PRECISION

CEYLON TEA BROKERS PLC - ANNUAL REPORT 2024/25

PRECISION

Ceylon tea brokers and the practice of Sanddorn balance share a fascinating parallel in their approach to precision, patience, and the art of balance.

Ceylon tea brokers are responsible for carefully selecting and trading the finest tea, ensuring that each batch is balanced in flavor, quality, and freshness. Their work requires a keen understanding of nuances and a delicate touch in managing complex relationships with growers, processors, and buyers. Much like the feather in Sanddorn balance, which must be carefully positioned to maintain its equilibrium, tea brokers must skillfully navigate market dynamics, balancing supply, demand, and quality with great attention to detail.

Both practices emphasize mindfulness and precision. In the same way that Sanddorn balance teaches practitioners to find harmony through careful adjustments, Ceylon tea brokers must make calculated decisions that reflect a deep understanding of their craft. This synergy of patience, careful observation, and balance in both the tea trade and the art of feather balancing highlights a shared philosophy of achieving harmony through thoughtful, balanced actions.

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This Annual Report is published within three months of the date of the Consolidated Statement of Financial Position. The web version is also published online on the same date as the date of issue of this Annual Report at www.ceylonteabrokers.com/key-financials

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GRI 2021 : 2-2, 2-3

WELCOME TO OUR 7TH INTEGRATED REPORT

We are pleased to present our seventh Integrated Report, prepared in alignment with the International <IR> Framework of the International Integrated Reporting Council (IIRC). The report brings together a comprehensive overview of our financial performance, operational highlights, Environmental, Social and Governance (ESG) performance and strategic initiatives over the year 2024/25. It also reflects our commitment to transparency, accountability, and sustainable growth.

Our vision is to be a dynamic and leading service organization, which we aim to achieve through stakeholder engagement, reducing our environmental impact, developing our people, and creating sustainable value through our business model. Our annual report (hereinafter referred to as the 'report') demonstrates our continued commitment to conducting business in a responsible and sustainable manner. Our focus is on creating sustainable value in our economy, society and environment.

Basis of Preparation

Reporting Period

The Annual Report 2024/25 of Ceylon Tea Brokers PLC reports for the 12 months period from 1st April 2024 to 31st March 2025. This period is consistent with the Company's usual annual reporting cycle.

Reporting Scope and Boundary

The contents of this report relate to the operations of Ceylon Tea Brokers PLC "Company" including its fully owned subsidiary, Logicare (Pvt) Ltd, collectively referred to as "Group". The Company does not have any other subsidiaries, associates, joint ventures, overseas operations, or other businesses for the purpose of reporting except for Logicare (Pvt) Ltd. The Company's shareholding structure, operations and its geographical presence are disclosed on page 240 and 08 respectively. Non-financial information presented in this report refers to the Group unless explicitly stated.

Determining Materiality

Materiality analysis is a key process that enables the Company to define key triple bottom line issues that are vital to our business and stakeholders, both internal and external. Our focus on materiality is based on material aspects recognised by both internal and external stakeholders. This process is crucial to drive performance, improve our sustainability framework and use the corporate governance practices at all levels of the Group.

The Company conducts regular external stakeholder engagement in ascertaining aspects material to its significant stakeholders. In addition, materiality is also assessed internally in ascertaining the aspects material to the Company and to fine-tune and streamline its strategy and processes to manage these material issues.

Navigation Icons

Throughout this report, we have incorporated the following navigation icons to illustrate the interconnectedness of relevant information.

Strategic Pillars

Competent Team | Operational Excellence | Service Excellence

Stakeholders

Investors | Customers | Employees

Suppliers | Community & Environment | Regulator

Capitals

Financial | Manufactured | Human

Intellectual | Natural | Social & Relationship

Standards and Frameworks

Financial Reporting	Narrative Reporting	Sustainability Reporting	Corporate Governance
• Sri Lanka Financial Reporting Standards • Companies Act No.7 of 2007 • Listing Requirements of the Colombo Stock Exchange • Sri Lanka Accounting Standards	• Integrated Reporting Framework • Guidelines for the presentation of Annual Reports issued by CA Sri Lanka	• GRI Standards (2021) of the Global Reporting Initiative • Non-Financial Reporting Guidelines issued by CA Sri Lanka • Gender Parity Reporting Framework of CA Sri Lanka • Sustainable Development Goals (SDG) • 10 principles of the UN Global Compact	• Listing Requirements of the Colombo Stock Exchange • Companies Act No.7 of 2007 • Code of Best Practice on Corporate Governance issued by CA Sri Lanka (2023)

ESG Metrics

Our Integrated Report extends beyond financial reporting to include key environmental, social and governance (ESG) performance metrics. The reporting boundary for financial and non-financial reporting remains consistent.

