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No. 87, New Nuge Road,
Kelaniya, Sri Lanka

TESS AGRO PLC 2025/2026 ANNUAL REPORT

OUR VISION



To achieve the country's best practice in the efficient and effective provision of service to Sri Lanka's Agricultural and Fisheries Sector.

OUR MISSION

To perform as a vital link to our rural economy and exploit state of the art technology to ensure consistency and quality of products & services.



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2025/2026 ANNUAL REPORT

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CORPORATE INFORMATION

01

NAME OF COMPANY	TESS AGRO PLC
REGISTERED OFFICE	87, New Nuge Road, Kelaniya
TELEPHONE NO	+94 11 7555859, +94 11 2269859
FAX NO	2910615
EMAIL ADDRESS	info@tess.lk
WEB ADDRESS	www.tess.lk
DATE, PLACE AND THE AUTHORITY OF INCORPORATION	20th May 1992, Colombo Companies Act. No. 07 of 2007 PB 689 PQ
BOARD OF DIRECTORS	Mr. Dilshan Fernando - Chairman/CEO Ms. Seraiah Fernando - Executive Director Mr. A.M.A. Cader - Non Executive Senior Independent Director Mr Srdjan Veselinovic - Non Executive Independent Director Prof. Arthur H.De O. Bamunuarachchi - Non Exec Independent Director Mr Dilan Wijeyesekera - Non Executive Independent Director Appointed (w.e.f 06.07.2026)
SECRETARIES TO THE COMPANY	Prestige Secretaries & Consultants (Pvt) Ltd., 20 D, Guilford Crescent, Colombo 07.
AUDITORS	Moore Aiyar Chartered Accountants "Havelock Central" No 104-4/1 Havelock Road , Colombo 5
LAWYERS	F J & G De Saram Corporate Law Office, 210 De Saram Road, Colombo 10.
BANKERS TO THE COMPANY	Commercial Bank of Ceylon PLC, City Office 98, York Street, Colombo 01. National Development Bank PLC 103 A, Dharmapala Mawatha, Colombo 07. Pan Asia Banking Corporation Plc, 450 , Galle Road, Colombo 3 Hatton National Bank PLC No. 479, T.B. Jaya Mawatha, P.O.Box 837. Colombo 10.

02 NOTICE OF MEETING

Notice is hereby given that the Thirty Third (33rd) Annual General Meeting of Tess Agro PLC (the 'Virtual AGM') will be held via Online meeting platform at 11.00 a.m. (Sri Lanka time) on Tuesday 13th October 2026 for the purpose of transacting the following items of business:

The Agenda:

- To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and the Statements of Accounts for the year ended 31st March 2026 and the Report of the Auditors thereon.
- To Re-elect Prof. A.H.O. Bamunuarachchi who is over 70 years of age as a Director, by passing the following resolution: "The age limit stipulated in section 210 of the Companies Act no 07 of 2007 shall not apply to Prof. A.H.O. Bamunuarachchi who has attained 80 years and that he be re-elected a Director of the company"
- To reappoint Moore Aiyar, Chartered Accountants as auditors and authorise the Directors to determine their remuneration.
- To authorise the Directors to determine payments for the year 2026/2027 for charitable and other purposes as set out in the Companies Donations Act (Cap 147).

Note:

- A member is entitled to appoint a proxy to attend and vote in his/her place.
- A Proxy need not be a member of the Company.
- A member wishing to vote by proxy at the meeting may use the proxy form enclosed.
- To be valid, the completed proxy form must be lodged at the registered office of the Company not less than 48 hours before the time fixed for the meeting.

By Order of the Board of Directors
Tess Agro PLC
Prestige Secretaries and Consultants Pvt Ltd Colombo

4th September 2026



MR D. FERNANDO
MBA, FCMI (UK)

Mr. Dilshan Fernando has been the Chief Executive Officer of the company for the past 31 years, having being involved in setting up various projects in Perishable handling, Cold Chain and Export of Perishables, Software and in the Hospitality Industry. Mr Fernando counts 32 years' experience in engineering and management and holds a Master's degree in Business Administration from the American University of Asia and is a Fellow Member of the Chartered Management Institute of United Kingdom. He is also the Chairman of J S R G Estates Ceylon Ltd and ODB Ministries Sri Lanka and the Co-Founder/ Managing Director of Eglobal Services Pvt Ltd.

Mr Fernando has steered the company from being a family owned company to a listed entity on the Colombo Stock exchange since December 2002.



MS S. FERNANDO
HULUGALLE
ATTORNEY AT LAW (SL)
LLB (HONS)
DUNELM, UK

Ms. Seraiah Fernando Hulugalle, Attorney-at-Law is an LLB Honours Graduate from Durham University, United Kingdom. Mrs. Hulugalle has gained experience in dispute resolution and general commercial litigation at a law firm based in Central London.

In addition, she has a certificate of mediation issued by the Ministry of Justice, Sri Lanka and is currently practicing as a Senoir legal Officer in fields of Corporate M&A and Banking and Finance at a prestigious law firm in Sri Lanka.



MR S. VESELINOVIC
MASTERS OF LAW

Mr. Srdjan Veselinovic is an investment manager with experience in cross-border investment projects, international trade, and business development across Asian, African, and MENA markets. His professional focus includes raw materials, industrial equipment, infrastructure-related supply chains, and market-entry strategies in emerging and frontier economies.

He has experience in investment analysis, transaction structuring, financial modeling, risk assessment, and commercial due diligence for projects involving commodities, industrial assets, and international supply networks. His work also covers the evaluation of new markets, identification of strategic partners, coordination with local stakeholders, and development of practical commercial structures for trade and investment operations.

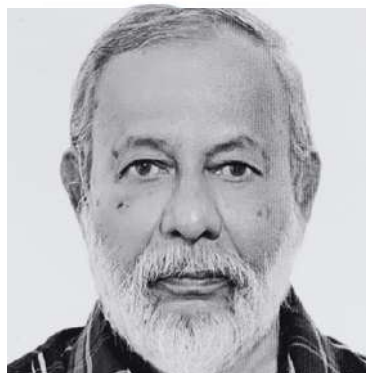
BOARD OF DIRECTORS



MR. A.M.A CADER
FCMA, CGMA (LOND), MBS (COL),
MSC (SLIIT), PG ECON (COL)

Mr. A M A Carder is the Senior independent Director of the company. Having over 25 years (1990-2015) of experience in Corporate Advisory at Capital Markets and Fund Management at Merchant Bank of Sri Lanka and Finance PLC, Mr Carder has 41 years of exposure in Financial Management, Management Accounting, Treasury Management and Investment Banking with Multi-Disciplinary in Finance, Economics, Marketing, and Business Administration.

He was a former Deputy General Manager with a proven track record of 25 years at Merchant Bank of Sri Lanka and Finance PLC, Corporate Advisory, Capital Markets and Fund Management and Islamic Finance. At present, bearing the title of Non-Executive Director at Singha Hospitals PLC, Standard Capital PLC Listed in the Colombo Stock Exchange. Mr. Cader has Specialized in services such as Share Issue Management, Pre-IPO Restructuring and advisory, Business Plans, Corporate Valuations, Portfolio Management, Employee Share options, Debt Syndications, Securitization, Dispute resolution, Mergers, Acquisitions and delivering training Programs locally and internationally to Corporates and Individuals.



PROF. A. BAMUNUARACHCHI
MSC (USA), PHD

Prof. Arthur Bamunuarachchi is a Non-Executive Non Independent Director of the company. He is a Consultant to the Asian Development Bank. and the former head of Applied chemistry-at the University of Sri Jayewardenepura.

He holds a Master's degree in food science technology from the University of California Davis and a PHD from the University of New South Wales in Australia. He is a Member of the Australian Institute of food technologist, American Institute of food technologist, American Institute of Cereal chemists (Ex), Indian Association of food scientist and technologists (Ex), Pakistan Association of food scientist and technologists, Institute of Chemistry of Sri Lanka, Association of Fisheries and Agriculture, Sri Lanka Association for the Advancement of Science, and a Fellow of the National Academy of Science, Sri Lanka.

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to invite you to the 33rd Annual General Meeting of your Company, and present the Annual Report and Audited Financial Statements of Tess Agro PLC for the financial year ended 31st March 2026.

Overview

The year under review marked a significant turnaround for the Company, with a return to profitability following a restated loss in the prior financial year. This was driven by strong growth in results from operating activities, continued fair value gains on our investment property portfolio, a substantial revaluation surplus on property, plant and equipment, and a marked reduction in finance costs. This was achieved notwithstanding continued softness in revenue from our core trading lines, and alongside a significant strengthening of the balance sheet through a capital restructuring exercise. The Company also made progress in reshaping its capital structure to place Tess Agro on a firmer financial footing going into the years ahead.

Shareholders should note that the comparative results for the financial year ended 31st March 2025 presented in this Annual Report have been restated, principally reflecting a revision to finance costs recognised in that year. The nature and effect of this restatement are set out in the Notes to the Financial Statements, and all comparative figures in this Statement are presented on the restated basis.

Operating Environment

The Sri Lankan economy continued on its path of stabilisation during the year under review, building on the recovery secured over the preceding two financial years. Real GDP growth was estimated at around 5% for 2025, marking a second consecutive year of solid expansion, while inflation remained low and, at times, close to zero for much of the year before beginning to trend upward toward the Central Bank's target range. Against this backdrop, the Central Bank of Sri Lanka maintained an accommodative monetary policy stance, holding its benchmark policy rate at 7.75% through much of the year, which supported credit expansion and a revival in domestic demand.

Notwithstanding these favourable domestic trends, the operating environment was not without disruption. Adverse weather conditions and Cyclone Ditwah caused significant damage late in the 2025 calendar year, affecting agricultural output and supply chains in parts of the country, while heightened global uncertainty - including the impact of the conflict in the Middle East on energy prices and freight costs - added a degree of volatility to input costs and export markets during the second half of the financial year. The Board continues to monitor these external developments closely and to position the Company's cost base and financing structure to withstand continued global uncertainty.

Operations

Agro Tin Tech, the Company's tin can manufacturing facility, completed its first full year of steady-state commercial production during the year under review, having achieved a turnover increase of 287% in the prior financial year as the facility moved from installation and test-running into commercial operation. During the year under review, with the initial ramp-up phase behind it, the facility's output moderated from the exceptional growth trajectory of the launch year as the Company focused on consolidating its position in the market, refining its customer base and strengthening quality and production processes rather than chasing volume at any cost.

Tin cans produced at the facility continue to serve a range of industries, including food and beverage packaging, reflecting Tess Agro's continued alignment with the global shift toward sustainable, locally-manufactured packaging solutions. The Company's workforce built up around the facility in the prior year was retained through the year under review, and we continued to invest in staff training to ensure that quality standards are consistently met and customer satisfaction upheld.

CHAIRMAN'S REPORT

Sustainability initiatives

Renewable energy

The Company's commitment to sustainability remains a core part of its long-term strategy. The solar-powered tin can factory commissioned in the prior year continues to power a substantial share of the facility's manufacturing operations from rooftop solar panels, reducing reliance on grid electricity and the Company's overall carbon footprint.

Work has continued on the two additional solar installations at Kerawalapitiya and Wattala. We have successfully commissioned the 360 kW solar installation at Kerawalapitiya, bringing the total commissioned capacity to 450 kW as of January 2026. A further 200 kW installation is currently being commissioned, which will bring the total solar generation capacity connected to the Company's operations to approximately 650 kW upon completion.

The Board views this investment in renewable energy as consistent with both the Company's environmental responsibilities and its objective of reducing energy costs across its manufacturing and cold-chain operations over the medium term.

The environmental return on this investment is already measurable. As at 27th August 2026, the Company's two operational solar installations - a 90 KW system and a 360 KW system, together 450 KW of installed capacity - had delivered a combined cumulative reduction of approximately 515 tonnes of CO₂ emissions and a saving of approximately 208 tonnes of standard coal since becoming operational. The Board is encouraged by these tangible, verifiable results and looks forward to reporting the combined environmental contribution of all installations, including Kerawalapitiya and Wattala, as those sites are commissioned.

Cumulative Environmental Impact of Solar Investment



*EQUIVALENT TREES PLANTED IS ESTIMATED BY APPLYING THE CO₂-TO-TREES CONVERSION RATIO REPORTED BY THE 90 KW SYSTEM'S OWN MONITORING PLATFORM TO THE COMBINED CO₂ REDUCTION FIGURE, AS THE 360 KW SYSTEM'S PLATFORM REPORTED A TREES-PLANTED FIGURES IS ONLY FOR 3 MONTHS IN OPERATION.

Financial Performance

Revenue for the year fell to Rs. 24.58mn from Rs. 41.38mn in the prior year, a decline of approximately 41%, and gross profit correspondingly reduced to Rs. 8.11mn (2025: Rs. 20.61mn, restated), with gross margin narrowing to 33.0% from 49.8%. This reflects the continued pressure on our trading volumes during the year. Despite the top-line contraction, results from operating activities rose 79% to Rs. 37.30mn (2025: Rs. 20.81mn), assisted by a fair value gain on investment property of Rs. 68.70mn (2025: Rs. 32.04mn) and other operating income of Rs. 16.55mn (2025: Rs. 13.96mn). Net finance costs reduced substantially to Rs. 3.19mn from a restated Rs. 45.06mn in the prior year, improving interest cover to 8.0 times (2025: 0.4 times). As a result, the Company recorded a profit before tax of Rs. 34.11mn, a marked turnaround from a restated loss before tax of Rs. 24.25mn in the prior year. After a tax charge of Rs. 17.67mn (2025: Rs. 4.23mn), profit for the year was Rs. 16.44mn, against a restated loss of Rs. 28.48mn in the prior year. Earnings per share were Rs. 0.022, against a restated loss per share of Rs. 0.038. Including other comprehensive income – principally a revaluation surplus of Rs. 49.1mn on property, plant and equipment together with fair value movements on other financial assets – total comprehensive income for the year amounted to Rs. 66.06mn, against a restated total comprehensive loss of Rs. 27.88mn in the prior year.

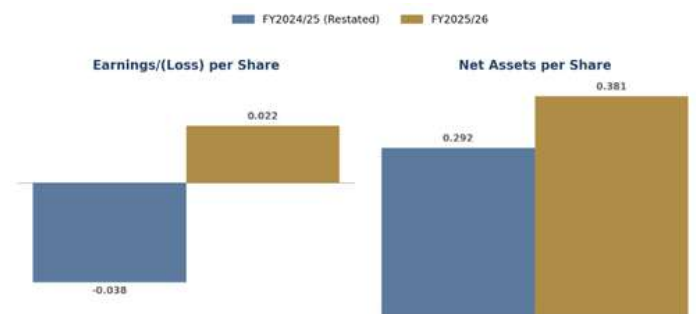
CHAIRMAN'S REPORT

Balance Sheet and Capital Restructuring

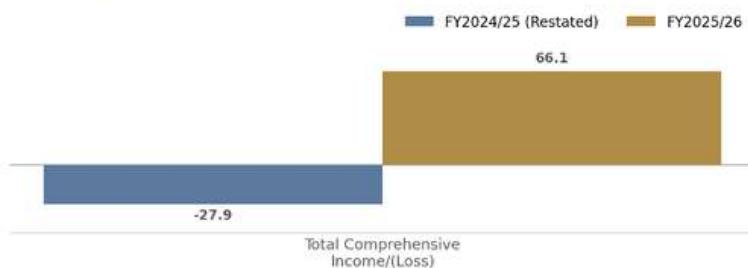
The Company's total assets grew to Rs. 973.58mn (2025: Rs. 934.76mn, restated), driven by continued investment in right-of-use assets, capital work-in-progress and the upward revaluation of investment property and fixed assets.

A significant development during the year was a reduction of stated capital of approximately Rs. 408.1mn, which was applied to eliminate a corresponding portion of the Company's accumulated losses. As a result, retained earnings improved to a deficit of Rs. 79.63mn (2025: deficit of Rs. 504.14mn, restated), and total equity strengthened to Rs. 283.14mn (2025: Rs. 217.08mn, restated), an increase of 30%. Net assets per share rose to Rs. 0.381 from Rs. 0.292. The Board views this restructuring as an important step in cleaning up the Company's balance sheet and restoring it to a position from which future dividends can, in time, be considered. Gearing improved, with the debt-to-equity ratio declining to 2.11 times from 2.97 times, and interest cover strengthening significantly to 8.0 times (2025: 0.4 times). The current ratio, however, declined to 0.94 times for the first time, as cash and cash equivalents reduced to Rs. 6.72mn from Rs. 177.00mn following the deployment of prior-year funding – including proceeds of Rs. 267.50mn received from BRIS Holdings Limited – into capital investment and debt repayment during the year.

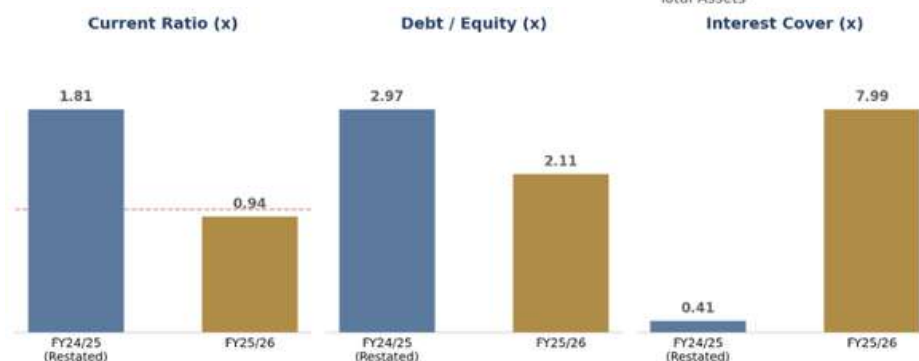
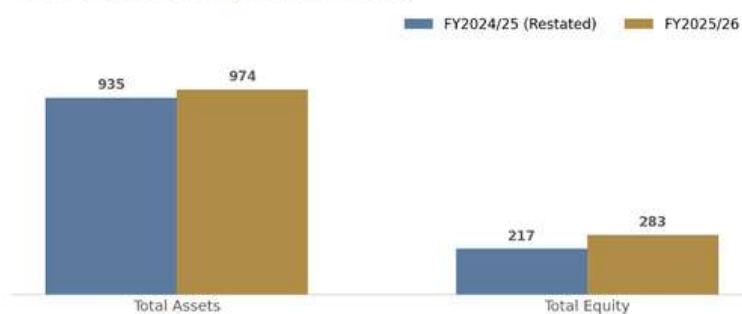
The Board is monitoring the Company's short-term liquidity position closely and has made working capital management a priority for the year ahead.



