directors is of the view that it has put in place the resources and processes to ensure that the Company is substantially compliant with the code of best practices on corporate governance issued by Institute of Chartered Accountants of Sri Lanka and the Colombo Stock Exchange. The Corporate Governance Report is given on pages 24 to 33 of the Annual Report.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board of Directors, through the involvement of the internal audit, have taken steps to ensure and have obtained reasonable assurance, that an effective and comprehensive system of internal controls are in place that cover the financial, operational and compliance controls required to carry on the business in an orderly manner, safeguarding the Company's and Group's assets and secure, as far as possible, the accuracy and reliability of the financial records.

The Board is satisfied with the effectiveness of the system of internal controls that were in place during the year under review.

DONATIONS

The Company and the Group haven't made any donations during the year under review.

TAXATION

The Company's liability to taxation has been computed according to the provisions of the Inland Revenue Act. No. 10 of 2006 and subsequent amendments thereto and details are given in Note 23 to the Financial Statements on pages 82 to 83.

PROPERTY, PLANT AND EQUIPMENT

Capital expenditure during the year under review on Property, Plant and Equipment by the Group was LKR 686,760/-.

Fair Value of the investment property of the Group is LKR 1,755,600,000/- and disclosed under Investment Property Note 10 to the Financial Statements on pages 70 to 73.

Extents, locations, number of buildings and the valuation of the properties of the Group are given in Note 10.1 to the Financial Statements on pages 70 to 73.

All freehold land of the Group was revalued by professionally independent valuers and brought into the Financial Statements. The investment properties are accounted for using fair value method.

Details of fair values of investment properties are given on Note 10 to the Financial Statements.

EMPLOYMENT

The Company's strength of manpower as at 31 March 2026 is Six (6).

There were no material issues pertaining to employees and industrial relations during the year under review.

EMPLOYEE SHARE OWNERSHIP PLANS

The Company did not have any employee share ownership/option plans during the year.

Annual Report of the Board of Directors on the Affairs of the Company

STATED CAPITAL

The stated capital of the Company as at 31 March 2026 was LKR 11,137,505/- represented by 25,457,140 fully paid Ordinary Shares.

SHARE INFORMATION

There were 1,518 registered shareholders as at 31 March 2026.

DISTRIBUTION SCHEDULE OF SHAREHOLDERS

The distribution of shareholdings is shown on 92 to 93 of the Annual Report.

INFORMATION ON RATIOS AND MARKET PRICE INFORMATION

Disclosures under section 7.6 (xi) of the Listing Rules of the Colombo Stock Exchange is indicated on pages 92 to 93.

SUBSTANTIAL SHAREHOLDINGS AND OTHER SHARE INFORMATION

The names of the twenty largest Shareholders, the number of shares held, and the percentages are given on pages 92 to 93 of the Annual Report.

Disclosures required under section 7.6 (iv) of the Listing Rules of the Colombo Stock Exchange is indicated on pages 92 to 93 of the Annual Report.

EQUITABLE TREATMENT OF SHAREHOLDERS

The Company has made all endeavors to ensure that all shareholders are treated equitably.

RELATED PARTY TRANSACTIONS

The Directors declare that the Company is in compliance with Section 9 of the Listing Rules of the Colombo Stock Exchange pertaining to Related Party Transactions during the Financial Year ended 31 March 2026.

ADDITIONAL DISCLOSURES PERTAINING TO DIRECTORS

(i) Material Interests in Contracts involving the Company.

The Directors have declared all material interests in contracts involving the Company in terms of the Companies Act and the Articles of the Association of the Company and have acted as prescribed therein, and where relevant have refrained from voting on matters in which they were materially interested.

(ii) Review of Internal Controls

The Directors have, through the Audit Committee, conducted a review of the Internal controls covering financial, operational and compliance control and risk management and thereby obtained reasonable assurance of their effectiveness and successful adherence therewith.

(iii) Applicable/ Laws Rules and Regulations

The Directors have made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of the changes, particularly to Listing Rules and applicable capital market provisions.

STATUTORY PAYMENTS

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments due in relation to employees and the Government have been made promptly up to date.

EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No circumstances have arisen since the balance sheet date which would require adjustments to or disclosure in the accounts as disclosed in Note 31 to the Financial Statements.

GOING CONCERN

The Board is satisfied that the company will have adequate resources to continue its operations into the foreseeable future. Therefore, the Company has continued to adopt the going concern basis in preparing the Financial Statements.

INDEPENDENT AUDITORS' REPORT, REMUNERATION AND APPOINTMENT

The Financial Statements of the Company for the twelve months ended 31 March 2026 have been audited by M/s. Ernst & Young, Chartered Accountants and the Independent Auditors' Report thereon is given on pages 46 to 48 of the Annual Report as required by the Section 168 (1) (c) of the Companies Act No. 07 of 2007.

A sum of LKR 557,700/- was paid to them as audit fee during the period under review. Based on the declaration from M/s. Ernst & Young, Chartered Accountants and as far as the Directors are aware, the Auditors do not have any relationship or interest in the Company other than that disclosed herein.

In accordance with the Companies Act No. 07 of 2007 a resolution proposing the re-appointment of M/s Ernst & Young, Chartered Accountants as Auditors to the Company will be tabled at the forthcoming Annual General Meeting of the Company.

ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held on 23 September 2026. The notice of the Annual General Meeting appears on page 98.

ACKNOWLEDGEMENT OF THE CONTENTS OF THE ANNUAL REPORT

As required by the Companies Act No. 07 of 2007, the Board of Directors hereby acknowledge the contents of this Annual Report.

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

sgd.
S L Sebastian
Chairman

sgd.
Dr. K S Narangoda
Director

sgd.
Nexia Corporate Consultants (Private) Limited
Secretaries

28 August 2026

REPORT OF THE AUDIT COMMITTEE

I take this opportunity to present to you the Report of the Audit Committee (the "Committee") for the year ended 31st March 2026 outlining the Committee's roles and responsibilities. The Committee continued to review and report to the Board on the Company's financial reporting, internal control and risk management processes, and the performance, independence and effectiveness of the External Auditors.

COMPOSITION

The Committee consisted of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The members of the Board Audit Committee during the year and as at date are as follows:

Mr. D M Weerasekare – *Chairman/ Independent Non-Executive Director*

Mr. A W Atukorala – *Independent Non-Executive Director*

Mr. S L Sebastian – *Independent Non-Executive Director*

The Chairman of the Committee is a Member of the Institute of Chartered Accountants of Sri Lanka and the Chartered Institute of Management Accountants (UK). The Board is satisfied that the Committee has an adequate blend of accounting, auditing and commercial experience to carry out their duties. Brief profiles of the members are given in pages 12 to 15 of this Report.

The Company Secretary serves as the Secretary to the Committee.

MEETINGS

The Audit Committee met four times during the financial year which consisted of a combination of physical and virtual meetings.

Name of the Director	Attendance at Meetings
Mr. D M Weerasekare	4/4
Mr. A W Atukorala	4/4
Mr. S L Sebastian	4/4

The other members of the Executive Committee and External Auditors attended the meetings by invitation.

TERMS OF REFERENCE

The Charter of the Committee, which is approved and adopted by the Board of Directors, clearly defines the terms of reference governing the Committee. The 'Rules on Corporate Governance' under Listing Rules of the Colombo Stock Exchange and 'Code of Best Practice on Corporate Governance', issued jointly by The Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka, further regulate the composition, role and functions of the Committee. It also assists the Board of Directors in its general oversight of financial reporting, internal controls and functions relating to internal and external audit.

THE ROLE OF THE AUDIT COMMITTEE

The role of the Audit Committee, which has specific terms of reference, is described in the corporate governance report on page 26 The Committee's role is to review on behalf of the Board, the Company's internal financial controls. It is also responsible for oversight and advice to the Board on financial reporting related matters and internal controls over financial reporting and has overseen the work undertaken by the Group's Internal Audit and External Auditors.

KEY RESPONSIBILITIES OF THE BOARD AUDIT COMMITTEE

Financial Reporting:

The primary role of the Committee in relation to financial reporting is to monitor the integrity of the Company's financial statements and formal announcements, if any, relating to the Company financial performance. The Committee reviewed and discussed the Company's quarterly and annual financial statements prior to publication. The Committee also reviewed matters communicated to the Committee by the External Auditors in their reports to the Audit Committee on the audit for the year. The scope of the review included ascertaining compliance with relevant disclosures with the Sri Lanka Accounting Standards, including new Accounting Standards which came into effect during the year, the appropriateness of accounting policies, material judgement matters, alternative accounting treatments, material audit adjustments, going concern assumption, financial reporting controls and compliance with applicable laws and regulations that could impact the integrity of the Company's financial statements, its annual report and its quarterly financial statements prepared for publication.

Internal Control:

The Directors are responsible for maintaining and reviewing the effectiveness of risk management and internal control systems, and for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. The Committee has noted the findings from the compliance reviews, their root causes and management responses, and status of implementing remediation. This process assesses the adequacy and effectiveness of internal controls and the processes for controlling business risks to ensure compliance with laws and regulations.

Internal Audit:

The establishment and maintenance of appropriate systems of risk management and internal control is primarily the responsibility of Management. The Group Internal Audit function provides independent and objective assurance in respect of the adequacy of the design and operating effectiveness of the framework of risk management, control and governance processes across the Group, focusing on the areas of greatest risk.

Executive Management is responsible for ensuring that recommendations made by the Groups' Internal Audit function are implemented within an appropriate and agreed timetable.

External Audit:

The External Auditor's Letter of Engagement, including the scope of the audit, was reviewed and discussed with the External Auditors and Management prior to commencement of the audit. The Auditors were also provided with opportunities to discuss and express

Report of the Audit Committee

their opinions on any matter, and for the Committee to have the assurance that the Management has fully provided all information and explanations requested by the Auditors. The Committee reviewed opportunities for improvement, which were observed during the audit and the Letter of Representation issued to the External Auditor to ensure that the representations made were consistent with the understanding of the Committee, as to the Company's operations and plans. The Committee is satisfied that the independence of the External Auditors has not been impaired by any event or service that gives rise to a conflict of interest. The Committee has recommended to the Board of Directors that Messrs. Ernst & Young, Chartered Accountants, be reappointed for the financial year ending 31 March 2026, subject to the approval of shareholders at the next Annual General Meeting.

CONCLUSION

The Committee is satisfied that the Company's internal controls, risk management processes and accounting policies provide reasonable assurance, that the affairs of the Company are managed in accordance with Company policies, and that Company assets are properly accounted for and adequately safeguarded. The Committee believes that the Company's accounting policies are appropriate and have been applied consistently.

Sgd.
D M Weerasekare
Chairman
Audit Committee

28 August 2026

REPORT OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

I take this opportunity to present to you the Report of the Related Party Transactions Review Committee (the "Committee") for the year ended 31st March 2026 outlining the Committee's roles and responsibilities. The Committee continued to ensure that the interests of the shareholders are taken into account when entering into related party transactions (RPTs) and to prevent Directors, Key Management Personnel or substantial shareholders taking advantage of their positions.

COMPOSITION

The Committee consists of three members with a combination of Independent Non-Executive Directors and Non-Independent, Non-Executive Directors. The members of the Committee during the year and as at date are as follows;

Mr. D M Weerasekare – *Chairman/ Independent Non-Executive Director*

Mr. S L Sebastian – *Member/Independent Non-Executive Director*

Mr. R T Devasurendra – *Member/ Non-Executive Director*

The above composition is in compliance with the provisions of the Listing Rules of the Colombo Stock Exchange. Brief profiles of the members are given on pages 12 to 15 of the Annual Report.

CHARTER OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

The Charter of the Related Party Transactions Review Committee clearly sets out the purpose, membership, authority and the duties and responsibilities of the Committee. In order to discharge the duties and responsibilities effectively and efficiently, the Committee has been authorized to;

a) Receive regular reports from the management and be provided with any information it requires relating to its responsibilities.

b) Establish policies and procedures that provide general pre-approvals to certain types of related party transactions.

c) Review and evaluate the terms, conditions, and the advisability of any related party transaction.

d) Determine whether the relevant related party transaction is fair, and in the best interest of the Company and its shareholders as a whole.

e) Recommend to the Board what action, if any, is required to be taken by the Board with respect to any related party transaction.

f) Obtain advice and assistance from legal, technical, financial and other advisors from within or outside the Company as deemed necessary by the Committee in order to carry out its duties.

MEETINGS

The Committee meets quarterly with a view to discharging its duties. A total of four (04) meetings were held during the financial year. Attendance by the Committee Members at each of these meetings are given below.

Name of the Director	Attendance at Meetings
Mr. D M Weerasekare	4/4
Mr. S L Sebastian	4/4
Mr. R T Devasurendra	4/4

The other members of the Executive Committee attended all Related Party Transactions Review Committee Meetings by invitation.

POLICIES & PROCEDURES

Declarations are obtained from each Director/Key Management Personnel of the Company for the purpose of identifying parties related to them. Based on the information furnished in these declarations the related party transactions are identified from information maintained with the Company.

All forecasted recurrent RPTs are submitted by Management on a quarterly basis to the Committee for consideration and review. Non-recurrent RPTs are also reviewed and approved by the Committee 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 and the recommendation communicated to the Board for consideration.

The Committee is satisfied that all RPTs have been reviewed by the Committee during the financial year and have communicated their observations to the Board. The details of related party transactions entered into during the financial year are given on Note 30 to the Financial Statements, on pages 86 to 88 of this Annual Report.

DECLARATION

A declaration by the Board of Directors on compliance with the rules pertaining to related party transactions appears on the report of the Board of Directors on page 38 of this Annual Report.

