OFFICE EQUIPMENT PLC

Annual Report 2026

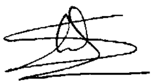
Notice of Meeting

NOTICE IS HEREBY GIVEN that the Sixty Ninth (69th) Annual General Meeting of Office Equipment PLC will be held at the Nondescripts Cricket Club, Committee Room, No 29, Maitland Place, Colombo 7 on the Twenty Fifth (25th) September 2026 at 10.30 a.m. and the business to be brought before the Meeting will be:

1. To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and the Financial Statements for the year ended 31st March 2026 and the Report of the Auditors thereon.
2. To re-elect Ms. A.M.De Alwis - Executive Director, who retires by rotation in terms of Article 84 of the Articles of Association, as a Director of the Company.
3. To authorize the Directors to determine donations for the ensuing year.
4. To re-appoint Bakertilly Edirisinghe & Company Chartered Accountants as the Auditors of the Company and to authorize the Directors to determine their remuneration.

BY ORDER OF THE BOARD
OFFICE EQUIPMENT PLC

BUSINESSMATE (PRIVATE) LIMITED



DIRECTOR/SECRETARIES

25th August 2026
Colombo.

Note:

A shareholder entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of him / her. A Proxy need not be a share holder of the Company. A Form of Proxy is enclosed for this purpose. The completed form of Proxy should be deposited at the Registered Office of the Company, not less than forty-eight (48) hours before the time fixed for the commencement of the Meeting.

Corporate Information

DIRECTORS

L. I. Ratnasabapathy
(Chairman/Managing Director)

A.M.De Alwis- Executive Director

M.R.Y.Riffai- Independent Non-Executive Director

D.T.DeAlwis- Independent Non-Executive Director

Mr. J R J Gomez- Independent Non-Executive Director

SECRETARIES
Businessmate (Private) Limited

HEAD OF FINANCE
M. S. A. Kariapper

AUDITORS
Bakertilly Edirisinghe & Company
Chartered Accountants

TAX CONSULTANTS
Wijeyeratne & Co.
Chartered Accountants

BANKERS
Commercial Bank of Ceylon PLC

LAWYERS
Nithi Murugesu & Associates
Attorney-at-law

Directors' Profile

L. I. Ratnasabapathy – *Executive Chairman and Managing Director*
Mr. L. I. Ratnasabapathy is a CIMA finalist with broad experience and exposure to finance, information technology, systems design and implementation, project management, and commercial offset printing. He serves as the Executive Chairman and Managing Director for Office Equipment PLC and Paragon Ceylon PLC and International Computers (Ceylon) Ltd.

A. M. De Alwis – *Executive Director*
Ms. A. M. De Alwis Obtained a Bachelor of Arts in Economics in 1994 from Haverford College in Pennsylvania and is a passed finalist of CIMA.

She started her career as a management trainee at the Colombo Stock Exchange for a period of a year from September 1994 to 1995. Thereafter she commenced Accounting studies and completed the exams of the Chartered Institute of Management Accountants in 1998.

While studying accountancy, she obtained work experience at BIP Advantage Sri Lanka, an advertising agency, from September 1994 to December 1995 in the Accounts department. She then served as the Accountant at DLP L(Yellow Pages) Sri Lanka from 1999 to 2000 and thereafter for a period of a year at the Ceylon Printers Group of Companies, before rejoining the group in 2020. She is also a director at Paragon (Ceylon) PLC and International Computers(Ceylon) Ltd.

M. R. Y. Riffai – *Independent Non-Executive Director*
Mr.M.R.Y.Riffai has decades of experience in the fields of journalism, media, communication and telecommunications, He has a BBA (Cum Laude) in International Business from the University of Northwood USA and a MA in Financial Economics from the University of Colombo. He is also a fellow of ABE (Association of Business Executives) UK. At present he is reading for his Mphil / Dphil at the University of Colombo.

At present, he functions as a founder director at the independent policy think tank, the Advocata Institute in charge of media, communication and brand strategy to engage with policy makers and the public on economic policy that is free and fair to all Sri Lankans. Previously, he was employed at Sri Lanka's largest telecommunications operator Dialog Axiata, as Manager-Brand and Media and prior to that he served as an editor and producer in Sri Lanka's television and online media.

He is also an Independent Non-Executive Director at Office Equipment PLC, and Managing Director of ShiftX (Pvt) Ltd.

D.T. De Alwis–*Independent Non-Executive Director*
Ms.D.T. De Alwis is a Past Finalist of the Chartered Institute of Management Accountants London and a holder of a Bachelors of Business Administration BBA, from the University of Colombo.

She has over 20 years of experience in the Finance & Leasing Industry. She has been with Lakderana Investments Ltd for 13 years and is currently their Deputy Chief Operating Officer. She is also a Non-executive Independent director at Paragon Ceylon PLC.

J. R. J. Gomez - *Independent Non-Executive Director*
Joe Rohan Jeremy Gomez is an associate member of the Institute of Chartered Accountants of Sri Lanka as well as an associate member of the Chartered Institute of Management Accountants U.K .He was articled at SJMS Associates, now Delloitte in Sri Lanka and worked there for 4 years as a Manager. He counts over 38 years of post- qualifying experience in mercantile establishments, blue chip companies and in the garment export trade both in Sri Lanka Botswana. In Botswana he worked at Price Waterhouse Coopers in the income tax division.

Since 2003 he has operated his own firm of Chartered Accountants -Integrated Accounting Solutions -undertaking assignments in accounting, auditing, income tax and secretarial work. He is also an Independent Non – Executive director at Paragon Ceylon PLC.

Chairman's Review

On behalf of the Board of Directors, I welcome you to the 69th Annual General Meeting of Office Equipment PLC and it gives me great pleasure to present to you the Annual Report of the Company for the year ended 31st March 2026.

The turnover of the Company in the period under review decreased from Rs 45.315 Million in the preceding year to Rs 34.273 Million. This resulted in a decrease in Gross Profit from to Rs 30.720 Million to Rs 25.874 Million. This resulted in increased losses before tax to the company from Rs 8.512 Million to Rs 15.931 Million. The Group Turnover saw a decline from Rs 67.512 Million to Rs 57.604 Million.

The company saw a decline in both sales and Service revenue during the year as there was a general decrease in the Capital Expenditure budgets of our clients. The watch and wait sentiment prevailed and most companies considered the Economic Policies and situation before going ahead with new Capital Expenditure.

The Management is taking necessary measures to increase Turnover and the profitability of the company including the reorganization of the operations during the current Financial Year. The company is working closely with our existing principals and new overseas vendors in developing and expanding our product portfolio and preparing new products to meet the expectations of our clientele.

In conclusion, I wish to take this opportunity to express my thanks to all our customers, bankers, suppliers and principals for their patronage and support.

My thanks also to my colleagues on the Board, the Management and staff for their commitment and last but not least, our shareholders for their support and confidence.

L. I. Ratnasabapathy
Chairman

24th August 2026

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

The Directors of Office Equipment PLC have pleasure in presenting their Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March 2026.

This Annual Report of the Board of Directors on the affairs of the Company contains the information required in terms of the Companies Act No. 07 of 2007, the Listing Rules of the Colombo Stock Exchange and is guided by recommended best practices.

General

Office Equipment PLC is a public limited liability company which was incorporated under the Companies Ordinance No. 51 of 1938 as a public company on the 26th day of June 1958. Pursuant to the requirements of the new Companies Act No. 7of 2007,the Company was re-registered on 17th April 2008 and bears registration number PQ141.

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

The main activity of Office Equipment PLC, which remained unchanged during the year, is the import, distribution and maintenance of cash and coin handling solutions and time recording systems. The Chairman's Review describes the Company's affairs and mentions important events, which took place during the year.

This Report, together with the Financial Statements, reflects the state of affairs of the Company.

Financial Statements

The Financial Statements of the Company duly signed by two Directors on behalf of the Board and the Auditors are given on pages 39 to 43.

Summarised Financial Results

	GROUP		COMPANY	
Year ended 31st March	**2026**	**2025**	**2026**	**2025**
Revenue	**57,604,137**	67,512,042	**34,273,410**	45,315,045
Profit/(Loss) for the year	**(15,886,946)**	(15,221,283)	**(17,826,640)**	(16,575,120)

Auditors' Report

The Report of the Auditors on the Financial Statements of the Company is given on pages 34 to 38.

Accounting Policies

The Accounting Policies adopted by the Company in the preparation of the Financial Statements are given on pages 46 to 52 which are consistent with those of the previous period

Directors

The names of the Directors who held office as at the end of the accounting period are given below and their brief profiles appear on page 03 to 04.

Executive Directors

Mr. L I Ratnasabapathy - Chairman/Managing Director
Ms. A M De Alwis

Independent Non-Executive Directors

Mr. M. R. Y. Riffai
Ms. D. T. De Alwis
Mr. J. R. J. Gomez

Ms. A.M.De Alwis retires by rotation in accordance with Article 84 of the Articles of Association of the Company, and, being eligible is recommended by the Directors for re-election.

Interests Register

The Company maintains an Interests Register in terms of the Companies Act,No.7 of 2007, which is deemed to form part and parcel of this Annual Report and is available for inspection upon request.

All related party transactions which encompass the transactions of Directors who were directly or indirectly interested in a contract or a related party transaction with the Company during the accounting period are recorded in the Interests Register in due compliance with the applicable rules and regulations of the relevant Regulatory Authorities.

The relevant interests of Directors in the shares of the Company as at 31st March 2026 as recorded in the Interests Register, are given in this Report under Directors' shareholding.

Directors' Remuneration

The Directors' remuneration is disclosed in Note 08 to the Financial Statements on page 55.

Directors' Interests in Contracts

The Directors' interest in contracts are included with the related party disclosures in page 68. To the Financial Statements.

The Company carried out transactions in the ordinary course of its business at commercial rates with related entities.

Directors' Responsibility for Financial Reporting

The Directors are responsible for the preparation of Financial Statements of the Company to reflect a true and fair view of the state of its affairs. The Directors are of the view that these financial statements have been prepared in conformity with the requirements of the Sri Lanka Accounting Standards, the Companies Act No.7 of 2007 and the Listing Rules of the Colombo Stock Exchange.

Independence of Auditors

Bakertilly Edirisinghe & Company, Chartered Accountants served as the Auditors during the year under review. Based on the written representations made by the Auditors, they do not have any interest in the Company other than as Auditors.

The Audit fee payable to the Auditors for the year under review is Rs. 625,000/- (2025-Rs.575,000/-)

The Auditors have expressed their willingness to continue in office. The Audit Committee at meetings held on 12th February 2026 recommended that they be re-appointed as Auditors. A resolution to re-appoint the Auditors and to authorize the Directors to determine their remuneration will be proposed at the Annual General Meeting.

Based on the declaration provided by Bakertilly Edirisinghe & Company, Chartered Accountants and to the extent that the Directors are aware, the Auditors do not have any relationship with (other than that of the Auditor), or interest in, the Company, which in the opinion of the Board, may reasonably be considered to have a bearing on their independence within the meaning of the Code of Professional Conduct and Ethics issued by The Institute of Chartered Accountants of Sri Lanka as at the reporting date.

Stated Capital

The Stated Capital of the Company is Rs. 833,560 /-

The number of shares issued by the Company stood at Rs. 833,560/- fully paid ordinary shares as at 31st March 2026.

Directors' Shareholding

The relevant interests of Directors in the shares of the Company as at 31stMarch 2025 and 31st March 2026 are as follows.

	Shareholding as at 31/03/2026	Shareholding as at 31/03/2025
Mr. L.I.Ratnasabapathy	Nil	Nil
Mrs. A.M.DeAlwis	44,185	44,185
Mr. M. R. Y. Riffai	Nil	Nil
Ms. D. T. De Alwis	Nil	Nil
Mr. J. R. J. Gomez	Nil	Nil

Major Shareholders, Distribution Schedule and other information

Information on the twenty largest shareholders of the Company distribution schedule of the number of shareholders, percentage of shares held by the public, market values per share as per the Listing Rules of the Colombo Stock Exchange are given on page 10 to 11 under Investor Information.

Reserves

The movements of reserves during the year are given under the Statement of Changes in Equity on pages 41 to 42. (Statement of Changes in Equity).

Land holdings

The Company does not own any freehold land.

Property, Plant and Equipment

Details and movements of property, plant and equipment are given under Note 12 to the Financial Statements on pages 57 to 58

Capital Expenditure

The total capital expenditure during the year amounted to Rs 0.364M compared to Rs. 7.671M incurred in the previous year. Details of movement in property, plant and equipment and capital work-in-progress are given under Note 12 to the financial statements.

Donations

The Company has made no donations during the year under review.

Dividends

No dividends were declared for the Financial Year.

Corporate Governance

Corporate Governance practices and principles with respect to the Management and Operations of the Company are set out on pages 14 to 21.

An Audit Committee, Remuneration Committee, Nominations and Governance Committee and a Related Party Transaction Review Committee function as Board sub committees, with Directors who possess the requisite qualifications and experience. The composition of the said committees is as follows:

The Report on Corporate Governance is given on pages 14 to 21 of the Annual Report.

	As of 31st March 2026
Audit Committee	Mr. Mr. J. R. J. Gomez - Chairman Ms. D. T. De Alwis Mr. M. R. Y. Riffai
Remuneration Committee	Mr. Mr. J. R. J. Gomez - Chairman Ms. D. T. De Alwis Mr. M. R. Y. Riffai
Related Party Transaction Review Committee	Mr. Mr. J. R. J. Gomez - Chairman Ms. D. T. De Alwis Mr. M. R. Y. Riffai
Nominations and Governance Committee	Mr. Mr. J. R. J. Gomez - Chairman Mr. M. R. Y. Riffai Ms. D. T. De Alwis

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

Events Occurring After the Reporting Date
No circumstances have arisen since the reporting date which would require adjustment to or disclosure in the Financial Statements.

Going concern
The Directors have made an assessment of the Company'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. The Directors have made an assessment of the Company's ability. Therefore the Financial Statements continue to be prepared on a going concern basis

Recurrent and non-recurrent related party transactions
There were no recurrent or non- recurrent related party transactions which required additional disclosures in the Annual Report for 2025/2026 as required by Rule 9.14.8 (1) and 9.14.8(2) of the CSE Listing Rules

Annual General Meeting
The Annual General Meeting will be held on 25th day of September 2026 at 10.30 a.m The Notice of the Annual General Meeting appears on page 01.