Total Comprehensive Income (Rs. millions)

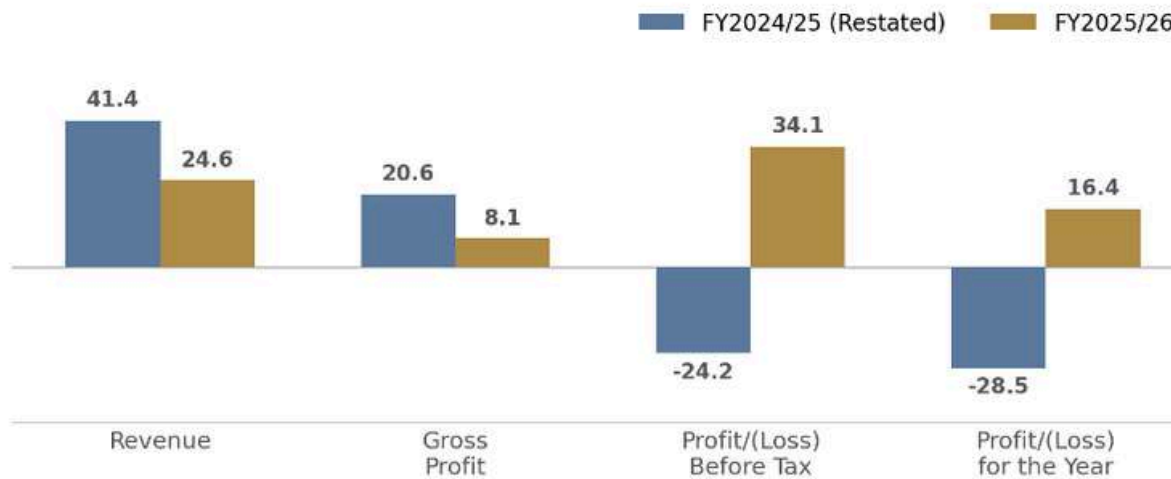


Balance Sheet Strength (Rs. millions)



CHAIRMAN'S REPORT

Revenue & Profitability (Rs. millions)



Operations Review

Tess Agro PLC continues to operate across its core business lines of seafood cold-chain processing and, tin can manufacturing, agriculture-related produce, and the leasing of warehouse and factory space constructed on the Company's investment properties. Rental and construction-related income remained a steady contributor to results during the year, while the and canning operations faced a more challenging trading environment, which the Board and management are addressing through renewed focus on cost discipline, working capital management and market development.

Future Outlook

The Board is encouraged by the Company's return to profitability and the strengthened capital base achieved during the year, and remains focused on rebuilding revenue momentum in the Company's core export and manufacturing operations while maintaining the discipline on costs and gearing that has characterised the year under review. Improving short-term liquidity will be a particular area of focus in the year ahead.

The Company also sees significant potential in the development and expansion of its Contract Packing Centre, which is expected to provide an additional revenue stream by offering packing and related value-added services to third-party customers.

The Centre will enable the Company to leverage its existing manufacturing capabilities, infrastructure and expertise, while improving capacity utilisation and generating opportunities for longer-term customer relationships. Management will continue to explore opportunities to expand this operation and position it as an important contributor to the Company's future growth and profitability.

We will continue to evaluate the optimal use of the Company's property assets and investment capacity to create sustainable value for shareholders.

Appreciation

In conclusion, I wish to express my sincere gratitude and appreciation to the Members of the Board for their continued guidance and support, and to our staff and management for their dedication throughout the year. I also extend my sincere appreciation to our shareholders, customers, bankers and other stakeholders for the loyalty and confidence placed in us, and I look forward to your continued support as we work to build on the progress achieved this year.

Dilshan Fernando
Chairman/CEO
4th Sep 2026

MANAGEMENT DISCUSSION ANALYSIS

05

Global Environment

The global economy demonstrated resilience during 2025 despite persistent geopolitical tensions, shifting trade policies, and divergent monetary conditions across major economies. Global growth is estimated at approximately 3.3% for 2025, broadly in line with the prior year and supported by resilient consumer spending, easing inflationary pressures, and continued expansion across emerging markets. Int Inflation continued its downward trajectory in most advanced economies, enabling several central banks to begin easing monetary policy during the year. Nevertheless, ongoing geopolitical conflicts, supply chain realignments, climate-related disruptions, and trade policy uncertainty – particularly the imposition of new tariffs by major economies – continued to weigh on global trade volumes and business confidence.

Businesses worldwide accelerated efforts towards operational efficiency, digital transformation, renewable energy adoption, and supply chain diversification to strengthen resilience and improve long-term competitiveness. Companies that adapted effectively to these evolving conditions remained better positioned to capitalise on growth opportunities in an increasingly complex global landscape.

Sri Lanka Economic Environment

Sri Lanka's economic recovery continued to strengthen during 2025/26 as the country advanced its structural reform programme under IMF support. Economic activity improved across multiple sectors, underpinned by growing investor confidence, sustained tourism growth, stronger remittance inflows, and a gradual recovery in private sector credit and consumption.

Real GDP expanded by c. 5.0% during 2025, reflecting broad-based improvements across industry, construction, tourism, and services. Inflation followed an unusual trajectory during the year – remaining in deflationary territory through mid-2025 before gradually recovering to 2.1% by December 2025, well below the CBSL's 5% medium-term target. This environment, while atypical, provided meaningful relief on input costs for businesses and consumers alike.

The Central Bank reduced its policy rate to 7.75% in May 2025 – the only cut of the year – before maintaining that level through year-end as inflation stabilised. Lower market lending rates together with a more stable exchange rate environment helped improve business confidence and supported investment across several sectors.

Sri Lanka also recorded continued progress in fiscal consolidation through improved revenue collection, strengthened public finances, and the successful advancement of external debt restructuring - developments that contributed to restoring international confidence and improving access to foreign exchange.

Despite these gains, challenges remained. Higher taxation, including elevated VAT, continued to weigh on consumer purchasing power, while businesses managed elevated operating costs from utilities, labour, and financing. The Rupee depreciated approximately 5.3% against the US Dollar during 2025, with the annual average rate at approximately LKR 300.82 per USD, exposing companies with foreign currency obligations to exchange rate risk. Global economic uncertainties and export market volatility also remained key risks.

Nonetheless, the improving macroeconomic environment, declining interest rates, continued tourism growth, and renewed investor confidence created a more favourable operating backdrop. These developments provided Tess Agro PLC with meaningful opportunities to strengthen its operations, pursue strategic investments, and position itself for sustainable long-term growth.

The following sections discuss the key macroeconomic variables during the year under review and their specific impact on the performance of Tess Agro PLC.

MANAGEMENT DISCUSSION ANALYSIS

Movement	Cause	Impact to TESS AGRO PLC
Economy	Sri Lanka's economy continued its recovery during 2025, recording estimated GDP growth of approximately 4-5%, supported by improved tourism, industrial production, construction activity, stronger remittances and increased private sector confidence.	Continued implementation of IMF-supported reforms, improved business confidence, declining interest rates and higher tourist arrivals supported broad-based economic recovery while export-oriented industries also experienced improved demand.
Inflation	Inflation remained subdued during most of FY2025/26 following improved monetary policy management, exchange rate stability and easing global commodity prices, although periodic tax and utility price adjustments resulted in temporary price increases.	Improved supply conditions, stable exchange rates and prudent monetary policy helped contain inflationary pressures despite VAT increases and revisions to administered prices.
Domestic Interest Rates	Interest rates continued to decline during FY2025/26 as inflation moderated and macroeconomic conditions improved, allowing the Central Bank to maintain an accommodative monetary policy stance	Lower inflation and improved financial sector stability enabled lending rates to gradually reduce, improving access to financing for businesses.
Exchange Rates	The Sri Lankan Rupee remained relatively stable against the US Dollar during the financial year following improved foreign exchange inflows from tourism, worker remittances and export earnings together with continued progress in external debt restructuring.	Improved foreign reserve levels, stronger balance of payments and increased investor confidence contributed to exchange rate stability.
Energy Costs	Electricity tariffs and fuel prices continued to experience periodic revisions during the year in line with regulatory pricing mechanisms and international energy market conditions.	Ongoing reforms in the energy sector sought to achieve cost-reflective pricing while maintaining the financial sustainability of utility providers.
Agriculture & Food Manufacturing Sector	Increased focus on domestic food security, value-added food manufacturing and import substitution continued to create growth opportunities within Sri Lanka's food processing sector.	Government policy initiatives and increasing consumer preference for locally manufactured food products encouraged investment in food manufacturing and packaging industries.

STATEMENT BY THE SENIOR INDEPENDENT DIRECTOR

I am pleased to present my report as Senior Independent Director of Tess Agro PLC for the financial year ended 31 March 2026.

I continue to serve in this capacity in accordance with Rule 9.6.3.2 of the CSE Listing Rules, which requires the appointment of a Senior Independent Director where the Chairman serves in an executive capacity. With over 40 years of experience in financial management, capital markets, investment banking and corporate advisory – including 25 years at Merchant Bank of Sri Lanka & Finance PLC – I provide independent guidance to the Board on governance, strategy and Board effectiveness. A detailed profile appears on page 7 of this Annual Report.

Role of the Senior Independent Director

The Senior Independent Director is responsible for providing independent advice to the Chairman on governance and Board effectiveness; serving as an alternative point of contact for Directors and shareholders where concerns cannot be addressed through normal channels; leading the annual evaluation of the Chairman's performance by the Non-Executive Directors; and supporting the Board in upholding the highest standards of integrity, transparency and accountability.

Activities During the Year

Meetings of the Non-Executive Directors were held during the year without the presence of the Executive Directors. These provided an opportunity to evaluate the performance of the Chairman and Executive Directors, review Board dynamics, and discuss governance and succession matters. The resulting recommendations were communicated to the Chairman and the Board for consideration and implementation.

I remained available throughout the year to provide independent counsel to Directors and senior management on governance matters, and I am satisfied that the Board continues to foster an environment of open dialogue, constructive challenge and balanced decision-making.

Looking Ahead

FY2025/26 represented another important year in the Company's transformation as Tess Agro PLC continued to pursue sustainable growth while navigating a challenging environment. Sound governance, effective risk management and transparency remain fundamental to creating long-term value for all stakeholders. I am satisfied that the governance processes in place enable the Senior Independent Director role to be discharged effectively and independently, and I remain committed to ensuring the Company continues to uphold the highest standards of corporate governance in line with CSE Listing Rules and recognised best practice.

I thank my fellow Board members, the management team and our shareholders for their continued commitment and support.



Mr. A. M. A. Cader
FCMA, CGMA (UK), MBS (Colombo), MSc (SLIIT),
PGDip Economics (Colombo)
Senior Independent Director
23rd July 2026



07

CORPORATE GOVERNANCE



CORPORATE GOVERNANCE

The Board of Directors of Tess Agro PLC is committed to maintaining the highest standards of corporate governance, recognising that good governance is fundamental to the Company's long-term success, sustainability, and the creation of shareholder value.

Corporate governance provides the framework through which the Company is directed and controlled, ensuring accountability, transparency, ethical conduct, and effective decision-making. The Board remains committed to conducting the affairs of the Company in accordance with the Companies Act No. 7 of 2007, the Listing Rules of the Colombo Stock Exchange ("CSE"), and accepted principles of good corporate governance.

Throughout the financial year ended 31 March 2026, the Board continued to strengthen its governance practices while providing strategic direction and oversight during a period of business transformation and growth.

Shareholder Relations

The Board recognises that effective communication with shareholders is an essential component of good corporate governance.

The Annual General Meeting ("AGM") provides shareholders with the principal opportunity to engage directly with the Board, discuss the Company's performance and future direction, and exercise their voting rights. Shareholders are encouraged to actively participate in the AGM and raise any matters of interest.

In addition, the Company ensures timely disclosure of all material information through the Colombo Stock Exchange in accordance with applicable Listing Rules, enabling shareholders and investors to make informed investment decisions.

The Board of Directors

The Board is collectively responsible for the stewardship of the Company and for ensuring that Tess Agro PLC is managed in a manner that promotes sustainable long-term value creation.

Board Responsibilities

The Board provides strategic leadership by approving the Company's strategy and business plans, monitoring financial and operational performance, overseeing risk management and internal controls, ensuring regulatory compliance, and safeguarding the interests of shareholders and other stakeholders.

The Board met regularly during the year to review performance, strategic initiatives, significant transactions, and key business risks. The Directors acknowledge their fiduciary responsibilities and exercise independent judgement in the discharge of their duties.

Remuneration Policy

The Company seeks to attract and retain suitably qualified personnel through remuneration that is competitive, performance-oriented, and aligned with the Company's objectives, taking into consideration market conditions, responsibilities, qualifications, and individual performance.

Internal Control and Risk Management

The Board is responsible for maintaining effective internal controls and risk management systems appropriate to the Company's operations. These provide reasonable assurance over the safeguarding of assets, financial reporting, regulatory compliance, operational efficiency, and the prevention and detection of fraud and irregularities.

The Board regularly reviews these systems and is satisfied that appropriate controls were maintained throughout the financial year.

Going Concern

Having reviewed the Company's financial position, projected cash flows, financing arrangements, and future business plans, the Directors are satisfied that Tess Agro PLC possesses adequate resources to continue its operations for the foreseeable future.

Accordingly, the financial statements have been prepared on the going concern basis.

CORPORATE GOVERNANCE

Audit Committee

The Audit Committee assists the Board in discharging its responsibilities relating to financial reporting, internal control, external audit, compliance, and risk management.

Committee Composition

- Mr. A. M. A. Cader – Chairman (Independent Non-Executive Director)
- Prof. A. H. O. Bamunuarachchi – Member (Independent Non-Executive Director)
- Mr Dilan Wijeyesekera (w.e.f 6th July 2026) (Independent Non-Executive Director)

The Committee met during the year to review the Company's interim and annual financial statements, assess the effectiveness of internal controls, review significant accounting matters, evaluate key business risks, and monitor compliance with statutory and regulatory requirements.

Representatives of management, including the Executive Chairman and Chief Financial Officer, attended meetings by invitation where appropriate.

Key Responsibilities

The Committee's principal responsibilities include:

- reviewing the integrity of financial reporting;
- recommending the appointment and remuneration of the External Auditors;
- assessing the independence and effectiveness of the External Auditors;
- reviewing audit findings and management responses;
- overseeing the effectiveness of the Company's internal control framework;
- reviewing enterprise risk management processes;
- monitoring compliance with legal and regulatory requirements; and
- evaluating the adequacy of the Company's insurance and business continuity arrangements.

Audit Committee

Following its review, the Committee recommended the re-appointment of Moore Aiyar, Chartered Accountants, as External Auditors for the financial year ending 31 March 2027, subject to shareholder approval at the forthcoming Annual General Meeting. and Mr Dilan Wijeyasekera was appointed with effect from 6th July 2026.

Remuneration Committee

The Remuneration Committee oversees the Company's remuneration policies to ensure they remain fair, transparent, competitive, and aligned with business performance and shareholder value.

Committee Composition

- Mr. Srdjan Veselinovic – Chairman (resigned w.e.f 6th July 2026)
- Mr Dilan Wijeyesekera Chairman appointed w.e.f 6th July 2026
- Mr. A. M. A. Cader – Member
- Prof. A. H. O. Bamunuarachchi – Member

During the year, the Committee reviewed executive remuneration, Directors' fees, performance incentives, and related remuneration policies.

Nomination and Governance Committee

The Nomination and Governance Committee assists the Board in maintaining an appropriate balance of skills, experience, diversity, and independence, while overseeing good corporate governance practices.

Committee Composition

- Mr. A. M. A. Cader – Chairman (Senior Independent Director)
- Ms. S. D. Fernando – Member
- Prof. A. H. O. Bamunuarachchi – Member

The Committee is responsible for Board appointments and succession planning, reviewing Board composition and effectiveness, assessing required skills and competencies, and monitoring compliance with corporate governance requirements.

The Committee is satisfied that the Board has an appropriate balance of commercial, financial, operational, and governance expertise to effectively oversee the Company and support its long-term objectives. The Board remains committed to continuously strengthening its governance practices in line with regulatory requirements and recognised governance standards.

CORPORATE GOVERNANCE

The core responsibilities of the Remuneration Committee is:

- To review and approve the Remuneration policy of the Company.
- To advice on structuring Remuneration packages that enable the Company to attract, retain, and motivate high-caliber individuals with the requisite skills.
- To recommend to the Board of Directors the Remuneration to be paid to the Executive Directors, Non-Executive Directors, their pre-requisites and allowances.

Related Party Transaction Review Committee

As per Rule 9.2.3 of the Listing Rules of the Colombo Stock Exchange the Related Party Transactions Review Committee of Tess Agro PLC functions with effect from 1st March 2016. Tess Agro PLCs Related Party Transaction Review Committee consists of One Non- Executive independent Director and One Non- Executive Director and the Senior Independent Director (SID) as follows;

Prof. A.H.O. Bamunuarachchi – Chairman
Ms S . D . Fernando - Committee Member
Mr A.M.A Cader - Committee Member, SID

Nomination and Governance Committee

Tess Agro PLCs Nomination and Governance Committee consists of the Senior Independent Director (SID), One Non- Executive independent director, and One Non- Executive Director and as follows;

Mr A.M.A Cader - Chairman, SID
Ms S . D . Fernando - Committee Member
Prof. A.H.O. Bamunuarachchi – Committee Member

The core responsibilities of the Nomination and Governance Committee,

- To define and establish the nomination process for Non- Executive Directors,
- Lead the process of Board appointments and make recommendations to the Board.
- The Committee scopes out the tasks such as assess skills required to be on the Board.
- Periodic review of the extent of skills required of the Director who represent the Board.
- Reviews descriptions of role and capabilities required for a particular Board appointment and Identify and recommend suitable candidates to the Board.