Sgd.
D M Weerasekare
Chairman
Related Party Transactions Review Committee

28 August 2026

REPORT OF THE REMUNERATION COMMITTEE

I take this opportunity to present to you the Report of the Remuneration Committee (the "Committee") for the year ended 31st March 2026 outlining the Committee's roles and responsibilities. The Committee continued to formulate, review, approve and make recommendations to the Board regarding the remuneration of the Executive and Non-Executive Directors and key positions within the Senior Management.

COMPOSITION

The Committee consisted of two (2) Independent Non-Executive Directors and one (1) Non-Executive Director. The members of the Committee during the year and as at date are as follows:

Mr. S Sridharan – *Chairman/Independent Non-Executive Director*

Mr. S L Sebastian – *Member/Independent Non-Executive Director*

Mr. R T Devasurendra – *Member/Non-Executive Director*

POLICY

The remuneration policy of the Company is designed to attract, motivate and retain staff with the appropriate professional, managerial and operational expertise to achieve the objectives of the company.

SCOPE

The scope and responsibility of the remuneration committee include;

» To consider internal as well as external remuneration factors and to ensure that the remuneration policy of the company recognizes and addresses the short and long-term needs of the organization in relation to performance, talent retention and reward.

» To recommend to the Board a competitive remuneration and reward structure which is linked to performance.

» To decide on the remuneration packages of Key Management Personnel.

» To evaluate the performance of the Key Management Personnel, management development plans and succession planning.

» To approve annual salary increments, bonuses, changes on perquisites and incentives.

REMUNERATION

All Non-Executive Directors receive a fee reflecting the time, commitment and responsibility of their role and is based on industry and market surveys. They do not receive any performance or incentive payments.

MEETINGS

The Committee meets at least once a year with a view to discharging its duties. However, due to the economic situation which prevailed during the year, in the country, the need did not arise for the Committee to meet.

PROFESSIONAL ADVICE

The committee has the authority to seek external independent professional advice on matters within the purview of the committee and to invite professional advisors with relevant experience to assist in various duties.

sgd.
Sharad Sridharan
Chairman
Remuneration Committee

28 August 2026

REPORT OF THE NOMINATIONS AND GOVERNANCE COMMITTEE

I take this opportunity to present to you the Report of the Nominations and Governance Committee (the "Committee") outlining the Committee's roles and responsibilities. The Board established the Nominations and Governance Committee as per the Listing Rules of the Colombo Stock Exchange (CSE) to perform an assessment on Board composition as and when the need for the appointment of new Independent Non-Executive Board members arise.

COMPOSITION

The Committee consisted of two (2) Independent Non-Executive Directors and one (1) Non-Executive Director. The members of the Committee are;

Mr. S Sridharan – *Chairman/ Independent Non-Executive Director*

Mr. S L Sebastian – *Member/ Independent Non-Executive Director*

Mr. R T Devasurendra – *Member/ Non-Executive Director*

Brief profiles of the Committee members are given in pages 12 to 15 of this Report.

Nexia Corporate Consultants (Private) Limited functions as the secretary to the Committee.

TERMS OF REFERENCE

The Terms of Reference of the Committee include the following:

- Propose a suitable Charter for the appointment and the re-appointment of Independent Non-Executive Directors to the Board.
- Provide advice and recommendation to the Board or the Chairman on appointing Independent Non-Executive Directors.
- Select and appoint Independent Non-Executive Directors as required.
- Regularly review the structure, size, and composition (including the skills, knowledge, and experience) of the Board, and make recommendations to the Board with regard to any suitable changes.

MEETINGS

The Nominations and Governance Committee met twice during the year under review. The Minutes of the Nominations and Governance Committee approved by the said committee is circulated and affirmed by the Board of Directors.

Attendance at the meetings is as follows:

Name of the Director	Attendance at Meetings
Mr. S Sridharan	2/2
Mr. S L Sebastian	2/2
Mr. R T Devasurendra	2/2

In terms of the Articles of Association of the Company, one-third of the Non-Executive Directors of the Board retires by rotation at each Annual General Meeting and, being eligible, offer themselves for re-election. Accordingly, the Committee has recommended the re-election of Mr. D M Weerasekare to the Board at the forthcoming Annual General Meeting, in recognition of his performance and valuable contribution towards achieving the Board's objectives.

Mr. Weerasekare was initially appointed to the Board on 16th August 2024 and did not come up for re-election previously. He is the Chairman of the Audit Committee and the Related Party Transaction Review Committee. In addition to Colombo City Holdings PLC Mr. Weerasekare serves on the Boards of Ambeon Holdings PLC, Ambeon Capital PLC and Alpha Fire Services PLC which are listed companies.

The Committee has also recommended the election of Mr. N Haturusinghe in terms of Article No. 24 (ii) of the Articles of Association and recommended the re-appointment of Mr. A W Atukorala, in terms of Section 210 of the Companies Act No. 07 of 2007.

The Committee further affirms that it has complied with the Corporate Governance requirements stipulated in the Listing Rules of the Colombo Stock Exchange.

sgd.
Sharad Sridharan
Chairman
Nominations & Governance Committee

28 August 2026

STATEMENT OF DIRECTORS' RESPONSIBILITY

The following statement which should be read in conjunction with the Auditor's statement of responsibilities has been made with a view to distinguish between the respective responsibilities of the Directors and the Auditors in relation to the financial statements.

Section 150, 152 (1) and 153 (1) of the Companies Act No. 07 of 2007 requires that the Directors prepare the financial statements and circulate it among the shareholders. These financial statements comprise a Statement of Comprehensive Income, which presents a true and fair view of the profit or loss of the Company for its financial year as well as a Statement of Financial Position, which presents a true and fair view of the state of affairs of the Company as at the end of its financial year.

As the Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future, the financial statements continue to be prepared on a going concern basis.

In preparing the Financial Statements as disclosed on pages 49 to 91 the Directors consider that the Company and its subsidiaries have used appropriate accounting policies that have been applied consistently and supported by reasonable and prudent judgment and estimates, while all accounting standards considered to be applicable and relevant have been followed.

The Directors are responsible for ensuring that the Company and its subsidiaries maintain accounting records which disclose with reasonable accuracy, the financial position of the Company and its subsidiaries while complying with the provisions of the Companies Act No. 07 of 2007.

The Directors have a general responsibility to take reasonable steps in safeguarding the assets of the Company and its subsidiaries, provide proper consideration towards the establishment of appropriate internal control systems with a view to detecting and preventing frauds and other irregularities.

COMPLIANCE REPORT

The Directors confirm to the best of their knowledge that 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, all other known statutory dues which were due and payable by the Company and its subsidiaries as at the reporting date have been paid or where relevant provided for in arriving at the financial results for the year under review.

By order of the Board of

Sgd.
Nexia Corporate Consultants (Pvt) Ltd
Secretaries

28 August 2026

Engineered Resilience

Financial strength does not require heavy, unyielding mass; in modern markets, true strength is found in highly engineered resilience. Like the flawless internal geometry of a shell designed to withstand immense pressure, our capital management relies on intelligent structure. This section presents the comprehensive financial data, robust internal structuring, and quantifiable health that underpins our organizational agility.

Financial Report

Shape the future
with confidence

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

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

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF COLOMBO CITY HOLDINGS PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Colombo City Holdings PLC (the "Company"), and the Consolidated Financial Statements of the company and its subsidiaries (the "Group") which comprise the statement of financial position as at 31 March 2026 and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and, statement of cash flows for the year then ended, and notes to the Financial Statements, including material accounting policy information.

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

Basis for Opinion

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

Key Audit Matters

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

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

Key audit matter	How our audit addressed the key audit matter
Assessment of fair valuation of investment property	
Investment Properties include land and buildings carried at fair value. The fair value of land and buildings were determined by external valuers engaged by the Group. This was a key audit matter due to the: » The materiality of the reported fair value of land and buildings which amounted to Rs. 1.75Bn representing 49% of the Group's total assets as of the reporting date; and » The degree of assumptions, judgements and estimation uncertainties associated with fair valuation of land and buildings using the market approach and income approach. Key areas of significant judgments, estimates and assumptions used in assessing the fair value of land and buildings, as disclosed in Note 10 to the Financial Statements, included judgements involved in ascertaining the appropriate valuation techniques and estimates such as: » Estimate of per perch value of the land. » Estimate of the per square foot value of the buildings. » Market rent per square foot, occupancy rates and yield.	Our audit procedures included the following key procedures: » Assessed the competence, capability and objectivity of the external valuers engaged by the Group. » Read the external valuer's report and understood the key estimates made and the valuation approaches taken by the valuer in determining the valuation of each property. » Assessed the reasonableness of significant assumptions, judgements and estimates made by the valuer such as per perch value, per square foot value, market rent per square foot, occupancy rates, yield and valuation techniques as relevant in assessing the fair value of each property. We also assessed the adequacy of the disclosures made in Note 10 to the Financial Statements.

Other information included in the 2026 Annual Report

Other information consists of the information included in the Annual Report, other than the Financial Statements and our auditor's report thereon. The Management is responsible for the other information. Other information is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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 in the Financial Statement

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.

Independent Auditor's Report

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 4184.

28 August 2026
Colombo

INCOME STATEMENT

		Group		Company	
For the year ended 31st March		2026	2025	2026	2025
	Note	LKR	LKR	LKR	LKR
Revenue	4	73,932,278	50,009,310	-	-
Direct Operating Expenses		(1,378,901)	(2,973,376)	-	-
Gross Profit		**72,553,377**	**47,035,934**	-	-
Change in Fair Value of Investment Properties	10	322,628,211	18,335,000	2,401,000	-
Change in Fair Value of Biological Assets	6	3,449,000	1,367,000	-	-
Change in Fair Value of Financial Assets Measured at Fair Value through Profit/(Loss)		90,366,840	112,270,714	90,339,456	111,491,738
Change in Fair Value of Investment In Subsidiaries	9	-	-	260,351,059	47,646,682
Capital Gain on Disposal of Shares		-	29,483,851	-	29,483,851
Capital Gain/(Loss) on Disposal of Government Securities		59,471,248	(13,975)	59,471,248	(13,975)
Other Income	20	37,772,409	35,204,845	36,191,144	35,117,939
Administrative Expenses		(78,873,371)	(48,110,029)	(60,778,289)	(39,428,042)
Finance Income	21	101,714,982	141,610,015	90,770,413	132,162,364
Finance Cost	22	(20,178,966)	(14,438,783)	(17,231,528)	(12,487,182)
Operating Profit Before Taxes on Financial Services	24	**588,903,730**	**322,744,572**	**461,514,503**	**303,973,375**
Value Added Taxes on Financial Services		(6,899,105)	(5,250,377)	-	-
Profit Before Income Tax		582,004,625	317,494,195	461,514,503	303,973,375
Income Tax Expense	23	(147,095,194)	(58,863,717)	(104,710,392)	(59,734,312)
Profit For the Year		**434,909,431**	**258,630,478**	**356,804,111**	**244,239,063**
Earnings Per Share (LKR)	25	17.08	10.16	14.02	9.59

The accounting policies and notes on pages 54 through 91 form an integral part of the Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME

		Group		Company	
For the year ended 31st March		2026	2025	2026	2025
	Note	LKR	LKR	LKR	LKR
Profit for the Year		434,909,431	258,630,478	356,804,111	244,239,063
Other Comprehensive Income					
Other comprehensive income not to be reclassified to income statement in subsequent periods (net of tax):					
Actuarial Gain on Defined Benefit Plans	16	175,167	5,117	175,167	5,117
Income tax effect on Other Comprehensive Income	14	(52,550)	(1,535)	(52,550)	(1,535)
Net other comprehensive income not to be reclassified to profit in subsequent periods		122,617	3,582	122,617	3,582
Other Comprehensive Income for the Year, Net of Tax		122,617	3,582	122,617	3,582
Total Comprehensive Income for the Year, net of tax		435,032,048	258,634,060	356,926,728	244,242,645

The accounting policies and notes on pages 54 through 91 form an integral part of the Financial Statements.

STATEMENT OF FINANCIAL POSITION

As at 31st March	Note	Group 2026 LKR	Group 2025 LKR	Company 2026 LKR	Company 2025 LKR
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	5	1,507,074	1,406,756	1,244,761	856,142
Right of Use Assets	15	12,450,870	7,059,057	5,653,260	-
Investment Properties	10	1,755,600,000	1,295,304,000	57,800,000	-
Investment in Subsidiaries	9	-	-	1,883,294,627	1,522,943,568
Non Current Financial Assets	11	370,680,009	-	-	-
Biological Assets	6	88,340,950	84,891,950	-	-
		2,228,578,903	**1,388,661,763**	**1,947,992,648**	**1,523,799,710**
Current Assets					
Trade and Other Receivables	7	25,012,870	359,983,426	9,962,806	20,923,097
Other Financial Investments	8	1,334,592,044	1,607,994,405	1,206,844,042	1,490,918,355
Income Tax Recoverable		10,252,316	11,845,755	-	-
Cash in Hand and at Bank	26	7,968,153	6,294,781	1,614,065	5,462,928
		1,377,825,383	**1,986,118,367**	**1,218,420,913**	**1,517,304,380**
Total Assets		**3,606,404,286**	**3,374,780,130**	**3,166,413,561**	**3,041,104,090**
EQUITY AND LIABILITIES					
Equity					
Stated Capital	12	11,137,505	11,137,505	11,137,505	11,137,505
Retained Earnings		3,123,650,763	2,688,618,715	2,907,849,576	2,550,922,848
Total Equity		**3,134,788,268**	**2,699,756,220**	**2,918,987,081**	**2,562,060,353**
Non-Current Liabilities					
Employee Benefit Liability	16	465,071	505,024	465,071	505,024
Deferred Tax Liability	14	324,899,470	247,913,228	216,352,444	158,825,454
Lease Liability	17	11,249,282	8,362,661	2,514,613	-
		336,613,823	**256,780,913**	**219,332,128**	**159,330,478**
Current Liabilities					
Trade and Other Payables	18	38,059,897	37,671,131	17,581,816	16,548,435
Lease Liability	17	4,789,192	1,421,550	3,367,641	-
Interest Bearing Loans and Borrowings	19	-	290,904,232	-	290,904,232
Income Tax Payable		92,153,106	88,246,084	7,144,895	12,260,592
		135,002,195	**418,242,997**	**28,094,352**	**319,713,259**
Total Equity & Liabilities		**3,606,404,286**	**3,374,780,130**	**3,166,413,561**	**3,041,104,090**

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

A. Kanishka Chathuranga
Finance Manager

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

Savanth Sebastian
Chairman

Sajeeva Narangoda (Dr)
Director

The accounting policies and notes on pages 54 through 91 form an integral part of the Financial Statements.