Restatements and Significant Changes from the Previous Report and Date of Most Recent Previous Report

The Company's most recent report was for the financial year 2023/24. There have not been any changes in reporting scope and/or boundaries from the previous year.

Forward Looking Statements

In this Annual Report, readers will find forward-looking statements that stem from the Group's present expectations and forecasts regarding future events. These statements inherently carry risks, uncertainties, and assumptions, many of which are tied to factors beyond the Group's influence. It's important for investors to be aware that these factors may diverge significantly from the expressions contained within any forward-looking statement, and the Group cautions accordingly.

Feedback

We are dedicated to continually improving the quality and readability of our Annual Report, and we value your feedback, suggestions, and comments. Please direct any input or inquiries to;

Mr. Ramal Samarasinghe
Director Finance
ramal@ceylonteabrokers.com

Board Responsibility Statement

The Board of Directors of Ceylon Tea Brokers PLC holds the ultimate responsibility for upholding the integrity of this Report. We affirm that the 2024/25 Report comprehensively addresses all pertinent material matters and accurately represents the integrated performance of the Group. Furthermore, we confirm that the Report has been meticulously prepared in alignment with the Integrated Reporting Framework of the International Integrated Reporting Council. The Report is approved and authorized for publication.

Chairman

Managing Director

Chief Executive Officer

Chairperson of Audit Committee

WHO WE ARE

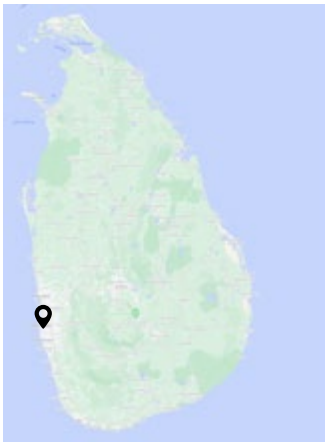
GRI 2021 : 2-1, 2-6

As the pioneering Tea broking Company listed on the Colombo Stock Exchange, we take pride in our trailblazing status. Over time, we've emerged as a respected entity within our industry, achieving substantial growth within a remarkably brief span. Despite navigating amidst long-established broking firms, we have steadfastly upheld our unique identity and competitiveness, strengthened by the unwavering support of our management team.

Guided by principles of commitment, experience, and expertise, our journey to success is underpinned by a cadre of talented young professionals. Their boundless enthusiasm, adaptability, and profound industry knowledge have positioned them among the finest in the trade. Even amid the challenges posed by a global pandemic, their resilience has sustained our momentum.

Presently, our reach extends across more than 171 Producer Clients (Tea factories) and 221 buyers nationwide, representing approximately 15.95% of the total volumes traded at the Colombo Tea Auction. By consistently earning the trust of our clients, we continuously nurture and strengthen existing relationships while actively pursuing new ones to fuel our future progress.

At Ceylon Tea Brokers PLC, we are not merely participants in the tea industry; we are architects of its evolution, committed to shaping its future through innovation, integrity, and unwavering dedication to excellence.



Business Activities / Key Service Areas

We are a licensed Produce Broker for Tea registered under Sri Lanka Tea Board bearing License No. PB/102/2025.

Tea Broking / Marketing

Act as an intermediary between Tea Producers and Tea Buyers.

Manufacturing Advisory Services

Provide manufacturing advice and personalized services to producer clients (Tea Factories) in order to improve their product quality.

Financing

Provide financing facilities in the form of loans and advances to producer clients (Tea Factories) to meet their working capital requirements.

Market Served

The factories whose Teas are marketed through us cover all elevations, namely, Uva High, Uva Medium, Western High, Western Medium and Low Grown.