Member	Board		Audit Committee		Remuneration Committee		Related Party Transaction Review Committee	
	Position	Attendance	Position	Attendance	Position	Attendance	Position	Attendance
Mr Dilshan Fernando	Chairman/CEO	4/4	No	4/4	No	-	No	4/4
Ms Seraiah Fernando Hullugalle	Director	4/4	No	4/4	No	4/4	Member	4/4
Mr Srdan Veselinovic	Non-Executive Independent Director	3/4	No	-	Chairman	4/4	No	-
Prof A. Bamunuarachchi	Non-Executive Non Independent Director	4/4	Member	3/4	Member	4/4	Chairman	4/4
Mr. A.M.A. Cader	Senior Independent Director	4/4	Chairman	4/4	Member	4/4	Member	4/4



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STATEMENTS OF COMPLIANCE



Rule No.	Subject	Applicable Requirement	Compliance Status	Detail
7.6 (i)	Contents of the Annual Report	Names of persons who during the financial year were directors of the Entity.	Complied	Please refer pages 6-7.
7.6 (ii)	Contents of the Annual Report	Principal activities of the Entity during the year and any changes therein.	Complied	Please refer page 43.
7.6 (iii)	Disclosure to Shareholders	The names and the number of shares held by the 20 largest holders of shares and the percentage of such shares held.	Complied	Please refer to pages 88 and 90.
7.6 (iv)	Float adjusted market capitalization	The float adjusted market capitalisation, public holding percentage (%), number of public shareholders and under which option the Listed Entity complies with the Minimum Public Holding requirement.	Complied	Please refer page 89.
7.6 (v)	Disclosure Relating to Directors	Directors' and Chief Executive Officer's holding in shares of the Entity at the beginning and end of financial year.	Complied	Please refer page 32.
7.6 (vi)	Disclosure Relating to Directors	Information pertaining to material foreseeable risk factors of the Entity.	Complied	Please refer to pages 76-79.
7.6 (vii)	Disclosure Relating to Directors	Details of material issues pertaining to employees and industrial relations of the Entity	Not Applicable	No such material issues.
7.6 (viii)	Disclosure Relating to Directors	Extent, locations, valuations of land and buildings and investment properties.	Complied	Please refer to page 62.
7.6 (ix)	Disclosure Relating to Directors	Number of shares presenting the Entity's stated capital.	Complied	Please refer to page 66.
7.6 (x)	Disclosure to Shareholders	Distribution schedule of the number of holders in each class of security, and the percentage of their holding as per given categories.	Complied	Please refer to page 88.
7.6 (xi)	Disclosure to Shareholders	Ratios and market price information	Complied	Please refer pages 84.
7.6 (xii)	Disclosure to Shareholders	Significant changes in the Entity's fixed assets and the market value of land if differs substantially from the book value.	Complied	Please refer to pages 74-76.
7.6 (xiii)	Rights issue	Details of funds raised through a public issue, rights issue and a private placement during the year	Not Applicable	Not applicable
7.6 (xiv)	ESOP	Information in respect of Employee Share Ownership or Stock option Schemes.	Not Applicable	Not applicable

Rule No.	Subject	Applicable Requirement	Compliance Status	Detail
7.6 (xv)	Disclosure to Shareholders	Disclosures pertaining to Corporate Governance practices in terms of section 09 of the listing Rules.	Complied	Please refer to pages 23-25.
7.6 (xvi)	Related Party Transactions	Related Party Transactions exceeding 10 percent of the equity or 5 percent of the total assets of the entity as per Audited Financial Statements, whichever is lower.	Complied	Please refer page 73.
7.6 (xvii)	Disclosure to Shareholders	Disclosures on Foreign Currency Denominated Security	Complied	Please refer page 81.
7.6 (xviii)	Disclosure to Shareholders	Disclosures on listed Green Bonds	Not applicable	Not applicable
7.6 (xix)	Disclosure to Shareholders	Disclosures on listed perpetual Debt Securities	Not applicable	Not applicable
7.10 a/b	Corporate Governance	Compliance with Corporate Government rules	Complied	Please refer to pages 20-25.
7.10.1 a	Non- executive Directors	At least one third of the total number of Directors should be Non-Executive Directors.	Complied	Three of Five Directors are Non-Executive Directors.
7.10.2 a	Independent Directors	Two or one third of Non- Executive Directors Whichever is higher shall be Independent.	Complied	All Three Non- Executive Directors are independent. Prof. A.H.O. Bamunuarachchi will cease to be an independent director as he is over the age of 70, based on the criteria applicable from the 1st of October 2024.
7.10.2 b	Independent Directors	Each Non-Executive Director shall submit a declaration of Independence/non-independence in the prescribed format.	Complied	All Independent Non- Executive Directors has submitted signed Confirmations of their independence as at 31st March 2026.
7.10.3 a	Disclosure Relating to Directors	Name of Independent Directors should be disclosed in the Annual Report.	Complied	Please refer pages 4.
7.10.3 b	Disclosure Relating to Directors	The basis for the Board to determine a Director is Independent if criteria specified for independent is not met.	Not Applicable	All independent directors meet the specified criteria except for Prof. A.H.O. Bamunuarachchi who will cease to be an independent director as he is over the age of 70, based on the criteria applicable from the 1st of October 2024.

Rule No.	Subject	Applicable Requirement	Compliance Status	Detail
7.10.3 c	Disclosure Relating to Directors	A brief resume of each Director should be included in the Annual Report including the areas of expertise.	Complied	Please refer pages 6-7.
7.10.3 d	Disclosure Relating to Directors	Provide a brief Resume of new Directors appointed to the Board With details specified in 7.10.3 (a) , (b) and (c) to the Exchange.	Complied	Resumes of all new directors appointed during the year submitted to CSE.
7.10.4	Disclosure Relating to Directors	All Independent Directors satisfy the "Independence" selection criteria of Independent Directors of a Listed Company	Complied	All independent directors meet the specified criteria except for Prof. A.H.O. Bamunuarachchi who will cease to be an independent director as he is over the age of 70, based on the criteria applicable from the 1st of October 2024.
7.10.5	Remuneration Committee	A listed Company shall have a remuneration Committee	Complied	Please refer page 28.
7.10.5 a	Remuneration Committee	The Board of Directors should set up a Remuneration Committee with a Non-executive Director as the Chairman.	Complied	Please refer page 28.
7.10.5 b	Function of Remuneration Committee	The Remuneration Committee shall recommend the remuneration of the Chief Executive officer and Executive Directors	Complied	Please refer page 28.
7.10.5 c	Remuneration Committee	The names of the members of the Remuneration Committee	Complied	Please refer page 28.
7.10.6	Audit Committee	A Listed Company shall have an Audit Committee	Complied	Please refer page 27.
7.10.6 a	Audit Committee	The listed company shall have an Audit Committee comprising of Non-Executive Directors. The Chairman or one member of the Audit committee should be a member of a recognized Professional accounting body.	Complied Complied	The names of the members of the Audit committee are stated on page 27. The Chairman of the audit Committee is a Fellow member of Chartered Institute of Management Accountants
7.10.6 b	Audit Committee	The names of the Directors comprising the Audit Committee to be disclosed. The Annual Report shall contain a Report by the Audit Committee setting out the manner of compliance by the entity. Unless otherwise determined by the Audit Committee, the Chief Executive Officer and the Chief Financial Officer shall attend Audit Committee Meetings.	Complied	Please refer page 27. The Chief Executive Officer attends Audit Committee meetings

Rule No.	Subject	Applicable Requirement	Compliance Status	Detail
7.10.6 c	Disclosure in Annual Report	1. The names of the Directors comprising the Audit Committee 2. Basis of the determination of the independence of the Auditors 3. Report by the Audit Committee setting out the manner of compliance by the company	Complied	Resumes of all new directors appointed during the year Submitted to CSE.
9.1	Compliance	Company shall publish a statement confirming the extent of compliance with the Corporate Governance Rules set out herein, in the Annual Report of the Entity.	Complied	Please refer pages 20-25.
	Non-executive Directors (NED)	At least 2 members or 1/3 of the Board, whichever is higher should be NEDs. The Total number of Directors are to be calculated based on the number as at the conclusion of the immediately preceding Annual General Meeting.	Complied	Three out of Five Directors are Non- Executive Directors. Calculation is based on number as at the conclusion of the immediately preceding Annual General Meeting.
9.2.1 & 9.2.3	Related Party Transaction Review Committee	The Functions of the committee are stated in related party transaction review committee report.	Complied	Please refer to page 29.
9.2.2	Related Party Transaction Review Committee	The committee should consist of One Independent Non-Executive Director and One Non-Independent Non-Executive Director	Complied	Please refer to page 29.
9.2.4	Related Party Transaction Review Committee	Shall meet once a calendar quarter.	Complied	Committee held four Meetings during the year
9.3.2	Related Party Transaction Disclosures	Non-recurrent Related Party Transactions-if aggregate value exceeds 10% of the equity or 5% total assets whichever is lower. Recurrent related party transaction - if aggregate value exceeds 10% Gross revenue /income as per the latest audited accounts Reported by the Related Party Transactions Review Committee.	Complied Complied	Please refer to page 72. None
9.3.2 (d)	Related Party Transaction Disclosures	A declaration by the board of Directors	Complied	Please refer to page 72.

Rule No.	Subject	Applicable Requirement	Compliance Status	Detail
9.3.3		The Chairperson of the Board of Directors of the Company shall not be the Chairperson of the Board Committees referred to in Rule 9.3.1 .	Complied	Please refer to page 15.
		Company shall maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting of the Company. The Company shall provide copies of the same at the request of the CSE and/or the SEC.	Complied	
9.4.2	Shareholder communications	Communication and relations with shareholders and investors.	Complied	Company has an on-going process to communicate with shareholders and investors. Shareholders are encouraged to raise their concerns at shareholders meetings. Annual Report provides pertinent information of the company and future outlook of the company. The Accountant and the Company Registrars are entrusted to communicate with shareholders on matters concerning them. Details of contact persons are found in the Company's website.
9.6.3	Senior Independent Director (SID)	The Company shall appoint an Independent Director as the SID in the following instances: i. The positions of the Chairperson and CEO are held by the same individual. ii. The Chairperson is an Executive Director. iii. The Chairperson and CEO are Close Family Members or Related Parties.	Complied	The Company has a senior independent Director, Mr. A M A Carder. Please refer page 14 for the Statement by the Senior Independent Director
9.7		Fitness of Directors and CEOs as per the criteria set out in the regulations.	Complied	Directors and CEO satisfy the Fit and Proper Assessment Criteria

Rule No.	Subject	Applicable Requirement	Compliance Status	Detail
9.8	Independent Directors	Board Composition -minimum 2 or 1/3 of the directors whichever is high shall be independent directors. Each NED to submit a signed and dated declaration annually of his/her independence or non- independence	Complied	Three out of Five Directors are independent. All Non-Executive Independent Directors have submitted their confirmation on independence. Prof. A.H.O. Bamunuarachchi will cease to be an independent director as he is over the age of 70, based on the criteria applicable from the 1st of October 2024.
9.9	Alternate Directors	Alternate directors shall only be appointed in exceptional circumstances and for a maximum period of one (1) year from the date of appointment.	Complied	There are no Alternate Directors on the Board as of 31st March 2026.
9.10.1	Disclosure Relating to Directors	Company shall disclose its policy on the maximum number of directorships it's Board members shall be permitted to hold.	Company would be compliant on or before 1st October 2024	
9.10.2	Disclosure Relating to Directors	The Company shall, upon the appointment of a new Director to its Board, or changes to the composition of Board Sub Committees, make an immediate Market Announcement in a manner set out in the regulation.	Complied	
9.10.4	Disclosure Relating to Directors	Board shall annually determine the independence or otherwise of NEDs A brief resume of each Director should be included in the annual report including the directors' experience Provide a resume of new Directors appointed to the Board along with details	Complied	The Board assessed the independence declared by Directors and determined the Directors who are independent. rof. A.H.O. Bamunuarachchi will cease to be an independent director as he is over the age of 70, based on the criteria applicable from the 1st of October 2024. Refer pages 6-7 for a brief resume of each Director.

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

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The responsibility of the Directors in relation to the financial statements is set out in Auditors report in page 35 under the heading "Responsibilities of Management and Those Charged with Governance for the financial statements."

As per the provisions of the Companies Act No 07, 2007, the Directors are required to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the company as at the end of the financial-year.

The Directors are of the view that is preparing these financial statements;

a) Appropriate accounting policies have been selected and applied in a consistent manner and supported by reasonable and prudent judgments and estimates are used, and that all Sri Lankan Accounting standards which they consider applicable are followed.

b) That the company maintains accounting records which disclose reasonable accuracy the financial position of the Company.

c) The Financial Statements comply with the Companies act no 07 of 2007 and the Sri Lanka Accounting standards.

The Companies investment in the tin can manufacturing plant was critical for boosting operational efficiency, enhancing production capacity, and improving overall business performance. The company has made significant progress in the testing phase of its machinery, establishing initial maintenance protocols and safety guidelines. Strategic investments in machinery for testing and safety protocol continued to align with long-term goals, ensuring sustainable growth and value creation.

The Directors have provided the Auditors with every opportunity to take whatever steps and undertake whatever inspections they consider appropriate to express their opinion on the financial statements.

The Directors are of the opinion that the Financial Statements of the Company set out in Pages 33 to 81 have been prepared in accordance with the above requirements and that they have appropriately discharged their responsibilities as set out in this statement.

Additionally, the Directors are confident that the Company has adequate resources to continue its operations in the foreseeable future and, therefore, have adopted the going concern basis in preparing these financial statements.

The Directors also confirm that to the best of their knowledge all taxes and duties payable by the Company and all contributions, levies and taxes payable on behalf of an in respect of the employees of the Company, and all other known statutory obligations including retiring gratuities, as were due as the Balance Sheet date have been paid or provided for in the Financial Statements.

By Order of the Board of Directors TESS AGRO PLC.

Prestige Secretaries Pvt Ltd

4th September 2026

A Year's Overview

AUDIT COMMITTEE REPORT

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Composition of the Committee

In accordance with the Corporate Governance Guidelines, the Board-appointed Audit Committee comprises Two Independent Non-Executive Directors namely Mr. A M A. Cader, who functions in the capacity of Chairman, and Prof. Arthur Bamunuarachchi. The financial knowledge and the business acumen and the independence of the members are brought to bear on the deliberation and judgments on matters that come within their purview.

Role of the Committee

The role and the responsibility of the committee are defined in the Audit Committee Charter, which is reviewed annually to ensure that new developments and other issues are properly addressed. The responsibilities of the Committee

- Review the financial reporting process of Tess Agro PLC to ensure an accurate effective financial reporting process in place.
- Review the operations and effectiveness of Internal Control Systems.
- Review the adequacy of disclosures in the Financial Statements in accordance with Sri Lanka Accounting Standards (IFRS), Companies Act and other relevant financial reporting regulations.
- The committee monitors the external audit functions. The internal controls within the
- company are designed to provide reasonable but not absolute assurance to the Directors and assist them in monitoring the financial position of the company.

The Committee has undertaken a thorough review of the Company's risk management framework and internal control systems during the financial year. We are satisfied that the company has robust mechanisms in place to identify, assess, and manage key risks, both financial and operational. These controls, while providing reasonable assurance, continue to be monitored and updated to respond to the evolving risk landscape.

Appointment of External Auditors

The audit committee makes recommendations to the Board on the appointment, reappointment and removal of External auditors and approvals of terms of engagement and remuneration.

Meetings

The Committee held four meetings during the financial year.

The Committee also considered the effectiveness of the External Auditors on an ongoing basis during the year. Amongst others, the review covered the Auditors' independence, objectivity and professional aspects. The Committee is satisfied that the External Auditors have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements, based on their annual declaration provided to the Committee.

Having considered the matters detailed above, the Committee recommended to the Board the re-appointment of Moore Aiyar as the External Auditors of the Company for the financial year ending 31st March 2026 as per the new requirements stipulated by the SEC and the approval of the Shareholders at the forthcoming Annual General Meeting.

Conclusion

The audit committee is satisfied that the Company accounting policies, operational controls and risk management process provide reasonable assurance that the affairs of the Company are managed in accordance with company policies and that company assets are properly accounted for and adequately safeguarded.



Mr A M A Cader
Chairman, Audit Committee
4th September 2026

REMUNERATION COMMITTEE REPORT

The Remuneration Committee of Tess Agro PLC is appointed by, and reports directly to, the Board of Directors. It comprises two Independent Non-Executive Directors, namely Mr. Srdjan Veselinovic, who serves as Chairman of the Committee, and Prof. A. Bamunuarachchi and Mr A M A Carder who is the Senior Independent Director.

The Committee operates in accordance with the Remuneration Committee Charter, which has been duly approved and adopted by the Board of Directors. Its primary responsibility is to determine and recommend the Company's remuneration policy for Key Management Personnel. The Committee also recommends the remuneration packages of the Chief Executive Officer and Executive Directors for Board approval.

The Company's remuneration policy is designed around a framework of performance evaluation and objective criteria. An annual performance assessment is carried out, on the basis of which increments and performance-related incentives are awarded, guided by the rating and ranking of each individual.

The Chairman / CEO who is responsible for the overall management of the Company, assists the Committee by providing relevant inputs and support in relation to performance evaluation and policy implementation.



Mr. Srdjan Veselinovic
Chairman, Remuneration Committee
4th Sept 2026



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RELATED PARTY TRANSACTION REVIEW COMMITTEE REPORT

Composition

The Board of Directors appointed Related Party Transaction Review Committee comprises of one Independent Non- Executive Director as a capacity of the Chairman to the committee and one Non- Independent Non-Executive Director and the Executive Director or the Company.

Prof. A.H.O. Bamunuarachchi - Chairman
Mr A M A Cader - Member
Mrs S D Fernando Hulugalla - Member

Purpose of the Committee

The Purpose of the committee as set out in appendix 9A of the CSE Listing rules is to review all Related Party Transactions except for Transactions set out in rule 9.5, either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such review, prior to completion of the transaction.

Meetings

The Committee has reviewed the transaction in respect of the financial year 2025/26 as required by the applicable rules and regulations and a process has been set in place to facilitate compliance in the future. The Committee held three meetings during the financial year.

Disclosures

As per the existing practice, related party transactions are disclosed to the stakeholders through the Company's Financial Statements and in order to comply with the rules set out in Appendix 9A of the CSE Listing Rules the Committee will establish its functions with a view of further strengthening the internal procedures and policies with the requirements thereof and relevant disclosures will be made in a timely and detailed manner in future reports. Related Party Transactions entered into without pre-approval of the Committee, shall not be deemed to violate the Policy, or be invalid or unenforceable, so long as the transaction is brought to the notice of the Committee as promptly as reasonably practical, after it is entered into or after it becomes reasonably evident that the transaction is covered by the Policy.