By Order of the Board
Office Equipment PLC

Mr. L.I. Ratnasabapathy
Chairman

Ms A.M. De Alwis
Director

Businessmate (Private Limited)
Secretaries

25th August 2026
Colombo

Information to Shareholders and Investors

TWENTY MAJOR SHAREHOLDERS AS AT 31ST MARCH 2026

		2026 No. of Shares Held	2026 %	2025 No. of Shares Held	2025 %
1	CT HOLDINGS PLC	**163,700**	**19.63**	163,700	19.64
2	MR. M.K.I. SAMPATH	**140,737**	**16.88**	155,159	18.61
3	MR. J.T. RATNANATHER	**83,570**	**10.03**	83,570	10.03
4	MRS. A.M. DE ALWIS	**44,185**	**5.30**	44,185	5.30
5	MS. P.R. CANAGARATNA	**44,185**	**5.30**	44,185	5.30
6	SIR CHITTAMPALAM A GARDINER TRUST	**38,660**	**4.64**	38,660	4.64
7	CYRIL GARDINER (PRIVATE) LIMITED	**38,220**	**4.59**	38,220	4.59
8	MR. A.J.C. RATNANATHER	**28,170**	**3.38**	28,170	3.38
9	MR. G.I. RATNANATHER	**28,050**	**3.37**	28,050	3.37
10	MR. J.S. RATNANATHER	**28,050**	**3.37**	28,050	3.37
11	MRS. B.A.J. RATNASABAPATHY	**24,880**	**2.98**	24,880	2.98
12	DR. M.T. STANISLAUS	**24,880**	**2.98**	24,880	2.98
13	MR WNS CANAGARATNA	**9,070**	**1.08**	9,070	1.08
14	MR WNS CANAGARATNA	**9,070**	**1.08**	9,070	1.08
15	CEYLON PRINTERS LTD - GROUP EMPLOYEES PROVIDENT ASSOCIATION	**8,600**	**1.03**	8,600	1.03
16	MR LLR MORROW	**6,220**	**0.75**	6,220	0.75
17	NIKAN (PVT) LTD	**5,260**	**0.63**	5,260	0.63
18	MR. J.M.D.Q. PINSIRI	**4,306**	**0.52**	4,479	0.54
19	MS RCML SETHIKAVALER	**4,300**	**0.52**	4,300	0.52
20	MR. M.Z. MOHAMED NIHAZ	**3,999**	**0.48**	5,000	0.60
		738,112	**88.54**	753,708	90.42
		95,448	**11.46**	79,852	9.58
		833,560	**100.00**	833,560	100.00

DIRECTORS' AND CEO'S SHAREHOLDING AS AT 31ST MARCH 2026

Names of Directors	No. of shares	Percentage (%)
Mr. L. I.Ratnasabapathy	NIL	-
Mrs. A.M. De Alwis	44,185	5.30
Mr. M.R.Y.Riffai	NIL	-
Mr. D.T.De Alwis	NIL	-
Mr. J. R. J. Gomez	NIL	-

SHARE PRICES FOR THE YEAR

	31/03/2026	31/03/2025
Market price per share		
Highest during the period	950.00	250.00
Lowest during the period	295.00	176.00
As at end of the period	492.00	200.75

	31/03/2026	31/03/2025
No.of transactions	2.094	228
No. of shares Traded	50,129	7,390
Value of Shares Traded	29,155,411.25	1,556,072.25

Information to Shareholders and Investors

DISTRIBUTION OF SHARE HOLDING AS AT 31ST MARCH 2026

			No. of Shareholders	No. of Shares	%
1	-	1000	522	46,767	5.61
1001	-	10000	37	99,506	11.94
10001	-	100000	10	382,850	45.93
100001	-	1000000	2	304,437	36.52
1000001	-	& Above	0	0	0
			571	833,560	100

ANALYSIS OF SHAREHOLDERS AS AT 31ST MARCH 2026

Category	No. of Shareholders	No. of Shares	%
Local Individuals	518	432,772	51.92
Local Institutions	40	272,827	32.73
Foreign Individuals	11	124,341	14.92
Foreign Institutions	02	3,620	0.43
Total	571	833,560	100%

PUBLIC HOLDING

Public Holdings percentage as at 31stMarch2026	94.%
Number of shareholders representing the above percentage	569
Total No of shareholders as at 31.3.2026	571

FLOAT ADJUSTED MARKET CAPITALIZATION

The Float adjusted market capitalization as at 31st March 2026 -Rs. 385,504,828.80

The Company is not in compliance with Rule 7.13.1(i)(a) of the Listing Rules of the Colombo Stock Exchange on a minimum number of public shareholders.

Statement of Directors' Responsibilities

Maintenance of Accounting Records Under the provisions of the Companies Act No. 07 of 2007 ('the Act'), every company is required to maintain accounting records that correctly record and explain the Company's transactions, and will at any time enable the financial position of the Company to be determined with reasonable accuracy, enable the Directors to prepare financial statements in accordance with the Act and also enable the financial statements of the Company to be readily and properly audited.

Preparation of Financial Statements of the Company and Group
The Act places the responsibility on the Board of Directors to ensure that financial statements are prepared within the prescribed time period in conformity with the Act. Such financial statements of a Company shall give a true and fair view of the state of affairs of the Company as at the reporting date and the profit or loss or income and expenditure, as the case may be, of the Company for the accounting period ending on that reporting date.

Further, the Act also requires that a Company with one or more subsidiaries at the reporting date also prepare financial statements in relation to the Group including every subsidiary, which give a true and fair view of the state of affairs of the Company and its subsidiaries as at the reporting date and the profit or loss or income and expenditure, as the case may be, of the Company and its subsidiaries for the accounting period ending on that reporting date.

Dividends
In the event of any distribution of dividends the Board of Directors is required to satisfy themselves that the Company will, immediately after the relevant distribution is made, satisfy the solvency test, provided that such a certificate is obtained from the auditors.

Annual Report
The Board of Directors is required to prepare an Annual Report on the affairs of the Company during the accounting period ending on the reporting date in the prescribed format and make the same accessible to every shareholder of the Company within the time frame prescribed in the Act.

Independent Audit
The Act required the Company to appoint an Auditor to audit the financial statements of the Company / Group for the reporting period. Accordingly, Bakertilly Edirisinghe & Company currently function as the Auditors of the Company. Their responsibility with regard to the financial statements as auditors of the Company are set out in the Independent Auditors' Report set out on pages 34 to 38.

Management
The Directors are responsible for the proper management of the resources of the Company. The internal control system has been designed and implemented to obtain reasonable but not absolute assurance that the Company is protected from undue risks, frauds, and other irregularities.

Compliance
Considering the present financial position of the Group and the forecasts for the foreseeable future, the Directors have adopted the going concern basis for the preparation of these financial statements. The Directors confirm that:

(a) The Company is in compliance with the requirements of the Act as aforementioned.

(b) These financial statements have been prepared in accordance with the requirements of the Companies Act No. 7 of 2007 and applicable Sri Lanka Accounting Standards, which have been consistently applied and supported by reasonable and prudent judgments and estimates.

(c) All statutory payments have been made up to date.

(d) Other than as disclosed in the Financial Statements, no material issues have arisen pertaining to employees and industrial relations of the Company that requires disclosure or any adjustment to the Financial Statements.

(e) The directors have declared all material interests in contracts involving the Company and its subsidiary and they have refrained from voting on matters in which they were materially interested;

(f) The directors have conducted a review of the internal controls covering financial, operational and compliance controls and risk management and have obtained reasonable assurance of their effectiveness and successful adherence therewith;

(g) The directors have made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions;

(h) The directors have made disclosure of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Company has operations;

(i) The Directors confirm that a formal policy has been established governing matters related to the Board of Directors.

The Directors are satisfied that the control procedures within the Company operated effectively during the year.

By order of the Board

By Order of the Board
Office Equipment PLC

Businessmate (Private) Limited
Secretaries

25th August 2026
Colombo

Corporate Governance

By Corporate Governance, we mean the system by which companies are managed and controlled. This is important both to the directors of the company and its subsidiaries.

The Board of Directors of Office Equipment PLC values the guiding principles of good Corporate Governance to maintain the Company as a going concern as well as to comply with standards of sound business and accounting policies.

The extent to which the rules and principles of good Corporate Governance are implemented within the Company during the year is set out below.

The Board of Directors
The company's board consists of 05 directors of whom 03 are non-executive directors. The names and designations are given on page 02. The board meets on a regular basis and has a formal schedule of matters reserved to it. The board is supplied with full and timely information to enable it to discharge its responsibilities effectively. During the financial year 2025/2026 the board held four meetings and reserved certain decisions to itself while others were delegated to the management to carry out the operations of the Company smoothly. Circular resolutions are adopted by the board from time to time on matters of routine importance.

Vacancies in the board are filled by a decision of the whole board. All members appointed to the board are individuals of high standing in society, experts in their chosen fields and individuals of the highest standards of integrity.

BOARD MEETINGS

DIRECTOR	NATURE OF APPOINTMENT	NO OF MEETINGS HELD	NO OF MEETINGS ATTENDED
Mr. L. I.Ratnasabapathy	Chairman/Managing Director	04	04
Ms. A.M. De Alwis	Executive Director	04	04
Mr. M.R.Y.Riffai	Independent Non-Executive Directors	04	04
Mr. D.T.De Alwis	Independent Non-Executive Directors	04	04
Mr. Joe Rohan Jeremy Gomez	Independent Non-Executive Directors	04	04

Independent Directors
As at the reporting date Ms. D.T.De Alwis, Mr M. R. Y. Riffai and Mr. J. R. J. Gomez. functioned as independent non-executive directors.

Directors' Interests in Contracts
Directors' interests in contracts have been disclosed and declared at the meetings of the Directors during the year and are disclosed in page no … and are also entered in the Interest Register.

Audit Committee
The audit committee consists of Mr. Mr. J. R. J. Gomez - Chairman, Ms. D. T. De Alwis Mr. M. R. Y. Riffai.

Remuneration Committee
The Remuneration Committee consists of Mr. Mr. J. R. J. Gomez - Chairman , Ms. D. T. De Alwis and Mr. M. R. Y. Riffai. The committee makes recommendations to the Board of Directors of the Company on the remuneration policy of the Company as well as the aggregate remuneration of the Executive Directors.

Corporate Governance

Related Party Transactions Review Committee
The Related Party Transactions Review Committee consists of Mr. J. R. J. Gomez - Chairman, Ms. D. T. De Alwis and Mr. M. R. Y. Riffai

Nominations and Governance Committee
The Nominations and Governance Committee consists of Mr. J. R. J. Gomez - Chairman, Ms. D. T. De Alwis and Mr. M. R. Y. Riffai.

Disclosure of Information and Compliance
The Financial statements of the Company are prepared in accordance with the Sri Lanka Accounting Standards and in accordance with the requirements of the Colombo Stock Exchange.

Businessmate (Private) Limited who act as Secretaries to the Company advises the Board on appropriate procedures for the management of its meetings and duties as well as the compliance of Corporate Governance in the Company.

The Level of Compliance with the Listing Rules of the CSE – Sections 7.6 and 9 - Rules on Corporate Governance as at 31st March 2026 are given in the following table.

a. Compliance with Section 7 of the Listing Rules issued by the Colombo Stock Exchange

Subject	Compliance Status	Detail
Disclosures regarding the Board of Directors		
Three of the Five Directors are non-executive directors.	Compliant	Please refer page no 03 to 04.
All non-executive directors are Independent Directors	Compliant	The Board has resolved that Ms. D.T. De Alwis, Mr. M.R.Y Riffai and Mr. J. R. J. Gomez are the Independent Directors of the Company.
Non-Executive Directors have submitted the declaration of independence /non-independence	Compliant	
Names of independent Directors included in the Annual Report	Compliant	Please refer page no 03 to 04.
A brief resume of each Director included in the Annual Report	Compliant	Please refer page no 03 to 04.
Disclosures regarding remuneration and the Remuneration Committee		
Specify whether a separate Remuneration Committee was formed or listed parent's remuneration committee used	Compliant	A separate Remuneration Committee was formed.
The names of the members and the composition of the Remunerations committee included in the annual report	Compliant	Please refer page no 09.
The functions and the remuneration policy of the Remuneration Committee included in the annual report	Compliant	Please refer page no 24 to 25.
The aggregate remuneration paid to Executive and Non-Executive Directors specified in the annual report	Compliant	Please refer page no 65.

Corporate Governance

Subject	Compliance Status	Detail
Contents under the Audit Committee Report		
Specify whether a separate Audit Committee was formed or listed parent's audit committee used	Compliant	A separate Audit Committee is formed
The names of the members and the composition of the Audit committee included in the annual report	Compliant	Please refer page no 09.
Managing Director and the Chief Financial officer attend Audit Committee Meetings	Compliant	
The Chairman of the Audit Committee or one member should be a member of a professional accounting body	Compliant	Please refer Audit Committee Report on page 28 to 31.
The Audit Committee shall make a determination of the independence of the Auditors and disclose the basis for such determination	Compliant	Please refer Audit Committee Report on page 28 to 31.
The Annual Report shall Contain a Report of the Audit Committee setting out the manner of Compliance of the functions	Compliant	Please refer Audit Committee Report on page 28 to 31.
Fit and Proper Assessment Criteria - 9.7.5		
In accordance with Section 9.7.5 and the criteria outlined in the Directions as specified in the Statutes, the Company is compliant. Affidavits from Directors and the CEO have been obtained, and all appointments have been approved	Compliant	

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

	CSE Rule	Status of Compliance	Details/Reference
9.1	Applicability of Corporate Governance Rules A statement confirming compliance with Corporate Governance rules	Compliant	See Corporate Governance found on page 14 to 21
9.1.3			
9.2	**Policies**		
9.2.1/ 9.2.2/ 9.2.3/ 9.2.4	Requirement pertaining to establishment and disclosure of policies set out in the listing rules.	Compliant	https://ofeqpara.wixsite.com/oepc
9.3	**Board Committees**		
9.3.1	Ensuring that the following board committees are established and are functioning effectively a)Nominations and Governance Committee b)Remuneration Committee c) Audit Committee d)Related Party Transactions Review Committee	Compliant	
9.3.2	Comply with the composition, responsibilities, and disclosures required in respect of the above Board Committees as set out in CSE Rules	Compliant	Disclosed in the Independent Committee reports
9.3.3	The Chairperson of the Board of Directors shall not be the Chairperson of the Board Committees referred to in Rule 9.3.1 above.	Compliant	
9.4	Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with shareholders	Compliant	
9.4.1	Maintain records of all resolutions and specified information pertaining to the resolutions considered at any General Meetings	Compliant	
9.4.2 a)/b)/ c)/d)	Communication and relations with shareholders and investors	Compliant	
9.5	**Policy on matters relating to the Board of Directors**		
9.5.1	Establish and maintain a formal policy governing matters relating to the Board of Directors	Compliant	See Company Policies https://ofeqpara.wixsite.com/oepc

Corporate Governance

	CSE Rule	Status of Compliance	Details/Reference
9.5.2	Confirm compliance with the requirements of the policy referred to in Rule 9.5.1 in the Annual Report	Compliant	Disclosed in Statement of Directors' Responsibilities on page 12 to 13.
9.6	**Chairperson and CEO**		
9.6.1	The Chairperson shall be a Non-Executive Director and the positions of the Chairperson and CEO shall not be held by the same individual, unless otherwise a SID is appointed by such entity	Non Compliant-Chair is an Executive Director: position of Chair is held by the same person; Compliant with regard to SID	See Report of SID page 22 to 23.
9.6.2	Where the Chairperson of a Listed Entity is an Executive Director and/or the positions of the Chairperson and CEO are held by the same individual, such entity shall make a market announcement	Compliant	Market Announcement made on 8th December 2023.
9.6.3 a)/b)/ c)/d)	Requirement pertaining to Senior Independent Director (SID)	a) Compliant b) Compliant c) Compliant d) Compliant e) Compliant	b) Meeting held on 12th February 2026 c) Meeting held on 12th February 2026 d) e) See Report of SID page 22 to 23.
9.6.3 e	A signed explanatory disclosure by SID demonstrating the effectiveness of duties of the SID	Compliant	Report of SID page 22 to 23.
9.6.4	Explanation for non-compliance with Rule 9.6.1 in the Annual Report	Compliant	Refer page 14 of AR for explanation
9.7	**Fitness of Directors and CEOs**		
9.7.1/ 9.7.2/ 9.7.3/ 9.7.4/ 9.7.5	Requirement to meet the fit and proper criteria stipulated by the CSE Listing Rules and disclosure in Annual Report	Compliant	Reporting Date 31/03/2026 All directors have filled out questionnaires to assess their fitness & propriety and are considered fit and proper.
9.8	**Board Composition**		
9.8.1 9.8.2	Requirement pertaining to the minimum number of Directors and Independent Directors	Compliant	
9.8.3	Conformity to the criteria set by CSE on determining the independence of the Directors	Compliant	
9.8.5 a)/b)/c	Requirement pertaining to self-declarations annual determination of independence and market announcement in the event of the impairment of independence	Compliant	

	CSE Rule	Status of Compliance	Details/Reference
9.9	**Alternate Directors**		
9.9 a)/ b)/c)/ d)/e	Non-Executive Directors shall be appointed as alternate directors in exceptional circumstances and for a maximum period of one (1) year from the date of appointment	N/A	No alternate directors were appointed
9.10	**Disclosures relating to Directors**		
9.10.1 9.10.2 9.10.3	Requirement pertaining to the disclosure of the Directors	9.10.1 Compliant 9.10.2 Compliant 9.10.3 Compliant	
9.10.4	Disclosure of details pertaining to Directors in the Annual Report	Compliant	Directors' Profile page 03 to 04
9.11	**Nominations and Governance Committee**		
9.11.1/ 9.11.2/ 9.11.3	Existence of Nominations and Governance Committee, formal procedure for appointment and re-election of new Directors and written Terms of Reference of Nominations and Governance Committee	9.11.1 Compliant 9.11.2 Compliant 9.11.3 Compliant	
9.11.4	Composition of Nominations and Governance Committee members and appointment of its Chairperson	Compliant	
9.11.5	The Committee functions are in accordance with the set criteria as per the CSE Listing Rules	Compliant	
9.11.6	Annual Report contains a report of the Nominations and Governance Committee signed by its Chairperson	Compliant	Report of the Nominations & Governance Committee page 24 to 25.
9.12	**Remuneration Committee**		
9.12.2	A Remuneration Committee shall be established that conforms to the requirements	Compliant	
9.12.3/ 9.12.4	CSE Listing requirement pertaining to remuneration of the Directors	Compliant	
9.12.5	Remuneration Committee shall have written Terms of Reference	Compliant	
9.12.6 (1)	Composition of the Remuneration Committee	Compliant	Remuneration Committee Report on pg 26 to27
9.12.6 (2)	Remuneration Committee chaired by an Independent Director	Compliant	Remuneration Committee Report on pg 26 to27
9.12.7	Recommendation to the Board of Directors regarding remuneration	Compliant	Remuneration Committee Report on pg 26 to27