28 August 2026
Colombo

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March	Note	Stated Capital LKR	Retained Earnings LKR	Total LKR
GROUP				
Balance as at 01.04.2024		11,137,505	2,429,984,655	2,441,122,160
Profit for the Year		-	258,630,478	258,630,478
Other Comprehensive Income		-	3,582	3,582
Total Comprehensive Income		-	258,634,060	258,634,060
Dividend Paid	13	-	-	-
Balance as at 31.03.2025		11,137,505	2,688,618,715	2,699,756,220
Profit for the Year		-	434,909,431	434,909,431
Other Comprehensive Income		-	122,617	122,617
Total Comprehensive Income		-	435,032,048	435,032,048
Dividend Paid	13	-	-	-
Balance as at 31.03.2026		11,137,505	3,123,650,763	3,134,788,268
COMPANY				
Balance as at 01.04.2024		11,137,505	2,306,680,203	2,317,817,708
Profit for the Year		-	244,239,063	244,239,063
Other Comprehensive Income		-	3,582	3,582
Total Comprehensive Income		-	244,242,645	244,242,645
Dividend Paid	13	-	-	-
Balance as at 31.03.2025		11,137,505	2,550,922,848	2,562,060,353
Profit for the Year		-	356,804,111	356,804,111
Other Comprehensive Income		-	122,617	122,617
Total Comprehensive Income		-	356,926,728	356,926,728
Dividend Paid	13	-	-	-
Balance as at 31.03.2026		11,137,505	2,907,849,576	2,918,987,081

The accounting policies and notes on pages 54 through 91 form an integral part of the Financial Statements.

STATEMENT OF CASH FLOWS

		Group		Company	
For the year ended 31st March		2026	2025	2026	2025
	Note	LKR	LKR	LKR	LKR
Cash flows from operating activities					
Profit Before Tax		582,004,625	317,494,195	461,514,503	303,973,375
Adjustments for;					
Depreciation	5	586,442	450,583	298,141	92,867
Change in Fair Value of Investment Properties	10	(322,628,211)	(18,335,000)	(2,401,000)	-
Change in Fair Value of Biological Assets	6	(3,449,000)	(1,367,000)	-	-
Change in Fair Value of Investment In Subsidiaries	9	-	-	(260,351,059)	(47,646,682)
Provision for Defined Benefit Plans		135,213	182,355	135,213	182,355
Dividend Income	20	(35,812,822)	(35,115,909)	(35,811,226)	(35,114,213)
Finance Income	21	(101,714,982)	(141,610,015)	(90,770,413)	(132,162,364)
Gain/(Loss) on Disposal of Government Securities		(59,471,248)	13,975	(59,471,248)	13,975
Gain on Disposal of Shares		-	(29,483,851)	-	(29,483,851)
Change in Fair Value of Financial Assets Measured at Fair Value Through Profit or Loss		(90,366,840)	(112,270,714)	(90,339,456)	(111,491,738)
Amortisation of Right of Use Assets	15	2,240,072	161,582	1,978,625	511,386
Finance Cost	22	20,178,966	14,438,783	17,231,528	12,487,182
Operating Profit/(Loss) Before Working Capital Adjustments		**(8,297,785)**	**(5,441,016)**	**(57,986,392)**	**(38,637,708)**
Changes in Working Capital					
(Increase)/ Decrease in Trade & Other Receivables		(39,283,417)	(3,922,397)	10,960,292	(14,808,453)
Increase/ (Decrease) in Trade & Other Payables		388,766	9,164,311	1,033,381	1,020,048
Cash Generated (Used In) from Operating Activities		**(47,192,436)**	**(199,102)**	**(45,992,719)**	**(52,426,113)**
Interest Paid		(18,062,098)	(11,379,461)	(16,908,212)	(10,582,950)
Income Tax Paid		(66,254,490)	(39,844,770)	(52,351,663)	(39,844,770)
Rental Paid	17	(3,494,481)	(1,421,550)	(2,072,935)	(436,488)
Gratuity Payment	16	-	(932,400)	-	(932,400)
Net Cash Flow (Used In) Operating Activities		**(135,003,505)**	**(53,777,284)**	**(117,325,529)**	**(104,222,721)**
Cash Flows from Investing Activities					
Acquisition/Disposal of Property, Plant & Equipments	5	(686,760)	(1,224,316)	(686,760)	(941,116)
Acquisition of Investment Properties	10	(137,667,789)	(8,969,000)	(55,399,000)	-
Repayment of Loan from Related Party		5,167,404	215,604,871	-	213,041,872
Investment of Subsidiary	9	-	215,461	(100,000,000)	(74,123,700)
Investments Financial Assets		423,240,449	(539,275,000)	433,885,018	(486,086,966)
Dividend Received	20	35,812,822	35,115,909	35,811,226	35,114,213
Interest Received	21	101,714,982	141,610,015	90,770,413	132,162,364
Net Cash Flows from (Used in) Investing Activities		**427,581,108**	**(156,922,060)**	**404,380,897**	**(180,833,333)**
Cash Flows from Financing Activities					
Proceed from Interest Bearing Loans and Borrowings	19	74,000,000	749,000,000	74,000,000	749,000,000
Repayment of Loan Borrowings	19	(364,904,232)	(460,000,000)	(364,904,232)	(460,000,000)
Repayment of Related Party Loans & Borrowings		-	(74,123,709)	-	-
Net Cash Flows from (Used in) Financing Activities		**(290,904,232)**	**214,876,291**	**(290,904,232)**	**289,000,000**
Net Increase/(Decrease) in Cash and Cash Equivalents		1,673,372	4,176,947	(3,848,863)	3,943,946
Cash & Cash Equivalents at the Beginning of the Year		6,294,781	2,117,834	5,462,928	1,518,982
Cash & cash Equivalents at the end of the Period		**7,968,153**	**6,294,781**	**1,614,065**	**5,462,928**

The accounting policies and notes on pages 54 through 91 form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 Reporting Entity

Colombo City Holdings PLC, ("Company") is a Limited Liability Company Incorporated in Sri Lanka and listed on the Colombo Stock Exchange. The registered office of the Company is located at No.100/1, 2nd Floor, Elvitigala Mawatha, Colombo 08.

1.2 Consolidated Financial Statements

The Financial Statements for the year ended 31 March 2026, comprise "the Company" referring to Colombo City Holdings PLC as the holding Company and "the Group" referring to the companies whose accounts have been consolidated therein.

1.3 Parent Entity and Ultimate Parent Entity

In the opinion of the directors, the Company's parent entity is Ambeon Holdings PLC and the Company's ultimate parent is Ambeon Consolidated (Pvt) Ltd. Ambeon Holdings PLC and Ambeon Consolidated (Pvt) Ltd are companies incorporated and domiciled in Sri Lanka. Changed the name of CHCI (Pvt) Ltd to "Ambeon Consolidated (Pvt) Ltd". with effect from 17 January 2024

1.4 Approval of Financial Statements by Directors

The Financial Statements for the year ended 31 March 2026 were authorised for issue in accordance with a resolution of the Board of Directors on 28 August 2026.

1.5 Principal Activities

Holding Company
The principal activity of the Company is engaging in Real Estate through renting out the Investment Property. Accordingly, the Company will continue to engage in Real Estate by purchasing, developing and selling of land.

Subsidiary – Lexinton Holdings (Pvt) Ltd
During the year, the principal activities of the Company were lending and maintaining of commercial property, leasing of dwelling flats.

Subsidiary – Lexinton Resorts (Pvt) Ltd
During the year, the principal activities of the Company were managing the real estate.

Subsidiary – Heron Agro Products (Pvt) Ltd
During the year, the principal activities of the Company were to carry on the business of Estate Management.

1.6 Responsibility for Financial Statements

The responsibility of the Directors in relation to the Financial Statements is set out in the Statements of Directors' Responsibility report in the Annual report.

2. BASIS OF PREPARATION

2.1 Basis of Measurement

The Consolidated Financial Statements have been prepared on an accrual basis and under the historical cost convention except for investment property and financial assets measured at fair value through profit & loss.

2.2 Statement of Compliance

The Consolidated Financial Statements which comprise the Statement of Profit or Loss, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows together with the Material Accounting Policy Information and Notes have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the requirement of the Companies Act No. 7 of 2007.

2.3 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 the Group.

2.4 Comparative Information

The presentation and classification of the Financial Statements of the previous years have been amended, where relevant for better presentation and to be comparable with those of the current year.

2.5 Presentation and Functional Currency

The Consolidated Financial Statements are presented in Sri Lanka Rupees, the Group's functional and presentation currency, which is the currency of the primary economic environment in which the Holding Company operates. Each entity in the Group uses the currency of the primary economic environment in which they operate as their functional currency.

2.6 Basis of Consolidation

The Consolidated Financial Statements comprise the Financial Statements of the Company and its subsidiary as at 31 March 2026. The Financial Statements of the subsidiary are prepared in compliance with the Group's accounting policies unless otherwise stated.

All intra-Group balances, income and expenses, unrealized gains and losses resulting from intra-Group transactions and dividends are eliminated in full.

2.7 Subsidiary

Control over an investee is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

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

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

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

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

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Financial Statements of the subsidiaries are prepared for the same reporting period as the parent Company, which is 12 months ending 31 March 2026, using consistent accounting policies.

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

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interest
- Derecognizes the cumulative translation differences, recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

The total profits and losses for the year of the Company and of its subsidiaries included in consolidation are shown in the consolidated income statement and statement of comprehensive income and all assets and liabilities of the Company and of its subsidiaries included in consolidation are shown in the statement of financial position.

Non-controlling interest which represents the portion of profit or loss and net assets not held by the Group, are shown as a component of profit for the year in the consolidated income statement and statement of comprehensive income and as a component of equity in the consolidated statement of financial position, separately from parent' shareholders' equity.

The consolidated statement of cash flow includes the cash flows of the Company and its subsidiaries.

2.8 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Financial Statements of the Group require the management to make judgments, estimates and assumptions, which may affect the amounts of income, expenditure, assets , liabilities and the disclosure of contingent liabilities, at the end of the reporting period. In the process of applying the Group's accounting policies, the key assumptions made relating to the future and the sources of estimation at the reporting date together with the related judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year are discussed below.

Judgements

Estimates and Assumptions

Fair value of investment property
The Group measures its investment property at fair value, with changes in fair value being recognized in the income statement. The Group engaged an independent valuation specialist to determine fair value of investment property as at 31 March 2026.

The valuer has used valuation techniques such as Contractor's method and Investment method where there was lack of comparable market data available based on the nature of the Property.

The methods used to determine the fair value of the investment properties and the Sensitivity of input to Fair value, are further explained in Note 10.

Taxes
Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax that can be recognised based upon the likely timing and the levels of future taxable profits. More information regarding deferred tax assets is given in Note 14.

2.9 Summary of Material Accounting Policies Information

2.9.1 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Notes to the Financial Statements

a) Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term and is included in revenue due to its operating nature.

b) Interest income

For all financial instruments measured at amortised cost and fair value through profit or loss and interest bearing financial assets classified as loans & receivables, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of Profit or Loss.

c) Others

Other income is recognised on an accrual basis.

2.9.2 Expenditure recognition

Expenses are recognized in the income statement on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the income statement.

For the purpose of presentation of the income statement, the "function of expenses" method has been adopted, on the basis that it presents fairly the elements of the Company and Group's performance.

2.9.3 Finance costs

Finance costs comprise interest expenses on borrowings that are recognized in the income statement.

2.9.4 Taxes

Current income tax

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

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws), that have been enacted or substantively enacted at the date of reporting Statement of Financial Position. Deferred tax relating to items recognized directly in equity is recognized in Statement of Changes in Equity and not in the Statement of Comprehensive Income.

2.9.5 Cash and Cash Equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the statement cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

2.9.6 Financial Instruments – initial recognition and subsequent measurement

Initial recognition and measurement

Financial assets within the scope of SLFRS 9 are classified as amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

The Group's financial assets include cash and short-term deposits, trade and other receivables, loans and other receivables, quoted financial instruments.

Subsequent measurement
The subsequent measurement of financial assets depends on their classification as described below:

Financial assets at amortised cost
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. The Group measures financial assets at amortised cost if both of the following conditions are met:

» The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

  And

» The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables and short term investments.

Financial assets at fair value through OCI
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

» The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling.

  and

» The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the income statement.

Financial assets designated at fair value through OCI
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under LKAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

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

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Derecognition
Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Impairment of financial assets
The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI.

Notes to the Financial Statements

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by SLFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by SLFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the consolidated statement of financial position only if there is a current enforceable legal right to offset the recognised amounts and an intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include:

» Using recent arm's length market transactions;
» Reference to the current fair value of another instrument that is substantially the same;
» A discounted cash flow analysis or other valuation models.