Prof. A. H. O. Bamunuarachchi
Chairman, Related Party Transaction
Review Committee
4th September 2026

NOMINATION AND GOVERNANCE COMMITTEE REPORT



Tess Agro PLCs Nomination and Governance Committee consists of the Senior Independent Director (SID), One Non- Executive independent director, and One Non- Executive Director and as follows;

The composition of the Nominations and Governance Committee

Mr Srdan Veselinovic- Chairman (Independent Non- Executive Director)

Mr A.M.A Cader - Committee Member (Senior Independent Non Executive Director) Prof. A.H.O. Bamunuarachchi - Committee Member (Non- Executive Director)

The core responsibilities of the Nomination and Governance Committee,

- To define and establish the nomination process for Non- Executive Directors,
- Lead the process of Board appointments and make recommendations to the Board.
- The Committee scopes out the tasks such as assess skills required to be on the Board
- Periodic review of the extent of skills required of the Director who represent the Board
- Reviews descriptions of role and capabilities required for a particular Board appointment and Identify and recommend suitable candidates to the Board.

Company Secretaries act as the secretaries to the Committee.

Chairman

Nomination and Governance Committee

Srdan Veselinovic
Chairman

4th September 2026

The Directors have pleasure in presenting herewith the Directors' Report for the year ended 31st March 2026 together with the Financial Statements of the Company for the year ended 31st March 2026.

Principal Activities

The principal activities of the Company during the year continued to be dealing in fresh fish products, tin can manufacture, construction and warehouse renting, and sale of marine products.

Review of Operations

The review of operations during the year is dealt with in the Chairman's Report.

Internal Controls

The Directors are responsible for maintaining an appropriate system of internal controls. Please refer to the Corporate Governance Practices Statement and the Statement of Directors' Responsibilities contained in the Annual Report.

Corporate Governance

The Company is committed to maintaining appropriate standards of corporate governance and accountability. Please refer to the Corporate Governance Practices Statement in Page 12 contained in the Annual Report.

Going Concern

The Directors have reviewed the Company's financial position, future operations and available sources of finance and are satisfied that the Company has adequate resources to continue its operations for the foreseeable future. Accordingly, the Financial Statements have been prepared on a going concern basis.

As at 31st March 2026, the Company reported total assets of Rs. 973,584,424 and total equity of Rs. 283,142,543. Current assets amounted to Rs. 133,706,987 against current liabilities of Rs. 142,610,021. The Directors have considered these matters in assessing the Company's ability to continue as a going concern

COMPANY	2026 Rs.	2025 (Restated) Rs.
Turnover	24,581,721	41,380,438
Profit/(Loss) before Taxation	34,112,638	(24,253,001)
Income Tax Expense	(17,673,064)	(4,226,971)
Profit/ (Loss) After Taxation	16,439,573	(28,479,972)
Other Comprehensive Income	49,625,178	595,321
Total Comprehensive Income	66,064,752	(27,884,652)
Retained Profit /(Loss) B/F (Adjusted)	(504,137,974)	(475,658,002)
Retained Profit/(Loss) C/F	(79,627,110)	(504,137,974)

Directorate:

Mr Dilshan Fernando
 Ms. S. D. Fernando
 Mr. Srdan Veselinovic
 Mr. A.M.A Carder
 Prof. Arthur Bamunuarachchi

Capital Expenditure

The Company has recorded significant additions Rs. 107,037,144/-). to property, plant and equipment and capital work in progress during the year ended 31st March, 2026 which was the solar infrastructure including new machinery and building investments.

Directors' Shareholding

Directors' Shareholding	Voting		Non-Voting	
	2025/26	2024/25	2025/26	2024/25
Mr Dilshan Fernando	110,514,034	110,514,034	3,491,097	3,491,097
Mr A.M.A Carder	Nil	Nil	Nil	Nil
Ms Seraiah Druvinka Fernando	Nil	Nil	Nil	Nil
Mr Srdan Veselinovic	Nil	Nil	Nil	Nil
Prof. Arthur Bamunuarachchi	Nil	Nil	Nil	Nil

Directors' Interest in Contracts

The Directors of the Company have no direct or indirect interest in any contract or proposed contracts of the Company, except those disclosed in the Note 34.2 to the Accounts which have been disclosed and declared at the Meetings of the Directors

Share Capital

The stated capital of the company consisted of 677,063,049 ordinary voting shares and 66,666,667 non-Voting shares as of 31st March 2026.

The movement in these reserves is shown in the statement of changes in equity on page 42.

The Accounts for the year have been audited by Moore Aiyar., Chartered Accountants offer themselves for re-appointment.

By order of the Board.
 Prestige Secretaries and Consultants Pvt Ltd
 Colombo
 4th Sep 2026



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TO THE SHAREHOLDERS OF TESS AGRO PLC REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Tess Agro PLC** ("the Company"), which comprise the statement of financial position as at 31st March, 2026 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, our description of how our audit addressed the matter is provided in that context.

Valuation of Property, Plant and Equipment and Right-of-Use Assets (Notes 12 and 16)

During the year, the Company recognised a revaluation gain of **Rs. 49,074,449/-** through other comprehensive income in relation to property, plant and equipment and right-of-use assets.

The valuation of these assets involves significant judgement and estimation uncertainty, including the application of valuation techniques and the use of market-based assumptions. Due to the materiality of the property, plant and equipment balance and the significance of the revaluation surplus recognised during the year, we considered this matter to be a key audit matter.

How our audit addressed the matter

Our audit procedures included, among others:

- Assessing the competence, independence and objectivity of the external valuer appointed by management.
- Evaluating the appropriateness of the valuation methodologies applied.
- Assessing the reasonableness of key assumptions against external market evidence and comparable transactions.
-



- Testing the completeness and accuracy of information supplied to the valuer.
- Recalculating the revaluation surplus recognised during the year.
- Assessing compliance with the requirements of LKAS 16 Property, Plant and Equipment and SLFRS 16 Leases.
- Evaluating the adequacy of the related disclosures in the financial statements.

Fair Value Measurement of Investment Property (Note 13)

The Company measures its investment property at fair value and recognised a fair value gain of **Rs. 68,700,000/-** during the year ended 31 March 2026. The carrying value of investment property amounted to **Rs. 194,649,447/-** as at the reporting date.

The determination of fair value involves significant judgement and estimation uncertainty, including assumptions relating to capitalization rates, market rental yields and comparable market transactions. Due to the materiality of the balance and the significance of the fair value gain recognised during the year, we considered this matter to be a key audit matter.

How our audit addressed the matter

Our audit procedures included, among others:

- Assessing the competence, capability, independence and objectivity of the external valuer engaged by management.
- Evaluating the appropriateness of the valuation methodology applied.
- Testing the completeness and accuracy of the source data used in the valuation.
- Assessing the reasonableness of key assumptions used in determining the fair value by reference to available market information.
- Performing sensitivity analyses on significant assumptions.
- Assessing the adequacy of the related disclosures in the financial statements in accordance with SLFRS 13.

Capitalisation and Recoverability of Capital Work-in-Progress (Note 14)

As at 31 March 2026, the Company reported capital work-in-progress amounting to **Rs. 77,419,900/-**. The assessment of whether expenditure meets the criteria for capitalization requires management judgement. In addition, the determination of whether any impairment indicators exist requires consideration of the expected future economic benefits associated with the projects under development. Due to the significance of the balance and the judgement involved, we considered this matter to be a key audit matter.

How our audit addressed the matter

Our audit procedures included, among others:

- Testing a sample of costs capitalised during the year to supporting documentation.
- Assessing whether expenditures met the capitalization criteria under LKAS 16.
- Reviewing project progress reports and evaluating management's assessment of project completion.
- Assessing whether there were indicators of impairment at the reporting date.
- Evaluating the adequacy of disclosures relating to capital work-in-progress in the financial statements.

Other Information

Other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information.

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



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 (SLFRSs/LKASs), 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the benefits of public interest 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 5679.

CHARTERED ACCOUNTANTS

Colombo

4th Sep, 2026

STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME

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For the year ended 31st March	Notes	2026 Rs.	2025 Rs. (Restated)
Revenue	05	24,581,721	41,380,438
Cost of Sales		(16,474,760)	(20,771,514)
Gross Profit		8,106,961	20,608,924
Dividend Income	06	30,396	37,518
Fair Value Gain from Investment Property	13	68,700,000	32,036,381
Other Operating Income	07	16,547,261	13,963,881
Distribution Expenses		(2,167,167)	(140,910)
Administrative Expenses		(53,917,800)	(45,698,307)
Results from Operating Activities	08	37,299,650	20,807,487
Net Finance Cost	09	(3,187,012)	(45,060,488)
Profit/(Loss) Before Tax		34,112,638	(24,253,001)
Income Tax Expense	10	(17,673,064)	(4,226,971)
Profit/(Loss) for the year		16,439,573	(28,479,972)

Figures in the brackets indicate deductions.

The accounting policies and notes from pages 43 to 79 form an integral part of these financial statements.

STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME (CONTD.)

For the year ended 31st March	2026 Rs.	2025 Rs. (Restated)
Net Profit / (Loss) for the year	16,439,573	(28,479,972)
Other Comprehensive income		
Items that will not be Reclassified to Profit or Loss		
Deferred Tax on Revaluation Gains. 10.1.2	-	-
Net Change in Fair Value of Assets recognised through Other Comprehensive Income	550,729	595,321
Revaluation Gain on Property Plant and Equipment	49,074,449	-
Other Comprehensive Income for the Year, Net of Tax	49,625,178	595,321
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	66,064,752	(27,884,652)
Earnings / (Loss) per share. 11	0.02	(0.04)

Figures in the brackets indicate deductions.

The accounting policies and notes from pages 43 to 79 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

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As at 31st March	Note	2026 Rs.	2025 Rs. (Restated)
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	12	372,510,728	360,999,594
Investment Property	13	191,500,000	122,800,000
Capital Work-in-Progress	14	77,419,900	29,229,726
Intangible Assets	15	-	-
Right of Use Assets	16	194,649,447	120,158,819
Investment in Financial Assets Recognized through Other Comprehensive Income	17	1,603,073	1,052,343
Biological Assets	18	2,194,289	2,194,289
		839,877,437	636,434,771
Current Assets			
Inventories	19	75,194,073	55,111,429
Trade and Other Receivables	20	11,148,339	12,191,246
Other Current Assets	21	40,645,333	36,697,606
Investments in Margin Trading		-	17,321,425
Cash and Cash Equivalents	22	6,719,240	177,003,320
		133,706,987	298,325,026
Total Assets		973,584,424	934,759,797
EQUITY AND LIABILITIES			
Equity			
Stated Capital	23	263,000,000	671,071,291
Reserves	24	99,769,653	50,144,475
Retained Earnings		(79,627,110)	(504,137,974)
Total Equity		283,142,543	217,077,791
Non-Current Liabilities			
Interest Bearing Borrowings	25	473,218,899	494,474,970
Employee Benefit Obligations	26	734,000	256,500
Deposits		5,549,619	7,826,150
Deferred Tax Liability	27	68,329,342	50,656,277
		547,831,860	553,213,897

Continued on the next page.

STATEMENT OF FINANCIAL POSITION

As at 31st March	Note	2026 Rs.	2025 Rs. (Restated)
Current Liabilities			
Trade and Other Payables	28	6,841,374	11,140,760
Amount Due to Related Parties	29	9,862,040	2,812,011
Current Portion of Borrowings	25	80,914,071	99,500,821
Short Term Borrowings	25	44,122,330	50,274,564
Bank Overdrafts	30	870,205	739,953
		142,610,021	164,468,109
Total Equity and Liabilities		973,584,424	934,759,797

Figures in brackets indicate deductions

The accounting policies and notes on pages 43-79 form an integral part of these financial statements.

I certify that the financial statements for the year ended 31st March 2026 are in compliance with the requirements of Companies Act No 7 of 2007.



Mr Diluka Gomez
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements are approved and signed for and on behalf of the Board by,



Mr. Dilshan Fernando
Chairperson/Chief Executive Officer
04 September , 2026
Colombo



Ms. Seraiah Fernando Hullugalle
Director

STATEMENT OF CASH FLOWS

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For the year ended 31st March	Notes	2026 Rs.	2025 Rs.
Cash Flow from Operating Activities			
Cash Receipt from Customers		31,744,130	45,745,833
Cash Paid to Suppliers and Employees		(73,545,966)	(80,591,922)
Exchange Gain/(Loss) on trasactions	9	(8,488,692)	(1,554,430)
Cash generated /(used) in Operations		(50,290,527)	(36,400,519)
Net Cash generated /(used) in Operating Activities		(50,290,527)	(36,400,519)
Cash Flow from Investing Activities			
Dividend Received	6	30,396	37,518
Rent Income	5	15,285,057	14,285,950
Interest Income Received	9	1,483,481	1,731,168
Acquisition of Property, Plant & Equipment and Capital work in Progress	12	(107,037,145)	(43,501,510)
Short Term Investment Withdrawals		17,321,425	22,500,000
Rent Deposit Received		-	7,059,000
Net Cash Flows Used in Investing Activities		(72,916,785)	2,112,126
Cash Flow from Financing Activities			
Interest paid	9	(4,670,494)	(1,707,189)
Proceeds from Short Term Finance		(17,321,425)	55,106,403
Repayment of Interest Bearing Borrowings	25	(56,138,732)	(76,000,000)
Loan Proceeds from BRIS Holdings Limited		-	267,500,000
Loan proceeds from Silver Edge Investments Ltd		30,923,630	-
Net Cash Generated / (Used) in Financing Activities		(47,207,021)	244,899,214
Net Increase/(Decrease) in Cash & Cash Equivalents		(170,414,333)	210,610,821
Cash & Cash Equivalents at the Beginning of the year		176,263,367	(34,347,454)
Cash & Cash Equivalents at the End of the year	Note A	5,849,034	176,263,367
Analysis of Cash and Cash Equivalents			
Note A			
Favorable balances			
Cash and Cash Equivalents	22	6,719,240	177,003,320
Unfavorable balances			
Bank Overdraft	30	(870,205)	(739,953)
		5,849,034	176,263,367

Figures in brackets indicate deductions.

The accounting policies and notes on pages 43-79 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

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	Stated Capital	Revaluation Surplus	Fair Value Reserve of Financial assets at FVOCI	Retained Earnings (Restated)	Total (Restated)
	Rs	Rs	Rs	Rs	Rs
Balance as at 31st March, 2024	671,071,291	49,528,050	21,104	(475,658,002)	244,962,443
Net Loss for the year	-	-	-	(28,479,972)	(28,479,972)
Other Comprehensive Income for the Year	-	-	595,321	-	595,321
Balance as at 31st March, 2025	671,071,291	49,528,050	616,425	(504,137,974)	217,077,791
Balance as at 1st April 2025	671,071,291	49,528,050	616,425	(504,137,974)	217,077,791
Capital Reduction (Note 23)	(408,071,291)	-	-	408,071,291	-
Net Profit for the year	-	-	-	16,439,573	16,439,573
Other Comprehensive Income for the Year	-	49,074,449	550,729	-	49,625,178
Balance as at 31st March, 2026	263,000,000	98,602,499	1,167,154	(79,627,110)	283,142,543

Figures in the brackets indicate deductions.

The Accounting Policies and Notes on pages 43 to 79 form an integral part of these Financial Statements.

For the Year Ended 31st March 2026

1. CORPORATE INFORMATION

1.1. General

Tess Agro PLC is a public limited liability company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The Registered Office and principal place of business of the company is located at 87, New Nuge Road, Peliyagoda.

1.2. Principal Activities and Nature of Operation

The principal activities of the company are dealing in fresh fish products, can manufacturing, construction, and warehouse renting. The export of marine products has been temporarily suspended.

1.3. Approval of Financial Statements by the Board of Directors

The Financial Statements for the year ended 31st March, 2026 were authorized for issue by the Board of Directors in accordance with the resolution passed at the meeting held on 4th Sep 2026.

1.4. Responsibility of Financial Statements

The Board of Directors is responsible for the preparation and presentation of these Financial Statements as per Sri Lanka Accounting Standards (SLFRS/ LKAS) and the provisions of the Companies Act No.07 of 2007.

2. BASIS OF PREPARATION

2.1. Statement of Compliance

The financial statements which comprise the income statement, statement of other comprehensive income, statement of financial position, statement of changes in equity and the cash flow statement together with the accounting policies and notes have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) as issued by the Institute of Chartered Accountants of Sri Lanka and the requirement of the Companies Act No 7 of 2007. These Financial statements, except for Cash Flow statement have been prepared on accrual basis.

2.2. Reporting Date

The financial statements of the company are prepared for each financial year, which ends on 31st March.

2.3. Basis of Measurement

The Financial Statements are prepared in Sri Lankan Rupees, which is the company's functional currency.

The financial statements referred to are based on historical cost convention, except for property, plant & equipment in revalued amount quoted equity investments in fair value, and right to use assets in amortized cost.

2.4. Going Concern

The Directors have made an assessment as to the company's ability to continue as a going concern as the Company has made significant progress in strengthening its financial position during the year under review. As at 31 March 2026, current assets stood at Rs. 133.7 million compared with current liabilities of Rs. 142.6 million, resulting in a net current asset position of approximately Rs. 8.9 million. This represents a significant improvement in the Company's liquidity position and provides a stronger foundation for its future operations.

ACCOUNTING POLICIES

The Company's total equity also increased to Rs. 283.1 million as at 31 March 2026, compared with Rs. 217.1 million in the previous year. This improvement reflects the progress made in restoring the Company's capital position and strengthening its balance sheet.

The Directors have taken into account the mitigating factors such as the positive operating results achieved during year, improved revenue generation and the availability of banking facilities and support from the related parties. The Directors are confident that the company will be able to generate adequate cash flow to meet its obligations as they fall due and to continue its operations for the foreseeable future.

Accordingly the Directors consider it appropriate to prepare these financial statements on a going concern basis.

2.5. Offsetting

Assets and liabilities or income and expenses are not offset unless required or permitted by Sri Lanka Accounting Standards.

2.6. Comparative Information

The presentation and classification of the financial statements of the previous years have been amended, where relevant, for better presentation and to be comparable with those of the current year. The accounting policies set out below have been applied consistently for all periods presented in the financial statements by the Company.

3. MATERIAL ACCOUNTING POLICIES

3.1. Classification of Assets and Liabilities

The Company presents the assets and liabilities based on current and non-current classification.