	CSE Rule	Status of Compliance	Details/Reference
9.12.8 (a)	Disclosure of Chairperson and members of the Remuneration Committee in the Annual Report	Compliant	Remuneration Committee Report on pg 26 to 27.
9.12.8 (b)	A statement regarding the remuneration policy	Compliant	Remuneration Committee Report on pg 26 to 27.
9.12.8 (c)	Disclosure of the aggregate remuneration of the Executive and Non-Executive Directors	Compliant	Remuneration Committee Report on pg 26 to 27.
9.13	Audit Committee	Compliant	Audit Committee Report on pages 28 to 31.
9.13.1	Entities who do not maintain separate committees to perform the Audit and Risk Functions, the Audit Committee (AC) shall additionally perform the Risk Functions	Compliant	Audit Committee Report on pg 28 to 31.
9.13.2	The Audit Committee shall have written Terms of Reference	Compliant	
9.13.3	Composition of the Audit Committee	Compliant	
(1)	Composition of the Independent Directors of the Audit Committee	Compliant	
(2)	Quorum comprising majority of Independent Directors	Compliant	
(3)	Minimum number of meetings and quarterly meetings prior to releasing the quarterly Financial Statements.	Compliant	
(4)	An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors.	Compliant	
(5)	Attendance of CEO and CFO at the Audit Committee meetings by invitation	Compliant	
(6)	The Chairperson of the AC shall be a Member of a recognised professional accounting body	Compliant	
9.13.4	**Functions of the Audit Committee**		
9.13.4 (1)	Functions of the Audit Committee as set out in CSE Listing Rules	Compliant	Audit Committee Report pages 28 to 31
9.13.5	Disclosures (AC) in the Annual Report		
	Disclosure of stipulated information in the Audit Committee Report included in the Annual Report	Compliant	Audit Committee Report pages 28 to 31

	CSE Rule	Status of Compliance	Details/Reference
9.14	**Related Party Transaction Review Committee (RPTRC)**		
9.14.1	Listed Entities shall have a Related Party Transactions Review Committee	Compliant	
9.14.2	Composition of RPTRC		
(1)	Composition of the Independent Directors and Chairperson being Independent	Compliant	
(2)	If both parent & subsidiary are Listed Entities, the RPTRC of the parent company may function as the RPTRC of the subsidiary	N/A	Subsidiary company is an Unlisted Entity. Nevertheless RPTR committee assesses all related party transactions for subsidiary as well.
9.14.3	Functions of RPTRC		
	Functions of the RPTRC as set out in the CSE Listing Rules	Compliant	
9.14.4	General Requirements of RPTRC		
(1)	General requirement stipulated in CSE Listing Rules (1) to (4	Compliant	
9.14.5	Review of RPTs by the RPTRC		
	Requirement pertaining to review of related party transactions by RPTRC set out by CSE Listing Rules	Compliant	
9.14.6	Shareholder Approval		
	Requirement pertaining to shareholder approval set out by CSE Listing Rules	Compliant	No recurrent or non-recurrent RPTs have occurred that require shareholder approval
9.14.7	Immediate Disclosures		
	Immediate market announcement to the Exchange as set out by CSE Listing Rules	Compliant	
9.14.8	Disclosures in the Annual Report		
(1),(2)	Disclosure of RPTs details in the Annual Report	Compliant	Notes to the Financial Statements Note No 27.
(3)	Related Party Transactions Review Committee Report in the Annual Report	Compliant	RPTR Committee Report page 32 to 33.
(4)	A declaration by the Board of Directors in the Annual Report confirming that RPT Rules are complied with.	Compliant	RPTR Committee Report page 32 to 33.
9.14.9	Shareholder approval and Competent independent advice on acquisition and disposal of assets from/to related parties	Compliant	No such transactions took place during the Financial year
9.17	**Additional Disclosures**		
	Additional disclosures by the Board of Directors in the Annual Report	Compliant	Statement of Directors Responsibility pages 12 to 13

Report of the Senior Independent Director

This report is presented in compliance with the requirement set out in Section 9.6.3 (e) of the revised Listing Rules on Corporate Governance of the Colombo Stock Exchange which came into effect on 01 October 2023.

The requirement of appointing a "Senior Independent Director" to Office Equipment PLC is in accordance with Section 9.6.3 (a) iii of the revised Listing Rules on Corporate Governance of the Colombo Stock Exchange and the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka.

Role and Responsibilities of Senior Independent Director

In terms of the role and responsibilities of the Senior Independent Director (hereinafter referred to as SID), his/her principal and most critical role is to support the Chairman in effectively discharging his duties, ensuring fairness to all stakeholders in every decision-making process by:

i. Serving as a sounding board for the Chair and other directors, especially where the roles of Chair and Managing Director are combined, providing a balanced, unbiased viewpoint in situations where conflicts of interest may arise or potentially arise. The SID also provides alternative view- points and fresh perspectives leading to better decision-making.

ii. Serving as an intermediary for the other directors and shareholders ensuring clear communication between them and the Chair in all situations. The SID ensures that other directors, particularly Non- executive independent directors are not intimidated by the role of the Chair in their decision-making and that they have an opportunity to speak their minds feely and without fear.

. Holding the Chairperson to account by acting as a check and balance on his/her actions and decisions. The SID provides appropriate challenges to Board decision-making.

iv. Bringing an element of accountability to Board decision-making.

v. Appointing and transitioning the Chairperson. The SID typically leads the process of identifying and appointing a new Chairperson at the end of their tenure or when they step down or when it is in the best interests of the company for them to step down. It is the SID's responsibility to listen to the Board and the shareholders and judge if the chair is no longer acting in the best interests of the company. It may also be necessary for the SID to step up to act as interim Chair in circumstances that warrant it, for instance sudden illness.

vi. Mediating conflict at times of crisis for the company to ensure that decision -making is geared towards benefitting all stakeholders.

vii. Leading on crisis communication. In times of crisis, especially if the situation means that the Chairperson is no longer playing his/her role, the SID acts as a mouthpiece for the rest of the board. This includes communications to shareholders and to the public.

viii. Managing the communication channel between shareholders and the company. Listening to feedback from shareholders is vital and critical. This allows for proper corporate governance.

Report of the Senior Independent Director

ix. Setting standards and being the 'moral voice' of the board. The SID is the conscience of the board ensuring that the board upholds corporate governance standards, abides by all applicable laws and regulations and ethical codes of conduct as well as sound business practices. The SID ensures that decisions taken consider not just the short term profit-making objectives of the company but the broader environmental, social and governance agenda of the company.

In accordance with the roles and responsibilities of the SID a meeting was held among the Independent Non-executive directors on the 12th Feb 2026 to assess the performance of the Chairperson and the Board. The findings and conclusions drawn from such deliberations were conveyed to the Board.

The SID is satisfied that the Chairperson of the Board while also being the CEO has acted at all times in the best interests of all stake-holders particularly minority stake-holders. I am also assured that the company has abided by all relevant regulations, codes of ethical business conduct as well as wider environmental, social and governance criteria when conducting its operations

To protect the interests of the SID and ensure that he/she can carry out his/her duties effectively, in instances of conflict of interest between the combined positions of Chairperson and Chief Executive Officer the Senior Independent Director will possess the casting vote on any resolution before the Board and his vote will be final.

My role is to ensure requisite governance standards are complied with while providing necessary assistance to the Chairman of the Board through discussion and communication between Executive, Non-executive and Independent Directors of the Company in addressing matters relevant to the Board as a whole to enhance the overall effectiveness of the Board.

M Riyad Y Riffai
Senior Independent Director

24th August 2026

Report of the Nominations and Governance Committee

The Board of Directors established the Nominations and Governance Committee in April 2024 in line with the Listing Rules and best practices.

Policy Framework
The policy framework for the functioning of the Nominations and Governance Committee of the Company is set out in the Company Policies.

Composition
The Committee comprises three Independent Non-Executive Directors. The composition of the Committee complies with the requirements of the Corporate Governance Rules of the CSE. The composition is as follows:

Name	Description of Directorship	Date of Appointment To Committee
Mr. Joe Rohan Jeremy Gomez - Chairman	Independent Non-Executive	29th November 2024
Ms. D. T. De Alwis - Member	Independent Non-Executive	29th November 2024
Mr. M. R. Y. Riffai - Member	Independent Non-Executive	29th November 2024

Scope
The scope of the Nominations and Governance Committee would be to review all appointments to the Board of the company.

Key Functions of the Committee
1. Ensuring diversity in terms of experience, skills and age to support effective Board performance and effectiveness of the company as well as the Key Management Personnel.
2. Reviewing and recommending appointments to the Board of the company whenever necessary.
3. Evaluating and recommending suitable internal and external candidates to higher levels of management.
4. Evaluating the eligibility of the Directors who have offered themselves for re-appointment and re- election to the Board considering the performance and contribution made by the Director concerned towards the overall discharge of the Board's responsibilities and making necessary recommendations to the Board.
5. Evaluating the combination of varied skills, knowledge and experience of the Directors of the Company.
6. Ascertaining the competencies of Directors are adequate to meet the required strategic demands of the company.

Board Tenure, Retirement, and Re- election
One-third of the Directors retire by rotation at each Annual General Meeting and are eligible for re-election. Directors retiring by rotation are those who have served the longest period since their appointment or last re-election. Additionally, any Director appointed during the year is required to stand for election by shareholders at the next Annual General Meeting. Such Directors shall not be considered in determining the number of Directors who retire by rotation at the ensuing AGM.

Details of appointments, retirement, re- election, and re-appointment of Directors are communicated to shareholders through immediate market disclosures and are also disclosed in the Annual Report.

Retirement by Rotation
Ms Anusha M De Alwis, retires by rotation in terms of Article 84 of the Articles of Association, as a Director of the Company.

Committee Assessment
The Nominations and Governance Committee met in 2026 to review the re-appointment of Ms Anusha M De Alwis to the Board and to evaluate the performance of the Board and the CEO.

Report of the Nominations and Governance Committee

Name	Date of First Appointment As Director	Date of Last Re-appointment as Director	Board Committees Served On
Anusha M De Alwis	01 Jun 2020	-	-

Board Independence
The Nominations and Governance Committee has determined that the Independent Non- executive directors continue to meet the criterion that determines Independence.

The Committee has satisfied itself that Office Equipment PLC continues to meet the Corporate Governance requirements stipulated under the CSE Listing Rules. Any deviations from the same have been noted in the Annual Report.

The Committee annually reviews the independence of Non-Executive Directors in accordance with the criteria prescribed by the Listing Rules. All Independent Non-Executive Directors have submitted written confirmations of their independence, and the Committee is satisfied that they continue to meet the applicable independence criteria. The Board's composition during the year remained compliant with the independence requirements prescribed by the Listing Rules.

Meetings
The Committee meets at least once annually and additionally as required to discharge its responsibilities effectively.

Details of the participation of the members of the Nominations and Governance committee at such meetings is set out below.

Name	Meetings Held	Meetings Attended
Mr. Joe Rohan Jeremy Gomez – Chairman	1	1
Ms. D. T. De Alwis	1	1
Mr. M. R. Y. Riffai	1	1

Joe Rohan Jeremy Gomez
Chairman - Nominations and Governance Committee
Colombo,

24th August 2026

Report of the Remuneration Committee

The Remuneration Committee of Office Equipment PLC is appointed by the Board of Directors of the Company and reports directly to the Board.

Remuneration Policy

As is well known, Human Resources in Companies are a vital cog in the wheel to successfully carry out its business activities in a fair and equitable manner in the interest of its shareholders, employees, and other stakeholders and in all instances, within the laws of the country to enhance / add shareholder value for the benefit of its respective stakeholders. Executive Directors and Senior Management are pivotal drivers and there is a need to ensure that such employees are adequately and fairly compensated in line with market conditions applicable to the respective sectors.

Framework

The policy framework for the functioning of the Remuneration Committee of the Company and its subsidiaries is set out in the Group Policies adopted across the Group. In the event a subsidiary company does not have a separate remuneration committee, the remuneration committee of the immediate listed holding company will function as the remuneration committee for that subsidiary company as well.

Composition

The Composition of the Remuneration Committee is in accordance with the rules on Corporate Governance of the Securities & Exchange Commission of Sri Lanka, the Colombo Stock Exchange and the respective company's Articles.

The composition of the Remuneration Committee of Office Equipment PLC is as follows:

Name	Description of Directorship
Mr. Joe Rohan Jeremy Gomez - Chairman	Independent Non-Executive
Ms. D. T. De Alwis	Independent Non-Executive
Mr. M. R. Y. Riffai	Independent Non-Executive

A Committee Member shall function as the Secretary to the Committee.

Scope

The Remuneration Committee shall recommend the remuneration payable to -

- Chief Executive Officer and / or equivalent position
- Executive Directors, and,
- Senior Management/Executives, to the board of the company which will make the final determination upon consideration of such recommendations.
- Detailed procedures are set out in the Group Policies in respect of all revisions in remuneration payable.
- The Remuneration Committee shall also recommend the variable incentives/or bonuses within the parameters set out in the Group policies.
- The Board of the respective Company may decide that the Remuneration Committee should include the review of emoluments of other levels of employees as well. The procedure for such revision of emoluments is also specified in the Group policies.
- Once in three years, the company may commission an independent party to study & report on the emoluments of the CEO, Executive Directors, and may include other levels also in the review as applicable to the relevant sectors. The said Report will be discussed by the Committee for guidance in making the required assessments.

Report of the Remuneration Committee

Disclosures

The aggregate details of the Directors' remuneration are given in Note 08 to the financial statements.

Meetings

The Remuneration Committee shall meet on a needs basis and meets at least once a year.

Details of the participation of the members of the Remuneration committee at such meetings is set out below.

Name	Meetings Held	Meetings Attended
Mr. Joe Rohan Jeremy Gomez – Chairman	1	1
Ms. D. T. De Alwis	1	1
Mr. M. R. Y. Riffai	1	1

Joe Rohan Jeremy Gomez
Chairman - Remuneration Committee
Colombo,

24th August 2026

Report of the Audit Committee

The Audit Committee of Office Equipment PLC is appointed by the Board of Directors of the Company and covers both audit and risk functions. The Audit Committee function within the overall governance process established, by the Board of Directors of the Company and assists the Board in effectively discharging its responsibilities. The Committee reports directly to the Board.

Policy Framework

The policy framework for the functioning of the Audit Committee of the Company and its subsidiaries is set out in the Group Policies adopted across the Group. In addition to the Audit Committee of the holding company, the subsidiary company does not have a separate audit committee. The audit committee of the holding company will function as the audit committee for the subsidiary company as well.

Composition

The Composition of the Audit Committee is in accordance with the rules on Corporate Governance of the Securities & Exchange Commission of Sri Lanka, the Colombo Stock Exchange, and the respective company's Articles.

The composition of the Audit Committee of Office Equipment PLC is as follows:

Name	Description of Directorship
Mr. Joe Rohan Jeremy Gomez – Chairman	Independent Non-Executive
Ms. D. T. De Alwis	Independent Non-Executive
Mr. M. R. Y. Riffai	Independent Non-Executive

The Chairman / Managing Director, Executive Director and Head of Finance of the Company attend Audit Committee meetings by invitation. A Committee Member function as the Secretary to the Committee.