2.9.6.1 Financial Instrument Default and Write Off

Definition of Default

In accordance with the requirements of SLFRS 9 and the disclosure requirements under paragraph 35F of SLFRS 7, the Group/Company defines "default" for the purpose of assessing expected credit losses (ECL) as follows:

» The debtor is unlikely to pay its credit obligations to the group in full, without recourse by the group to actions such as realizing security (if any held) or
» The financial asset is more than one year past due

Reason for selecting this definition:

» IFRS Compliance: The definition is consistent with the principles of SLFRS 9 and the application guidance in Appendix A of SLFRS 9, which allows entities to define default in a manner consistent with internal credit risk management practices
» Relevance to Risk Management: The combination of quantitative (90 days past due) and qualitative (unlikeliness to pay) criteria reflects the Group's internal credit risk assessment processes and provides a robust basis for identifying significant increases in credit risk and calculating expected credit losses.
» Comparability and Transparency: Using a consistent and transparent default definition enhances the comparability of credit risk disclosures across reporting periods and with other institutions.

Write-offs

The gross carrying amount of a financial asset is written off when the Group/ Company has no reasonable expectation of recovering the asset in full or in part.

For individual customers, the Group/ Company applies a write-off policy based on historical experience of recoveries on similar financial assets.

For corporate customers, the Group assesses the timing and amount of write-off on a case-by-case basis, taking into consideration whether there is a reasonable expectation of recovery.

In both cases, the Group/Company does not expect any significant recovery in the amounts that have been written off. However, financial assets that are written off may still be subject to enforcement activities in line with the Group's recovery procedures.

2.9.7 Property, Plant and Equipment

Basis of recognition

Property, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be reliably measured.

Basis of measurement

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss. Such cost includes the cost of replacing component parts of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group derecognizes the replaced part, and recognizes the new part with its own associated useful life and depreciation. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the income statement as incurred.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

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

Derecognition

An item of property, plant and equipment are derecognised upon replacement, disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset is included in the income statement in the year the asset is derecognised.

Depreciation

Depreciation is calculated by using a straight-line method on the cost or valuation of all property, plant and equipment, in order to write off such amounts over the estimated useful economic life of such assets.

2.9.8 Investment Property

Investment properties are measured initially at cost, including transaction costs. The carrying value of an investment property includes the cost of replacing part of an existing investment property, at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of the investment property. Subsequent to initial recognition, the investment properties are stated at fair values, which reflect market conditions at the reporting date.

Gains or losses arising from changes in fair value are included in the income statement in the year in which they arise. Fair values are evaluated at frequent intervals by an accredited external, independent valuer.

Investment properties are derecognized when disposed, or permanently withdrawn from use because no future economic benefits are expected. Any gains or losses on retirement or disposal are recognised in the income statement in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property or inventory (WIP), the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment

Property or inventory (WIP), the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

2.9.9 Business combinations and goodwill

Acquisition of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at the acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree at the fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss. Any contingent consideration to be transferred

Notes to the Financial Statements

by the acquirer will be recognized at fair value at the acquisition date.

Contingent consideration which is deemed to be an asset or liability that is a financial instrument and within the scope of SLFRS 09 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value either in profit or loss or as a change to other comprehensive income (OCI). If the contingent consideration is not within the scope of SLFRS 09, it is measured in accordance with the appropriate SLFRS.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

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

Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates.

Where goodwill forms part of 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 the cash-generating unit retained.

2.9.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

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

2.9.11 Retirement Benefit Obligations

(a) Defined Benefit Plan - Gratuity:

Gratuity is a defined benefit plan. The Group is liable to pay gratuity in terms of the relevant statute.

The Group measures the present value of the promised retirement benefit for gratuity, which is a defined benefit plan using the projected unit credit method (PUC) as required by LKAS 19, Employee Benefits.

The item is stated under Defined Benefit Liability in the Statement of Financial Position.

Recognition of Actuarial Gains and Losses

Any actuarial gains and losses arising are recognized immediately in Other Comprehensive Income.

Recognition of Interest Cost and Current Service Cost

Interest cost and current service cost are recognized immediately in Statement of Profit or Loss.

(b) Defined Contribution Plans – Employees' Provident Fund and Employees' Trust Fund

Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions in line with respective statutes and regulations. The companies contribute the defined percentages of gross emoluments of employees to an approved Employees' Provident Fund and to the Employees' Trust Fund respectively, which are externally funded.

2.9.12 Segmental Information

The Group's internal organization and management is structured based on services which are similar in nature and process and where the risk and return are similar.

As such for management purposes, the Group is organized into engaging in Real Estate through renting out the Investment Property business unit based on their services and reported as one business segment.

3. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

SLFRS 17 Insurance Contracts

SLFRS 17 is a comprehensive new accounting standard for insurance contracts, covering recognition, measurement, presentation, and disclosure. It replaces SLFRS 4 and applies to all types of insurance contracts-including life, non-life, direct insurance, reinsurance-as well as certain guarantees and financial instruments with discretionary participation features:

The standard is built around the General Measurement Model, supported by two supplementary approaches:

- Variable Fee Approach (VFA): for contracts with direct participation features
- Premium Allocation Approach (PAA): a simplified model mainly for short-duration contracts

SLFRS 17 is effective for annual reporting periods beginning on or after 1 January 2026, with comparative figures required. Early adoption is allowed if the entity also applies SLFRS 9 Financial Instruments and SLFRS 15 Revenue from Contracts with Customers by the date SLFRS 17 is first applied.

SLFRS 17 does not have a material impact on the financial statements.

SLFRS 18 Presentation and Disclosure in Financial Statements
SLFRS 18, which replaces LKAS 1, introduces significant enhancements to the way financial information is organized and communicated. The standard establishes new categories and subtotals in the statement of profit or loss to improve consistency and comparability across entities. It also requires entities to disclose management-defined performance measures (as specified in the standard), together with clear explanations and reconciliations. In addition, SLFRS 18 introduces strengthened requirements regarding the location, aggregation, and disaggregation of financial information. These changes are designed to ensure that financial statements present information more transparently and in a way that enhances users' understanding of an entity's financial performance and position.

SLFRS 18, and consequential amendments to the other accounting standards, are effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted.

The potential impact of SLFRS 18 on the financial statements and the related notes is currently being identified and evaluated.

SLFRS 19 Subsidiaries without public accountability: Disclosures
SLFRS 19 introduces reduced disclosure requirements for subsidiaries that do not have public accountability but continue to apply the full SLFRS recognition and measurement principles.

The purpose of SLFRS 19 is to lessen the financial reporting burden on qualifying subsidiaries by simplifying disclosure requirements, while still ensuring that financial statements remain high-quality, consistent, and comparable for users.

SLFRS 19 applies to Specified Business Enterprises, as defined in the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995. Subsidiaries that fall within this category and do not have public accountability are eligible to apply SLFRS 19.

The Standard becomes effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted

The entity is not eligible to apply SLFRS 19.

Classification and Measurement of Financial Instruments - Amendments to SLFRS 9 and SLFRS 7
The amendments introduce enhancements to the classification, measurement, derecognition, and disclosure requirements for financial instruments. Their objective is to strengthen transparency, promote greater consistency in financial reporting, and respond to emerging market developments - particularly features such as sustainability linked terms and nature dependent electricity contracts.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early application is permitted.

The impact of these amendments is currently being identified and evaluated.

Annual improvements to Sri Lanka Accounting Standards
Narrow scope amendments as part of its periodic maintenance of Sri Lanka Accounting Standards will be adopted, if applicable, when they become effective.

Notes to the Financial Statements

4. REVENUE

4.1 Summary

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
Rental Income	38,635,800	15,567,958	-	-
Finance Income	34,454,638	34,199,759	-	-
Sale of Fruits and Other Products	841,840	241,593	-	-
	73,932,278	50,009,310	-	-

4.2 Segment Information

Group

The Group engages only in the real estate and lending. There are no separate activities other than the real estate and lending segments in the Group.

5. PROPERTY,PLANT & EQUIPMENT

5.1 Gross Carrying Amounts

Group	Balance as at 01.04.2025	Additions	Disposal	Balance as at 31.03.2026
At Cost	LKR	LKR	LKR	LKR
Description				
Furniture & Fittings	3,336,942	-	(3,336,942)	-
Building	562,425	-	-	562,425
Computer Equipment	1,846,516	686,760	(815,900)	1,717,376
Office & Electrical Equipment	2,190,241	-	(1,064,733)	1,125,508
Motor Vehicles	102,150	-	-	102,150
Generator	2,327,155	-	-	2,327,155
Air Conditioner	4,731,651	-	-	4,731,651
Tools & Equipment	101,710	-	-	101,710
Farm Equipment	90,537	-	-	90,537
Wells	230,922	-	-	230,922
Total Assets	15,520,249	686,760	(5,217,575)	10,989,434

Accumulated Depreciation and Impairment

At Cost	Balance as at 01.04.2025 LKR	Depreciation for the year LKR	Disposal LKR	Balance as at 31.03.2026 LKR
Description				
Furniture & Fittings	3,336,932	-	(3,336,932)	-
Building	551,175	11,249	-	562,423
Computer Equipment	993,822	294,693	(815,910)	472,606
Office & Electrical Equipment	2,086,689	35,998	(1,064,733)	1,057,954
Motor Vehicles	102,150	-	-	102,150
Generator	2,327,155	-	-	2,327,155
Air Conditioner	4,297,007	239,894	-	4,536,901
Tools & Equipment	101,710	-	-	101,710
Farm Equipment	90,537	-	-	90,537
Wells	226,303	4,620	-	230,924
Total Depreciation	**14,113,480**	**586,454**	**(5,217,575)**	**9,482,360**

Net Book Values At Cost	As at 31.03.2026 LKR	As at 31.03.2025 LKR
Description		
Building	-	11,248
Computer Equipment	1,244,770	852,694
Office & Electrical Equipment	67,554	103,552
Air Conditioner	194,750	434,644
Wells	-	4,618
Total Carrying Amount of Property, Plant and Equipment	**1,507,074**	**1,406,756**

5.1.1 During the financial year the Group acquired Property, Plant & Equipment to the aggregate value of LKR 686,760/-. (2025 - LKR 1,224,316/-)

5.1.2 Property, Plant and Equipment includes fully depreciated assets having a gross carrying amount of LKR 7,617,117/-, (2025 - LKR 11,835,615/-)

5.1.3 During the financial year, the Group disposed of Property, Plant and Equipment with a value of LKR 5,217,575/-. (Accumulated Depreciation - LKR 5,217,575/-)

Notes to the Financial Statements

5.2 Gross Carrying Amounts

Company

At Cost	Balance as at 01.04.2025 LKR	Additions LKR	Disposal LKR	Balance as at 31.03.2026 LKR
Description				
Furniture & Fittings	196,327	-	(196,327)	-
Computer Equipment	1,846,516	686,760	(815,900)	1,717,376
Office & Electrical Equipment	321,093	-	(321,093)	-
Total Assets	2,363,936	686,760	(1,333,320)	1,717,376

Accumulated Depreciation and Impairment

At Cost	Balance as at 01.04.2025 LKR	Depreciation for the year LKR	Disposal LKR	Balance as at 31.03.2026 LKR
Description				
Furniture & Fittings	196,327	-	(196,327)	-
Computer Equipment	993,822	294,693	(815,900)	472,615
Office & Electrical Equipment	317,645	3,448	(321,093)	-
Total Depreciation	1,507,794	298,141	(1,333,320)	472,615

Net Book Values At Cost	As at 31.03.2026 LKR	As at 31.03.2025 LKR
Description		
Computer Equipment	1,244,761	852,694
Office & Electrical Equipment	-	3,448
Total Carrying Amount of Property, Plant and Equipment	1,244,761	856,142

5.2.1 During the financial year the company acquired Property, Plant & Equipment to the aggregate value of LKR 686,760/-. (2025 - LKR 941,116/-)

5.2.2 Property, Plant and Equipment includes fully depreciated assets having a gross carrying amount of Nil (2025 - LKR 1,393,170/-)

5.2.3 During the financial year, the company disposed of Property, Plant and Equipment with a value of LKR 1,333,320/-. (Accumulated Depreciation - LKR 1,333,320/-)

5.3 The useful lives of the assets are estimated as follows.

	Group		Company	
	2026	2025	2026	2025
Furniture & Fittings	8-10 Years	8-10 Years	8 Years	8 Years
Computer Equipment	4 Years	4 Years	4 Years	4 Years
Office & Electrical Equipment	5 - 6.6 Years	5 - 6.6 Years	6.6 Years	6.6 Years
Generator	5 Years	5 Years	-	-
Air Conditioner	4 Years	4 Years	-	-
Tools & Equipment	5 Years	5 Years	-	-

6. BIOLOGICAL ASSETS

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
Teak	85,535,634	82,279,738	-	-
Lunumidella	2,723,366	2,530,262	-	-
Coconut	81,950	81,950	-	-
	88,340,950	**84,891,950**	-	-

6.1 Change in Fair Value of Biological Assets

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
Valuation of Teak	3,255,896	1,057,838	-	-
Valuation of Lunumidella	193,104	309,162	-	-
	3,449,000	**1,367,000**	-	-

Company has leased land from Mahaweli Authority of Sri Lanka under Government Land Ordinance for 30 years commencing from 18th January 1993. The lease period expired on 17th January 2023. However, the renewal process is currently underway, and the Board is confident in securing an extension of the lease for an additional 30-year period.