An asset is current

- a. When it is expected to be realized or intended to be sold or consumed in the normal operating cycle and held primarily for trading or expected to be realized within twelve months after the reporting period.
- b. Is cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current

- a. when it is expected to be settled in the normal operating cycle and is held primarily for trading, and is due to be settled within twelve months after the reporting period.
- b. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current liabilities.

The Company classifies deferred tax assets and liabilities under non-current assets and non-current liabilities.

ACCOUNTING POLICIES

3.2. Foreign Currency Transactions

3.2.1. Foreign Currency Transactions and Balances

All transactions involving foreign exchange are translated at the rate of exchange prevailing at the time the transactions are affected. All monetary assets and liabilities at the year-end in foreign currency, except for those liabilities that are effectively abandoned by the lenders, are translated at the rate prevailing on the reporting date. The resulting Gains or Losses are dealt with in the statement of comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Foreign currency gains and losses are reported on a net basis in the statement of comprehensive income.

3.2.2. Foreign Operations

There were no foreign operations during the year, and there are no assets or liabilities remaining at the reporting date that are related to foreign operations.

3.3. Stated Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

3.4. Property, Plant and Equipment

3.4.1. Recognition and Measurement

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 assets can be reliably measured.

Property, plant and equipment are stated at cost or valuation less aggregate depreciation. The cost of self-constructed assets includes the cost of materials, direct labor, and any other costs directly attributable to bringing the assets to the working condition for its intended use, and borrowing cost if the recognition criteria are met. Capital work in progress represents the accumulated construction cost of the new office premises and the cold room complex at Peliyagoda and installation of Tin Can Manufacturing Machinery. Any item of property, plant and equipment is recognized initially at cost.

When a Property, Plant & Equipment is revalued, any revaluation surplus is recognized in other comprehensive income and accumulated in equity in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the income statement, in which case the increase is recognized in the income statement. A revaluation deficit is recognized in the income statement, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

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

When an item of property, plant and equipment are revalued, the entire class of such asset is revalued at fair value on the date of revaluation. The company has adopted a policy of revaluing assets by professional valuers at least every 5 years.

ACCOUNTING POLICIES

3.4.1.1. Subsequent cost

The company capitalizes the cost of replacing a component of property, plant and equipment when it is probable that future economic benefits associated with the asset will flow to the company and the cost can be measured reliably. The carrying amount of the component that is derecognized from the asset. Expenditure incurred on routine maintenance and day to day servicing of property plant and equipment is expensed to the statement as incurred.

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

Upon disposal, any related revaluation reserve is transferred from the revaluation reserve to retained earnings and is not taken in to account in arriving at the gain or loss on disposal.

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

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

3.4.1.2 Depreciation

The estimated useful lives of assets are as follows,

Assets	Years
Buildings	50 years
Plant & Machinery	10-20 years
Office Equipment	05-10 years
Factory Equipment	10 years
Electrical Equipment	05 years
Tools	03 years
Furniture & Fittings	5 years
Motor Vehicles	5 years
Lab Equipment	10 years
Right of Use Assets	99 & 30 years

Depreciation is provided on the assets when they become available for use.

ACCOUNTING POLICIES

3.5. Investment Property

Investment property is property (land or a building—or part of a building—or both) held by the entity to earn rentals or for capital appreciation or both, rather than for:

- Use in the production or supply of goods or services, or for administrative purposes (owner-occupied property, covered under LKAS 16), or
- Sale in the ordinary course of business (inventory, covered under LKAS 2).

Investment property is initially measured at cost, including transaction costs. Cost includes the purchase price and any directly attributable expenditure (e.g., professional fees, property transfer taxes, and other transaction costs). If payment is deferred, cost is the cash price equivalent, with the difference recognized as interest expense over the period of credit. Investment property is measured at fair value at each reporting date. Changes in fair value are recognized in profit or loss for the period. Depreciation is not charged under this model.

Transfers to/from investment property are made only when there is a change in use, evidenced by:

- Commencement of owner-occupation (transfer to PPE under LKAS 16).
- Commencement of development with a view to sale (transfer to inventory under LKAS 2).
- End of owner-occupation (transfer from PPE to investment property).

The basis of transfer is the fair value at the date of change in use, which becomes the new cost.

On disposal, or when permanently withdrawn from use and no future economic benefits are expected, the asset is derecognized. Gains or losses on derecognition are recognized in profit or loss (difference between net disposal proceeds and carrying amount).

3.6. Capital Work in Progress (CWIP)

Capital work-in-progress represents the cost of property, plant, and equipment and intangible assets that are under construction or development as at the reporting date.

Capital Work in Progress is carried at cost, which includes all expenditure directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Such costs include materials, labour, site preparation professional fees, borrowing costs (where applicable, in accordance with LKAS 23 – Borrowing Costs), and any other directly attributable costs. Expenditure incurred on assets under construction is capitalized as CWIP until the asset is ready for its intended use.

On completion, CWIP is transferred to the appropriate category of property, plant and equipment (as per LKAS 16) or intangible assets (as per LKAS 38) and depreciated/amortized over its useful life from the date it is available for use.

CWIP is reviewed for impairment in accordance with LKAS 36 – Impairment of Assets whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

ACCOUNTING POLICIES

3.7. Intangible Assets

3.7.1 Initial Recognition and Measurement

The company recognizes intangible assets if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. Separately acquired intangible assets are measured on initial recognition at cost. The cost of such separately acquired intangible assets includes the purchase price, import duties, non-refundable purchase taxes, and any directly attributable cost of preparing the asset for its intended use.

3.7.2 Subsequent Measurement

After initial recognition, an intangible asset is stated at its costs with less any accumulated amortization and any accumulated impairment losses.

3.7.3 Computer Software

All computer software costs incurred, licensed for use by the company, which do not form an integral part of related hardware, and which can be clearly identified, reliably measured, and it is probable they lead to future economic benefits, which are included under intangible assets and carried at cost less accumulated amortization and any accumulated impairment losses.

3.7.4 Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in the income statement on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the Intangible assets are ten (10) years.

3.8. Right-of-use Asset

The right-of-use asset is initially measured at cost. This comprises the initial amount of the lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. After the commencement date, the company measures the right-of-use asset on the cost model. However, for those lease assets measured on the revaluation model under LKAS 16 continue to be measured on the revaluation model.

The Company presents right-of-use assets separately from other assets and lease liabilities from other liabilities in the Statement of Financial Position.

3.8.1. Amortization

Right-of-use assets are amortized using the straight-line method over the shorter of the lease term and the estimated useful life of the underlying asset. The right-of-use assets are subject to impairment.

ACCOUNTING POLICIES

3.8.2. Lease Liability

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

However, there were no lease liabilities outstanding at the commencement since the entire consideration has been paid up front.

3.8.3. Short-Term Leases and Leases of Low-Value Assets

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the term of the lease or any other basis more appropriate to the time pattern of the benefits derived from the lease.

3.9. Biological Assets

3.9.1. Basis of Recognition

The entity recognizes the biological assets when and only when, the entity controls the assets as a result of a past event, it is probable that future economic benefits associated with the assets will flow to the entity, and the fair value or cost of the assets can be measured reliably.

3.9.2. Basis of Classification

Biological assets are classified into mature biological assets and immature biological assets. Mature biological assets are those that have attained harvestable specifications or are able to sustain regular harvests. Immature biological assets are those that have not yet attained harvestable specifications. Coconut plantations and nurseries are classified as biological assets.

The cost of land preparation, rehabilitation, new planting, replanting, crop diversification, inter planting and fertilizing etc. incurred between the time of planting and harvesting (when the planted area attains maturity), are classified as immature plantations. These immature plantations are shown at direct costs plus attribute overheads. Expenditure incurred on consumable biological assets is recorded at cost at initial recognition and thereafter at fair value at the end of each reporting period.

3.9.3. Depreciation

The cost of areas coming into bearing are transferred to mature plantations and depreciated as follows,

Bearer Biological Assets (Mature Plantations) at cost

Category	No. of Years	Rate
Coconut Trees	30 years	3.33%

ACCOUNTING POLICIES

3.10. Financial Instruments

The Company has adopted SLFRS 9 and measure and present the financial instruments accordingly.

3.10.1. Financial Assets

3.10.1.1. Recognition and Initial Measurement

Trade receivables are initially recognized when transactions are originated. All other Financial Assets are initially recognized when the company becomes a party to the contractual provisions of the instrument.

3.10.1.2. Classification and subsequent measurement

On initial recognition, the Company classifies Financial Assets as measured at amortized cost, Fair Value through Other Comprehensive Income or Fair Value through Profit or Loss. These Classification of Financial assets of initial recognition depend on the Financial Asset's contractual cash flow characteristics and the Company's business model for managing them. This Assessment is referred to as the sole payment of principal and interest (SPPI) test and is performed on each Financial Asset.

The Financial Assets of the company include Cash and Cash Equivalents, Trade and Other receivables, Other Current Assets, Short Term Deposits, and Margin Trading Facility.

3.10.1.3. Subsequent Measurement

For Subsequent measurement, financial assets are classified into three categories.

- a. Financial assets measured at amortized cost
- b. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- c. Financial assets measured at fair value through profit and loss (FVTPL)

a) Financial Assets at Amortized Cost

The Company measures Financial Assets at amortized cost if both of the following conditions are met.

- Financial Asset is held within a business model whose objective is to hold Financial Assets in order to collect contractual cash flows.
- The contractual terms of the Financial Assets give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

ACCOUNTING POLICIES

b) Financial Assets Measured at Fair Value through Other Comprehensive Income

The Company measures financial assets at Fair value through OCI if both the following conditions are met.

- The Financial Asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and,
- The contractual terms of the Financial Assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at Fair value through Profit and Loss

Financial Assets shall be measured at fair value through profit or loss unless it is measured at amortized cost or fair value through other comprehensive income.

d) Equity Instruments

On initial recognition of an equity instrument that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment fair value through OCI. This election is made on an investment-by-investment basis. Fair value of the quoted equities is based on price quotation in an active market at the reporting date.

e) Other Financial assets

The fair value of loans and receivables does not significantly differ from the value based on the amortized cost method. The management assessed that cash and short-term deposits, and trade receivables approximate their carrying amount.

3.10.1.4. Financial Assets Derecognition

Financial assets are derecognized when the right to receive cash flows from the financial assets has expired or has been transferred and the company has transferred substantially all the risk and rewards of ownership.

3.10.1.5. Recognition of Expected Credit Losses

At each reporting date, an entity shall measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, based on the reasonable and supportable information that is available without undue cost or effort, the management may make a loss provision according to the circumstances.

ACCOUNTING POLICIES

3.10.2. Financial Liabilities

3.10.2.1. Classification and subsequent measurement.

Financial Liabilities are classified as measured at amortized cost or FVTPL. The Financial liabilities of the Company include trade and other payables, bank overdraft, Loans and Borrowings.

All Financial Liabilities are initially recognized at fair value and in the case of loans and borrowings subsequent measurement is done at amortized cost using effective interest rate method.

3.11. Inventories

Inventories are stated 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 cost of completion and selling expenses. The inventories are valued on a first in first out basis. The cost of inventories included the cost of acquiring and bringing inventories to their present location and condition. Where production is involved cost of inventories included and appropriate proportion of production overheads based on normal based operating capacity.

3.12. Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand net of outstanding bank overdrafts.

3.13. Impairment

3.13.1. Non-Financial Assets

The carrying amounts of the company's non-financial assets other than inventories and deferred tax are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amounts are estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. A cash generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets. Impairment losses are recognized in the income statement.

3.14. Income Tax Expenses

3.14.1. Current Taxes

Provision for income tax is based on the elements of income and expenditure as reported in the financial statements and is computed in accordance with the provisions of the relevant tax statutes.

3.14.2. Income Tax

Tax Losses carried forward

The company has evaluated the recoverability of unrelieved losses through taxable profit forecast and determined that recoverability in the near future is remote and accordingly no provision has been for deferred tax.

ACCOUNTING POLICIES

3.14.3. Deferred Tax

Deferred taxation is the tax attributable to the temporary differences that arise when taxation authorities recognize and measure assets and liabilities with rules that differ from those of the financial statements of the company.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rate that is expected to be applied to temporary differences when they reverse, based on the laws that have been enacted by the reporting date.

3.15 Provisions and Liabilities

Liabilities are recognized in the statement of financial position when there is a present obligation arising from a past event, the settlement of which is expected to result in an outflow of resources embodying economic benefits. Obligations payable at the demand of the creditor or within one year of the statement of financial position date are treated as current liabilities in the statement of financial position. Liabilities payable after one year from the reporting date are treated as non-current liabilities in the statement of financial position.

All known liabilities have been accounted for in preparing the financial statements.

3.16 Employee Benefits

3.16.1 Short Term Employee Benefits

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

3.16.2 Post-Employee Benefits

3.16.2.1 Defined Benefit Plan – Retiring Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The defined benefit obligation has been calculated based on the projected unit credit method of LKAS 19 employee benefits. All assumptions are reviewed at each reporting date. Details of the key assumptions used in the estimates are contained in Note 26 in the Financial Statements.

The liability is not externally funded.

ACCOUNTING POLICIES

3.16.2.2 Defined Contribution Plans – Employees’ Provident Fund and Employees Trust Fund

All the employees are eligible for Employees’ Provident Fund and Employees’ Trust Fund Contributions. The Company contributes the defined percentages of earnings of the employees to the Employees’ Provident Fund managed by the Central Bank of Sri Lanka and the Employees’ Trust Fund managed by the Employees’ Trust Fund Board respectively.

3.16.2.3. Employee Provident Fund and Employee Trust Fund

The company contributes a sum equivalent to 12% of the gross emoluments of employees as provident fund benefit and 3% as trust fund benefit.

3.17. Revenue

Revenue is recognized when (or as) the company satisfies a performance obligation by transferring a promised good or service to a customer. Revenue is measured at the transaction price which is the amount of consideration to which the company expect to be entitled in a exchange for transferring goods or services, net of trade discount and value added taxes. revenue is recognised either at a point in time or overtime, depending on when control of the goods or services is transfered to the customer.

3.17.1. Dividend

Dividend income is recognized on an accrual basis.

3.17.2. Other Income

Other income is recognized on an accrual basis

3.18. Finance Income and Expenses

Finance income comprises interest income from funds invested in fixed deposits. Finance expenses comprised of interest expenses on borrowings and leases.

3.19. Borrowing Cost

Borrowing cost that is not directly attributable to the acquisition, construction or production of qualifying assets is recognized as an expense

3.20. Movement of reserves

Movements of reserves are disclosed in the Statement of Changes in Equity.

3.21. Statement of Cash Flow

The cash flow of the Company has been presented using the direct method in accordance with LKAS 7 – Statement of Cash Flow.

ACCOUNTING POLICIES

3.22. Segmental Information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' operating results are reviewed regularly by the Company's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

3.23. Primary and Secondary Segments

In presenting segmental information segment revenue and expenses are based on the geographical locations of the earned or incurred. The primary segment is considered to be the geographical segment based on the Companies' management and internal reporting structure.

i) Segmental information analyzed by geographical segments was not present. Since the company had only local operations.

ii) All transfers made between the geographical areas in the Company are based on normal market price.

The company's operations during the year were restricted to Sri Lanka.

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE AS AT THE REPORTING DATE

The Institute of Chartered Accountants of Sri Lanka has issued the following standards which become effective for accounting periods beginning after the current financial year. Accordingly these standards have not been applied in preparing these Financial Statements.

The Company does not expect that these standards will have substantial impact on the financial performance, financial position and disclosures when they become effective in the future.

SLFRS S1 (General Requirements for Disclosure of Sustainability-Related Financial Information) and SLFRS S2 (Climate-Related Disclosures)

The adoption of the Sri Lanka Sustainability Disclosure Standards, SLFRS S1 (General Requirements for Disclosure of Sustainability-Related Financial Information) and SLFRS S2 (Climate-Related Disclosures), commenced in January 2025, with full implementation planned by 2030.

Accordingly, by 2025, the first 100 listed entities (on the main board based on market capitalisation as of 1st January 2025) on the Colombo Stock Exchange (CSE) are expected to comply with the new sustainability standards mandatorily. By 2026, this requirement will be extended to all listed entities on the main board of CSE. By 2027, all listed entities on CSE, except those on the Empower Board, will need to comply with the standards for annual periods beginning on or after 1st January 2027.

The Company has initiated steps to align with the newly introduced Sri Lanka Sustainability Disclosure standards SLFRS S1 and SLFRS S2 as part of the implementation plan, the company is strengthening its governance framework for sustainability reporting establishing a system to capture relevant environmental, social, governance (ESG) data integrating climate related risk assessments into its strategic operational decision making processes. The company intends to progressively adopt these standards in line with the regulatory timelines ensuring full compliance ahead of the mandatory requirements.

5. REVENUE

For the year ended 31st March	2026 Rs.	2025 Rs.
Rent	15,285,057	14,285,950
Copper Plates and Tin Cans	9,296,664	27,094,488
	24,581,721	41,380,438

Property at Muthurajawela has been rented out to a commercial venture for a period of 05 years till 31st August, 2029 with an initial monthly rent of Rs. 1,176,500/-. The rent income will be increase annually on pre agreed rates.

During the year ended 31st March, 2026 the company has only earned revenue from Sri Lanka. No foreign operations were conducted. Therefore no geographical based revenue analysis was performed.

6. DIVIDEND INCOME

For the year ended 31st March	2026 Rs.	2025 Rs.
Dividend Received	30,396	37,518
	30,396	37,518

7. OTHER OPERATING INCOME

For the year ended 31st March	2026 Rs.	2025 Rs.
Exchange Gain	8,488,692	-
Other Income	5,932,387	13,963,881
Current Account Written Back	990,077	-
Entrustment Processing Fee Income	1,136,104	-
	16,547,261	13,963,881

8. RESULTS FROM OPERATING ACTIVITIES

The following expenses have been deducted when deriving the results from operating activities.