Scope

The Functions of the Audit Committee, as set out in the Group Policies, include the following:-

- Oversight of the preparation, presentation, and adequacy of disclosures in the financial statements of the listed company, in accordance with Sri Lanka Accounting Standards.
- Oversight of the Company's compliance with financial reporting requirements, information requirements of the Companies Act and other relevant financial reporting related regulations and requirements.
- Oversight over the processes to ensure that the Company's internal controls and risk management are adequate, to meet the requirements of the Sri Lanka Auditing Standards.
- Assessment of the independence and performance of the Company's external auditors.
- To make recommendations to the Board pertaining to appointment, re-appointment, and removal of external auditors and to approve the remuneration and terms of engagement of the external auditors.
- Review the management of risk factors affecting the Company.

The Audit Committee obtains written assurance from the Executive Director, the Chief Financial Officer, and the Company Secretary, when considering the quarterly and annual financial statements for recommendation to the Board.

Meetings

In terms of the Company Policy, the Audit Committee should meet at least four times a year of which the Company Auditors will attend at least one of such meetings. Unless otherwise determined by the audit committee, the Managing Director and the chief financial officer of the listed company shall attend audit committee meetings by invitation.

The Audit Committee of Office Equipment PLC met four times during the year, once per calendar quarter, Details of the participation of the members of the audit committee at such meetings is set out below.

Name	Meetings Held	Meetings Attended
Mr. Joe Rohan Jeremy Gomez – Chairman	4	4
Ms. D. T. De Alwis	4	4
Mr. M. R. Y. Riffai	4	4

Financial Statements

Four quarterly financial statements as well as the annual financial statements were circulated, reviewed and recommended to the Board for approval during the year. Conformity of such financial statements with the applicable Accounting Standards, Company Law and other Statutes including Corporate Governance Rules and consistency of the presentation of such financial statements with the previous quarter / year as the case may be were also confirmed. Departures, if any, are appropriately disclosed.

Risk Assessment

Risks are internal or external events that can negatively impact the realization of short-term objectives or the implementation of long-term strategies. They can also emerge from missed or poorly exploited opportunities. The risk management process encompasses anticipating, identifying, managing, and mitigating internal and external risks and opportunities to ensure both short and long-term economic, environmental and social sustainability of the Office Equipment Group.

Office Equipment PLC risk portfolio is distributed among subsidiary companies and varies with the nature of each business, geographical dispersion and operation of each sector and company. The Board of Directors of Office Equipment PLC is entrusted with the task of assessing and regulating the risk profile of each operating sector along the lines of the strategic objectives of the Parent Company.

Consistent risk monitoring

The Managing Director is responsible for overseeing the implementation and effectiveness of risk management in each sector. He ensures that the risk management system as a whole is operational and that the standards and processes remain current. The significant internal and external risks faced by Office Equipment PLC along with the mitigating factors are described below.

1. **Business risk**
   The business risks constantly change in nature and complexity in the operating environment of the Group. The Group's businesses are subject to a variety of risks, including laws and regulations, market conditions and competitive landscape, which require constant monitoring and evaluation by the management. Office Equipment PLC carefully evaluates all risks pertaining to high value investments of the Group both in existing operating sectors and new areas (if any).

2. **Reputational risk**
   Failure to protect the Group's reputation could lead to a loss of trust and confidence among stakeholders. We recognise the commercial imperative to safeguard the interests of all our stakeholders. We therefore endeavour to engage with them to take into account their views in developing long term strategies.

3. **Funding and liquidity**
   The Group's subsidiaries and associates finance their operations through a combination of retained earnings, and long term and short term banking facilities. Effective management of cash flow is a key component of maintaining strong funding and liquidity positions. Adequate funding arrangements are available to meet investments and contingencies that may occur in the ordinary course of business. Further, the strong relationships maintained with Banks enable companies within the Group to raise funds at competitive rates as and when required.

4. **Credit risk**
Credit risk is the risk due to uncertainty in the counterparty's ability to meet its financial obligations. The Group's Credit risk primarily arises from deposits with banks as well as credit exposure to customers including outstanding receivables. Strict credit control procedures are adopted in order to assess the credit quality of present and potential customers with further mitigating measures undertaken to reduce risk. The utilisation of credit limits is regularly monitored.

5. **Interest rate risk**
Except in the case of investment of surplus funds, the Group's income and operating cash inflows are substantially independent of changes in market interest rates. The Group's interest rate risk arises from long and short term borrowings at variable rates linked to market conditions. Such arrangements, while being advantageous at present exposes the Group to interest rate fluctuations. The Group monitors its interest rate exposure on a dynamic basis.

6. **Exchange rate risk**
The Company is exposed to foreign exchange risk primarily through the import of products for resale, as changes in exchange rates may affect the cost of imported products and, consequently, profit margins. The Company also earns foreign currency denominated revenue from a single service contract, which provides a partial natural hedge against its foreign currency exposure. The overall impact of exchange rate fluctuations is therefore dependent on the timing and relative value of foreign currency inflows and outflows.

7. **Product safety**
The safety and quality of our products is of paramount importance to the Group as well as being essential for maintaining customer trust and confidence. A breach in confidence could adversely affect the size of our customer base and financial results. We have detailed and established procedures for ensuring product integrity and quality at all times. We work in partnership with suppliers to ensure mutual understanding of the standards required.

8. **Health and safety risks**
Provision of adequate safety to our staff and customers is of the utmost importance to us. Injury or loss of life cannot be measured in financial terms. We operate stringent health and safety processes in line with best practice in our manufacturing facility and offices, which also ensure that safety practices are inculcated in all employees. Such procedures are monitored regularly.

9. **Regulatory and political environment**
As a Group predominantly operating within Sri Lanka our business is affected by the regulatory and political framework within the country. The effect of such an environment outside Sri Lanka could affect the Company to the extent that it affects the entire local economy. We consider these uncertainties in the local and overseas economies when developing strategies and reviewing performance. We remain vigilant to future changes.

10. **Legal issues**
Full provision is made for all legal liabilities that are expected to result in any material loss to the Company. All contingent liabilities have been disclosed in the financial statements.

11. **Retirement benefit obligations**
The retirement benefit obligations are computed based on actuarial assumptions. The management takes all required steps to ensure that such assumptions are accurate and corresponds to past results and current trends. However, any significant discrepancies between actuarial assumptions and actual conditions may have some impact on future results. The management considers the possibility of such impact as very low.

12. **Risk of natural disasters**
    Natural disasters such as earthquakes, storms, and floods, as well as accidents, acts of terror, infection and other factors beyond the control of the Group could adversely affect the Group's business operation. Insurance covers are obtained against all identified risks and natural disasters affecting the assets of the Group and operational matters.

13. **Competition**
    Most sectors of the Group face very competitive business environments. The management regularly reviews the competitor environment in order to develop appropriate counter strategies. Due to the widespread nature of operations, Group's sales are not dependent on a single or small group of customers.

14. **Information systems and cyber security**
    The Group is heavily reliant on computerised operational and financial systems to ensure efficiency of operations and financial reporting. These systems and the associated controls are regularly monitored and reviewed. Measures have been put in place to protect the Group against factors such as natural disasters, accidents, data losses, computer viruses and unauthorised access.

15. **Supply chain**
    Raw material, and finished goods for re-sale are sourced from third-party suppliers, contract manufacturers and primary producers exposes the group to market volatility and availability.

Conclusion
Based on its work, the Audit Committee is of the opinion that the control procedures and environment within the Group provide reasonable assurance regarding the monitoring of the operations, accuracy of the financial statements, safeguarding of the assets of the Company, and risk profiling and initiatives taken towards mitigating same.

Audit and Auditors' Independence
The Audit Committee assessed the independence and performance of the Company's external auditors and made recommendations to the Board pertaining to their re-appointment. The Audit Committee also reviewed the audit fees for the Company and approved the remuneration and terms of engagement of the external auditors and made recommendations to the Board. When doing so, the Audit Committee reviewed the type and quantum of non-audit services (if any) provided by the external auditors to the Company to ensure that their independence as Auditors has not been impaired.

The Audit Committee obtains a statement from Messrs. Bakertilly Edirisinghe & Company confirming independence as required by Section 163 (3) of the Companies Act No. 07 of 2007 on the audit of the Statement of Financial Position and the related Statements of Income, Changes in Equity, and Cash Flows of the Company and the Group.

The Audit Committee has recommended to the Board of Directors that M/s. Bakertilly Edirisinghe & Company be reappointed as Auditors of the Company for the year ending 31st March 2027 subject to the approval of the shareholders.

Joe Rohan Jeremy Gomez
Chairman - Audit Committee
Colombo,

24th August 2026

Report of the Related Party Transactions Review Committee

The Related Party Transactions Review (RPTR) Committee of Office Equipment PLC is appointed by the Board of Directors of the Company. The RPTR Committee, functions within the overall governance process established by the Board of Directors of the Company and, assists the Board in effectively discharging its responsibilities. The Committee reports directly to the Board.

Framework
The policy framework for the functioning of the RPTR Committee of the Company and its subsidiaries is set out in the Group Policies adopted centrally for the entire Group. In the case of non-listed subsidiary companies, the RPTR committee of the immediate listed holding company functions as the RPTR committee for the subsidiary companies as well.

Composition
The Composition of the RPTR Committees must be in accordance with the, listing rules of the Colombo Stock Exchange and the respective company's Articles, as appropriate.

The composition of the RPTR Committee of Office Equipment PLC is as follows:

Name	Description of Directorship
Mr. Joe Rohan Jeremy Gomez – Chairman	Independent Non-Executive
Ms. D. T. De Alwis	Independent Non-Executive
Mr. M. R. Y. Riffai	Independent Non-Executive

The Composition of the members of the RPTR Committee satisfies the criteria as specified in the listing rules of the Colombo Stock Exchange. The Chairman / Managing Director and Executive Director attend RPTR Committee meetings as and when requested by the Committee. A member of the committee functions as the Secretary to the Committee.

Scope
The Functions of the RPTR Committee, as set out in the Group Policies, include the following -

- Developing and recommending for adoption by the Board of Directors of the Company and its subsidiaries, a related party transactions policy consistent with that proposed by the listing rules.
- Reviewing and updating the control procedures in place to ensure that all recurrent and non-recurrent related party transactions are identified, adequately captured and reported in a timely manner in accordance with the applicable rules.
- Establishing procedures to ensure that related party transactions that are captured within the system are reviewed in a systematic manner and certified by key management personnel with appropriate level of authority.
- Reviewing all related party transactions as reported by the management for compliance with the RPT code.
- Ensuring that appropriate disclosures are made as applicable to the CSE (where immediate market disclosures are required) and the Annual Report.

As per the applicable procedures of the Group the RPTR Committee has obtained:
- Quarterly declarations of related party transactions from Directors & Senior Management of all Group companies on recurrent & non-recurrent transactions undertaken by them or by their close family members.
- Quarterly declarations of Directors & Senior Management of all Group companies who have a Significant Shareholding/ownership in a Company or partnership or proprietorship which is outside the Group companies and/ or of the Subsidiaries and Associate Companies of Group companies.
- Quarterly declarations of Group Financial Officer or equivalent Position in Group companies on Recurrent and/or Non- Recurrent transactions within the Group Companies.
- Likewise, procedures are also in place for the assessment of the need to obtain shareholder approval for specified transactions and to inform the SEC/CSE on the applicable Non-Recurrent transactions.

Report of the Related Party Transactions Review Committee

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

With regard to non-recurrent transactions, if any, the Committee is empowered to seek independent expert advice on valuation or any other related matter that the committee deems to be significant.

Meetings
In terms of the listing rules of the Colombo Stock Exchange, the RPTR Committees should meet at least four times a year. Unless otherwise determined by the RPTR Committee, the Chairman / Managing Director and the Chief Financial Officer of the listed company shall attend RPTR committee meetings.

The RPTR Committee of Office Equipment PLC met four times during the year, once per calendar quarter.

Name	Meetings Held	Meetings Attended
Mr. Joe Rohan Jeremy Gomez – Chairman	4	4
Ms. D. T. De Alwis	4	4
Mr. M. R. Y. Riffai	4	4

Conclusion
Based on its work, the Related Party Transactions Review Committee confirms that there were no non-recurrent transactions with related parties during the year. It also noted that in respect of recurrent transactions, the transactions have been carried out in the ordinary course of business at "arm's length" basis as required by the Para 23 of LKAS 24, "Related Party Disclosures". There were no changes to terms or practices followed over the previous year and general terms and conditions applicable to such transactions with Related Parties are similar to those entered into with non-related parties taking into account, if any, due consideration of factors such as volume, cost and any other special benefits which form part and parcel of such transactions. The observations of the Committee have been communicated to the Board of Directors, and the Board in turn has made a declaration to the effect that the Company has complied with the requirements of the Rules pertaining to Related Party Transactions as contained in Section 9 of the listing rules of the Colombo Stock Exchange.

The details of the recurrent transactions entered into with Related Parties are disclosed in notes to the Financial Statements.

Joe Rohan Jeremy Gomez
Chairman - RPTR Committee
Colombo,

24th August 2026

Auditors' Report

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF OFFICE EQUIPMENT PLC

Report On the Audit Of The Financial Statements

Opinion

We have audited the financial statements of Office Equipment PLC ("the Company"), and the consolidated financial statements of the Company and its subsidiary ("the Group"), which comprise the Statement of financial position as at March 31, 2026, and the Statement of profit or loss and other comprehensive income, Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards ("SLAuS"). 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 Accountant 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 Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the financial statements for the year. These matters are selected from the matters communicated with those charged with governance.

Key audit matters are determined based on their materiality, risk of misstatement, and the judgment required by management in applying accounting policies. They are described in the audit report to provide additional insight into areas that required significant auditor attention.

Key Audit Matter	How our audit procedures addressed the key audit matter
Revenue Recognition For the year ended 31 March 2026, the Company reported revenue amounting to Rs. 57.6 Mn as detailed in Note 5 to the financial statements. The Company's revenue is derived primarily from the sale of goods, and the rendering of services.	**Our procedures included the following:** • Obtained an understanding of and tested the design and implementation of key internal controls relevant to revenue recognition. • Evaluated the Company's revenue recognition policies for compliance with SLFRS 15 (Revenue from Contracts with Customers) requirements.

Auditors' Report

Key Audit Matter	How our audit procedures addressed the key audit matter
Revenue recognition has been identified as a key audit matter due to the significance of revenue to the financial statements and the inherent risk associated with cut-off, completeness, and compliance with the applicable financial reporting framework. Revenue is a significant account balance with high volume of transactions. The risk exists that revenue may not be recognized in accordance with SLFRS 15 - Revenue from Contracts with Customers, particularly with respect to timing of recognition.	• Reviewed service agreements and supporting documentation to assess whether revenue was recognised in line with the stage of completion or as services were delivered. • Tested samples of service income by reconciling invoices and subsequent receipts to service completion evidence. • Evaluated cut-off testing to ensure revenue was recorded in the correct period. • Selected samples of sales transactions and traced them to supporting documents such as invoices, delivery notes, and subsequent cash/ credit settlements to confirm the occurrence of sales and timing of revenue recognition. • Performed analytical procedures, including margin and trend analysis, to identify unusual revenue patterns or variances.
Recognition and Measurement of Deferred Tax the group recognised deferred tax assets amounting to Rs. 7.8 Mn as disclosed in Note 15 to the financial statements. The recognition and measurement of deferred tax involves significant judgment by management, particularly in: • Assessing the availability of future taxable profits against which deductible temporary differences can be utilized, • Determining the timing of reversal of temporary differences, and • Applying relevant tax laws and rates under the Inland Revenue Act. Due to the level of judgment involved and the potential impact on the financial statements, we identified deferred tax recognition and measurement as a key audit matter.	**Our procedures included the following:** • Obtaining an understanding of the Company and its subsidiary's process for identifying temporary differences and recognising deferred tax. • Assessing the assumptions used by management in projecting future taxable profits, including comparing forecasts to historical performance. • Evaluating the reasonableness of management's assessment of the recoverability of deferred tax assets. • Testing the calculation of deferred tax balances by verifying the underlying temporary differences to supporting documents (e.g., property, plant & equipment schedules, provisions, and carried forward tax losses). • Assessing the application of enacted tax laws and rates in the computation of deferred tax. • Evaluating the adequacy of related disclosures in Note 15 in accordance with LKAS 12 Income Taxes.