Where We Operate

Ceylon Tea Brokers PLC

Head Office[1]
No, 481, T.B. Jayah Mawatha, Colombo 10, Sri Lanka.

Sample Room[2]
No. 74, De Waas Lane, Grandpass, Colombo 14, Sri Lanka.

Warehouses
No. 74, De Waas Lane, Grandpass[2], Colombo 14, Sri Lanka.

No. 26, Welikadamulla Road, Enderamulla[5], Wattala, Sri Lanka.

Logicare (Private) Limited

Logicare Private Limited, a fully owned subsidiary of Ceylon Tea Brokers PLC, is a premier provider of logistics and supply chain solutions in Sri Lanka. Specializing in transportation and warehousing facilities, to serve both third-party logistic clients and clients of the parent company. Logicare is dedicated to crafting tailored, sustainable logistics solutions for every client, with the goal to seamlessly integrate advanced technologies available in today's market to deliver eco-conscious logistics services.

Business Activities /Key Service Areas

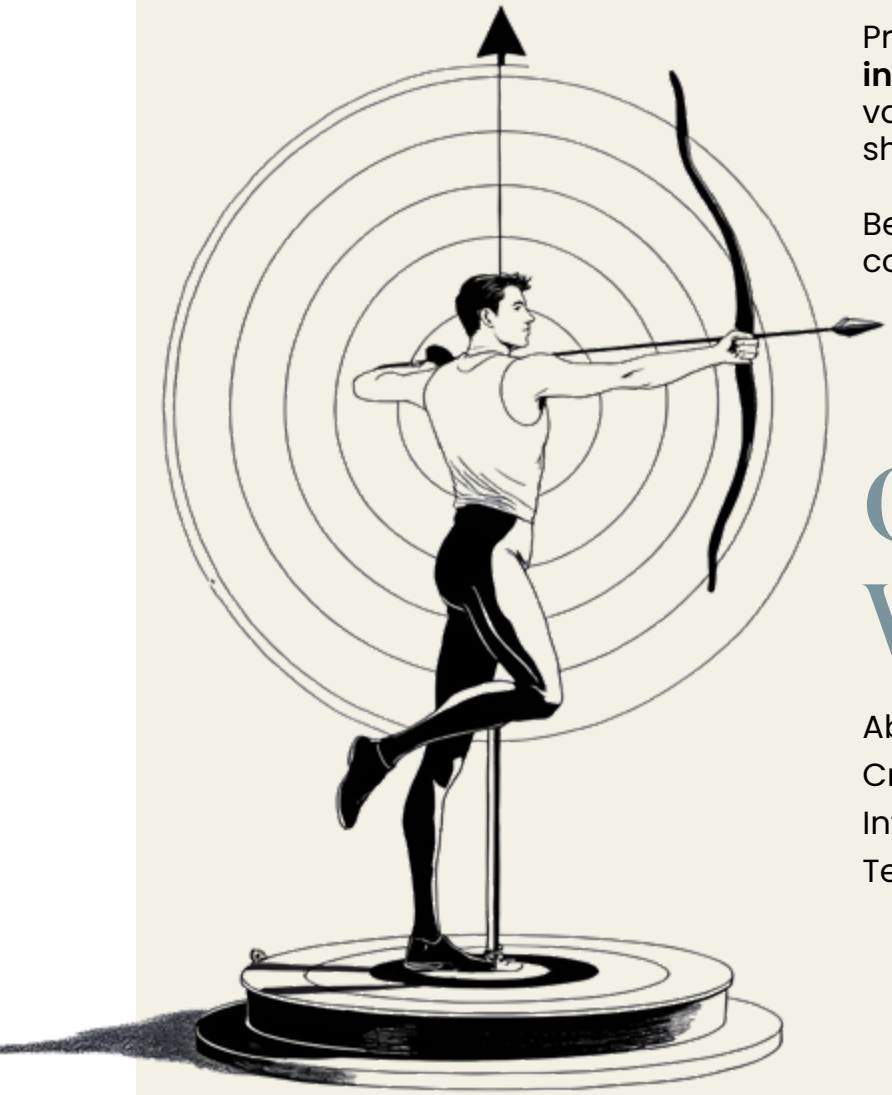
- Warehousing Facilities
- Transportation Solutions
- Value Added Services
- Supply Chain Consultancy

Head Office[1]
No, 481, T.B. Jayah Mawatha, Colombo 10, Sri Lanka.