For the year ended 31st March	2026 Rs.	2025 Rs.
Directors Allowance	5,011,250	1,800,000
Staff Salary	8,452,517	7,218,917
Bonus and Other Allowance	2,137,825	1,652,677
Staff Welfare and Medical	1,467,609	1,452,594
EPF Contribution	1,011,012	866,270
ETF Contribution	252,753	216,568
Gratuity Expense	477,500	182,000
Auditors Remuneration	803,959	838,708
Professional Fees	652,500	2,113,688
Legal Fees	-	755,728
Depreciation	13,689,957	12,870,154
Amortization	-	24,392

NOTES TO THE FINANCIAL STATEMENTS

9. NET FINANCE COST

For the year ended 31st March	2026 Rs.	2025 Rs.
Finance Expenses		
Overdraft Interest	-	671,631
Loan Interest	4,670,494	50,734,169
Foreign Currency Exchange Loss	-	2,650,846
	4,670,494	54,056,646
Finance Income		
Interest	1,483,481	8,996,158
	1,483,481	8,996,158
Net Finance Cost	3,187,012	45,060,488

10. INCOME TAX EXPENSE

10.1 Tax Recognized in Statement of Comprehensive Income

For the year ended 31st March	Notes	2026 Rs.	2025 Rs.
Current Tax Expenses			
Tax on Current Year Profit	10.1.1	-	-
Deferred Tax Expenses/ (Income)			
Deferred Tax Expenses/ (Reversals)	10.1.2	17,673,064	4,226,971
		17,673,064	4,226,971

10.1.1 Reconciliation of Accounting Profit to Taxable Income

For the year ended 31st March	2026 Rs.	2025 Rs.
Profit/(Loss) before Taxation	34,112,638	18,253,270
Profits and Income not Liable for Income Tax	(69,992,755)	(32,073,899)
Aggregate Disallowed Expenses	15,673,648	21,531,313
Capital Allowances	(38,023,551)	(32,955,551)
Utilization of Tax Losses	(19,120,200)	(23,282,108)
Unutilized Current year Tax Loss	77,350,221	48,526,975
Taxable Income/ (Tax Loss)	-	-
Income tax charged at:		
Standard rate 30%	-	-
	-	-

NOTES TO THE FINANCIAL STATEMENTS

10. INCOME TAX EXPENSE (CONTD.)

10.1.2 Deferred Tax Expenses/(Reversals)

For the year ended 31st March	2026 Rs.	2025 Rs.
Deferred Tax Charged to Profit and Loss. Note 27	17,673,064	4,226,971
	17,674,064	4,226,971

11. EARNINGS (LOSS) PER SHARE

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the attributable to the ordinary shareholders by weighted average number of ordinary shares outstanding during the year.

For the year ended 31st March	2026 Rs.	2025 Rs. (Restated)
Profit/ (Loss) Attributable to Ordinary Shareholders	16,439,573	(28,479,972)
Weighted Average Number of Ordinary Shares	743,729,716	743,729,716
Basic Earnings / (Loss) per Share	0.02	(0.04)

NOTES TO THE FINANCIAL STATEMENTS

12. PROPERTY, PLANT AND EQUIPMENT

COST /RE-VALUATION	As at 01.04.2025 Rs.	Additions during the year Rs.	Revaluation Adjustment	As at 31.03.2026 Rs.
Building	217,018,530	44,420,244	(80,638,774)	180,800,000
Machinery	113,821,957	5,132,945	(9,612,902)	109,342,000
Office Equipment	8,414,514	1,530,206	(8,922,720)	1,022,000
Cold Room Equipment	27,824,000	-	(24,854,000)	2,970,000
Factory Equipment	6,281,627	2,034,736	24,544,637	32,861,000
Factory Utensils	1,000,497	-	3,242,503	4,243,000
Electrical Equipment	13,023,852	-	(1,268,852)	11,755,000
Tools	457,440	49,066	(485,506)	21,000
Crockery and Cutlery	67,354	-	-	67,354
Furniture & Fittings	1,995,929	136,286	(299,215)	1,833,000
Motor Vehicles	13,638,857	5,281,627	2,879,516	21,800,000
Name Board	205,034	-	-	205,034
Lab Equipment	537,757	-	-	537,757
CCTV Camera System	2,657,889	261,860	(2,060,749)	859,000
HR Attendance	97,375	-	-	97,375
Air Compressor	2,957,500	-	(5,500)	2,952,000
Network System	184,750	-	(122,750)	62,000
Electricity Connection	4,022,275	-	-	4,022,275
Total	414,207,137	58,846,970	(97,604,318)	375,449,795
ACCUMULATED DEPRECIATION	As at 01.04.2025 Rs.	Charge during the year Rs.	Revaluation Adjustment	As at 31.03.2026 Rs.
Building	7,140,962	4,559,429	(11,700,392)	-
Machinery	4,170,598	5,903,041	(10,073,639)	-
Office Equipment	8,110,339	71,895	(8,182,234)	-
Cold Room Equipment	4,166,528	1,391,200	(5,557,728)	-
Factory Equipment	4,884,587	238,147	(5,122,735)	-
Factory Utensils	985,448	1,679	(987,127)	-
Electrical Equipment	3,533,810	2,391,816	(5,925,625)	-
Tools	228,897	104,132	(333,029)	-
Crockery and Cutlery	67,354	-	-	67,354
Furniture & Fittings	1,265,780	176,904	(1,442,685)	-
Motor Vehicles	13,638,857	902,941	(14,541,798)	-
Name Board	205,034	-	-	205,034
Lab Equipment	537,757	-	-	537,757
CCTV Camera System	1,950,441	275,915	(2,226,355)	-
HR Attendance	28,946	19,476	-	48,422
Air Compressor	850,283	591,500	(1,441,783)	-
Network System	54,920	36,950	(91,870)	-
Electricity Connection	1,387,000	693,500	-	(2,080,500)
Total	53,207,543	17,358,525	(67,627,001)	2,939,067

NOTES TO THE FINANCIAL STATEMENTS

12. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

Description	Carrying Value		Fully Depreciated Assets	
	As at 01.04.2025	As at 31.03.2026	As at 01.04.2025	As at 31.03.2026
Building	209,877,568	180,800,000	-	-
Machinery	109,651,358	109,342,000	-	-
Office Equipment	304,175	1,022,000	8,099,824	-
Cold Room Equipment	23,657,472	2,970,000	-	-
Factory Equipment	1,397,040	32,861,000	4,722,531	-
Factory Utensils	15,049	4,243,000	983,707	-
Electrical Equipment	9,490,042	11,755,000	1,064,774	-
Tools	228,543	21,000	147,473	-
Crockery and Cutlery	-	-	67,354	67,354
Furniture & Fittings	730,149	1,833,000	1,172,467	-
Motor Vehicles	-	21,800,00	13,,638,857	-
Name Board	-	-	205,034	205,034
Lab Equipment	-	-	537,757	537,757
CCTV Camera System	707,448	859,000	-	-
HR Attendance	68,429	48,953	-	-
Air Compressor	2,107,217	2,952,000	-	-
Network System	129,830	62,000	-	-
Electricity Connection	2,635,275	1,941,775	-	-
Total	360,999,594	372,510,728	30,639,778	810,145

The value of property, plant and equipment (Right of Use Asset - Peliyagoda) pledged by the company as security for interest bearing borrowings obtained from banks amounted to Rs. 188.1 million (2024/2025-123.2 million). Value of the interest bearing borrowings where above assets have been pledged is Rs. 311.7 million.

NOTES TO THE FINANCIAL STATEMENTS

13. INVESTMENT PROPERTY

As at 31 st March	2026 Rs.	2025 Rs.
Building at Muthurajawela		
At Cost/ Valuation		
At the Beginning of the Year	122,800,000	90,763,619
Fair Value Gain	68,700,000	32,036,381
At the end of the Year	191,500,000	122,800,000

14. CAPITAL WORK-IN-PROGRESS

As at 31 st March	Building at N0.87, Peliyagoda Rs.	Warehouse Rs.	Can Making Machine & Installation Rs.	Kerawalapitiya Solar Project Rs.	Total Rs.
Balance at the beginning of the year	1,399,780	-	6,464	27,823,481	29,229,726
Add: Construction Expenses Incurred during the Year	-	76,013,655	-	16,596,763	92,610,418
Less: Capitalization during the Year	-	-	-	(44,420,244)	(44,420,244)
Balance at the end of the Year	1,399,780	76,013,655	6,464	-	77,419,900

15. INTANGIBLE ASSETS

As at 31 st March	2026 Rs.	2025 Rs.
Computer Software		
Cost		
Balance as at 1st April 2025	1,838,699	1,838,699
Balance as at 31st March 2026	1,838,699	1,838,699
Accumulated Amortization/Impairment		
Balance as at 1st April 2025	1,839,699	1,814,301
Amortization during the year	-	24,398
Balance as at 31st March 2026	1,838,699	1,838,699
Carrying value as at 31st March 2026	-	-

The Software, which has been fully amortised, continues to be utilised in the operations of the Company as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

16. RIGHT TO USE ASSETS

The leasehold assets that do not meet the criteria of investment properties in terms of LKAS 40 are accounted as Right of Use Assets in accordance with SLFRS 16.

As At 31st March 2026	Class 1 Value Rs.	Class 2 Cost Rs.	Total Value/Cost Rs.	2025 Rs
Land				
Balance at the Beginning of the Year	123,250,300	31,719,301	154,969,601	154,969,601
Revaluation Adjustment	64,849,700	-	64,849,700	-
Balance at the end of the Year	188,100,000	31,719,301	219,819,301	154,969,601
Accumulated Amortization				
Balance at the Beginning of the Year	12,351,454	22,459,328	34,810,782	30,249,651
Amortization for the Year	1,850,605	2,710,526	4,561,131	4,561,131
(-) Revaluation Adjustment	(14,202,060)	-	(14,202,060)	-
Balance at the end of the Year	-	25,169,854	25,169,854	34,810,782
Carrying Value				
As At 31st March 2026	188,100,000	6,549,447	194,649,447	129,158,819

Class 1 in Right of Use asset comprises of leasedhold land at Peliyagoda. This asset was measured in applying revaluation model under LKAS 16 and accordingly it is measured in revaluation model under SLFRS 16 too.

This asset was treated as equivalent to freehold land in the past due to the following reasons.

- Originally leased for 99 years
- Provision is made in the lease agreement for an extension of lease period
- Lessee is permitted to mortgage the property.

Class 2 in Right of Use Assets include lands at Polonnaruwa and Muthurajawela. These are measured in cost model.

16.1. Details of Right of Use Assets

As At 31st March 2026	Extent of Land A-R-P	Period of Use Years	Amount Amortized 2026 Rs.
Land at New Nuge Road Peliyagoda	0-1-1.26	99	1,850,605
Land at Polonnaruwa	9-3-20.8	30	1,752,261
Land at Muthurajawela	1-0-0	30	958,265
			4,561,131

16.2. Lease Hold Land – Peliyagoda

The Company has taken this Land on 99 years lease period from Urban Development Authority of Sri Lanka. According to the Lease Agreement entered into with Urban Development Authority, upon the termination of the lease by effluxion of time the lessor may grant to the lessee or its successors to whom the demised premises with the buildings thereon have been leased out a renewal of the lease for further period of Ninety Nine (99) years or for a period to be mutually agreed on or upon by the Lessor.

Further, the lessee shall be at liberty to develop the demised premises by mortgaging the demised premises together with everything standing thereon or any part or portion thereof to any person or persons bank or banks or body corporate or any financial institutions or any one or more of them jointly or severally during the lease period here to or any period that may be agreed upon by the lessee on such terms and conditions and in any manner whatsoever with the prior written consent and approval of the Lessor.

NOTES TO THE FINANCIAL STATEMENTS

17. INVESTMENT IN FINANCIAL ASSETS RECOGNIZED THROUGH OTHER COMPREHENSIVE INCOME

As at 31st March	Note	2026 Rs.	2025 Rs.
Quoted Equity Investment	17.1	1,603,073	1,052,343
		1,603,073	1,052,343

17.1 Quoted Equity Investment

As at 31st March	No. of Shares	2026 Rs.	2025 Rs.
Merchant Bank of Sri Lanka PLC	230	2,484	1,334
Seylan Bank PLC	2,318	243,970	168,055
Bairaha Farms PLC	1,650	117,150	54,368
Lanka Milk Foods PLC	3,000	240,300	130,200
Chemical Industries (Colombo) PLC	6,760	162,240	105,321
Browns Beach Hotel PLC	300	6,960	5,640
Galadari Hotel PLC	1,000	16,100	16,900
Richard Peries & Co. PLC	500	180,250	187,500
Royal Ceramics PLC	1,760	75,680	65,120
Sierra Cables PLC	9,900	280,170	155,430
Dialog Telecom PLC	4,020	121,806	57,486
Nation Trust Bank PLC	489	141,443	92,150
Odel PLC	1,200	14,520	12,840
Market Value as at 31st March	33,127	1,603,073	1,052,343

18. BIOLOGICAL ASSETS

As at 31st March	2026	2025
Immature Plantations- Coconut	Rs.	Rs.
Balance at the beginning of the Year	2,194,289	2,194,289
Balance at the end of the Year	2,194,289	2,194,289

19. INVENTORIES

As at 31st March	2026 Rs.	2025 Rs.
Raw Materials	74,050,138	54,321,493
Packing Materials	1,143,936	789,936
	75,194,073	55,111,429

NOTES TO THE FINANCIAL STATEMENTS

20. TRADE AND OTHER RECEIVABLES

As at 31st March	Notes	2026 Rs.	2025 Rs.
Trade Receivables	20.1	9,384,851	9,598,486
Staff Loans		91,000	87,500
Other Receivables	20.2	1,672,488	2,505,259
		11,148,339	12,191,246

20.1 Trade Receivables

As at 31st March	Notes	2026 Rs.	2025 Rs.
Other Trade Receivables		9,384,851	9,598,486
Esselunga S.P.A		25,713,073	25,713,073
Kewa Fisk Danmark Aps		225,087	225,087
M.I. Food		864,434	864,434
Al Tayeb Meat Est		6,862	6,862
Stafford International Supermarket		314,078	314,078
		36,508,385	36,722,020
Less: Provision for Impairment	20.1.1	(27,123,534)	(27,123,534)
		9,384,851	9,598,486

20.1.1 Provision for Impairment

As at 31st March	2026 Rs.	2025 Rs.
Balance at the beginning of the Year	27,123,534	27,123,534
Impairment Provision Recognized for the Year	-	-
Balance at the end of the Year	27,123,534	27,123,534
Provision for Impairment		
Esselunga S.P.A	25,713,073	25,713,073
Kewa Fisk Danmark Aps	225,087	225,087
M.I. Food	864,434	864,434
Al Tayeb Meat Est	6,862	6,862
Stafford International Supermarket	314,078	314,078
	27,123,534	27,123,534

20.2 Other Receivables

As at 31st March	2026 Rs.	2025 Rs.
WHT Receivable	1,663,914	2,478,255
Dividend receivable	8,574	8,574
Printing and Stationary	-	18,430
	1,672,488	2,505,259

NOTES TO THE FINANCIAL STATEMENTS

21. OTHER CURRENT ASSETS

As at 31st March	Notes	2026 Rs.	2025 Rs.
Deposits, Advance & Prepayments		3,117,497	3,624,615
Income Tax Refunds	21.1	492,705	492,705
Refunds VAT	21.2	37,035,130	32,580,286
		40,645,333	36,697,606

21.1 Income Tax Refunds

As at 31st March	2026 Rs.	2025 Rs.
At the beginning of the year	492,705	492,705
At the end of the year	492,705	492,705

21.2 Refunds VAT

As at 31st March	2026 Rs.	2025 Rs.
VAT Refunds	37,035,130	32,580,286
	37,035,130	32,580,286

22. CASH AND CASH EQUIVALENTS

As at 31st March	2026 Rs.	2025 Rs.
Cash in Hand	2,794,175	2,697,552
Cash at Bank	3,925,065	174,305,768
Favourable Cash and Cash Equivalents in the Statement of Cash Flows	6,719,240	177,003,320

NOTES TO THE FINANCIAL STATEMENTS

23. STATED CAPITAL

As at 31st March	2026 Rs.	2025 Rs.
As at the beginning of the Year	671,071,291	671,071,291
Add: Ordinary Voting Shares - Right Issue	-	-
less: Accumulated losses written off against stated capital. Note 23.1	(408,071,291)	-
Balance at the end of the Year	263,000,000	671,071,291
	No. of shares	No. of shares
As at the beginning of the Year	743,729,716	743,729,716
Balance at the end of the Year	743,729,716	743,729,716

23.1 Reduction of Stated Capital

During the year, the Company carried out a reduction of its stated capital in accordance with Section 59 of the Companies Act No. 07 of 2007 and Section 8 of the Listing Rules of the Colombo Stock Exchange.

The Board of Directors resolved the proposed the reduction on the 10th October 2025 and an announcement was made to the Colombo Stock Exchange on 14th October 2025. The reduction was thereafter approved by shareholders via a special resolution passed at an Extraordinary General Meeting held on 10th of October 2025 of the Company.

The reduction was carried out by writing off a portion of the Company's accumulated losses against its stated capital, in order to present a more realistic financial position.

24. RESERVES

As at 31st March	2026 Rs.	2025 Rs.
Fair Value Reserve of Financial Assets at FVOCI	1,167,154	616,425
Revaluation Reserve	98,602,499	49,528,050
	99,769,653	50,144,475

Fair Value Reserve of Financial assets

This represent the fair value movement of assets categorised as Financial assets at FVOCI.

Revaluation Reserve

The revaluation reserve relates to accumulated gain made on revaluation of Property Plant & Equipment of the Company.