Auditors' Report

Key Audit Matter	How our audit procedures addressed the key audit matter
Existence and Carrying Value of Inventories As at 31 March 2026, the Company's inventories amounted to Rs. 35.2 Mn, net of a provision of Rs. 29.6 Mn for slow-moving inventories, as disclosed in Note 16 to the financial statements. Inventory recognition has been considered a key audit matter due to: • The materiality of the reported balance, which represents a significant proportion of the Company's total assets; and • The level of judgment involved in determining the adequacy of the provision for slow-moving and obsolete inventories. Changes in consumer preferences, economic conditions, and the introduction of new products and technologies may affect the recoverability of inventories, resulting in inventories being sold at a discount or written down below cost.	**Our procedures included the following:** • Observing the physical inventory count at year-end and performing independent test counts. • Reconciling physical count results to the inventory listings prepared by management. • Testing whether inventories were stated at the lower of cost and net realisable value, including comparing selected inventory costs with subsequent selling prices. • Assessing the appropriateness of management's provision for slow-moving and obsolete inventories by reviewing ageing analyses, historical sales trends, and inventory turnover ratios. • Considering whether economic or technological changes could impact the valuation of inventories on hand. • Evaluating the adequacy of the disclosures in Note 16 in accordance with LKAS 2 Inventories.

Other Information

Management is responsible for the other information. The other information comprises the supplementary information included but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Report

AUDITOR'S RESPONSIBILITY 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 SLAuS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.

- 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' 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 Company'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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's 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.

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Auditors' Report

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, action 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 2256.

Edirisinghe & Co.,
Chartered Accountants
Colombo

24th August 2026

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March		GROUP		COMPANY	
		2026	2025	2026	2025
	Note	Rs.	Rs.	Rs.	Rs.
Revenue	05	**57,604,137**	67,512,042	**34,273,410**	45,315,045
Cost of sales		**(24,709,820)**	(30,205,167)	**(8,399,070)**	(14,594,252)
Gross profit		**32,894,317**	37,306,875	**25,874,340**	30,720,793
Other income	06	**3,479,405**	650,207	**3,436,445**	572,741
Selling and distribution expenses		**(4,425,306)**	(4,275,826)	**(4,187,366)**	(3,855,806)
Administrative expenses		**(45,701,458)**	(39,760,732)	**(41,054,914)**	(35,950,523)
Operating (Loss)		**(13,753,042)**	(6,079,476)	**(15,931,495)**	(8,512,795)
Finance income	7.1	**1,165,008**	106,851	**209,665**	90,387
Finance cost	7.2	**(2,452,167)**	(459,897)	**(2,104,810)**	(225,016)
(Loss) before income tax	08	**(15,040,200)**	(6,432,522)	**(17,826,640)**	(8,647,424)
Income tax (expenses)/credit	09	**(846,745)**	(8,788,761)	**-**	(7,927,696)
(Loss) for the year		**(15,886,946)**	(15,221,283)	**(17,826,640)**	(16,575,120)
Other comprehensive income /(loss)					
Remeasurement of defined benefit obligation	24	**(2,007,924)**	1,084,151	**(2,044,485)**	573,839
Deferred tax impact on remeasurement of defined benefit obligation	15	**-**	0	**-**	-
Fair value gain / (loss) on financial assets at fair value through OCI		-	0	-	-
Other comprehensive (loss) / income for the year, net of tax		**(2,007,924)**	1,084,151	**(2,044,485)**	573,839
Total comprehensive (loss) for the year		**(17,894,869)**	(14,137,132)	**(19,871,125)**	(16,001,282)
Basic earnings / (loss) per share (Rs.Cts)	10	**(19.06)**	(18.26)	**(21.39)**	(19.88)
Dividend per share (Rs.Cts)	11	**-**	-	**-**	-

All figures stated in Sri Lankan Rupees, unless otherwise stated. Figures in brackets indicates deductions.

The material accounting policies and notes to the accounts form an integral part of these financial statements.

Statement of Financial Position

As at 31 March	Note	GROUP 31.03.2026 Rs.	GROUP 31.03.2025 Rs.	COMPANY 31.03.2026 Rs.	COMPANY 31.03.2025 Rs.
Assets					
Non - current assets					
Property , plant and equipment	12	**5,498,562**	7,266,556	**5,498,564**	7,266,556
Investment in subsidiary	13	**-**	-	**81,000**	81,000
Financial assets at fair value through OCI	14	**-**	-	**-**	-
Deferred tax assets	15	**7,891,817**	7,858,457	**7,577,089**	7,577,089
		13,390,380	15,125,013	**13,156,654**	14,924,645
Current assets					
Inventory	16	**5,606,173**	8,063,500	**5,606,173**	8,063,500
Trade and other receivables	17	**25,314,740**	31,490,034	**21,293,341**	29,384,344
Due from related companies	18	**20,676,305**	7,809,362	**6,168,968**	6,190,981
Income tax refund	19.1	**3,132,973**	3,132,732	**3,132,973**	3,132,732
Cash and cash equivalents	20	**397,529**	705,715	**379,467**	669,947
		55,127,720	51,201,342	**36,580,922**	47,441,503
Total assets		**68,518,100**	66,326,355	**49,737,576**	62,366,148
Equity and liabilities					
Capital and reserves					
Stated capital	21	**833,560**	833,560	**833,560**	833,560
Fair value reserves	22	**-**	-	**-**	-
Retained earnings		**12,309,516**	30,204,383	**1,823,068**	21,694,193
Total equity		**13,143,076**	31,037,943	**2,656,628**	22,527,753
Non - Current liabilities					
Interest bearing borrowings	23	**-**	4,033,092	**-**	4,033,092
Retirement benefit obligation	24	**4,791,330**	2,442,000	**3,742,235**	1,504,104
Deferred income	25	**2,863,704**	6,300,149	**2,863,704**	6,300,149
		7,655,034	12,775,241	**6,605,939**	11,837,345
Current liabilities					
Trade and other payables	26	**21,570,358**	16,353,887	**21,172,103**	16,025,562
Income tax liability	9.1	**880,245**	759,643	**-**	-
Interest bearing borrowings	23	**10,249,489**	3,489,327	**4,308,006**	3,437,807
Due to related companies	27	**15,019,898**	1,910,315	**14,994,898**	8,537,682
		47,719,990	22,513,171	**40,475,007**	28,001,051
Total liabilities		**55,375,024**	35,288,412	**47,080,946**	39,838,396
Total equity and liabilities		**68,518,100**	66,326,355	**49,737,574**	62,366,149

These Financial Statements are in compliance with the requirements of the Companies Act No: 07 of 2007.The material accounting policies and notes to the accounts form an integral part of these financial statements.

M.S.A. Kariapper
Head of Finance

The Directors are responsible for the preparation and presentation of these financial statements. Signed for on behalf of the Board of Directors, on 24th August 2026

L.I. Ratnasabapathy
Director

A.M.De Alwis
Director

Statement of Changes in Equity

For the year ended 31 March 2026 Group	Stated capital Rs.	Retained earnings Rs.	Fair value reserve Rs.	Total Rs.
For the year ended 31 March 2025				
Balance as at 01 April 2024	833,560	43,920,043	421,472	45,175,075
(Loss) for the year	-	(15,221,283)	-	(15,221,283)
Reclassification of fair value reserves on disposal	-	421,472	(421,472)	
Other comprehensive loss for the year	-	1,084,151		1,084,151
Balance as at 31 March 2025	**833,560**	**30,204,383**	**-**	**31,037,943**
For the year ended 31 March 2026				
Balance as at 01 April 2025	833,560	30,204,383	-	31,037,943
(Loss) for the year	-	(15,886,946)	-	(15,886,946)
Reclassification of fair value reserves on disposal	-	-	-	-
Other comprehensive income for the year	-	(2,007,922)		(2,007,922)
Balance as at 31 March 2026	**833,560**	**12,309,516**	**-**	**13,143,076**

All figures stated in Sri Lankan Rupees, unless otherwise stated. Figures in brackets indicates deductions.

The material accounting policies and notes to the accounts form an integral part of these financial statements.

Statement of Changes in Equity Contd...

For the year ended 31 March 2026 Company	Stated capital Rs.	Retained earnings Rs.	Fair value reserve Rs.	Total Rs.
For the year ended 31 March 2025				
Balance as at 01 April 2024	833,560	37,427,024	268,450	38,529,034
(Loss) for the year	-	(16,575,120)	-	(16,575,120)
Reclassification of fair value reserves on disposal		268,450	(268,450)	
Other comprehensive loss for the year	-	573,839	-	573,839
Balance as at 31 March 2025	**833,560**	**21,694,193**	**-**	**22,527,753**
For the year ended 31 March 2026				
Balance as at 01 April 2025	833,560	21,694,193	-	22,527,753
(Loss) for the year	-	(17,826,640)	-	(17,826,640)
Reclassification of fair value reserves on disposal		-	-	-
Other comprehensive income for the year	-	(2,044,485)	-	(2,044,485)
Balance as at 31 March 2026	**833,560**	**1,823,068**	**-**	**2,656,628**

All figures stated in Sri Lankan Rupees, unless otherwise stated. Figures in brackets indicates deductions.

The material accounting policies and notes to the accounts form an integral part of these financial statements.

Statement of Cash Flows

	Note	GROUP 2026 Rs.	GROUP 2025 Rs.	COMPANY 2026 Rs.	COMPANY 2025 Rs.
Cash flows from operating activities					
(Loss) Before Taxation		**(15,040,200)**	(6,432,520)	**(17,826,640)**	(8,647,424)
Adjustment for:					
Depreciation	**12**	**2,132,892**	1,252,841	**2,132,892**	1,269,305
Interest income	**07**	**(1,165,008)**	144,494	**(209,665)**	(90,387)
Interest expenses	**07**	**661,404**	143,348	**314,047**	143,348
Lease interest	**07**	**699,849**	81,668	**699,849**	81,668
Gain from sales of motor vehicle		**(3,436,445)**	(572,741)	**(3,436,445)**	(572,741)
Provision for retirement benefit obligations	**24**	**753,907**	493,219	**606,146**	320,739
Write off of long outstanding trade debtors		**-**	110,652	**-**	-
Operating (Loss) before working capital change		**(15,393,602)**	(4,779,035)	**(17,719,817)**	(7,495,490)
Changes in working capital:					
(Increase) in inventories		**2,457,326**	1,797,301	**2,457,326**	1,786,804
(Increase) /decrease in trade and other receivables		**6,175,294**	(4,269,554)	**8,091,003**	(4,049,381)
(Increase) / decrease in dues from related parties		**(5,869,574)**	(3,348,704)	**22,013**	(3,348,704)
(Increase) in trade and other payable		**4,847,316**	5,711,735	**5,122,385**	5,264,828
(Increase) in in dues to related parties		**6,457,216**	349,300	**6,457,216**	2,643,651
Cash generated from / (used in) operating activities		**(1,326,023)**	(4,538,957)	**4,430,126**	(5,198,292)
Interest received		**-**	16,464	**-**	-
WHT paid	**19**	**(301)**	(208)	**(241)**	(135)
Interest paid	**07**	**(1,361,252)**	(378,229)	**(1,013,895)**	(143,348)
Retirement benefit obligations paid	**24**	**(412,500)**	-	**(412,500)**	-
Income tax paid	**19.1**	**(759,442)**	(681,285)	**-**	-
Net cash generated from / (used in) operating activities		**(3,859,519)**	(5,582,214)	**3,003,490**	(5,341,774)
Cash flow from investing activities					
Interest received	**07**	**1,165,008**	90,387	**209,665**	90,387
Cash proceeds from financial assets at FVTOCI	**14**	**-**	298,000	**-**	298,000
Purchase of property, plant and equipment	**12**	**(364,900)**	(671,000)	**(364,900)**	(671,000)
Net cash (used in) Investing activities		**800,108**	(282,613)	**(155,235)**	(282,613)
Cash flow from financing activities					
Lease settlements during the year	**23.1**	**(4,033,092)**	(336,091)	**(4,033,092)**	(336,091)
Proceeds from sale and leaseback		**-**	6,872,890	**-**	6,872,890
Net cash (used in) /generated from / Financing activities		**(4,033,092)**	6,536,799	**(4,033,092)**	6,536,799
Net change in cash and cash equivalents		**(7,092,502)**	671,971	**(1,184,836)**	912,411
Cash and cash equivalents at the beginning of the year		**654,192**	(538,098)	**669,947**	(762,785)
Cash and cash equivalents at the end of the year	Note A	**(6,438,311)**	133,873	**(514,890)**	149,626
Note A - Cash and cash equivalents					
Cash in hand and at bank		**397,529**	705,715	**379,467**	669,947
Bank overdrafts		**(6,835,840)**	(571,841)	**(894,357)**	(520,321)
		(6,438,311)	133,873	**(514,890)**	149,625

All figures stated in Sri Lankan Rupees, unless otherwise stated. Figures in brackets indicates deductions.
The material accounting policies and notes to the accounts form an integral part of these financial statements.

Corporate Information

1.1 Reporting entity

Office Equipment PLC is a public listed company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The company's registered office and the principal place of business is located at No.15-2/1, Sir Chittampalam A Gardiner Mawatha, Colombo 02.

1.2 Principal activities and nature of operations of the Group and Company

Parent

Office Equipment PLC - Import, distribution and maintenance of Cash and Coin handling solutions and time recording systems.

Subsidiaries

International Computers (Ceylon) Ltd - Sale of computer hardware, software and outsource services.

1.3 - Basis of preparation

1.3.1 Statement of compliance

The financial statements of the group are prepared in accordance with Sri Lanka Accounting Standards (LKASs and SLFRSs) as issued by The Institute of Chartered Accountants of Sri Lanka and in compliance with the requirements of the Companies Act No. 07 of 2007.

1.3.2 Basis of consolidation and subsidiaries

The consolidated financial statements comprise the financial statements of the group and its subsidiary as at the reporting date. The financial statements of the subsidiary is 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.

Subsidiaries

Subsidiaries are those enterprises controlled by the parent. Control exists when the parent holds more than 50% of the voting rights or otherwise has a controlling interest. A subsidiary is fully consolidated from the date of acquisition or incorporation, being the date on which the group obtains control, and continues to be consolidated until the date that such control ceases. Loss within a subsidiary iattributed to the non-controlling interest even if that results in a deficit balance. The financial statements of the subsidiary is prepared for the same reporting period as the parent company, which is 12 months ending 31 March, using consistent accounting policies. The following company, with equity control equal to or more than or less than 50%, has been consolidated as a subsidiary based on the power to govern the financial and operating policies of that entity.

International Computers (Ceylon) Ltd - 99.99%

The total profit or loss for the year of the company and of its subsidiary included in consolidation is shown in the consolidated statement of comprehensive income and all assets and liabilities of the company and of its subsidiary 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 f inancial position, separately from parent' shareholders' equity. The consolidated statement of cash flow includes the cash flows of the company and its subsidiary.

1.3.3 Responsibility for the financial statements

The Board of Directors is responsible for the preparation and presentation of these financial statements of the group as per the provisions of the Companies Act No. 07 of 2007.

1.3.4 Approval of financial statements by the Board of Directors

The financial statements of the Group for the year ended 31 March 2026 were approved and authorised by the Board of Directors for issue on 24th August 2026.

1.3.5 Basis of measurement

The financial statements have been prepared on a historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting these financial statements, except for those disclosed in the following notes.

1.3.6 Functional and presentation currency

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the group operates. The financial statements are presented in Sri Lankan Rupees, which is the group's functional and presentation currency.

1.3.7 Going concern

The Directors have made an assessment of the Group's ability to continue as a going concern, and are 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. Therefore the financial statements continue to be prepared on a going concern basis.

1.3.8 Comparative information

The material accounting policies have been consistently applied by the group with those of the previous financial year in accordance with LKAS 01 - Presentation of financial statements, unless otherwise stated.

1.3.9 Materiality and aggregation

In compliance with LKAS 01 on presentation of financial statements, each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or functions too are presented separately, if they are material.