6.1.2 Gain on Change in Fair Value of Biological Assets

	Balance as at 01.04.2025	Gain on Changes in Fair Value Less Cost to Sell	Balance as at 31.03.2026
	LKR	LKR	LKR
Teak	82,279,738	3,255,896	85,535,634
Lunumidella	2,530,262	193,104	2,723,366
	84,810,000	3,449,000	88,259,000
Coconut	81,950	-	81,950
	84,891,950	**3,449,000**	**88,340,950**

Notes to the Financial Statements

6.2 The Factors, Assumptions and Conversions Used To Derive The Total Timber Content From The Tree Population

Available Timber Content as at Valuation Date

The standing timber content was estimated based on the timber census, tree girth measurements, estimated merchantable height, species characteristics, and commercial recoverability assumptions applicable to plantation timber

The timber volume of each tree was estimated using the standard cylindrical volume approach:

Where:

- Estimated timber volume
- Radius at breast height
- Commercially usable timber height
- Recoverability / growth adjustment factor

The radius was derived from girth at breast height (GBH) using:

In the valuation, trees with GBH below 35 cm were excluded from the valuation assessment, as such trees were considered to have limited commercial recoverability and insignificant market value, primarily due to inadequate growth, maintenance, and thinning conditions observed within the plantation.

For immature timber trees that had not reached harvestable maturity as at the valuation date, a maturity age of 25 years and an incremental growth rate of 1.0 Cu.Dm per annum were adopted in estimating the expected harvestable timber content

Since the standard timber volume formula assumes a regular cylindrical stem, appropriate recoverability adjustments were applied to the calculated gross timber volume to reflect practical plantation conditions. Accordingly, adjustments were made to account for natural tapering, irregular growth patterns, branching, biological defects, hollowness, and anticipated harvesting losses associated with standing timber. Based on the observed condition and commercial usability of the plantation stock, trees classified to be in good condition were considered at 60% of the calculated gross timber volume, reflecting a 40% adjustment factor, while trees identified for removal or inferior condition were considered at 20% recoverability, reflecting an 80% adjustment factor for valuation purposes.

6.3 The Unit Prices Adopted Under Each Timber Category Together with The Source/Reference Basis Used To Determine Such Prices.

Tree Species	Price per Cu.Dm (LKR)	
	Standing Timber in Good Condition	Standing Timber Identified for Removal
Teak	68	31
Teak	27	12
Lunumidella	14	6

6.3.1 Sensitivity Analysis

Discount Rate	2026 LKR	2025 LKR
+1%	(882,600)	(3,185,740)
-1%	882,600	3,448,663

6.3.2 Fair Valuation of Biological Assets

The Group uses the fair valuation model of measurement of its biological assets. The Group engaged an independent expert valuer to determine the fair value of its biological assets.

Details of Group's biological assets stated at valuation are indicated below;

Company	Property	Method of Valuation	2026 LKR	2025 LKR	Valuers Details	Effective Date of Valuation
Heron Agro Products (Pvt) Ltd	A timber stumpage in managed timber stand at Agunakolapelessa	Income and Market Approach	88,340,950	84,891,950	» KPMG Real Estate & Valuation Services (Pvt) Ltd (2025) » USLS Chartered Valuers (2026) An Independent Incorporated Valuer	31-Mar-26

6.4 Potential Risks Timber Plantations

The Company is exposed to the following risks in relation to timber plantations:

Supply and Demand Risk

The Company is exposed to risks arising from fluctuations in the price and sales volume of time. When possible, the Company manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses to ensure that the Company's pricing structure is in line with the market and to ensure that projected harvest volumes are consistent with the expected demand identified.

Regulatory and Environmental Risks

The Company is subject to laws and regulations in Sri Lanka. The Company has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks.

Climate and Other Risks

The Company's timber plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular forest health inspections and industry pest and disease surveys.

7. TRADE AND OTHER RECEIVABLES

7.1 Summary

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Trade Receivables - Related Parties (Note: 7.2)	-	693	-	693
- Other	-	56,143	-	56,143
	-	56,836	-	56,836
Loan Receivables (Note : 7.3)	-	346,285,727	-	-
Other Receivables - Related Parties (Note : 7.5)	-	106,891	6,981,609	20,112,253
Advances, Prepayments and Other	33,080,015	21,657,954	4,798,342	2,627,989
Less: Provision for Impairment (Note: 7.4)	(8,067,145)	(8,123,982)	(1,817,145)	(1,873,982)
	25,012,870	**359,983,426**	**9,962,806**	**20,923,097**

Notes to the Financial Statements

7.2 Trade Receivables - Related Parties

	Relationship	Group 2026 LKR	Group 2025 LKR	Company 2026 LKR	Company 2025 LKR
Royal Fernwood Porcelain Ltd	Affiliate	-	693	-	693
		-	**693**	**-**	**693**

7.3 Loan Receivables - Group

	Relationship	As at 01.04.2025 LKR	Reclassification LKR	Repayments LKR	Accrued Interest LKR	As at 31.03.2026 LKR
Ambeon Capital PLC	Intermediate Parent	346,285,727	(359,351,849)	(5,167,404)	18,233,526	-
		346,285,727	**(359,351,849)**	**(5,167,404)**	**18,233,526**	**-**

Terms and Conditions

Ambeon Capital PLC — Loans are repayable within 36 months.
(Interest Rate AWPLR+1%)

Other Receivables - Related Party LKR 359,351,849/- reclassified to Loans to Related Parties (Note 11)

7.4 Provision for Impairment

	Group 2026 LKR	Group 2025 LKR	Company 2026 LKR	Company 2025 LKR
Balance at the beginning of the year	8,123,982	8,123,982	1,873,982	1,873,982
Writeoff of Debtors	(56,837)	-	(56,837)	-
Balance at the end of the year	**8,067,145**	**8,123,982**	**1,817,145**	**1,873,982**

7.5 Other Receivables - Related Parties

		Group 2026 LKR	Group 2025 LKR	Company 2026 LKR	Company 2025 LKR
Lexinton Resorts (Pvt) Ltd	Subsidiary	-	-	2,517	17,585,467
Heron Agro Products (Pvt) Ltd	Subsidiary	-	-	6,979,092	2,526,786
Royal Fernwood Porcelain Ltd	Affiliate	-	106,891	-	-
		-	**106,891**	**6,981,609**	**20,112,253**

8. OTHER FINANCIAL INVESTMENTS

Financial Instrument	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
8.1 Amortised Cost				
Investments in Commercial Paper	41,387,373	41,387,373	41,387,373	41,387,373
Provision for Commercial Paper	(41,387,373)	(41,387,373)	(41,387,373)	(41,387,373)
Investments In NDB Wealth	504,882,493	42,610,173	474,999,092	17,356,904
Investment In Repo	76,220,916	70,260,105	-	-
	581,103,409	**112,870,278**	**474,999,092**	**17,356,904**
8.2 Fair Value through Profits or Losses				
Investment In Treasury Bonds	21,586,762	947,289,929	-	925,781,647
Quoted Equities at Market Value (Note: 8.3)	731,901,873	547,834,199	731,844,950	547,779,804
	1,334,592,044	**1,607,994,405**	**1,206,844,042**	**1,490,918,355**

As at the Reporting date Commercial Paper receivable balance from Ceylon Leather Products Manufacturers (Pvt) Ltd has been fully provided considering the recoverability assessment carried out by the Management

8.3 Investments in Equity Securities - Quoted

	2026			2025		
	No. of Shares	Cost	Market Value	No. of Shares	Cost	Market Value
GROUP						
Fair Value through Profits or Losses						
Aitken Spence PLC	399	-	55,460	399	-	53,067
Ambeon Capital PLC	45	-	1,463	45	-	1,328
DFCC Bank PLC	5,312,849	445,332,788	731,844,950	5,167,734	445,332,788	547,779,804
		445,332,788	**731,901,873**		**445,332,788**	**547,834,199**
COMPANY						
Fair Value through Profits or Losses						
DFCC Bank PLC	5,312,849	445,332,788	731,844,950	5,167,734	445,332,788	547,779,804
		445,332,788	**731,844,950**		**445,332,788**	**547,779,804**

Notes to the Financial Statements

9. INVESTMENT IN SUBSIDIARIES

Non-Quoted	Country of Incorporation	No of Ordinary Shares	Effective Holding % 2026	Effective Holding % 2025	2026 LKR	2025 LKR
Lexinton Holdings (Pvt) Ltd	Sri Lanka	68,911,528	100%	100%	759,639,549	709,783,671
Lexinton Resorts (Pvt) Ltd	Sri Lanka	329,000,000	100%	100%	1,061,011,096	748,312,004
Heron Agro Products (Pvt) Ltd	Sri Lanka	1,481,237	100%	100%	62,643,982	64,847,893
					1,883,294,627	1,522,943,568

Investment in Subsidiaries Movement	At the Beginning of the Year	Investment	Fair Value Gain	At the end of the Year
2026	1,522,943,568	100,000,000	260,351,059	1,883,294,627
2025	1,401,173,185	74,123,701	47,646,682	1,522,943,568

Colombo City Holdings PLC converted its receivable balance of LKR 100 million from Lexinton Resorts (Pvt) Ltd into equity as a further investment.

Investment in Subsidiaries are stated at fair value, fair value has been determined based on the net assets value. Professional valuation was performed by KPMG for the year ended 31 March 2026.

The company uses fair valuation model of measurement for investment in subsidiaries

Details of investment in subsidiaries stated at fair value included below.

Company	Valuation Techniques	Level
Lexinton Holdings (Pvt) Ltd	Net Assets Value	Level 3
Lexinton Resorts (Pvt) Ltd	Net Assets Value	Level 3
Heron Agro Products (Pvt) Ltd	Net Assets Value	Level 3

The valuer has confirmed in his report that the value reflected as of 31 March 2026 represents the best estimate of fair value as of the reporting date, which in the valuer's opinion meets the requirements in SLFRS 13 Fair Value Measurement.

10. INVESTMENT PROPERTY

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance as at the Beginning of the Year	1,295,304,000	1,268,000,000	-	-
Acquired During the Period	137,667,789	8,969,000	55,399,000	-
Gain from Fair Value Change	322,628,211	18,335,000	2,401,000	-
Balance as at the End of the Year	1,755,600,000	1,295,304,000	57,800,000	-

10.1 Group's Investment Property comprise that of Colombo City Holdings PLC (located at Sigiriya), Lexinton Holdings (Pvt) Ltd (Located at Colombo 08) and Lexinton Resorts (Pvt) Ltd (Located in Kosgoda).

Investment properties are stated at fair value, which have been determined on the basis of present value of the future rental income and market price of the investment property. Investment property is appraised in accordance with SLFRS 13, LKAS 40 and International Valuation Standards. Professional valuation was performed on the investment property of the Colombo City Holdings PLC, Lexinton Holdings (Pvt) Ltd and Lexinton Resorts (Pvt) Ltd as at 31 March 2026 by USLS Chartered Valuers.

The Company has reported rental income amounting to LKR 38,635,800/- (2025 - LKR 15,567,958/-) from this investment property and incurred direct operating expenses (including repairs and maintenance) amounting to LKR 1,378,901/- (2025 - LKR 2,973,376/-).

Colombo City Holdings PLC

Colombo City Holdings PLC acquired a land located in Sigiriya from Ambeon Capital PLC on 16th October 2025 for a total consideration of LKR 55 million.

Property	Location	Method of Valuation	Inputs used for Measurement	Range	Sensitivity of Fair Value to unobservable inputs
2026					
Freehold Land	Sigiriya	Market Approach	Per perch rate	LKR 48,000	Positively correlated

Lexinton Holdings (Pvt) Ltd

2026

Valuation Technique - Discounted Cash Flow (DCF)

Summary of the Inputs for DCF

Description	Note	%
OPEX for the Lease Tenure	4	15%
OPEX for the Terminal Period	4	25%
Considered Discounted Rate	5	13%

Notes of the Discounted Cash Flow (DCF) Analysis

1. Land Valuation Approach

The land value has been determined using a comprehensive comparative analysis based on recent sales and/or listed transactions of similar properties within the vicinity. Key considerations included location, land extent, zoning regulations, and prevailing market conditions. Based on these comparable transactions, an appropriate price per perch was derived to reflect current market trends. Adjustments were made to account for any unique characteristics or limitations of the subject property relative to comparable properties. Accordingly, the valuation reflects a well-supported estimate of market value under prevailing conditions.

2. Operating Expense Assumptions (Reversionary Period)

An operating expense ratio of 25% has been applied to Year 5 and the terminal period to reflect increased uncertainty following lease expiry. Although Year 5 falls within the explicit forecast period, it represents a reversionary phase with no secured rental income. Accordingly, risks such as potential vacancy, re-letting costs, and tenant turnover have been considered. Aligning Year 5 assumptions with the terminal period ensures a prudent and risk-adjusted estimation of net income, consistent with accepted valuation practices.

3. Occupancy Assumptions

The valuation assumes full occupancy (100%) throughout the initial four-year lease period in line with the existing lease agreement. For the fifth year and terminal period, an occupancy rate of 90% has been assumed based on benchmark analysis of comparable office properties and prevailing market conditions.

4. Operating Expense (OPEX) Assumptions

Operating expenses have been estimated at 15% of effective gross rental income during the initial four-year lease period and increased to 25% for the fifth year and terminal period to reflect higher uncertainty and potential variability in operating conditions.

5. Discount Rate

A discount rate of 13% has been applied in determining the present value of future cash flows. This rate has been derived using the Capital Asset Pricing Model (CAPM), taking into account market risk factors and required rates of return.

Notes to the Financial Statements

10. INVESTMENT PROPERTY CONTD.

6. Land Extent Assumption

The valuation is based on the assumption that the total land extent, as indicated in the relevant plans, is physically available on the ground.

7. Basis of Information

The valuation has been performed based on available documentation, including uncertified copies of relevant property documents.

2025

Valuation Technique - Discounted Cash Flow (DCF)

Summary of the Inputs for DCF

Description	Note	%
Estimated Rent Escalation at the Beginning of the Terminal Period	1	5% YoY
OPEX for the Lease Tenure	3	15%
OPEX for the Terminal Period	3	25%
Exit Yield Rate	4	8%
Considered Discounted Rate	5	13%

Notes of the Discounted Cash Flow (DCF) Analysis

1. Lease Agreement and Rental Assumptions

The annualized passing rent adopted in the DCF analysis is based on the lease agreement No. 201 dated 25th February 2025, attested by N. O. Athuriliya - Notary Public. This lease agreement was provided by the client. An independent market rental analysis was conducted for comparable commercial properties in the vicinity, and the rent stipulated in the lease agreement was found to be within the prevailing market range. Accordingly, the lease rent and contractual escalation terms have been applied in the analysis. As per the agreement, rent is subject to a 10% escalation every two years during the lease term. For the terminal period, a year-on-year rent escalation of 5% has been assumed.