NOTES TO THE FINANCIAL STATEMENTS

25. INTEREST BEARING BORROWINGS

25.1 Long Term Loans

As at 31st March	2026 Rs.	2025 Rs. (Restated)
As at the beginning of the Year	593,975,791	283,868,591
Obtained during the Year	30,923,630	350,443,995
Repaid during the Year	(74,331,494)	(89,523,936)
Interest Capitalization	3,565,043	49,187,139
	554,132,970	593,975,791
Repayable within One Year	80,914,071	99,500,821
Repayable after One Year	473,218,899	494,474,970

25.2 Short Term Loans

As at 31st March	2026 Rs.	2025 Rs.
As at the beginning of the Year	50,274,564	51,130,590
Foreign Exchange Adjustment	(6,152,234)	(856,026)
	44,122,330	50,274,564
Repayable within One Year	44,122,330	50,274,564

25.3 Interest-Bearing Liabilities Analyzed by Lending Institution

As at 31st March	2026 Rs.	2025 Rs. (Restated)
Commercial Bank of Ceylon	82,866,868	99,350,596
National Development Bank	194,464,802	254,899,759
BRIS Holdings Limited	290,000,000	290,000,000
Silver Edge Investment Ltd	30,923,630	-
	598,255,300	644,250,355

NOTES TO THE FINANCIAL STATEMENTS

25. INTEREST BEARING BORROWINGS (CONTD.)

25.4 Security and Repayment terms

As at 31st March					2026	2025
Lending institution	Nature of facility	Interest Rate	Security	Repayment terms	Rs.	Rs.
Commercial Bank	Rescheduled Term Loan	12%	Primary Registered Mortgage Bond No 1171 for Rs. 7 million over leasehold rights of the company on the property No 89 New Nuge Road Peliyagoda owned by Tess Agro PLC	48 Months	8,291,693	12,226,024
Commercial Bank	Revolving Loan	LIBOR + 6%		60 Days	44,122,330	50,274,564
Commercial Bank	Rescheduled Interest Free Loan	Interest Free		35 Months	30,452,845	36,850,008
NDB	Term Loan	6%	Personal Guarantee from Mr. Dilshan Fernando for USD 1,545,000/-	50 Months	194,464,802	254,899,759
NDB	Term Loan	6%	Corporate Guarantee of Tropic Fishery (Pvt) Ltd for USD 980,000/-			
BRIS Holdings Limited	Long Term Loan	9%	No Collaterals	5 Years	290,000,000	290,000,000
Silver Investments Ltd	Edge Term Loan	Interest free	No collateral	6 months	30,923,630	-
					598,255,300	644,250,355

Based on the Court settlement with DC Gampaha DR 04/2021, NDB and the company has agreed to pay Rs. 360,624,540/- for all the interest bearing borrowings outstanding including overdraft facilities in 48 monthly instalments. Accordingly the company has settled Rs. 136,000,000/- as at 31st March, 2026. The company has to pay Rs. 6,000,000/- 14 equal instalments till 25th January, 2026 Rs. 8,000,000/- 12 equal instalments till 25th January, 2027, Rs. 10,000,000/- 12 equal instalments till 25th January, 2028 and Rs. 8,624,540/- as final payment on or before 25th February, 2028.

25.5 Interest bearing liabilities Analyzed by Currency Equivalent in Rupees

As at 31st March	2026		2025 (Restated)	
	%	Rs.	%	Rs.
United States Dollars	61%	365,045,960	53%	340,274,564
Sri Lankan Rupees	39%	233,209,344	47%	303,975,791
	100%	598,255,300	100%	644,250,355

NOTES TO THE FINANCIAL STATEMENTS

25. INTEREST BEARING BORROWINGS (CONTD.)

25.6 Interest bearing liabilities Analyzed by Capital Repayment

Bank/ Institution	Less than 3 months Rs.	Payable within 3-12 months Rs.	Payable within 1-2 years Rs.	Payable within 2-5 years Rs.	Total Rs.
Commercial Bank	3,100,354	9,301,061	24,802,829	45,662,625	82,866,868
National Development Bank	18,000,000	58,000,000	36,000,000	82,464,802	194,464,802
BRIS Holdings Limited	-	-	-	290,000,000	290,000,000
Silver Edge Investments Ltd	-	-	30,923,630	-	30,923,630
	21,100,354	67,301,061	91,726,459	418,127,427	598,255,300

NDB Payment schedule prepared based on the potential interest payments as well according to the Note 25.4.

26. EMPLOYEE BENEFIT OBLIGATIONS

As at 31st March	2026 Rs.	2025 Rs.
Obligation as at the beginning of the Year	256,550	74,550
Provision for the Year	477,500	182,000
Obligation as at the end of the Year	734,000	256,550

The retirement benefit obligation of the company is based on the projected unit credit method of LKAS 19 Employee Benefits. Employee Benefit Obligations was not actuarially value.
The Principal assumptions used in determining the cost of employee benefits were:

As at 31st March	2026	2025
Discount rate	8%	8%
Future Salary Increments rate	8%	8%

26.1 Maturity Analysis of the Payment

The following payment are expected on defined benefit obligations in future.

As at 31st March	2026 Rs.	2025 Rs.
Beyond five years	734,000	256,500
Total	734,000	256,500

NOTES TO THE FINANCIAL STATEMENTS

27. DEFERRED TAX LIABILITY

27.1 Movement in Deferred Tax Liabilities

As at 31st March	2026 Rs.	2025 Rs.
Balance at the beginning of the Year	50,656,277	46,429,306
Origination of Temporary Differences Transferred to / (from) Income Statement	17,673,064	4,226,971
On the Tax Rate Change	-	-
Charge (credit) to Profit or Loss for the Year	17,673,064	4,226,971
Prior Year Adjustment- on Revaluation Gains	-	-
Origination of Temporary Differences Transferred to / (from) Income Statement	-	-
On the Tax Rate Change	-	-
Charge (credit) to Other Comprehensive Income	-	-
Balance at the end of the year	68,329,342	50,656,277
Composition of Deferred Tax Liabilities		
Property Plant and Equipment	38,328,628	41,122,313
Investment Property	30,220,914	9,610,914
	68,549,542	50,733,227
Composition of Deferred Tax Assets		
Employee Benefit Obligations	(220,200)	(76,950)
	(220,200)	(76,950)
Balance at the end of the year	68,329,342	50,656,277

Tax losses were not considered for deferred tax since there were no reasonable evidence to quantify taxable income that would accrue to recover the tax losses.

28. TRADE AND OTHER PAYABLES

As at 31st March	2026 Rs.	2025 Rs.
Accrued Charges	1,874,022	8,815,189
Advances	900	900
Trade Creditors	4,966,453	2,324,671
	6,841,374	11,140,760

NOTES TO THE FINANCIAL STATEMENTS

29. AMOUNT DUE TO RELATED PARTIES

As at 31st March	2026	2025
Directors	Rs	Rs
Mr. Dilshan Fernando	9,862,040	2,762,011
Companies		
IPEK SA LTD	-	50,000
	9,862,040	2,812,011

30. BANK OVERDRAFTS

As at 31st March	2026 Rs.	2025 Rs.
Bank Overdrafts	870,205	739,953
	870,205	739,953

31. COMPRATIVE INFORMATION

Comparative information has been reclassified /restated where necessary for accurate presentation.

Line items of the Financial Statements	As per Audited 2025 Rs.	As Restated 2 025 Rs.	Reclassification/ Restatement Rs.
Statement of Profit and Loss and Comprehensive Income			
Net Finance Cost (Note 01)	(2,554,217)	(45,060,488)	42,506,271
Profit for the Year (Note 01)	14,026,299	(28,479,972)	42,506,271
Statement of Financial Position			
Retained Earnings (Note 01)	(461,631,703)	(504,137,974)	42,506,271
Intrest Bearin Borrowings (Note 01)	601,744,083	644,250,355	(42,506,272)

Note 01

The loan rescheduling adjustment amounting to Rs. 42,506,271/-, which was previously not recognized, has now been corrected by restating the Statement of Profit or Loss and Other Comprehensive Income and Interest-Bearing Borrowings in accordance with the applicable accounting standards.

32. CAPITAL COMMITMENTS & CONTINGENT LIABILITIES

There were no significant capital commitments and contingent liabilities as at 31st March, 2026, other than the following; The company is expected to enhance its Solar project in Kerwalapitiya and Polonnaruwa by investing Rs. 351,056,000/- (USD 1,186,000/-), which will be funded through BRIS Holdings Limited's financing facility.

NOTES TO THE FINANCIAL STATEMENTS

33. EVENTS OCCURRING AFTER THE REPORTING DATE

There were no material events that other than following events described below which were occurred after the reporting date that require adjustments to or disclosure in the financial statements.

34. RELATED PARTY TRANSACTIONS

The company carries out transaction in the ordinary course of business with parties who are defined as related parties as per Sri Lanka Accounting Standard LKAS 24 – Related Party Disclosures.

34.1 Parent and ultimate controlling party

Company does not have an identifiable parent of its own.

34.2 Transaction with key management personnel

The company considers members of its Board of Directors as the key management personnel. Compensation paid to/ on behalf of key management personnel of the company as follows. There were no loans given to director of the company during the financial year or as at the year end.

Short term employee benefits	Rs.	5,011,250
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No post-employment benefits were paid to key management personnel of the company during the year. The company did not have any material transactions with its key management personnel or the close family members during the year.

Details of transactions carried out by the company with related parties & outstanding balances with the related parties are given in Note Nos. 34.3.

34.3 Details of Transactions Carried out with Related Companies

Name of the Related Party	Relationship	Nature of transaction	Terms of the transaction	Transaction with Tess Agro PLC	
				2026 Rs.	2025 Rs.
IPEK SA LTD	Major Shareholder	Investments Funding	Long Term	-	50,000
BRIS Holdings *	Parent Company of the Major Shareholder	Investment Target Loan	Long Term	-	290,000,000

* On 23rd December, 2024 IPEK SA Cyprus /BRIS Holdings Limited (Holding Company of of IPEK SA), provided a Rs. 290,000,000/-, at 9% Per annum, payable annually from 31st December, 2025. This was provided to set up an aggregate 2MW solar power project on the company's properties at Kerawalapitiya and Polonnaruwa.

35. FOREIGN CURRENCY TRANSACTIONS

The Principle exchange rates used for translation of assets and liabilities as at the reporting date is as follows:

As at 31st March	31.03.2026 Rs.	31.03.2025 Rs.
US Dollars	315	296
Euro	362	319

NOTES TO THE FINANCIAL STATEMENTS

36. FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets other than Trade Receivables are initially recognised when the Company becomes a party to the contractual provisions of the instrument. The trade receivables are initially recognised when they are originated.

Financial Liabilities

Financial liabilities other than debt securities are initially recognised when it becomes a party to the contractual provisions of the instrument. The debt securities are initially recognised when they are originated.

For the Year ended 31 st March	Notes	Financial Assets/ Liabilities at Amortised Cost		Financial Assets/ Liabilities at FVTOCI		Total	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Financial Instruments in Non Current Assets and Non Current Liabilities							
Investment in Financial Assets Recognized through Other Comprehensive Income	17	-	-	1,603,073	1,052,343	1,603,073	1,052,343
Interest Bearing Borrowings	25	(473,218,899)	(451,968,699)	-	-	(473,218,899)	(451,968,699)
		(473,218,899)	(451,968,699)	1,603,073	1,052,343	(471,615,826)	(450,916,355)
Financial Instruments in Current Assets and Current Liabilities							
Trade and Other Receivables	20	11,148,339	12,191,246	-	-	11,148,339	12,191,246
Investments in Margin Trading		-	17,321,425	-	-	-	17,321,425
Cash and Cash Equivalents	22	6,719,240	177,003,320	-	-	6,719,240	177,003,320
		17,867,579	206,515,990	-	-	17,867,579	206,515,990
Trade & Other Payables	28	6,841,374	11,140,760	-	-	6,841,374	11,140,170
Interest Bearing Borrowings	25	125,036,401	149,775,385	-	-	125,036,401	149,775,385
Amount Due to Related Parties	29	9,862,040	2,812,011	-	-	9,862,040	2,812,011
Bank Overdraft	30	870,205	739,953	-	-	870,205	739,953
		142,610,021	164,468,108	-	-	142,610,021	164,468,108

NOTES TO THE FINANCIAL STATEMENTS

37. FAIR VALUE MEASUREMENT

The fair value of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position as at the reporting date are as follows:

For the Year ended 31 st March	2025/2026		2024/2025	
	Carrying Amount Rs.	Fair Value Rs.	Carrying Amount Rs.	Fair Value Rs.
Financial Assets				
Investment in Financial Assets Recognized through Other Comprehensive Income	1,603,073	1,603,073	1,052,343	1,052,343
Trade & Other Receivables	11,148,339	11,148,339	12,191,246	12,191,246
Cash in Hand and at Bank	6,719,240	6,719,240	177,003,320	177,003,320
Total Financial Assets	19,470,651	19,470,651	190,246,909	190,246,909
Financial Liabilities				
Interest Bearing Borrowings	598,255,300	598,255,300	644,250,355	644,250,355
Employee Benefit Obligation	734,000	734,000	256,500	256,500
Trade & Other Payables	6,841,374	6,841,374	11,140,760	11,140,760
Amount Due to Related Parties	9,862,040	9,862,040	2,812,011	2,812,011
Bank Overdraft	870,205	870,205	739,953	739,953
Total Financial Liabilities	616,562,920	616,562,920	659,199,578	659,199,578

Companies' accounting policies and disclosures require the determination of fair value, for both financial and non financial assets and liabilities.

Fair values have been determined for measurement and disclosure purposes based on the following methods.

Investments in quoted equity Shares

The fair value investments in quoted equity shares for which there is an active share market and is determined using the closing market prices.

Trade and other receivables

Fair value of trade receivables is determined at amount estimated to be realized after making provision for impairment which is computed based on age of debtors.

Fair value of other receivables are determined based on the amount estimated to be reasonably realized.

Financial Liabilities

Fair value of interest bearing borrowings, Trade and other payable and short term bank borrowings are determined based on the amount estimated to be reasonably incurred in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

37. FAIR VALUE MEASUREMENT (CONTD.)

Recurring Fair Value Measurements

Location	Extent	Independent Valuer	Effective Date of Valuation	Significant observable input (Level 2)	Fair value measurement Rs	Range Rs
Building at Muthurajawela, Matagoda, Wattala	18,448 Sq.Ft.	Ace Property & Business	31.3.2026	Building value per square feet	191,500,000	3000 - 6750

Property, Plant and Equipment - Revaluation

Location	Effective Date of Valuation	Valuation Method	Significant unobservable input (Level 3)	Fair value measurement Rs.
Property, Plant and Equipment	31.3.2026	Depreciated replacement cost method	Building value per square feet	370,520,000

The Company's property, plant and equipment were revalued by Ace Property & Business Consultants (Pvt) Ltd, an independent qualified valuer, as at 31 March 2026, on a depreciated replacement cost / market gross carrying amount, and the net amount was restated to the revalued amount, in accordance with LKAS 16. comparable basis. Upon revaluation, the accumulated depreciation on each revalued asset was eliminated against the gross carrying amount, and the net amount was restated to the revalued amount, in accordance with LKAS 16.

Property, Plant and Equipment - Revaluation

Location	Effective Date of Valuation	Valuation Method	Significant unobservable input (Level 3)	Fair value measurement Rs.
Land - Class 1	31.03.2026	Market comparable method	Price per perch	188,100,000

NOTES TO THE FINANCIAL STATEMENTS

Recurring Fair Value Measurements

As at 31 st March	Notes	Quoted Price in Active Market (Level 01) Rs.	Significant Observable Inputs (Level 02) Rs.	Significant Unobservable Inputs (Level 03) Rs.	Total Rs.
Non Financial Assets					
Investment Property	13	-	191,500,000	-	191,500,000
Property, Plant and Equipment	12	-	370,520,000	-	370,520,000
ROU Asset Land	16	-	194,649,447	-	194,649,447
Financial Assets					
Investment in Financial Assets Recognized through Other Comprehensive Income	17	2,198,394	-	-	2,198,394
		2,198,394	756,669,447	-	758,867,841

38. FINANCIAL RISK MANAGEMENT

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

- Credit risk
- Liquidity risk
- Market risk

This note represents qualitative and quantitative information about Company's exposure to each of the above risks, The Company's objectives, policies and procedures for measuring and managing risk.

Risk Management Framework

The Board of Directors has overall responsibilities for the establishment and oversight of the Company's risk management framework. The Company risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

NOTES TO THE FINANCIAL STATEMENTS

38. FINANCIAL RISK MANAGEMENT (CONTD.)

38.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligation, and arises principally from the Company's receivables from customers.

Credit Quality by Class of Financial Asset

Financial Assets as at 31 March 2026	Neither past due nor impaired Rs.	Past due but not impaired Rs.	Individually impaired Rs.	Total Rs.
Investment in Financial Assets				
Recognized through Other Comprehensive Income	1,603,073	-	-	1,603,073
Trade & Other Receivables	11,148,339	-	-	11,148,339
Cash and Cash Equivalents	6,719,240	-	-	6,719,240
	19,470,651	-	-	19,470,651
Financial Assets as at 31 March 2025				
Investment in Financial Assets				
Recognized through Other Comprehensive Income	1,052,343	-	-	1,052,343
Trade & Other Receivables	12,191,246	-	-	12,191,246
Investments in Margin Trading	17,321,425	-	-	17,321,425
Cash and Cash Equivalents	177,003,320	-	-	177,003,320
	207,568,334	-	-	207,568,334

38.2 Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

As at 31st March 2026	On Demand Rs.	Less than 3 months Rs.	3 to 12 months Rs.	1 to 5 years Rs.	> 5 Years	Total Rs.
Interest Bearing Borrowings	-	21,100,354	98,224,691	478,930,256	-	598,255,300
Trade & Other Payables	6,841,374	-	-	-	-	6,841,374
Amount Due to Related Parties	9,862,040	-	-	-	-	9,862,040
Bank Overdrafts	870,205	-	-	-	-	870,205
	17,573,620	21,100,354	98,224,691	478,930,256	-	615,828,920
As at 31st March 2025						
Interest Bearing Borrowings	-	21,100,354	67,301,061	513,342,669	-	601,744,084
Trade & Other Payables	11,140,760	-	-	-	-	11,140,760
Amount Due to Related Parties	2,812,011	-	-	-	-	2,812,011
Bank Overdrafts	739,953	-	-	-	-	739,953
	14,692,724	21,100,354	67,301,061	513,343,669	-	616,436,807

NOTES TO THE FINANCIAL STATEMENTS

38. FINANCIAL RISK MANAGEMENT (CONTD.)

38.2 Liquidity Risk (CONTD.)

38.2.1 Liquidity Position

As at 31st March	Notes	2026 Rs	2025 Rs
Liquid Assets			
Trade & Other Recievables	20	11,148,339	12,191,246
Other Current Assets	21	40,645,333	36,697,606
Investments in Margin Trading		-	17,321,425
Cash and Cash Equivalents	22	6,719,240	177,003,320
Total Liquid assets		58,512,911	243,213,597
Less: Current Liabilities			
Trade & Other Payables	28	6,841,374	11,140,760
Amount Due to Related Parties	29	9,862,040	292,812,011
Current Portion of Borrowings	25	80,914,071	99,500,821
Short Term Borrowings	25	44,122,330	50,274,564
Bank Overdrafts	30	870,205	739,953
Total On Demand Liabilities		142,610,021	454,468,108
Deficit Liquidity through Operating Cycle		(84,097,110)	(211,254,511)

38.3 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise interest rate risk. Financial instruments affected by market risk include intercompany payable, trade payables and interest bearing borrowings. the overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the entity's financial performance.