1.4 Use of estimates and judgements

The preparation of financial statements in conformity with SLFRSs and LKASs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although the judgements and estimates are based on management's best knowledge of the current events and actions, actual results may ultimately differ from those estimates.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the f inancial statements is included in the following notes:

1.4.1 Actuarial assumptions used in the computation of retirement benefit obligation

The cost of the defined benefit obligation is determined using the projected unit credit method. This involves making assumptions about discount rates, future salary increases and staff turnover. In determining the appropriate discount rate, management considers the interest rates of government bonds. Future salary increases are based on expected future increment rates. Key assumptions used are disclosed in Note 25.

Due to the long term nature of these plans, such estimates are subject to uncertainty.

1.4.2 Loss allowance on financial assets based on recoverability

The group reviews its trade receivables at each reporting date and assesses whether an allowance should be recorded in profit or loss. In particular, management's judgement is required in the estimation of the loss allowance.

1.4.3 Recognition of deferred tax assets

The extent to which a deferred tax asset could be recognized on unused tax losses carried forward is determined based on the expected availability of future taxable profits.

Significant Accounting Policies

2 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Property, plant and equipment

The group applies the requirements of the LKAS 16 on "Property, plant and equipment" in accounting for its owned assets which are held for use in the provision of services, or for administrative purposes and are expected to be used for more than one year.

a) 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 company and the cost of the asset can be reliably measured.

b) Basis of measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. The cost of an item of property, plant and equipment comprises of its purchase price and any directly attributable costs of bringing the asset to a working condition for its intended use.

c) Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are recognized in profit or loss in the period in which those are incurred.

All classes of assets, included under property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

d) Depreciation

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

Depreciation is recognized in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment.

The estimated useful lives are as follows:

Item	Rate
Plant and machinery	20%
Furniture and fittings	10%
Office equipment	10%
Motor vehicles	25%
Electrical installations	20%
Computers	100%

The assets residual values, useful lives and methods of depreciation are reviewed and adjusted as appropriate at each financial year.

e) Derecognition

An item of property, plant and equipment is derecognized 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 profit or loss in the year the asset is derecognized.

2.2 Investment in subsidiary

In the company's financial statements, the investment in subsidiary is treated as a long term investment and stated at cost less impairment. Transaction cost, other than those associated with the issue of debt or equity securities that the company incurs in connection with a business combination is expensed and included in administration expenses.

2.3 Financial assets

a) Measurement

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 (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets are carried at FVTPL are expensed in profit or loss.

b) Classification and subsequent measurement

The group classifies its financial asset in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost. The classification of financial assets at amortized cost and measured at fair value through other comprehensive income depends on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The group reclassifies debt investments when and only when its business model for managing those assets changes.

c) Recognition

All financial assets are initially recognized on the trade date, i.e., the date that the group becomes a party to the contractual provisions of the instrument. This includes 'regular way trades': purchases or sales of financial assets that require delivery of assets within the time-frame generally established by regulation or convention in the market place.

d) Subsequent measurement and gains and losses

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- 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. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss including impairment loss, if any.
- FVOCI: 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. 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. Interest income from these f inancial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses and impairment expenses are presented as a separate line item and charged to profit or loss.
- FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss.

2.3 Financial assets Continued

e) De-recognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is de-recognised when:

- The rights to receive cash flows from the assets have expired.
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement and either:

• the group has transferred substantially all the risks and rewards of the asset or

• the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its right to receive cash flow from an asset or has entered into a pass–through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the group's continuing involvement in the asset. In that case, the group also recognises the associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

f) Loss allowance of financial assets

In relation to the impairment of financial assets, SLFRS 9 requires an expected credit loss model to be adopted. SLFRS 9 requires the group to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset. SLFRS 9 also permits a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables, contract assets and lease receivables in certain circumstances. Accordingly, for trade receivables the group has applied the simplified approach.

2.4 Inventory

Inventory is measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is based on Weighted average cost basis. The cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

2.5 Impairment of non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying

2.5 Impairment of non-financial assets (Continued)

amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase, if the asset it carried at revalued amounts.

2.6 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand. Cash and bank balances are stated at recoverable value. Bank overdrafts and short term borrowings that are repayable on demand and forming an integral part of the group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

2.7 Stated capital

Ordinary shares are classified as equity. Other shares are classified as equity or liability according to the economic substance of the particular instrument. Distribution to holders of a financial instrument classified as an equity instrument is charged directly to equity.

2.8 Dividend to shareholders of the company

Dividend distribution to the company's shareholders is recognized as a liability in the group's and the company's financial statements in the period in which the dividends are approved by the company's shareholders.

2.9 Financial liabilities

2.9.1 Initial recognition and measurement

The group recognizes financial liabilities in the statement of financial position when the group becomes a party to the contractual provisions of the financial liability.

All financial liabilities are measured subsequently at Fair Value through Profit or Loss (FVPTL) or at amortised cost using the effective interest method.

a) Financial liabilities at FVTPL

A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition, financial liabilities at FVTPL are measured at fair value, and changes are in recognized in profit or loss.

Upon initial recognition, transaction costs directly attributable to the acquisition are recognized in profit or loss as incurred. The criteria for designation of financial liabilities at FVTPL upon initial recognition are the same as those of financial assets at FVTPL.

b) Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not held for trading or designated as at FVTPL are measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of the financial liability.

2.9.2 Deregoniton

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. Where 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 a de recognition of the original liability and the recognition of a new liability. The differences between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

2.10 Provisions

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

2.10.1 Warranty provision

A provision for warranties is recognized when the underlying products are sold. The provision is based on historical warranty data and a weighing of possible outcomes against their associated probabilities and is reversed upon expiry of the warranty period. This represents a general provision for future warranty expense based on past information for warranty claims.

2.11 Retirement benefit plans

2.11.1 Retirement benefit obligation - Gratuity

The Defined Benefit Obligation recognized in the statement of financial position represents the present value of the Defined Benefit Obligation at the reporting date estimated using the projected unit credit method. These benefits are not externally funded.

Provision has been made in the financial statements for retiring gratuities from the f irst year of service for all employees, in conformity with LKAS 19 on Employee Benefits. However, under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of five years of continued service. The group's obligations under the said Act is determined based on the projected unit credit method carried out by the management.

Gains and losses through re-measurements of the defined benefit obligation are recognized in other comprehensive income and not reclassified to profit and loss in subsequent periods.

2.11.2 Defined contribution plans - EPF and ETF

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay further amounts. Obligations for contributions to a defined contribution plan are recognized as an employee benefit expense in the income statement in the periods during which services are rendered by employees. The group contributes 12% and 3% of gross emoluments of employees to the Employees' Provident Fund and to the Employees' Trust Fund respectively for all employees.

2.12 Contingent liabilities and contingent assets

The group does not recognize a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognized because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the group. The group does not recognize a contingent asset but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

2.13 Taxation

Income tax expense comprises of current and deferred tax. The income tax expense is recognized in profit or loss except to the extent that it relates to the items recognized directly in the statement of other comprehensive income or statement of changes in equity, in which case it is recognized directly in the respective statements.

2.13.1 Current taxes

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and its subsequent amendments as described in Note 09.

2.13.2Deferred taxation

Deferred tax is recognized on temporary differences at the financial position date between the tax bases of assets and liabilities and their carrying amounts for f inancial reporting purposes. Deferred tax liabilities generally are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carry forward of unused tax credits or unused tax losses can be utilized. Deferred tax assets or liabilities are not recognized on temporary differences arising from the initial recognition of goodwill or from the initial recognition of an asset and liability, if at the time of recognizing that asset and liability, neither affects the accounting profit nor taxable profit.

The carrying amount of deferred tax assets is reviewed at each statement of f inancial position 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 recovered. Unrecognized deferred tax assets are reassessed at each statement of financial position date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at tax rates that are expected to apply in the year when the liability is settled or asset is realized.

The principal temporary differences arise from depreciation on property and equipment, tax losses and the retirement benefit obligation.

2.14 Revenue and expenditure

2.14.1 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services.

a) Goods transferred at a point in time

Under SLFRS 15, revenue is recognized upon satisfaction of the performance obligation. Revenue recognition occurs at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

b) Services transferred over time

Under SLFRS 15, the group determines at contract inception whether it satisfies the performance obligation over time or at a point in time. For each performance obligations satisfied over time, the group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

c) Interest

Interest income is recognized as it accrues in profit or loss using effective interest method.

d) Dividends

Dividend is recognized when the right to receive such is established, which is generally when the dividend is declared.

e) Gains and losses

Net gains and losses of a revenue nature arising from the disposal of property, plant and equipment and other non current assets, including investments, are accounted for in profit or loss, after deducting from the proceeds on disposal, the carrying amount of such assets and the related selling expenses.

f) Others

Other income is recognized on an accrual basis.

2.14.2 Expenditure recognition

Expenses are recognized in profit or loss 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 profit or loss.

For the purpose of presentation of the statement of comprehensive income, the “function of expenses” method has been adopted, on the basis that it presents fairly the elements of the Group’s performance.

a) Finance income and costs

Finance income and costs recognized in profit or loss as it accrues, using the effective interest method.

Finance expense comprises interest payable on all financial liabilities such as term loans, overdrafts and finance leases.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

2.15 Statement of cash flows

The statements of cash flow have been prepared using the “indirect method” in accordance with LKAS 07 on ‘Statement of Cash Flows’. Cash and cash equivalents comprise cash in hand and cash at bank that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Interest paid is classified under operating cash flows. Dividend received and interest income is classified under cash f lows from investing activities. Dividend paid is classified under cash flow from operational activities.

Bank overdraft forming an integral part of the company’s cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

2.16 Earnings Per Share (EPS)

The EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period.

3 Accounting standards

3.1 Accounting standards issued but not effective as at the reporting date

Following amendment to Sri Lanka Accounting Standards issued, and became effective during the reporting period have been applied in preparing the Consolidated Financial Statements.

SLFRS 17 – Insurance Contracts

SLFRS S1 – General Requirements for Disclosure of Sustainability related Financial Information

SLFRS S2 – Climate related Disclosures

Amendments to LKAS 21 – Lack of Exchangeability

Amendments to LKAS 1 – Classification of Liabilities as Current/Non current

Amendment to SLFRS 16 – Sale and Leaseback Variable Payments

4 Financial and capital risk management

4.1 Financial risk management

The group is exposed to a range of financial risks through its number of financial instruments. In particular, the key financial risk categories are:

- Credit risk
- Liquidity risk
- Market risk

4.1.1 Credit risk

Credit risk arises from credit exposure to unsecured customers and cash and cash equivalents and deposits/investments with banks and financial institutions and when banks/financial institutions fail to discharge their contractual interest and principal on their debt obligations due to declining f inancial strength.

a) Management of credit risk

Management of credit risk The group manages its credit risk with different types of instruments as follows.

b) Trade and other receivables

The group is responsible for managing and analysing the credit risk for each of their new customers before standard payment and delivery terms and conditions are offered. The management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Sources of credit risks are identified, assessed and monitored and the company has policies to manage the risks within various subcategories. The utilization of credit limits is regularly monitored.

The group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

c) The aging of trade and other receivables at the reporting date

The maximum exposure to credit risk for trade and other receivables at the reporting date is Rs. 13 Mn (2025 - Rs. 18.75 Mn).

	Gross Receivables		Loss Allowance		Carrying Value	
	2026	2025	2026	2025	2026	2025
Not due	**2,219,834**	4,974,995	**-**	-	**2,219,834**	4,974,995
Past due						
Past due 0-60 days		5,890,146	**-**	-	**-**	5,890,146
Past due 61-120 days		911,857	**-**	-	**-**	911,857
More than 120 days	**18,780,890**	14,802,326	**7,829,285**	7,829,285	**10,951,606**	6,973,042
Total	**21,000,724**	26,579,324	**7,829,285**	7,829,285	**13,171,439**	18,750,039

	As at 31.03.2026	As at 31.03.2025
Movement in the loss allowances		
Balance at the beginning of the year	**7,829,286**	7,789,286
Loss allowance during the year	**-**	-
Balance at the end of the year	**7,829,286**	7,789,286

4.1.2 Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

4.1.2.1 Management of liquidity risk

The group's approach to managing liquidity is to ensure, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation. The company's approach to managing its liquidity risk is as follows:

- Regularly monitoring of the group's assets and liabilities in order to forecast cash flows for a reasonable future period.
- Monitoring the facility limits i.e. overdrafts with banks

The table below summarizes the maturity profile of th Company's financial obligations based on contractual undiscounted payments.

As at 31 March 2026	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total (Rs)
Loans and borrowings			**4,308,006**	**-**		**4,308,006**
Trade and other payable		**-**	**16,826,229**	**4,345,874**		**21,172,103**
		-	**21,134,235**	**4.345.874**	**-**	**25,480,109**

As at 31 March 2025	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total (Rs)
Loans and borrowings			3,437,807	4,033,092	-	7,470,899
Trade and other payable		650	12,331,244	3,693,668	-	16,025,562
	-	650	15,769,051	7,726,760	-	23,496,460

4.2 Capital risk management

The Group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Capital is monitored on the basis of the gearing ratio.

FOR THE YEAR ENDED 31 MARCH		GROUP 2026 Rs.	GROUP 2025 Rs.	COMPANY 2026 Rs.	COMPANY 2025 Rs.
05. REVENUE					
Turnover - Sale of goods		**37,900,338**	41,835,568	**14,569,611**	19,638,571
Turnover - Rendering of services		**19,703,799**	25,676,474	**19,703,799**	25,676,474
		57,604,137	67,512,042	**34,273,410**	45,315,045
06. OTHER INCOME					
Sundry Income		**42,960**	77,466	**-**	-
Gain from sales of motor vehicle		**3,436,445**	572,741	**3,436,445**	572,741
		3,479,405	650,207	**3,436,445**	572,741
07. NET FINANCE INCOME / (COST)					
07.1 Finance income					
Interest income		**1,165,008**	106,851	**209,665**	90,387
Total finance income		**1,165,008**	106,851	**209,665**	90,387
07.2 Finance cost					
Interest paid - Others		**(661,403)**	(369,203)	**(314,047)**	(134,322)
Lease interest		**(699,849)**	(81,668)	**(699,849)**	(81,668)
Disposal loss of investment		**-**	(9,025)	**-**	(9,025)
Related party interest		**(1,090,915)**	-	**(1,090,915)**	-
Total finance cost		**(2,452,167)**	(459,897)	**(2,104,810)**	(225,016)
Net finance cost		**(1,287,158)**	(353,046)	**(1,895,144)**	(134,629)

08. LOSS BEFORE INCOME TAX EXPENSE

Loss before income tax expense is stated after charging all expenses including the following :

FOR THE YEAR ENDED 31 MARCH		GROUP 2026 Rs.	GROUP 2025 Rs.	COMPANY 2026 Rs.	COMPANY 2025 Rs.
Directors emoluments		**2,373,779**	1,190,000	**2,373,779**	1,190,000
Directors fees and directors travelling		**120,000**	125,000	**120,000**	125,000
Salaries, allowances and other related costs		**14,977,812**	13,006,844	**14,977,812**	13,006,844
EPF		**907,138**	931,713	**907,138**	931,713
ETF		**226,785**	232,928	**226,785**	232,928
Defined benefit cost, gratuity		**3,346,148**	3,060,741	**606,146**	320,739
Depreciation		**2,132,892**	1,269,305	**2,132,892**	1,269,305
Auditor's remuneration		**781,897**	575,000	**781,897**	575,000
Provision for/ write off of slow moving inventory		**-**	-	**-**	-
Allowance for doubtful debts		**-**	-	**-**	-
(Reversal)/ provision of warranty provision		**-**	-	**-**	-
Other expenditure		**17,101,140**	39,255,940	**-**	22,154,800
		41,967,591	59,647,471	**22,126,449**	39,806,329
09. INCOME TAX EXPENSES					
Current income tax provision	**09.1**	**880,305**	759,715	**-**	-
Income tax under over provision FY 24/25		**(200)**			
Deffered income tax expense	**16**	**(33,360)**	8,029,046	**-**	7,927,696
		846,745	8,788,761	**-**	7,927,696

FOR THE YEAR ENDED 31 MARCH	GROUP 2026 Rs.	GROUP 2025 Rs.	COMPANY 2026 Rs.	COMPANY 2025 Rs.
09.1 Reconciliation between current tax expense and the product of accounting profit / (loss)				
Accounting (loss)/ profit before income taxation	**(15,040,201)**	(6,432,520)	**(17,826,640)**	(8,647,424)
Income considered as separate source of income	**(4,601,453)**	(686,091)	**(3,646,110)**	(669,628)
Aggregate disallowed items	**3,242,805**	2,088,197	**3,094,894**	1,771,383
Aggregate allowable expenses	**(2,155,680)**	(301,538)	**(2,155,680)**	(301,538)
Taxable profit/(loss) from business activities	**(18,554,529)**	(5,331,952)	**(20,533,536)**	(7,847,206)
Business income	**-**	-	**-**	-
Investment income/ interest income	**1,165,008**	106,850	**209,665**	90,387
Tax losses brought forward and utilized	**(209,665)**	(74,897)	**(209,665)**	(90,387)
Taxable income	**955,343**	31,953	**-**	-
Tax at 30%	**-**	-	-	
Tax on profit for the year	**286,603**	-	**-**	-
Tax loss at the beginning of the year	**16,985,957**	9,228,388	**16,985,957**	9,228,388
Taxable loss for the year	**20,533,536**	7,847,956	**20,533,536**	7,847,956
Tax loss utilized for the year	**(209,665)**	(90,387)	**(209,665)**	(90,387)
Tax loss at the end of the year	**37,309,827**	16,985,957	**37,309,827**	16,985,957

Deferred tax has been computed using the future effective tax rate of 30%.