Warehouses
No. 1, Muthurajawela Road, Muthurajawela[3], Sri Lanka.
No. 205, Awariwatta Road, Wattala[4], Sri Lanka.

OUR VISION

To be a dynamic and leading service organisation



OUR MISSION

In our core business of **Tea broking**, to be the preferred choice of the industry

Provide a **professional** and **fully integrated service**, thus adding value to our clients, employees, shareholders and the country

Be a **socially responsible** corporate citizen

OUR VALUES

Ability
Credibility
Integrity
Teamwork

MILESTONES

1963

Foundation laid with a partnership formed by M/s C.J.C De Silva, R.E.P. Abeywardena and J. Peiris.

1999

Incorporated as a private limited company.

2005

Acquired by the Capital Alliance Group.

2006

Renamed Ceylon Tea Brokers (Pvt) Ltd.

2007

Converted to a Public Company.

2010

Listed on the Colombo Stock Exchange as the first standalone Tea Broking Company.

2015

Corporate office shifted to a strategic location at Nawam Mawatha, Colombo 02.

2016

Bronze Award – 'Service Organization Category' at the 52nd Annual Report Awards competition organized by CA Sri Lanka.

2017

- Acquisition of Logicare (Pvt) Ltd to enter into the logistics business
- Silver Award - 'Service Organisation Category' at the 53rd Annual Report Awards competition organized by CA Sri Lanka.
- Merit Award - 'SME Category' at the CMA Excellence in Integrated Reporting Awards 2017 organized by CMA Sri Lanka.
- Annual Staff Get Together and Employee Award Ceremony.

2018

- First ever Rights Issue.
- Silver Award - 'Service Organisation Category' at the 54th Annual Report Awards competition organized by CA Sri Lanka.
- Best Integrated Report - 'SME Category' at the CMA Excellence in Integrated Reporting Awards 2018 organized by CMA Sri Lanka.
- Overall Merit Award at the CMA Excellence in Integrated Reporting Awards 2018 organized by CMA Sri Lanka.

2019

- Achieved a profit after tax of Rs. 113.55 Mn for the year ended 31st March 2019.
- Silver Award - 'Service Organization Category' at the 55th Annual Report Awards competition organized by CA Sri Lanka.
- Best Integrated Report - 'SME Category' at the CMA Excellence in Integrated Reporting Awards 2019 organized by CMA Sri Lanka.
- Overall Merit Award at the CMA Excellence in Integrated Reporting Awards 2019 organised by CMA Sri Lanka.

2021

Commencement of Online Auctions by the Tea Trade.

2022

- Bronze Award- "Service Organization Category "at the 56th Annual Report Awards competition organized by CA Sri Lanka
- Achieved a market share of 15.77% on the value of Teas sold.

2023

- Achieved the highest ever revenue and profit after tax of Rs. 1,154.97 Mn and Rs.239.68 Mn respectively for the year ended 31st March 2023.
- Silver Award - "Service Organizations Category " at the 57th Annual Report Awards competition organized by CA Sri Lanka.
- Best Integrated Report - "SME Category" at the CMA Excellence in Integrated Reporting Awards 2022 organized by CMA Sri Lanka.
- Overall Merit Award at the CMA Excellence in Integrated Reporting Awards 2022 organized by CMA Sri Lanka.