2. Occupancy Assumption

It is assumed that the property will remain fully occupied (100% occupancy) during the five-year lease term, in line with the current lease agreement. For the terminal period, based on a benchmark analysis of similar office buildings in the market, a 90% occupancy rate has been applied

3. Operating Expenses (OPEX)

Operating expenses have been estimated at 15% of the effective gross passing rent during the lease term and 25% during the terminal period, based on industry benchmarks and comparable property performance.

4. Terminal Value

The terminal value has been estimated using the Exit Multiple Method, with an assumed exit yield of 8%. This yield reflects the capitalization rates observed in benchmark transactions of comparable commercial buildings in the market.

5. Discount Rate

A discount rate of 13% has been applied in the DCF analysis. This rate was determined using the Capital Asset Pricing Model (CAPM) approach, taking into account market risk premiums and comparable investment return expectations.

Maturity Analysis	2026 LKR	2025 LKR
First Year	38,635,800	38,635,800
Second Year	42,499,380	38,635,800
Third Year	42,499,380	42,499,380
Fourth Year	46,749,318	42,499,380
Fifth Year	49,086,784	46,749,318
After Fifth Year	51,541,123	49,086,784

Lexinton Resort (Pvt) Ltd

Property	Location	Method of Valuation	Inputs used for Measurement	Range	Sensitivity of Fair Value to unobservable inputs
2026					
Freehold Land	Kosgoda	Market Approach	Per perch rate	LKR 1,000,000	Positively correlated
2025					
Freehold Land	Kosgoda	Market Approach	Per perch rate	LKR 700,000 - 800,000	Positively correlated

* *During the financial year 2025/26, the company acquired 75 purchases.*

11. NON CURRENT FINANCIAL ASSETS

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Loan Receivables - Non Current	370,680,009	-	-	-
	370,680,009	-	-	-

Loan Receivables - Group	Relationship	As at 01.04.2025 LKR	Reclassification LKR	Repayments LKR	Accrued Interest LKR	As at 31.03.2026 LKR
Ambeon Capital PLC	Intermediate Parent	-	359,351,849	(3,276,285)	14,604,445	370,680,009
		-	359,351,849	(3,276,285)	14,604,445	370,680,009

Terms and Conditions

Ambeon Capital PLC — Loans are repayable within 36 months. (Interest Rate AWPLR + 1%)

Other Receivables - Related Party LKR.359,351,849/- reclassified to Loans to Related Parties (Note 7.3)

Notes to the Financial Statements

12. STATED CAPITAL

	2026		2025	
	Number	LKR	Number	LKR
Fully Paid Ordinary Shares	25,457,140	11,137,505	25,457,140	11,137,505
	25,457,140	**11,137,505**	**25,457,140**	**11,137,505**

13. DIVIDEND PER SHARE

	2026		2025	
	Per Share/LKR	LKR	Per Share/LKR	LKR
Equity Dividend on Ordinary Shares Declared and Paid During the Year				
Interim Dividends	-	-	-	-
	-	-	-	-

14. DEFERRED TAX (ASSET) / LIABILITY

14.1 Group

	2026 LKR	2025 LKR
At the Beginning of the Year	247,913,228	226,113,679
Acquisition of subsidiary	-	5,385,098
Transfer from/(to) Income Statement (Note 14.2)		
Due to change in temporary difference	76,933,692	16,412,916
Transfer from/(to) Other Comprehensive Income (Note 14.2)		
Due to change in temporary difference	52,550	1,535
Transfers between Deferred Tax Liability and (Asset)	-	-
At the End of the Year	324,899,470	247,913,228

14.2 Deferred Tax (Asset)/Liability

	Statement of Financial Position		Statement of Profit or Loss		Other Comprehensive Income	
	2026	2025	2026	2025	2026	2025
Deferred Tax Liability	LKR	LKR	LKR	LKR	LKR	LKR
Accumulated Depreciation	26,529,210	25,478,622	469,936	428,851	-	-
Fair Value of Investment Properties	310,188,963	213,455,681	96,788,463	5,503,037	-	-
Fair Value of Treasury Bonds	-	21,250,140	(21,250,140)	2,713,417	-	-
	336,718,174	260,184,443	76,008,260	8,645,305	-	-
Deferred Tax Assets						
Defined Benefit Plans	(139,521)	(151,507)	(40,564)	225,014	52,550	1,535
Right of Use Assets	(886,235)	(817,532)	(68,705)	(171,760)	-	-
Carried forward Tax Losses	(10,792,946)	(11,302,176)	1,034,700	7,714,357	-	-
	(11,818,702)	(12,271,215)	925,431	7,767,611	52,550	1,535
Deferred Tax (Reversal)/Expense			76,933,692	16,412,916	52,550	1,535
Net Deferred Tax Liability/(Asset)	324,899,470	247,913,228				

The effective Tax rate used is 30% in 2026.

14.3 Company

	2026	2025
	LKR	LKR
At the Beginning of the Year	158,825,454	141,540,408
Transfer from/(to) Income Statement (Note 14.4)		
Due to change in temporary difference	57,474,440	17,283,511
Transfer from/(to) Other Comprehensive Income (Note 14.4)		
Due to change in temporary difference	52,550	1,535
At the End of the Year	216,352,444	158,825,454

Notes to the Financial Statements

14.4 Deferred Tax (Asset)/Liability

	Statement of Financial Position		Statement of Profit or Loss		Other Comprehensive Income	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Deferred Tax Liability						
Accumulated Depreciation	39,205	30,975	8,230	28,607	-	-
Fair Value of Investment in Subsidiaries	215,801,165	137,695,846	78,105,319	14,294,005	-	-
Fair Value of Investment Properties	720,300	-	720,300	-	-	-
Fair Value of Treasury Bonds	-	21,250,140	(21,250,140)	2,713,416	-	-
	216,560,670	158,976,961	57,583,709	17,036,028	-	-
Deferred Tax Assets						
Defined Benefit Plans	(139,521)	(151,507)	(40,564)	225,014	52,550	1,535
Right of Use Asset	(68,705)	-	(68,705)	22,469	-	-
	(208,226)	(151,507)	(109,269)	247,483	52,550	1,535
Deferred Tax (Reversal)/Expense			57,474,440	17,283,511	52,550	1,535
Net Deferred Tax Liability/(Asset)	216,352,444	158,825,454				

15. RIGHT OF USE ASSETS

Assets held under lease have been recognised as Right of Use Assets under SLFRS 16.

15.1 Right of use Asset - Group

Land	Group 2026 LKR	Group 2025 LKR
Assets as at 01 April	7,059,057	-
Additions of Right of Use Assets	-	4,162,795
Amortisation Charge for the Year	(261,447)	(261,447)
Impact of Modification	-	3,157,709
Assets as at 31 March	6,797,610	7,059,057

* *Amortised over the lease term.*

15.1 Right of use Asset - Group contd.

Building	Group 2026 LKR	Group 2025 LKR
Additions of Right of Use Assets	7,631,885	-
Amortisation Charge for the Year	(1,978,625)	-
Assets as at 31 March	5,653,260	-

* *Amortised over the lease term.*

15.2 Right of use Asset - Company

	Company	
	2026	2025
	LKR	LKR
Assets as at 01 April	-	511,386
Additions of Right of Use Assets	7,631,885	-
Amortisation Charge for the Year	(1,978,625)	(397,752)
Lease Termination	-	(113,634)
Assets as at 31 March	5,653,260	-

* *Amortised over the lease term.*

16. EMPLOYEE BENEFIT LIABILITY

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
As at 1 April	505,025	1,260,186	505,025	1,260,186
Current Service Cost	87,236	151,834	87,236	151,834
Interest Cost on Benefit Obligations	47,977	30,520	47,977	30,520
Actuarial Loss / (Gain) on Obligation	(175,167)	(5,117)	(175,167)	(5,117)
Payments Made During the Year	-	(932,400)	-	(932,400)
As at 31 March	465,071	505,025	465,071	505,025

16.1 The cost of gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, staff withdrawals, and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, the defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. An actuarial valuation of the retirement gratuity payable was carried out as at March 31, 2026 by Messrs. Units Actuaries & Consultants (Pvt) Ltd.

The principal assumptions used in determining the cost of employee benefits were ;

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
Salary increment Rate	8.0%	7.0%	8.0%	7.0%
Discount Rate	10.0%	9.5%	10.0%	9.5%

Notes to the Financial Statements

16.2 Sensitivity Analysis

		Salary Increment Rate		Discount Rate	
		Increase	Decrease	Increase	Decrease
		1%	1%	1%	1%
2026	Impact on Defined Benefit Obligation - LKR	21,482	(20,276)	(18,137)	19,540
2025	Impact on Defined Benefit Obligation - LKR	12,596	(12,403)	(12,014)	12,421

16.3 Maturity Profile of the Defined Benefit Plan

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Within Next 12 Months	71,969	-	71,969	-
Between 1 - 2 Years	134,747	-	134,747	-
Between 3 - 5 Years	120,526	-	120,526	-
Between 6- 10 Years	124,385	239,117	124,385	239,117
Beyond 10 years	13,445	265,908	13,445	265,908
	465,071	**505,025**	**465,071**	**505,025**

17. LEASE LIABILITY

Corresponding lease liability for the Right of Use Asset has been recognised.

17.1 Lease Liability - Group

	Group	
	2026 LKR	2025 LKR
Land		
Lease liability as at 01 April	9,784,211	-
Acquisition	-	6,315,417
Accretion of Interest	1,793,552	1,732,635
Rentals paid during the year	(1,421,546)	(1,421,550)
Impact of modification	-	3,157,709
Lease Liability	**10,156,218**	**9,784,211**
Building		
Additions to lease liability	7,631,875	-
Accretion of Interest	323,316	-
Rentals paid during the year	(2,072,935)	-
Lease Liability	**5,882,256**	-

	Group 2026 LKR	Group 2025 LKR
After One year	11,249,282	8,362,661
Within One Year	4,789,192	1,421,550
	16,038,474	9,784,211

	2026			2025		
	Within 1 Year LKR	After 1 Year LKR	Total LKR	Within 1 Year LKR	After 1 Year LKR	Total LKR
Gross Liability	5,212,065	66,081,644	71,293,710	1,421,550	64,893,189	66,314,739
Finance Charges allocated to future periods	(422,873)	(54,832,362)	(55,255,236)	-	(56,530,528)	(56,530,528)
Net Liability	4,789,192	11,249,282	16,038,474	1,421,550	8,362,661	9,784,211

17.2 Lease Liability - Company

	Company 2026 LKR	Company 2025 LKR
Lease Liability as at 01 April	-	436,488
Additions to lease liability	7,631,875	-
Accretion of Interest	323,316	19,750
Rentals paid during the year	(2,072,937)	(356,192)
Lease Termination	-	(100,046)
Lease Liability	5,882,254	-
After One year	2,514,613	-
Within One Year	3,367,641	-
	5,882,254	-

	2026			2025		
	Within 1 Year LKR	After 1 Year LKR	Total LKR	Within 1 Year LKR	After 1 Year LKR	Total LKR
Gross Liability	3,790,515	2,605,981	6,396,496	-	-	-
Finance Charges allocated to future periods	(422,874)	(91,368)	(514,242)	-	-	-
Net Liability	3,367,641	2,514,613	5,882,254	-	-	-

Notes to the Financial Statements

18. TRADE AND OTHER PAYABLES

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Trade Payable - Other	565,874	565,873	565,874	565,873
Other Payables - Sundry Creditors Including Accrued Expenses	28,465,259	28,242,030	17,015,942	15,982,562
- Related Parties (Note 18.1)	9,028,764	8,863,228	-	-
	38,059,897	37,671,131	17,581,816	16,548,435

18.1 Other Payables - Related Parties

	Relationship	Group		Company	
		2026 LKR	2025 LKR	2026 LKR	2025 LKR
Lexinton Financial Services (Pvt) Ltd	Group Company	8,595,244	8,429,708	-	-
Ambeon Capital PLC	Intermediate Parent	433,520	433,520	-	-
		9,028,764	8,863,228	-	-

19. INTEREST BEARING LOANS AND BORROWINGS

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Repurchase Agreements (REPOs) (Note 19.1)	-	290,904,232	-	290,904,232
	-	290,904,232	-	290,904,232

19.1 Movement in Short Term Loan

Short Term Loan	At the beginning of the Year 01 April	Loans Obtained	Repayment	Accrued Interest	At the end of the Year 31 March
Group					
2026	290,904,232	74,000,000	(364,904,232)	-	-
2025	-	749,000,000	(460,000,000)	1,904,232	290,904,232
Company					
2026	290,904,232	74,000,000	(364,904,232)	-	-
2025	-	749,000,000	(460,000,000)	1,904,232	290,904,232

20. OTHER INCOME

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
Creditors Write off	379,918	-	379,918	-
Dividend Income	35,812,822	35,115,909	35,811,226	35,114,213
Other Income	-	3,726	-	3,726
Sundry Income	1,579,669	85,210	-	-
	37,772,409	35,204,845	36,191,144	35,117,939

21. FINANCE INCOME

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
Interest Income on REPO Investment	5,960,811	14,410,562	-	12,527,128
Interest Income on Savings Account	2,572	2,539	2,572	2,539
Interest Income on Treasury Bill	-	16,716,055	-	14,498,355
Interest Income on Treasury Bond	87,729,279	105,572,273	85,375,653	103,228,478
Interest Income on NDB Wealth	8,022,320	4,908,587	5,392,188	1,905,864
	101,714,982	141,610,015	90,770,413	132,162,364