38.3.1 Interest Risk

However, as disclosed in Note 25 to the financial statements company was able to reschedule all of its existing loans for fixed interest rates. Therefore company has not been exposed to interest rate risk.

38.3.2 Foreign Exchange Risk

The company is exposed to foreign exchange risk from the foreign currency-denominated bank accounts and the Commercial Bank USD Loan facility. However, the company is currently pursuing opportunities to convert the USD-denominated loan into a Rupee loan.

NOTES TO THE FINANCIAL STATEMENTS

38. FINANCIAL RISK MANAGEMENT

38.3 Market Risk (CONTD.)

38.3.2 Foreign Exchange Risk

Sensitivity Analysis of Market Risk - Foreign Exchange Risk

	USD	Total
Statement of Financial Position		
Cash and Cash Equivalents	577,493	577,493
Bank Overdrafts	354	354
Short Term Borrowings	1,203,000	1,203,000
	(625,861)	(625,861)
Conversion Rate Used	315.00	315.00
Amount in LKR	(197,146,076)	(197,146,076)
Sensitivity Analysis		
Average Conversion Rate with Rs. 1/- Increase	316.00	316.00
Average Conversion Rate with Rs. 1/- Decrease	314.00	314.00
Amount in LKR with Rs. 1/- Increment in the Average Conversion Rate in Rs.	(197,771,937)	(197,771,937)
Amount in LKR with Rs. 1/- Decreaset in the Average Conversion Rate in Rs.	(196,520,216)	(196,520,216)
Statement of Cash Flows		
Average Conversion Rate with Rs. 1/- Increase	182,376,063	182,376,063
Average Conversion Rate with Rs. 1/- Decrease	181,221,784	181,221,784

38.3.3 Equity Price Risk

As disclosed in note 17 to the Financial statements the company has an exposure to the market price risk since they have invested in quoted shares.

39. CAPITAL MANAGEMENT

The company objectives when managing capitals are to safeguard the companies ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capita structure to reduce the cost of capital.

The capital of the company consists of the following:

Equity Capital

1. Ordinary Share Capital (Voting)
2. Ordinary Share Capital (Non-Voting)

Debt

1. Long-Term Borrowings
2. Short-Term Borrowings

QUARTERLY STATISTICS

INCOME STATEMENT

For the three months ended	30th June 2025	30th Sept 2025	31st Dec 2025	31st March 2026
Revenue	3,713,649	6,744,034	4,635,029	5,359,509
Cost of Sales	(2,916,889)	(4,423,204)	(3,886,240)	(2,245,694)
Gross Profit	796,760	2,320,830	748,789	3,113,815
Dividend Income	16,612	7,691	1,650	1,444
FV Gain from investment Property	-	32,036,381	32,036,381	-
Other operating Income	4,551,707	425,352	4,341,212	1,241,064
Distribution Expenses	(308,306)	(916,320)	(657,955)	(284,586)
Administrative Expenses	(9,467,131)	(9,249,970)	(11,751,711)	(10,738,548)
Other operating Expenses	-	-	-	(1,977,370)
Results from Operating Activities	(4,410,358)	24,623,964	24,718,365	(8,644,181)
Finance Expenses	(663,954)	(550,839)	(168,721)	(312,365)
Finance Income	785,313	453,999	174,266	48,315
Net Finance Cost	121,359	(96,840)	5,545	(264,050)
Profit /(Loss) before Tax	(4,289,000)	24,527,125	24,723,910	(8,909,230)
Income Tax Expense	-	-	-	-
Net Profit/(Loss) after Tax	(4,289,000)	24,527,125	24,723,910	(8,908,230)

The Quarterly information is based on the quarterly accounts published in Colombo Stock Exchange by the company.

QUARTERLY STATISTICS

STATEMENT OF FINANCIAL POSITION

As at	30 June 2025	30 Sept 2025	31 Dec 2025	31 March 2026
Non- Current Assets	678,689,000	706,120,451	724,121,827	831,700,503
Current Assets	294,609,457	178,084,768	149,695,130	150,640,188
Total Assets	973,298,467	884,205,219	873,816,967	982,340,691
Total equity	313,915,189	279,326,200	290,275,840	332,047,648
Non-Current Liabilities	228,591,232	437,104,508	402,110,776	423,995,989
Current Liabilities	430,792,045	167,774,511	181,430,341	226,297,054
Total Equity and Liabilities	973,298,466	884,205,219	873,816,957	982,340,691

SHARE INFORMATION

As at	30 June 2025	30 Sept 2025	31 Dec 2025	31 March 2026
No. of Ordinary Shares	743,729,716	743,729,716	743,729,716	743,729,716
Earnings / (Loss) Per Share	(0.004)	0.04	0.02	(0.02)
Net Asset Value Per Share	0.42	0.38	0.39	0.45
Market Price Per Share (Voting)				
Highest	1.20	1.80	2.00	2.10
Lowest	1.00	1.10	1.40	1.60
Closing	1.10	1.60	1.50	1.80
Market Price Per Share (Non Voting)				
Highest	0.90	1.30	1.50	1.40
Lowest	0.60	0.70	0.90	1.10
Closing	0.80	1.10	1.10	1.40

FIVE YEAR SUMMARY

Year ended 31st March	2022 Rs	2023 Rs	2024 (Restated) Rs	2025 (Restated) Rs	2026 Rs
Operating Results					
Revenue	2,484,710	11,621,298	10,761,014	41,380,438	24,581,721
Cost of sales	(2,506,553)	(8,084,751)	(2,842,885)	(20,771,514)	(16,474,760)
Gross Profit	(21,843)	3,536,547	7,918,129	20,608,924	8,106,961
Net Profit / (Loss) Before Tax	11,549,587	(2,714,537)	(28,541,335)	(24,253,001)	34,112,638
Less: Provision for Taxation	(4,728,481)	(4,199,276)	245,028	(4,226,971)	(17,673,064)
Net Profit / (Loss) for the year	6,821,106	(6,913,813)	(28,296,307)	(28,479,972)	16,439,573
Shareholder's Funds					
Stated Capital	407,805,528	491,805,529	671,071,291	671,071,291	263,000,000
Reserves and Retained Earnings	(332,573,776)	(343,974,522)	(426,108,848)	(453,993,499)	20,142,543
Total Shareholder's Funds	75,231,752	147,831,007	244,962,443	217,077,791	283,142,543
Liabilities					
Interest Bearing Borrowings	-	-	-	494,474,970	473,218,899
Employee Benefit Obligations	74,550	74,550	74,550	256,500	734,000
Deposits	2,040,000	2,290,000	2,290,000	7,826,150	5,549,619
Deferred Tax Liability	31,568,069	39,711,464	46,449,435	50,656,277	68,329,342
Trade & Other Payables	45,642,071	31,628,627	1,496,278	11,140,760	6,841,374
Current Portion of Borrowings	293,746,549	269,584,251	283,868,591	99,500,821	80,941,071
Short Term Borrowings	32,883,044	32,883,044	51,130,590	50,274,564	44,122,330
Other Current Liabilities	3,254,698	3,254,698	54,376	2,812,011	9,862,040
Bank Overdrafts	32,728,273	27,306,072	62,548,126	739,953	870,205
Total Liabilities	441,937,254	406,732,706	447,911,946	717,682,006	690,441,881
Total Equity and Liabilities	517,169,006	554,563,714	692,874,389	934,759,797	973,584,424

FIVE YEAR SUMMARY

Year ended 31st March	2022 Rs	2023 Rs	2024 (Restated) Rs	2025 (Restated) Rs	2026 Rs
Assets					
Property, Plant & Equipment	338,457,408	337,505,115	206,603,803	360,999,594	372,510,728
Investment Property	-	-	90,763,619	122,800,000	191,500,000
Intangible Assets	391,898	208,148	24,398	-	-
Other Non-Current Financial Assets	9,402,715	435,918	153,915,489	30,282,069	79,022,973
Biological Assets	2,194,289	2,194,289	2,194,289	2,194,289	2,194,289
Right of Use Assets	133,842,337	129,281,144	124,719,949	120,158,819	194,649,447
Deferred Tax Assets	17,892	20,129	20,129	-	-
Inventories	-	-	32,578,782	55,111,429	75,194,073
Trade & Other Receivables	13,154,256	1,831,580	1,287,160	12,191,246	11,148,339
Other Current Assets	17,609,906	61,580,857	17,918,364	36,697,606	40,645,333
Investment in Margin Trading	-	-	34,647,735	17,321,425	-
Cash in Hand and at Bank	2,098,305	21,506,534	28,200,672	177,003,320	6,719,240
Total assets	517,169,006	554,563,714	692,874,389	934,759,797	973,584,424
Cash Flow					
Cash Flow from Operating Activities	24,185,340	7,207,855	(86,099,638)	(36,400,519)	(50,290,527)
Cash Flow from Investing Activities	4,557,803	(36,885,169)	(96,768,037)	2,112,126	(72,916,785)
Cash Flow from Financing Activities	(3,524,004)	54,507,742	154,319,759	244,899,214	(47,207,021)
Net Cash Increase/(Decrease)	25,219,139	24,830,429	(28,547,915)	210,610,821	(170,414,333)

FIVE YEAR SUMMARY

Year ended 31st March	2022	2023	2024	2025	2026
Earnings per Share	0.02	(0.01)	(0.04)	(0.04)	0.02
Return on Shares Holder's Funds	0.09	(0.05)	(0.07)	(0.10)	0.07
Net Assets per Share	0.19	0.27	0.33	0.29	0.38
Market Value per Share	0.47	0.47	0.47	1.10	1.80
Price/Earnings Ratio	Negative	Negative	Negative	Negative	0.01
Current Ratio	0.08	0.23	0.29	1.81	0.94
Interest Cover	4.28	0.36	(3.98)	0.4	8.0
Debt/ Equity	4.34	2.05	1.83	2.97	2.11

Key Indicators

For the year ended 31st March	2026	2025
Earnings Per Share	0.02	(0.04)
Net Assets Per Share	0.38	0.29
Market Value Per Share		
-Highest During the year	2.50	1.30
-Lowest During the year	1.40	1.00
-Value at end of the year	1.80	1.10

Financial Results

For the year ended 31st March	2026	2025
Revenue	24,518,721	41,380,438
Profit / (Loss) before Tax	34,112,638	(24,253,001)
Income Tax Expense	(17,673,064)	(4,226,971)
Profit / (Loss) for the period	(16,439,573)	(28,479,972)
Retained Profit/(Loss) B/F	(504,137,974)	(475,658,002)
Profit / (Loss) available for Appropriation	(79,627,110)	(504,137,974)
Retained Profit / (Loss) C/F	(79,627,110)	(504,137,974)

STATEMENT OF COMPREHENSIVE INCOME IN USD

22

For the year ended 31st March	2026 USD	2025 USD (Restated)
Revenue	77,904	138,619
Cost of Sales	(52,211)	(69,582)
Gross Profit	25,692	69,037
Dividend Income	96	126
Fair Value Gain from Investment Property	217,722	107,317
Other Operating Income	52,441	46,777
Distribution Expenses	(6,868)	(472)
Administrative Expenses	(170,875)	(153,083)
Impairment of Trade Receivable	-	-
Results from Operating Activities	118,209	69,702
Net Finance Cost	(10,100)	(150,946)
Profit/(Loss) Before Tax	108,009	(81,244)
Tax Expense	(59,009)	(14,160)
Profit/(Loss) for the year	52,100	(95,404)
Net Change in Fair Value or Available for Sale Financial Assets	1,757	1,994
Revaluation gain on Property Plant & Equipment	155,525	-
Other Comprehensive Income fo the year net of tax	157,271	1,994
Total Comprehensive Income for the year	209,370	(93,410)
Earnings per Share - Basic (USD)	0.000282	(0.000126)
Exchange rate used for translation - (One USD)	315.54	298.52

STATEMENT OF FINANCIAL POSITION IN USD

23

As at 31st March	2025 USD	2024 USD (Restated)
ASSETS		
Non- Current Assets		
Property, Plant and Equipment	1,182,574	1,219,593
Investment Property	607,937	414,865
Capital Work-in-Progress	245,777	98,749
Intangible Assets	-	-
Right of Use Assets	617,935	405,942
Investment in Financial Assets Recognized through Other Comprehensive Income	5,089	3,555
Biological Assets	6,966	7,413
	2,666,278	2,150,117
Current Assets		
Inventories	238,711	186,187
Trade and Other Receivables	35,392	41,187
Other Current Assets	129,033	123,978
Investments in Margin Trading	-	58,518
Cash and Cash Equivalents	21,331	597,984
	424,467	1,007,855
Total Assets	3,090,744	3,157,972

STATEMENT OF FINANCIAL POSITION IN USD

23

As at 31st March	2026 USD	2025 USD (Restated)
EQUITY AND LIABILITIES		
Equity		
Stated Capital	834,921	2,267,133
Reserves	316,729	169,407
Retained Earnings	(252,784)	(1,703,169)
Total Equity	898,865	733,371
Non-Current Liabilities		
Interest Bearing Borrowings	1,502,282	1,670,524
Employee Benefit Obligations	2,330	867
Deposits	17,618	26,440
Deferred Tax Liability	216,919	171,136
	1,739,149	1,868,966
Current Liabilities		
Trade & Other Payables	21,719	37,638
Amount Due to Related Parties	31,308	9,500
Current Portion of Borrowings	256,870	336,151
Short Term Borrowings	140,071	169,847
Bank Overdrafts	2,763	2,500
	452,730	555,636
Total Equity and Liabilities	3,090,744	3,157,972
Exchange Rate Used for Translation	315	296

1. The twenty largest voting shareholders of the Company as at 31st March 2026.

	Major Shareholders	No. of Shares	%
1	IPEK SA LTD	203,080,000	29.99%
2	SILVER EDGE INVESTMENT LTD	173,009,986	25.55%
3	FERNANDO D. MR	110,514,034	16.32%
4	FERNANDO S.A MRS.	24,509,052	3.62%
5	PEOPLES LEASING AND FINANCE PLC/ L.P HAPANGAMA	8,155,144	1.20%
6	TRANZ DIOMNION, L.L.C	6,000,060	0.89%
7	PEOPLES LEASING FINANCE PLC/L.H.M.P HARADASA	5,265,000	0.77%
8	EGLOBAL SERVICES (PVT) LTD	5,000,000	0.74%
9	SENARATHNE K.M.V.J. MR	4,170,405	0.63%
10	RAMBUKWELLA R. E MR	3,850,000	0.57%
11	FERNANDO. S. MR	3,581,052	0.53%
12	ABEYGUNAWARDENA A.S. DR	3,500,000	0.52%
13	ANANDAWANSA W.L.T. MR (DECEASED)	3,200,000	0.47%
14	PEOPLES LEASING & FINANCE PLC /MR W P C NANYAKARA	2,000,000	0.30%
15	FERNANDO A S A	2,000,000	0.30%
16	THAWAPERUMA D N I	2,000,000	0.30%
17	SUNANDARAJA D. A. C	1,902,018	0.28%
18	DIALOG FINANCE PLC / S D DIVAKARAGE	1,553,563	0.23%
19	JAYANTHA D S S	1,530,028	0.22%
20	JAYAKUMAR. S P	1,500,000	0.22%

2. Ordinary Voting Shareholders as at 31st March 2026

Range	No of Shareholders	No of Shares	% holding
1-500	1934	231,229	0.03%
501-1000	499	414,689	0.06%
1001-10,000	1811	7,463,847	1.11%
10,001-50,000	788	19,175,759	2.85%
50,001-100,000	197	15,372,762	2.28%
100,001-500,000	180	37,560,933	5.57%
500,001-1,000,000	30	21,218,816	3.15%
1,000,001-10,000,000	32	90,340,950	13.40%
Over 10,000,000	4	482,156,823	71.54%
	5475	673,935,808	100.00%

INVESTOR INFORMATION

3. Analysis of Ordinary Voting Shareholders as at 31st March 2026

Individuals/Institutions	No of Shareholders	As a %	No of Shares
Individuals	5385	41%	275,147,978
Institutions	90	59%	398,787,830
	5475	100%	673,935,808
Resident/ Non Resident	No of Shareholders	As a %	No of Shares
Resident	5471	48%	320,526,678
Non Resident	4	52%	353,409,130
	5475	100%	673,935,808

As at 31st March	2026	2025
Number of Public shareholders	5801	5,474
Public Holding percentage	23.77%	47.7%
The Float Adjusted Market Capitalization	321,875,774	321,606,653

The Company has complied with the rule 7.13.1 (b) option 02 of the listing rules of Colombo stock exchange governing the minimum public holding requirement of listed entities for continuous listing requirement. As at 31st March 2026, the public holding of the company stood at 23.77% surpassing the minimum requirement of 10% under the relevant option.

4. Analysis of Ordinary Non-voting Shareholders as at 31st March 2026

As at 31st March	2026	2025
Number of Public shareholders	1548	1209
Public Holding percentage	82.3%	82.3%

INVESTOR INFORMATION

5. The twenty largest non-voting shareholders of the Company as at 31st March 2026

Major Shareholders	No. of Shares	%
1 FERNANDO S.A.	8,339,775	12.51%
2 ANNADNAWASA W.L.T (DECEASED)	3,805,267	5.71%
3 FERNANDO D	3,491,097	5.24%
4 COMMERCIAL BANK / P L S PETER	2,932,191	4.40%
5 MERCHANT BANK OF SRI LANKA&FINANCE PLC/ K L K M	2,025,251	3.04%
6 ABEYGUNAWARDNE A S DR	2,000,000	3.00%
7 MAHINDA N.G.	1,734,192	2.60%
8 NETHITHIKRMAUA N.A.L.A	1,726,150	2.59%
9 MADANAYAKE L.M Ms	1,500,000	2.25%
10 SENKADAGALA FINANCE PLC. /P A WIJERATNE	1,400,000	2.10%
11 PEOPLE'S LEASING &FINANCE PLC/MR..AB.K. WEERAMAN	1,312,500	1.97%
12 SHAMSUDEEN M.S.R	1,164,285	1.75%
13 OBEYSEKERA S. A	1,100,000	1.75%
14 GUNAWARDANA M S H	1,000,000	1.50%
15 PERERA S S L	1,000,000	1.50%
16 KAMIL M.H.A	981,204	1.47%
17 RAMBUKWELLA R E	945,000	1.42%
18 PERERA G V C	879,584	1.32%
19 TRANZ DOIMNION L.L.C	866,666	1.30%
20 CITIZENS DEVELOPMENT BUSINESS FINANCE PLC/KULAPPU	800,581	1.20%

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