10. Earnings/(Loss) Per Share

The basic loss per share is calculated by dividing the net loss for the year attributable to ordinary shareholders by weighted average number of ordinary shares outstanding during the year.

Profit/(Loss) attributable to ordinary shareholders	**(15,886,946)**	(15,221,283)	**(17,826,640)**	(16,575,120)
Number of ordinary shares in issue	**833,560**	833,560	**833,560**	833,560
Basic earning /(loss) per share	**(19.06)**	(18.26)	**(21.39)**	(19.88)

11. Dividends per share

Dividends paid	**-**	-	**-**	-
Number of ordinary shares in issue	**833,560**	833,560	**833,560**	833,560
Dividend per share	**-**	-	**-**	-

12. Property, Plant And Equipment

Group	Balance as at 01.04.2025 Rs.	Additions Rs.	Disposals Rs.	Balance as at 31.03.2026 Rs.
Cost	**Restated**			
Freehold assets				
Plant and machinery	4,835,233	-	-	**4,835,233**
Furniture and fittings	92,373	-	-	**92,373**
Electrical installations	983,646	282,900	-	**1,266,546**
Office equipments	1,405,366	-	-	**1,405,366**
Computers	2,358,729	82,000	-	**2,440,729**
Motor vehicles	1,407,125	-	-	**1,407,125**
	11,082,472	364,900	-	**11,447,372**
Leasehold assets				
Motor vehicle	7,000,000	-	-	**7,000,000**
	7,000,000	-	-	**7,000,000**
	18,082,472	364,900	-	**18,447,372**
Accumulated depreciation				
Freehold assets				
Plant and machinery	4,319,233	196,000	-	**4,515,233**
Furniture and fittings	184,746	-	-	**92,373**
Electrical installations	1,262,402	123,204	-	**772,959**
Office equipments	2,810,732	-	-	**1,405,366**
Computers	4,717,458	63,690	-	**2,422,420**
Motor vehicles	2,814,250	-	-	**1,407,125**
	10,232,582	382,895	-	**10,615,476**
Leasehold assets				
Motor vehicle	583,334	1,750,000	-	**2,333,334**
	583,334	1,750,000	-	**2,333,334**
	10,815,916	2,132,895	-	**12,948,810**
Written Down Value				
Freehold assets				
Plant and machinery	516,000			**320,000**
Furniture and fittings	(92,373)			**-**
Electrical installations	(278,756)			**493,587**
Office equipments	(1,405,366)			**-**
Computers	-			**18,309**
Motor vehicles-			-	
	849,890			**831,896**
Leasehold assets				
Motor vehicle	6,416,666			**4,666,666**
	6,416,666			**4,666,666**
	7,266,556			**5,498,562**

12.1.1Restatement of leasehold motor vehicle

In the previous year, a vehicle that was part of a sale and leaseback agreement had been incorrectly derecognized. As the Company continued to use the asset, the financial statements have been restated to recognize the vehicle's cost and accumulated depreciation, even though the carrying amount remains at zero. This restatement had no impact on profit or net assets.

12.1 Property, Plant And Equipment

Company	Balance as at 01.04.2025 Rs.	Additions Rs.	Disposals Rs.	Balance as at 31.03.2026 Rs.
Cost				
Freehold assets				
Plant and machinery	4,835,233	-	-	**4,835,233**
Furniture and fittings	92,373	-	-	**92,373**
Electrical installations	983,646	282,900	-	**1,266,546**
Office equipments	1,405,366	-	-	**1,405,366**
Computers	2,358,729	82,000	-	**2,440,729**
Motor vehicles	1,407,125	-	-	**1,407,125**
	11,082,472	364,900	-	**11,447,372**
Leasehold assets				
Motor vehicle	7,000,000	-	-	**7,000,000**
	7,000,000	-	-	**7,000,000**
	18,082,472	364,900	-	**18,447,372**
Accumulated depreciation				
Freehold assets				
Plant and machinery	4,319,233	196,000	-	**4,515,233**
Furniture and fittings	184,746	-	-	**92,373**
Electrical installations	1,262,402	123,204	-	**772,959**
Office equipments	2,810,732	-	-	**1,405,366**
Computers	4,717,458	63,690	-	**2,422,420**
Motor vehicles	2,814,250	-	-	**1,407,125**
	10,232,582	382,895	-	**10,615,476**
Leasehold assets				
Motor vehicle	583,334	1,750,000	-	**2,333,334**
	583,334	1,750,000	-	**2,333,334**
	10,815,916	2,132,895	-	**12,948,810**
Written Down Value				
Freehold assets				
Plant and machinery	516,000			**320,000**
Furniture and fittings	(92,373)			**-**
Electrical installations	(278,756)			**493,587**
Office equipments	(1,405,366)			**-**
Computers	-			**18,309**
Motor vehicles	-			**-**
	849,890			**831,896**
Leasehold assets				
Motor vehicle	6,416,666			**4,666,666**
	6,416,666			**4,666,666**
	7,266,556			**5,498,562**

12.1.1 Restatement of leasehold motor vehicle

In the previous year, a vehicle that was part of a sale and leaseback agreement had been incorrectly derecognized. As the Company continued to use the asset, the financial statements have been restated to recognize the vehicle's cost and accumulated depreciation, even though the carrying amount remains at zero. This restatement had no impact on profit or net assets.

As at 31 March	COMPANY 2026 Rs.	2025 Rs.
13. INVESTMENTS IN SUBSIDIARY		
International Computers (Ceylon) Ltd (99.9% shareholding)	**81,000**	81,000
	81,000	81,000

All investments in Unquoted Private Equity Securities, whose fair value cannot be reliably measured, are carried at cost.

13.1 Information about the composition of the Group at the end of the reporting period is as follows:

Name of the company and principal place of business	Principal activity	Effective holding 2026 Rs.	2025 Rs.
International Computers (Ceylon) Ltd.	Sale of computer hardware, software and provision of outsourced services	**99.9%**	99.9%

No.15-2/1, Sir Chittampalam A. Gardiner Mawatha, Colombo 2.

13.2 There are no, non-wholly owned subsidiaries of the group that have material non-controlling interest.
13.3 There are no significant restrictions on the ability of the Group to access or use assets and settle liabilities.

FOR THE YEAR ENDED 31 MARCH	GROUP 2026 Rs.	2025 Rs.	COMPANY 2026 Rs.	2025 Rs.
14. FINANCIAL ASSETS AT FEIR VALUE THROUGH OCI				
Investment in equity instruments	**-**	-	**-**	-
	-	-	**-**	-

As at 31 March	GROUP 2026 Rs.	2025 Rs.	COMPANY 2026 Rs.	2025 Rs.
15. DEFFERED TAXATION				
As at beginning of the year	**7,891,817**	15,887,503	**7,577,089**	15,504,785
Recognized in profit or loss	**-**	(8,029,045)	**-**	(7,927,696)
Balance at the end of the year	**7,891,817**	7,858,457	**7,577,089**	7,577,089
15.1 Composition of deferred taxation as follows;				
15.1.1 Defferred tax asset				
On retirement benefit obligation	**-**	281,369	**-**	-
On provisions	**-**	-	**-**	-
On tax loss carried forward	**-**	7,631,232	**-**	7,631,233
Balance at the end of the year	**-**	7,912,600	**-**	7,631,233
15.1.2 Defferd tax liability				
On property, plant and equipment	**-**	54,143	**-**	54,143
Balance at the end of the year	**-**	54,143	**-**	54,143
Net deffered tax asset	**-**	7,858,457	**7,577,089**	7,577,089

As at 31 March	GROUP 2026 Rs.	GROUP 2025 Rs.	COMPANY 2026 Rs.	COMPANY 2025 Rs.
16. INVENTORY				
Trading goods	**13,555,716**	17,048,101	**13,555,716**	17,037,601
Spares	**21,723,610**	21,535,160	**21,723,610**	21,535,160
	35,279,326	38,583,261	**35,279,326**	38,572,761
(-)Impairment allowance for slow moving inventory	**(29,673,153)**	(30,870,259)	**(29,673,153)**	(30,870,259)
(-) Inventory write off	**-**	(10,500)	**-**	-
	5,606,173	7,702,502	**5,606,173**	7,702,502
Goods in transit	**-**	360,998	**-**	360,998
	5,606,173	8,063,500	**5,606,173**	8,063,500
17. TRADE AND OTHER RECEIVABLES				
Trade debtors	**24,699,123**	30,904,327	**21,000,724**	29,276,237
Provision for doubtful debts	**(7,829,285)**	(7,829,285)	**(7,829,285)**	(7,829,285)
	16,869,838	23,075,042	**13,171,439**	21,446,952
Niroshana fuel deposit	**-**	100,000	**-**	-
Deposits	**4,323,702**	-	**4,323,702**	4,647,702
Refundable rent deposits	**-**	4,173,702	**-**	-
Bid bond deposits	**-**	374,000	**-**	-
Staff loans	**2,198,424**	2,590,690	**1,875,424**	2,113,090
Temporary loan to director	**798,000**	1,148,000	**798,000**	1,148,000
Prepayments	**251,574**	-	**251,574**	-
Tax reserve certificate	**-**	3,600	**-**	3,600
Refundable tendor deposit	**26,500**	25,000	**26,500**	25,000
Advance payment	**846,701**	-	**846,701**	-
	25,314,740	31,490,034	**21,293,341**	29,384,344

GROUP

The maximum exposure to credit risk for trade receivables at the reporting date is Rs. 25.52 Mn (2025 - Rs. 30.90 Mn)

	Total	Neither Past due nor Impaired	Past due but not impaired 121-180 days	>180 days	impaired
Balance as at 31 March 2026	24,699,123	2,940,434	21,758,689	-	7,829,285

Company

The maximum exposure to credit risk for trade receivables at the reporting date is Rs. 21 Mn (2025 - Rs. 29.27 Mn))

	Total	Neither Past due nor Impaired	Past due but not impaired 121-180 days	>180 days	impaired
Balance as at 31 March 2026	21,000,724	2,219,834	18,780,890	-	7,829,285

FOR THE YEAR ENDED 31 MARCH	GROUP 2026 Rs.	GROUP 2025 Rs.	COMPANY 2026 Rs.	COMPANY 2025 Rs.
18. Due from related companies				
Ceylon printers PLC	**7,731,349**	7,753,362	**6,168,968**	6,190,981
Kalamazoo Industries (Private) Ltd	**56,000**	56,000	**-**	-
Office Equipment Ltd	**12,834,956**	-	**-**	-
Paragon Ceylon PLC	**54,000**	-	**-**	-
	20,676,305	7,809,362	**6,168,968**	6,190,981
19. INCOME TAXATION				
19.1 Income tax refund				
Balance at the beginning of the year	**3,132,732**	3,243,249	**3,132,732**	3,132,597
WHT receivable	**241**	135	**241**	135
Tax paid for previous year	**-**	(110,652)	**-**	-
	3,132,973	3,132,732	**3,132,973**	3,132,732
Tax provision for the year	**-**	-	**-**	-
	3,132,973	3,132,732	**3,132,973**	3,132,732
Tax paid for the year	**-**	-	**-**	-
Balance at the end of the year	**3,132,973**	3,132,732	**3,132,973**	3,132,732
19.2 Income tax liability				
Income tax payable at the beginning of the year	**759,643**	681,286	**-**	-
Income tax paid previous year	**(759,643)**	(681,285)	**-**	-
WHT Claimed during the year	**(60)**	(73)	**-**	-
Income tax during the year	**880,305**	759,715	**-**	-
Tax Payable at the end of the year	**880,245**	759,643	**-**	-
20. Cash and cash equivalents				
Hatton National Bank - Current Acoount - LKR - 4771	**135,606**	185,324	**135,606**	185,324
Sampath Bank - Current Account - LKR - 2674	**79,970**	78,052	**79,970**	78,052
Commercial Bank – Super Saver - LKR - 6495	**93,242**	91,821	**93,242**	91,821
Commercial bank of ceylon PLC - Current A/C - ****1235	**13,062**	30,768	**-**	-
Commercial bank of ceylon PLC - super Saver	**-**	-	**-**	-
Cash in hand	**75,650**	319,750	**70,650**	314,750
	397,529	705,715	**379,467**	669,947
20.1 Bank overdrafts				
Commercial Bank - Current Account - LKR - 8201	**6,835,840**	571,841	**894,357**	520,321
	6,835,840	571,841	**894,357**	520,321
Cash & cash equivalents for the purpose of cash flow statements	**(6,438,311)**	133,873	**(514,890)**	149,625
21. Stated capital				
833,560 ordinary shares in issue	**833,560**	833,560	**833,560**	833,560
	833,560	833,560	**833,560**	833,560

As at 31 March	Notes	GROUP 2026 Rs.	GROUP 2025 Rs.	COMPANY 2026 Rs.	COMPANY 2025 Rs.
22. FAIR VALUE RESERVES					
Fair value reserve of financial assets at FVOCI					
Balance as at beginning of the year		-	268,450	-	268,450
Gains from financial assets at FVOCI		-	-	-	-
Reclassification to retained earnings on disposal		-	(268,450)	-	(268,450)
Balance at the end of the year		-	-	-	-

Investments classified under this category are initially recognized and subsequently measured at fair value and the changes in fair value are recognized in other comprehensive income and presented under fair value reserve of financial assets at FVOCI" within equity.

As at 31 March	Notes	GROUP 2026 Rs.	GROUP 2025 Rs.	COMPANY 2026 Rs.	COMPANY 2025 Rs.
23. BORROWINGS					
NON-CURRENT BORROWINGS					
Lease creditor	23.1	-	4,033,092	-	4,033,092
		-	4,033,092	-	4,033,092
Current borrowings					
Obligations under finance lease	23.1	**3,413,649**	2,712,485	**3,413,649**	2,712,485
Loans from other parties	23.2	-	205,000	-	205,000
Bank overdrafts	20.1	**6,835,840**	571,841	**894,357**	520,321
		10,249,489	3,489,327	**4,308,006**	3,437,807
		10,249,489	7,522,419	**4,308,006**	7,470,899
23.1 Lease creditor					
Balance at the beginning of the period		**6,745,577**	-	**6,745,577**	-
Leases obtained during the year		-	8,066,184	-	8,066,184
Settlements during the year		**(4,033,092)**	(336,091)	**(4,033,092)**	(336,091)
		3,698,316	7,730,093	**3,698,316**	7,730,093
Interest in suspense	23.1.1	**(284,667)**	(984,516)	**(284,667)**	(984,516)
		3,413,649	6,745,577	**3,413,649**	6,745,577
Payable within one year		**3,413,649**	2,712,485	**3,413,649**	2,712,485
Payable after one year		-	4,033,092	-	4,033,092
Balance at the end of the year		**3,413,649**	6,745,577	**3,413,649**	6,745,577
23.1.1 Interest in suspense					
Balance at the beginning of the year		**984,516**	-	**984,516**	-
Addition during the year		-	1,066,184	-	1,066,184
Settlements during the year		**(699,849)**	(81,668)	**(699,849)**	(81,668)
		284,667	984,516	**284,667**	984,516
Current maturity portion		**284,667**	778,549	**284,667**	778,549
Non current maturity portion		-	205,967	-	205,967
		284,667	984,516	**284,667**	984,516
23.2 Loans from other parties					
Mrs. B.A.J. Ratnasabapathy		-	205,000	-	205,000
		-	205,000	-	205,000

As at 31 March	GROUP 2026 Rs.	GROUP 2025 Rs.	COMPANY 2026 Rs.	COMPANY 2025 Rs.
24. Retirement benefit obligation				
Balance at the beginning of the year	**2,442,000**	3,032,931	**1,504,104**	1,757,206
Interest for the year	**-**	280,686	**-**	153,113
Charge for the year	**753,907**	212,533	**606,146**	167,626
Benefits paid	**(449,062)**	-	**(412,500)**	-
Actuarial loss / (gain)	**2,044,485**	-1,084,151	**2,044,485**	(573,839)
Balance at the end of the year	**4,791,330**	2,442,000	**3,742,235**	1,504,104

24.1 Sensitivity of assumptions employed in actuarial valuation

The following table demonstrates the sensitivity to a reasonably possible change in the key assumptions employed with all other variables held constant in the employment benefit liability measurement.