22. FINANCE COST

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
Interest Expenses	18,062,098	13,283,693	16,908,212	12,467,432
Lease Interest	2,116,868	1,155,090	323,316	19,750
	20,178,966	14,438,783	17,231,528	12,487,182

Notes to the Financial Statements

23. INCOME TAX EXPENSE

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Current Income Tax				
Current Tax Expense on Ordinary Activities for the Year (Note 23.1)	67,998,050	39,625,017	45,072,498	39,625,017
(Over) / Under Provision of Current Taxes in Respect of Prior Years	2,163,453	2,825,784	2,163,453	2,825,784
Deferred Income Tax				
Deferred Taxation Charge / (Reversal) (Note 14)	76,933,691	16,412,916	57,474,440	17,283,511
Income Tax Expense Reported in the Income Statement	**147,095,194**	**58,863,717**	**104,710,392**	**59,734,312**

23.1 Reconciliation between Current Tax Expense and the product of Accounting Profit.

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Accounting Profit Before Income Tax	588,903,730	322,744,572	461,514,503	303,973,375
Aggregate Disallowable Expenses	32,957,897	10,860,072	19,693,507	771,323
Aggregate Allowable Expenses	(16,397,422)	(1,834,329)	(2,398,510)	(1,476,816)
Income Not Subject to Tax	(863,198,781)	(382,749,198)	(539,522,570)	(352,818,877)
Consolidated Adjustment	323,208,512	98,250,545	-	-
Business Profit/(Loss)	65,473,937	47,271,662	(60,713,070)	(49,550,995)
Business Profit	65,473,937	47,271,662	-	-
Income from Investment	161,186,230	141,531,039	150,241,661	132,083,389
Less: Carried Forward Tax Loss utilised	-	(56,719,312)	-	-
Taxable Income	226,660,167	132,083,389	150,241,661	132,083,389
Statutory Tax Rate	30%	30%	30%	30%
Income Tax on Taxable Income	67,998,050	39,625,017	45,072,498	39,625,017
Current Income Tax Expenses	**67,998,050**	**39,625,017**	**45,072,498**	**39,625,017**

The Company is liable for 30% income tax.

23.2 Tax Losses Carried Forward

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
Tax Losses Brought Forward	67,570,674	268,670,798	-	61,718,151
Tax Loss Arising from Acquired Company	-	63,516,695	-	
Disallowable Tax Losses	(10,638,752)	(189,099,324)	-	(61,718,151)
Tax Losses Arising During the Year	8,410,843	5,011,318	-	-
Utilisation of Tax Losses	-	(80,528,813)	-	-
Adjustments on Finalisation of Liabilities	(2,033,275)	-	-	-
Tax Losses Carried Forward	**63,309,490**	**67,570,674**	-	-

The Group recognizes a deferred tax asset on the unused tax losses which is expected to reduce the future tax expense based on the Group's forecasted business plans. LKR 4,680,825/- of the unused tax losses is set to expire during the 2026/27 financial year

24. PROFIT BEFORE TAX FROM CONTINUING OPERATIONS

Stated after Charging/(Crediting)

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
- Included under Administration Expenses				
- Depreciation of Property, Plant & Equipment	586,442	450,583	298,141	92,867
- Directors' Remuneration	1,200,000	2,533,100	1,200,000	2,533,100
- Salaries	13,456,854	5,561,101	11,789,137	4,906,201
- Defined Benefit Plan Costs - Gratuity	135,213	182,355	135,213	182,355
- Defined Contribution Plan Costs - EPF & ETF	1,857,270	773,730	1,768,370	735,930
Auditors Remuneration	1,281,681	1,035,300	647,520	498,300

Notes to the Financial Statements

25. EARNINGS PER SHARE

25.1 Basic Earnings Per Share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

25.2 The following reflects the income and share data used in the basic Earnings Per Share computations.

	Group		Company	
	2026	2025	2026	2025
Amount Used as the Numerator:	LKR	LKR	LKR	LKR
Net profit from operations attributable to equity holders for basic earnings per share	434,909,431	258,630,478	356,804,111	244,239,063

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
Number of Ordinary Shares Used as Denominator:				
Number of ordinary shares for basic earnings per share	25,457,140	25,457,140	25,457,140	25,457,140
Weighted average number of ordinary shares adjusted for the effect of dilution	25,457,140	25,457,140	25,457,140	25,457,140

26. CASH AND CASH EQUIVALENTS

26.1 Favourable Cash and Cash Equivalents Balance

	Group		Company	
	2026	2025	2026	2025
	LKR	LKR	LKR	LKR
Cash and Bank Balances	7,968,153	6,294,781	1,614,065	5,462,928
Cash & Cash Equivalents at the end of the year for the Purpose of Cash Flow Statement	7,968,153	6,294,781	1,614,065	5,462,928

27. FAIR VALUE MEASUREMENT

The Group uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique:

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

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The Group held the following assets carried at fair value in the statement of financial position:

Group		Level 1		Level 2		Level 3	
		2026	2025	2026	2025	2026	2025
	Notes	LKR	LKR	LKR	LKR	LKR	LKR
Assets Measured at Fair Value							
Investment Properties	10	-	-	-	-	1,755,600,000	1,295,304,000
Investment in Quoted Shares	8.2	731,901,873	547,834,199	-	-	-	-
Investment In Treasury Bonds	8.2	21,586,762	947,289,928	-	-	-	
Total		753,488,635	1,495,124,128	-	-	1,755,600,000	1,295,304,000

Company		Level 1		Level 2		Level 3	
		2026	2025	2026	2025	2026	2025
	Notes	LKR	LKR	LKR	LKR	LKR	LKR
Assets Measured at Fair Value							
Investment Properties	10	-	-	-	-	57,800,000	-
Investment in Subsidiaries	9	-	-	-	-	1,883,294,627	1,522,943,568
Investment in Quoted Shares	8.2	731,844,950	547,779,804	-	-	-	-
Investment In Treasury Bonds	8.2	-	925,781,647	-	-	-	-
Total		731,844,950	1,473,561,451	-	-	1,941,094,627	1,522,943,568

Financial Assets and Liabilities measured or disclosed at Fair Value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Those assumptions for assets categorised as Level 3 has been described under respective note numbers

During the reporting period ended 31 March 2025/26, there were no transfers between Level 1 and Level 2 fair value measurement

Notes to the Financial Statements

28. ASSETS PLEDGED

28.1 Assets Pledged by Colombo City Holdings PLC

Nature of Assets	No. of Shares	Nature of Liability Property	Carrying Amount of the Shares 2026 LKR
Quoted Equity Investments	4.1 Mn	Short Term Loan	564,775,000

28.2 Assets Pledged by Lexinton Holdings (Pvt) Ltd

Lexinton Holdings (Pvt) Ltd has pledged the following asset to Sampath Bank PLC on behalf of Ambeon Holdings PLC to obtain a facility of LKR 240 million in 2025 and during the current financial year its has been fully settled.

Nature of Assets	Nature of Liability	Carrying Amount of the Property 2025 LKR
Investment Property	Short Term Loan	348,335,000

29. COMMITMENTS AND CONTINGENCIES

The Company does not have significant commitments and contingencies as at the reporting date.

Lexinton Holdings (Pvt) Ltd has filed following petitions of appeal to Tax appeals commission against the assessments.

1. Assessments No. - ITA 14281100120 - IV. Total Tax Assessed was LKR 75,985,492/-.

Underpayment of TAX	50,656,995
Penalty on late payments	25,328,497
	75,985,492

Tax matter of 2011/2012 has been determined by the Tax Appeal Commission in favour of the Department of Inland Revenue.

Lexinton Holdings (Pvt) Ltd has now appealed against the determination in the Court of Appeal. The tax assessed amount is LKR. 75,985,492/-,which has been fully provided.

30. RELATED PARTY DISCLOSURES

Details of significant related party disclosures are as follows:

30.1 Transaction with Parent and related entities

30.1.1 Ultimate Parent - Ambeon Consolidated (Pvt) Ltd

	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Balance as at 01 April	-	213,041,875	-	213,041,875
Interest Settlement on Loan	-	(213,041,875)	-	(213,041,875)
Balance as at 31 March	-	-	-	-

Terms & Conditions: Rate of Interest Rate AWPLR +1.5% per annum.

30.1.2 Transactions With Subsidiary

	Company	
	2026	2025
	LKR	LKR
Balance as at 01 April	-	-
Purchase of Services	-	356,192
Settlement of Dues	-	(356,192)
Balance as at 31 March	-	-

30.1.3 Transaction with/between related parties

	Group		Company	
	**Other Related Parties		**Other Related Parties	
	2026	2025	2026	2025
Nature of Transaction	LKR	LKR	LKR	LKR
Balance as at 01 April	125,243,472	333,631,157	(143,130,159)	(21,474,020)
Receipt of Rental Income	-	8,933,895	-	-
Staff Support and Asset Utilisation Fees	(17,427,686)	(15,249,226)	(17,427,686)	(15,249,226)
Interest Income on Loans	32,837,971	47,002,633	-	12,395,282
Interest Expenses on Loan	(754,536)	(816,261)	-	-
Repayments of Loans and interest	(8,443,689)	(248,369,343)	-	(213,041,874)
Interest received/Settlement	-	3,726	-	3,726
Reimbursement of Expenses	17,427,686	-	17,427,686	-
Investment in Subsidiary	-	-	100,000,000	74,123,700
Receivable on Subsidiaries	-	106,891	6,981,609	20,112,253
Balance as at 31 March	**148,883,218**	**125,243,472**	**(36,148,551)**	**(143,130,159)**

** Other Related Parties include the following companies

Ambeon Capital PLC
Ambeon Holdings PLC
Lexinton Financial Services (Pvt) Ltd

“Other Related Parties are companies controlled / jointly controlled by Key Management Personnel.”

Terms and conditions :

Transactions with related parties are carried out in the ordinary course of the business. Outstanding current account balances at year end are unsecured, interest free and settlement occurs in cash. Interest bearing borrowings are at pre-determined interest rates and terms. Rental Income are at pre-determined rates and terms.

Notes to the Financial Statements

30.2 Transactions with Key Management Personnel of the Company

The key management personnel of the Company are the members of its Board of Directors.

Key Management Personnel Compensation	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Short-term employee benefits	1,200,000	2,533,100	1,200,000	2,533,100

30.3 Disclosure Section 9.3.2 of the Listing Rules of Colombo Stocks Exchange - Company

Non Recurrent

The Company has not entered into non-recurrent related party transactions during the financial year.

Recurrent

Name of the Related Party Sherwood Capital (Pvt) Ltd

Relationship	Group Company
Nature of the Transaction	Sell/Buy Investment
Value of Related Party Transactions entered into during the Financial Year (LKR)	800,254,416
Aggregate value of Related Party Transactions as a % of net Revenue/Income	1082%
Terms and Conditions of the Related Party Transactions	Market Rate

* *Above value of the related party transaction represents the total investment value exchanged between the related parties.*

31. EVENTS OCCURRING AFTER THE REPORTING DATE

Colombo City Holdings PLC invested LKR 65 million in Lexinton Resort (Pvt) Ltd as a further investment on 27th July 2026.

32. FINANCIAL ASSETS AND LIABILITIES

32.1 Financial Assets and Liabilities for which Fair Value Approximates Carrying Value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Following is a list of financial assets and liabilities whose carrying amount is a reasonable approximation of fair value due to short-term maturities of these instruments.

Assets

Trade and Other Receivables
Other Financial Investments
Cash in Hand and at Bank

Liabilities

Trade and Other Payables

Methods and assumptions used to estimate fair value are disclosed under note 27 to the Financial Statements.

Reclassification of financial assets

There were no reclassifications during 2025 & 2026.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Group's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations.

The Risk management is overlooked by the Group, in close corporation with the board of directors and parent Company. It focuses on actively securing the Group's short to medium term cash flows by minimizing the exposure to financial markets. Long term financial investments are managed to generate lasting returns. The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

33.1 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

The Group trades only with recognized, creditworthy third parties. It is the Group's policy that all clients who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

33.2 Trade and Other receivables

Customers credit risk is managed through established policies and procedures relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with the assessment.

The requirement for an impairment is analyzed 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 actual incurred historical data.

Trade receivables	Group		Company	
	2026 LKR	2025 LKR	2026 LKR	2025 LKR
Neither past due, not impaired	-	-	-	-
Past due but not impaired				
31-60 days	-	-	-	-
61-90 days	-	-	-	-
>90 days	-	56,836	-	56,836
Past due and impaired	-	-	-	-
Total	-	56,836	-	56,838

Investments

Credit risk from invested balances with the financial institutions are managed by the Group's management in accordance with the Group's policy. Investments of surplus funds are made only with the approved counterparties and within credit limits assigned to each counterparty. The limits are set out to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

Notes to the Financial Statements

33.3 Liquidity Risk

The Group's policy is to hold cash and undrawn committed facilities at a level sufficient to ensure that the Group has available funds to meet its medium term capital and funding obligations, including organic growth and acquisition activities, and to meet any unforeseen obligations and opportunities. The Group holds cash and undrawn committed facilities to enable the Group to manage its liquidity risk.

The Group monitors its risk to a shortage of funds using a daily cash management process. This process considers the maturity of both the Group's financial investments and financial assets (e.g. accounts receivable, other financial assets) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of multiple sources of funding including bank loans and overdrafts.

Liquidity risk management

The business units attempt to match contracted cash outflows in each time bucket using a combination of operational cash inflows and other inflows that can be generated through the liquidation of short term investments, repurchase agreements or other secured borrowings.

Contractual maturity analysis

The table below summarizes the maturity profile of the Group's financial liabilities at 31 March 2026 and 31 March 2025 based on contractual undiscounted payments.

Group	Less than 3 Months LKR	3 to 12 Months LKR	1 to 5 Years LKR	> 5 Years LKR	Total LKR
2026					
Trade and Other Payables	1,926,725	3,618,037	12,311,662	20,203,473	38,059,897
	1,926,725	3,618,037	12,311,662	20,203,473	38,059,897
2025					
Trade and Other Payables	1,162,366	14,860,613	6,917,667	14,730,485	37,671,131
Interest Bearing Loans and Borrowings	290,904,232	-	-	-	290,904,232
	292,066,598	14,860,613	6,917,667	14,730,485	328,575,363

Company	Less than 3 Months LKR	3 to 12 Months LKR	1 to 5 Years LKR	> 5 Years LKR	Total LKR
2026					
Trade and Other Payables	353,021	2,675,790	-	14,553,005	17,581,816
	353,021	2,675,790	-	14,553,005	17,581,816
2025					
Trade and Other Payables	213,100	1,604,832	-	14,730,503	16,548,435
Interest Bearing Loans and Borrowings	290,904,232	-	-	-	290,904,232
	291,117,332	1,604,832	-	14,730,503	307,452,667

33.4 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (specially due to currency risk and interest rate risk).

The objective of market risk management is to manage and control market risk exposures within the acceptable parameters while optimising the return.

The analysis excludes the impact of movements in market variables on the carrying value of other post-retirement obligations, provisions and the non-financial assets and liabilities.

The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2026 and 2025.

33.5 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's investment to the financial instruments.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the profit before tax (through the impact on floating rate borrowings)

	Increase/(Decrease) in basis points	Effect on Profit before Tax LKR	
		Group	Company
2026	+100	(2,124,953)	(2,124,953)
	-100	2,124,953	2,124,953
2025	+100	(1,347,830)	(1,347,830)
	-100	1,347,830	1,347,830

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has no significant exposure to foreign currency risk.

INVESTOR INFORMATION

The issued ordinary shares of Colombo City Holdings PLC are listed with the Colombo Stock Exchange (CSE).

ORDINARY SHAREHOLDERS AS AT 31 MARCH 2026

Range of Shareholding	No. of Shareholders	No. of Shares	%
1 upto 1,000 shares	1,119	199,973	0.78
1,001 to 10,000 shares	299	1,077,905	4.23
10,001 to 100,000 shares	88	2,368,942	9.31
100,001 to 1,000,000 shares	10	2,049,120	8.05
Above 1,000,000 shares	2	19,761,200	77.63
Total	1,518	25,457,140	100.00

PUBLIC SHAREHOLDING

Information pertaining to public shareholding is as follows;

	2025/2026	2024/2025
Number of public shares	5,695,940	5,695,940
Public holding percentage	22.37%	22.37%
Number of public shareholders	1,516	1,221
Float adjusted market capitalization (LKR)	744,590,160.00	370,159,544.17

The Company is compliant with the Minimum Public Holding requirement under option 5 of rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange.

MARKET VALUES (TRADED DATES)

	2025/2026	2024/2025
Market value per share as at last traded date (LKR)	130.75 (31.03.2026)	65.00 (28.03.2025)
Highest value per share recorded during the period (LKR)	194.00 (29.08.2025)	88.00 (10.02.2025)
Lowest value per share recorded during the period (LKR)	55.00 (07.04.2025)	43.00 (03.09.2024)

SHARE TRADING

	2025/2026	2024/2025
No. of transactions	10,582	3,509
No. of shares traded	5,159,391	1,509,637
Value of shares traded (LKR)	653,744,416.75	98,045,860.30

There were 1,518 registered shareholders as at 31 March 2026 (1,223 as at 31 March 2025).

TWENTY LARGEST SHAREHOLDERS AS AT

	Name of shareholder	31 March 2026		31 March 2025	
		No. of shares	%	No. of shares	%
1.	Seylan Bank PLC/Ambeon Holdings PLC (Collateral)	16,903,180	66.40	16,903,180	66.40
	Ambeon Holdings PLC	2,858,020	11.23	2,858,020	11.23
	Total	19,761,200	77.63	19,761,200	77.63
2.	Est. of Late J E Costa	511,180	2.01	511,180	2.01
3.	Mr. H E B De Mel	312,260	1.23	312,260	1.23
4.	MBSL/K S Devshankar	182,180	0.72	182,180	0.72
5.	Mrs. I A Goonetilleke	176,000	0.69	176,000	0.69
6.	Mrs. M M Misso	169,840	0.67	169,840	0.67
7.	Mrs. E De Silva	168,660	0.66	168,660	0.66
8.	Laugfs Gas PLC	160,000	0.63	381,340	1.50
9.	Mrs. S C Fernando	154,000	0.60	154,000	0.60
10.	Mr. M N T Mendis	110,000	0.43	-	-
11.	Mr. S N C W M B C Kandegedara	105,000	0.41	175,082	0.69
12.	Mr. D M R Dissanayake	90,000	0.35	-	-
13.	Sea Consortium Lanka (Private) Limited	90,000	0.35	92,000	0.36
14.	Senkadagala Finance PLC/L A J F Morais	80,246	0.32	16,816	0.07
15.	Mr. W M D S Fernando	66,000	0.26	-	-
16.	Mr. G Bawa Estate of Deceased	65,360	0.26	65,360	0.26
17.	Mr. C N Pakianathan	63,100	0.23	59,100	0.23
18.	Miss G W M Jansen	61,600	0.24	61,600	0.24
19.	Senkadagala Finance PLC/H N R Bharati	54,005	0.21	-	-
20.	Mrs. H C Dias	52,800	0.21	52,800	0.21

DIRECTOR'S SHAREHOLDINGS AS AT

Name	31 March 2026	31 March 2025
Mr. S L Sebastian	Nil	Nil
Mr. A W Atukorala	Nil	Nil
Dr. K S Narangoda	Nil	Nil
Mr. S Kumar (resigned w.e.f. 28 October 2025)	N/A	Nil
Mr. S Sharad	Nil	Nil
Mr. R T Devasurendra	Nil	Nil
Mr. D M Weerasekare	Nil	Nil
Mr. N Haturusinha (appointed w.e.f. 03 November 2025)	Nil	N/A

FIVE YEAR FINANCIAL SUMMARY

LKR ('000)	2026	2025	2024	2023	2022
Revenue	73,932	50,009	77,202	88,206	38,467
Profit Before Tax	582,005	317,494	660,126	222,160	57,435
Taxation (Expense)/Reversal	(147,095)	(58,864)	(240,793)	(136,081)	(24,820)
Profit After Tax	434,910	258,630	419,333	86,079	32,615
Equity					
Stated Capital	11,138	11,138	11,138	11,138	11,138
Retained Earnings	3,123,651	2,688,619	2,429,985	2,010,655	1,924,448
Total Equity	3,134,789	2,699,757	2,441,122	2,021,792	1,935,585
Assets Employed					
Non Current Assets	2,228,579	1,388,662	1,268,585	1,011,134	392,474
Current Assets	1,377,825	1,986,118	1,512,625	1,312,812	1,620,756
Non Current Liabilities	336,614	256,781	227,374	117,753	25,837
Current Liabilities	135,002	418,243	112,713	184,402	51,808
Capital Employed	3,471,402	2,956,537	2,668,496	2,139,545	1,961,422

NOTES

Notes

NOTICE OF MEETING

Notice is hereby given that the 113th Annual General Meeting of the Company will be held by way of electronic means on Wednesday, 23 September 2026 at 9.00 a.m. centered at the Boardroom of the Company at No. 100/1, 2nd Floor, Elvitigala Mawatha, Colombo 8, Sri Lanka, for the following business:

a) To lay before the meeting, the Annual Report of the Directors and the Financial Statement of the Company for the year ended 31st March 2026 together with the Report of the Auditors thereon.

b) To re-elect Mr. D M Weerasekare, Director who retires in terms of Article No. 24 (vi) of the Articles of Association (Resolution 1).

c) To elect Mr. N Haturusinha, Director who retires in terms of Article No. 24 (ii) of the Articles of Association (Resolution 2).

d) To pass the ordinary resolution set out below to appoint Mr. A W Atukorala, who has reached 77 years of age, as a Director of the Company in terms of Section 211 of Companies Act No. 7 of 2007 (Resolution 3).

   "IT IS HEREBY RESOLVED THAT the age limit stipulated in Section 210 of the Companies Act No. 7 of 2007 shall not apply to Mr. A W Athukorala, who has reached 77 years of age and that he be and is hereby appointed as a Director of the Company in terms of Section 211 of the Companies Act No. 7 of 2007."

e) To re-appoint M/s. Ernst & Young, Chartered Accountants, the retiring auditors and to authorize the Directors to determine their remuneration (Resolution 4).

f) To authorise the Directors to determine donations for the year 2026/2027 (Resolution 5).

g) Any other business Amendment of Articles of Association. (Resolution 6). If thought fit to pass the following resolution as a special resolution

   "Resolved that the Article of Association of the Company be amended by deleting the existing Article No. 24 (i) in its entirety and substituting the following Article numbered 24(i) thereof. 24 (i) The number of Directors shall not be less than five (05) nor more than Eleven (11) in number.

By Order of the Board

Sgd.
Nexia Corporate Consultants (Pvt) Ltd
Secretaries

Colombo
28 August 2026

Notes:

1. A shareholder entitled to attend and vote at the above virtual meeting is entitled to appoint a proxy to attend and vote on behalf of him/her by electronic means.
2. A proxy need not be a shareholder of the Company.
3. Shareholders who are unable to participate in the above virtual meeting are also encouraged to submit a duly completed Form of Proxy appointing the Chairman or any other Member of the Board to participate and vote on their behalf.
4. The Form of Proxy is enclosed for this purpose.
5. Shareholders are advised to follow the Guidelines for Registration and the Registration Form for the Annual General Meeting which are made available on the Company's official website and the CSE website.

FORM OF PROXY

I/We ....

holder of NIC No. .... of ....

....

being a Shareholder/Shareholders of Colombo City Holdings PLC, do hereby appoint ....

.... holder of NIC No.

.... of ....

or failing him/her

Mr. S L Sebastian or failing him
Mr. A. W. Atukorala or failing him
Dr. K. S. Narangoda or failing him
Mr. S Sridharan or failing him
Mr. R T Devasurendra or failing him
Mr. D M Weerasekare or failing him
Mr. N Haturusinha

as *my/our proxy to represent me/us and to speak and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 23 September 2026 and any adjournment thereof and at every poll which may be taken in consequence thereof.

	Resolutions	For	Against	Abstain
1.	To re-elect Mr. D M Weerasekare			
2.	To elect Mr. N Haturusinha			
3.	To re-appoint Mr. A. W. Atukorala			
4.	To re-appoint auditors			
5.	To authorize Directors to make donations			
6.	Amendment of Articles of Association.			

Mark your preference with "X"

Signed on this .... day of .... 2026.

....
Signature

a) * Please delete the inappropriate words.

b) Instructions as to completion are noted on the reverse thereof.

Instructions as to the completion of Proxy

1. The full name, national identity card number and the registered address of the shareholder appointing the Proxy and the relevant details of the Proxy should be legibly entered in the Form of Proxy which should be duly signed and dated.
2. The Proxy shall –
   a. In the case of an individual be signed by the shareholder or by his/her attorney, and if signed by an Attorney, a notarially certified copy of the Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.
   b. In the case of a company or corporate/statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the company or corporate/statutory body in accordance with its Articles of Association or the Constitution or the Statute (as applicable).
3. Please indicate with "X" how the Proxy should vote on each resolution. If no indication is given, the Proxy in his/her discretion will vote as he/she thinks fit.
4. To be valid, the completed Form of Proxy must be deposited with the Registered Office of the Company at No. 100/1, 2nd Floor, Elvitigala Mawatha, Colombo 8, Sri Lanka or must be emailed to cchagm2026@colombocityholdings.com by 9.00 a.m. on Monday, 21 September 2026.

CORPORATE INFORMATION

NAME OF COMPANY

Colombo City Holdings PLC

REGISTERED OFFICE

No. 100/1, 2nd Floor
Elvitigala Mawatha
Colombo 8, Sri Lanka
Tel: 011 5 700 700

LEGAL FORM

A Public Quoted Company with limited liability incorporated on 04 April 1913, re-registered under the Companies Act No. 07 of 2007 on 13 August 2007.

COMPANY REGISTRATION NO.

PQ 71

DIRECTORS

Mr. S L Sebastian *(Chairman)*
Mr. A W Atukorala
Dr. K S Narangoda
Mr. S Sridharan
Mr. R T Devasurendra
Mr. D M Weerasekare
Mr. N Haturusinha

CHIEF EXECUTIVE OFFICER

Dr. D R Dissabandara

SECRETARIES

Nexia Corporate Consultants (Private) Limited
No. 130, Level 2, Nawala Road
Narahenpita, Colombo 5, Sri Lanka
Tele: 011-4 510 709

REGISTRARS

S S P Corporate Services (Private) Limited
101, Inner Flower Road
Colombo 3, Sri Lanka
Tel: 011-2573894

AUDITORS

Ernst & Young
Chartered Accountants
109, Rotunda Towers
Galle Road, Colombo 3
Tel : 011-246 3500
Fax: 011 768 7869

BANKERS

Hatton National Bank PLC
National Development Bank
Nations Trust Bank PLC
Pan Asia Banking Corporation PLC
Sampath Bank PLC
Seylan Bank PLC
DFCC Bank PLC

Concept & Designed by
Copyline
a great equation

COLOMBO CITY
HOLDINGS

No. 100/1, 2nd Floor, Elvitigala Mawatha,
Colombo 8, Sri Lanka