The sensitivity of the profit or loss and statement of financial position is the effect of the assumed changes in discount rate and salary increment rate on the profit or loss and employment benefit obligation for the year.

Group	2026 Rs.	2026 Rs.	2025 Rs.	2025 Rs.
Increase/ (decrease) in discount rate	**1%**	-1%	**1%**	-1%
Increase/ (decrease) in salary increment	**-**	-	**-**	-
Sensitivity effect on income statement reduction/ (increase) in the loss for the year	-	-	17,577	(17,577)
Sensitivity effect on employment benefit obligation Increase/ (decrease) in the liability	-	-	(146,250)	146,250

Company	2026 Rs.	2026 Rs.	2025 Rs.	2025 Rs.
Increase/ (decrease) in discount rate	**1%**	-1%	**1%**	-1%
Increase/ (decrease) in salary increment	**-**	-	**-**	-
Sensitivity effect on income statement reduction/ (increase) in the loss for the year			7,514	(7,514)
Sensitivity effect on employment benefit obligation Increase/ (decrease) in the liability			(90,246)	90,246

The employee benefit liabilty of the company has been computed by the management using the projected unit credit method.
The principle assumptions used in determining the cost of employee benefit were:

	2026	2025
- Rate of discount	**10%**	10%
- Salary increment rate	**0.00%**	0.00%
- Retirement age	**55 Years**	55 Years

FOR THE YEAR ENDED 31 MARCH	GROUP 2026 Rs.	GROUP 2025 Rs.	COMPANY 2026 Rs.	COMPANY 2025 Rs.
25. DEFERRED INCOME				
Balance at the beginning of the year	**-**	-	**-**	-
Deferred tax recognized under sale and lease back	**2,863,704**	6,872,890	**2,863,704**	6,872,890
Charged to the profit or loss during the year	**-**	(572,741)	**-**	(572,741)
Balance at the end of the year	**2,863,704**	6,300,149	**2,863,704**	6,300,149
26 TRADE AND OTHER PAYABLES				
Trade creditors	**4,345,874**	3,694,318	**4,345,874**	3,694,318
Deferred income	**-**	-	**-**	-
Expense creditors and others	**1,195,598**	964,421	**861,364**	657,397
VAT control	**1,659,083**	2,717,446	**1,659,083**	2,717,446
Advances received from customers	**11,992,028**	7,094,354	**11,992,028**	7,094,354
Unclaimed dividends	**1,662,730**	1,662,730	**1,662,730**	1,662,730
Staff security deposit	**183,000**	198,200	**152,100**	176,900
PAYE payable	**16,220**	15,020	**16,220**	15,020
Unclaimed COLG Prov.Warranty	**7,397**	7,397	**7,397**	7,397
EPF payable	**159,950**	-	**131,150**	-
ETF payable	**23,993**	-	**19,673**	-
Accrued expense	**324,484**	-	**324,484**	-
	21,570,358	16,353,887	**21,172,103**	16,025,562
27 DUES TO RELATED COMPANIES				
Paragon Ceylon PLC	**1,892,391**	1,625,814	**1,892,391**	1,280,814
CP Group Investment (Pvt) Ltd	**275,000**	275,000	**250,000**	250,000
Kalamazoo Industries (Pvt) Ltd	**17,550**	9,500	**17,550**	9,500
International Computers (Ceylon) Ltd	**12,834,956**	-	**12,834,956**	6,997,368
	15,019,898	1,910,315	**14,994,898**	8,537,682

27. Related Party Transactions

27.1 Transactions with Key Management Personnel

Related parties include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company. Key Management Personnel include members of the Board of Directors of the Company. Compensation to Key Management personnel are as follows:

		Group		Company	
FOR THE YEAR ENDED 31 MARCH		**2026 Rs.**	**2025 Rs.**	**2026 Rs.**	**2025 Rs.**
Cash Benefits		**2,313,769**	1,190,000	**2,313,769**	1,190,000
Cash Benefits		**252,000**	259,500	**180,000**	187,000
		2,565,769	1,449,500	**2,493,769**	1,377,000
Cash Benefits					
Name	**Relationship**				
Mr.L.I.Ratnasabapathy	Chairman	**2,313,769**	1,190,000	**2,313,769**	1,190,000
		2,313,769	1,190,000	**2,313,769**	1,190,000
Non-Cash Benefits					
Name	**Relationship**				
Mr.L.I.Ratnasabapathy	Chairman	**60,000**	60,000	**36,000**	36,000
Mr.L.C.G.Ratnanther	Director	**24,000**	24,000	**-**	-
Mr.P.S.R. Casie Chitty	Director	**-**	24,000	**-**	24,000
Mrs.A.M.De Alwis	Director	**60,000**	60,000	**36,000**	36,000
Mr.A.A.Page	Director	**-**	1,500	**-**	1,000
Mr.M.R.Y.Riffai	Director	**36,000**	36,000	**36,000**	36,000
Ms D.T.De Alwis	Director	**36,000**	36,000	**36,000**	36,000
Mr.Jeremy Gomes	Director	**36,000**	18,000	**36,000**	18,000
		252,000	259,500	**180,000**	187,000

27.2 Loans from related parties

The group has obtained a loan from the following related party.

Name	**Relationship**	**2026 Rs.**	**2025 Rs.**
Mrs. B. A. J. Ratnasabapathy	Mother of Mr. I. Ratnasabapathy	**-**	205,000

All outstanding balances are unsecured and repayable on demand.No guarantees have been issued or received in respect of any related party balance. All balances are fully recoverable and payable in cash. Further, the transactions with the related party are on pre-agreed terms.

Notes to the Financial Statements Contd...

27.3 Transactions of the group with related companies and key management

Name of Company	Relationship	Nature of Transactions	2026	2025
International Computers (Ceylon) Ltd	Subsidiary	Net of expense reimbursements	-	-
		Purchase of goods	-	-
		Expense reimbursement	-	-
		Fund transfer	**5,837,588**	2,431,050
Internationl Computers (Ceylon) Ltd			**5,837,588**	2,431,050
Kalamazoo Industries (Pvt) Ltd	Related party	Net of expense reimbursements	-	-
		Fund transfer /(Settlements)	**8,050**	-
Kalamazoo Industries (Pvt) Ltd			**8,050**	-
Paragon Ceylon PLC	Related party	Rent expenses	-	-
		Purchase of goods	-	-
		Expense reimbursement	-	-
		Fund transfer	**(611,577)**	109,400
Paragon Ceylon PLC			**(611,577)**	109,400

There have been no related party transactions other than those disclosed above to be disclosed in the financial statements.

28. Assets Pledged

No Assets have been pledged as securities to obtain bank overdraft.

29. Financial Instruments - Fair Values And Risk Management

29.1 Accounting classification and fair value of financial instruments

The summary of significant accounting policies describes how the classes of financial instruments are measured, and how income and expenses, including fair value gains/(losses), are recognized. Financial assets of the group include bank balances and cash, trade and other receivables, deposits and due from related parties. Financial liabilities of the group include interest bearing loans and borrowings, trade payables and other payables.

The fair values of the financial assets and liabilities are not materially different from their carrying value unless stated otherwise.

29.2 Analysis of financial instruments

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

Level 1 – Inputs that are quoted market prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Determination of fair value and fair value hierarchy

Set out below is the comparison, by classes, of the carrying amounts of fair values of the Group's/ Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

29.2 Analysis of financial instruments (Contd..)

Group	2026 Carrying Amount Rs.	2026 Fair Value Rs.	2025 Carrying Amount Rs.	2025 Fair Value Rs.
Financial assets				
Non current financial assets	-	-	-	-
Trade and other receivables	**25,314,740**	**25,314,740**	31,490,034	31,490,034
Other current financial assets	-	-	-	-
Cash and cash equivalents	**397,529**	**397,529**	705,715	705,715
Financial liabilities				
Trade and other payables	**21,570,358**	**21,570,358**	16,353,887	16,353,887
Loans and borrowings	**10,249,489**	**10,249,489**	7,522,419	7,522,419

Company	2026 Carrying Amount Rs.	2026 Fair Value Rs.	2025 Carrying Amount Rs.	2025 Fair Value Rs.
Financial assets				
Non current financial assets	-	-	-	-
Trade and other receivables	**21,293,341**	**21,293,341**	29,384,344	29,384,344
Other current financial assets	-	-	-	-
Cash and cash equivalents	**379,467**	**379,467**	669,947	669,947
Financial liabilities				
Trade and other payables	**21,172,103**	**21,172,103**	16,025,562	16,025,562
Loans and borrowings	**4,308,006**	**4,308,006**	3,437,807	3,437,807

Fair value of financial assets and liabilities not carried at fair value
The following describes the methodologies and assumptions used to determine the fair values for those financial instruments which are not already recorded at fair value in the financial statements.

Assets for which fair value approximates carrying value
For financial assets and financial liabilities that have a short term maturity (original maturities less than a year), it is assumed that the carrying amounts approximate their fair values. This assumption is also applied to fixed deposits and savings deposits without a specific maturity.

30 Commitments and Contingencies

There were no commitments and contingencies existing as at the reporting date.

31 Events Occurring After the Reporting Date

There were no significant events after the reporting date which require adjustments to or disclosures in the financial statements.

Director's Interest in Contracts

The Directors of the company are also the Directors of following companies.

Name of Company	Names of Directors
International Computers (Ceylon) Ltd	Mr. L. I. Ratnasabapathy Ms. A. M. De Alwis
Paragon Ceylon PLC	Mr. L. I. Ratnasabapathy Ms. A. M. De Alwis Mr. M.R.Y. Riffai Ms. D.T. De Alwis Mr. J. R. J. Gomez

Five Year Review - Group

As at the year ended 31st March	2026	2025	2024	2023	2022
Financial Results					
Revenue	**57,604,137**	67,512,042	62,096,612	66,795,854	75,055,019
Results from operations	**(13,753,042)**	(6,072,976)	(5,242,384)	(93,108)	18,313,814
Net finance (costs)/Income	**(2,452,167)**	(360,296)	(425,247)	655,403	(758,016)
Profit/(Loss) before taxation	**(15,040,200)**	(6,433,272)	(5,667,631)	562,295	17,555,798
Tax expenses	**(846,745)**	(8,788,761)	1,472,892	3,723,578	(4,261,979)
Profit/(Loss) for the year	**(15,886,946)**	(15,222,033)	(4,194,739)	4,285,873	13,293,819
Attributable to -					
Owners of the parent	**0**	0	0	0	0
Non-controlling Interest	**0**	0	0	0	0
	(15,886,946)	(15,222,033)	(4,194,739)	4,285,873	13,293,819
Financial Position					
Stated capital	**833,560**	833,560	833,560	833,560	833,560
Reserves	**12,309,516**	29,998,454	44,341,515	49,133,402	52,229,266
Total equity attributable to equity holders of the parent	**13,143,076**	30,832,014	45,175,075	49,966,962	53,062,826
Non-controlling interest	**0**	0	0	0	0
Total equity	**13,143,076**	30,832,014	45,175,075	49,966,962	53,062,826
Borrowings					
Borrowing	**10,249,489**	3,489,327	1,583,484	12,960,884	2,074,413
Trade payables	**21,570,358**	16,723,890	11,012,153	14,423,466	28,281,539
	31,819,847	20,213,217	12,595,637	27,384,350	30,355,952
Net Assets					
Current assets					
Current assets	**55,127,720**	51,202,317	45,767,978	65,931,847	77,308,499
Current liabilities	**(7,655,034)**	(22,720,075)	(14,610,336)	(29,277,654)	(33,638,156)
Net current liabilities	**47,472,686**	28,482,242	31,157,642	36,654,193	43,670,343
Non-current liabilities	**7,655,034**	12,775,241	3,032,932	2,175,946	5,003,250
Non-current assets	**13,390,380**	15,125,013	17,050,366	15,488,715	14,395,732
Total net assets	**13,143,076**	30,832,014	45,175,075	49,966,962	53,062,826
Ratios &Statistics					
Growth in annual turnover (%)	**(17.19)**	8.72	(7.03)	11.00	(35.45)
Earnings /(Loss) per share (Rs.)	**(19.06)**	(18.26)	(5.03)	5.14	15.95
Dividend per share (Rs.)	**0**	0	0	10	-
Market price per share (Rs.)	**492**	200.75	91	-	-
Net asset value per share	**15.76**	36.98	54.19	59.94	63.65

Note

All per share details have been calculated, for all periods, based on the number of shares in issue as at 31st March 2026.

Notes

Form of Proxy

I/We (name of the shareholder/s) ....

Holder of NIC / Passport / Company Registration No./s .... of

(Address of shareholder/s) ....

Being a *shareholder/s of Office Equipment PLC (the Company) hereby appoint:

Name of the proxy holder: * Mr/Mrs/Miss ....

Holder of NIC / Passport / Company Registration No./s .... of

(Address of proxy holder) ....

OR failing him/her

Mr. L.I. Ratnasabapathy	or failing him
Ms. A.M. De Alwis	or failing her
Ms. D.T. De Alwis	or failing her*
Mr. M.R.Y. Riffai	or failing him*
Mr. J.R. J. Gomez	

as my/our* Proxy to represent me/us* and to vote for on my/our* behalf at the Sixty ninth Annual General Meeting of the Company to be held on 25th September 2026 and at every poll which may be taken in consequence of the aforesaid Meeting and at any adjournment thereof.

	For	Against
Resolution 1 To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and the Financial Statements for the year ended 31st March 2026 and the Report of the Auditors thereon.		
Resolution 2 To re-elect Ms A. M. De Alwis, who retires by rotation in terms of Article 84 of the Articles of Association, as a Director of the Company.		
Resolution 3 To authorize the Directors to determine donations for the ensuing year.		
Resolution 4 To re-appoint Bakertilly Edirisinghe & Company., Chartered Accountants as the Auditors of the Company and to authorize the Directors to determine their remuneration.		

In witness my/our* hands this .... day of .... Two Thousand and Twenty Six.

....
Signature of Shareholder(s)

* Please delete the inappropriate words.
Instructions as to completion appear on the reverse.

INSTRUCTIONS FOR COMPLETION OF FORM OF PROXY

1. This Form of Proxy must be deposited at the Registered Office No 15-2/1, Sir Chittampalam A Gardiner Mawatha, Colombo 2 not less than forty eight (48) hours before the time fixed for the Meeting.

2. In perfecting the Form of Proxy please ensure that all details are legible.

3. If you wish to appoint a person other than a Director of the Company as your proxy, please insert the relevant details in the space provided.

4. Please indicate with an 'X' in the space provided, how your proxy is to vote on the resolution. If no indication is given, the proxy in his discretion will vote as he thinks fit.

5. In the case of a Company/Corporation, the proxy must be under its Common Seal, which should be affixed and attested in the manner prescribed by its Articles of Association.

6. In the case of a Proxy signed by an Attorney, the Power of Attorney must be deposited at The Secretaries' Office, Businessmate (Private) Limited, No. 45, Braybrooke Street, Colombo 02 for registration.