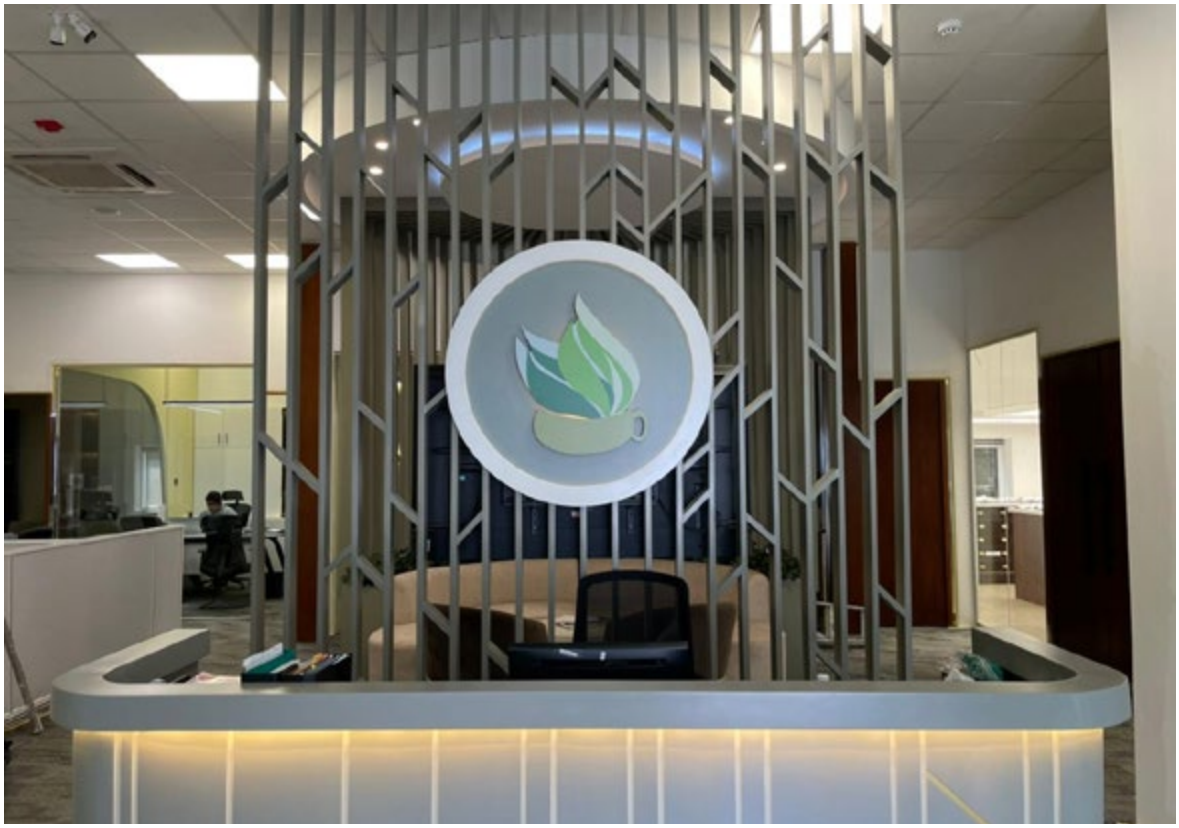
2024

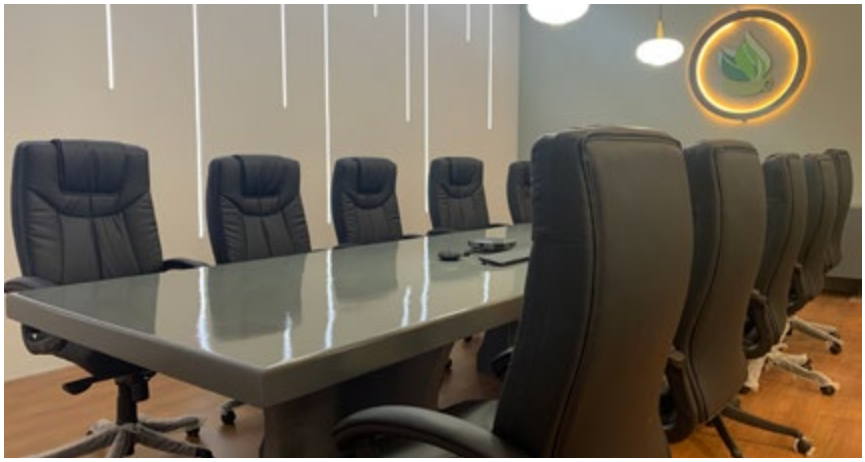
- Joint Bronze Award – "Service (Excluding Financial Services & Communication & IT Sector)" at the Best Presented Annual Report Awards, Integrated Reporting Awards and SAARC Anniversary Awards for Corporate Governance Disclosure 2022 organised by South Asia Federation of Accountants (SAFA)
- Silver Award - "Service Sector Category" at the TAGS Awards 2023 organised by CA Sri Lanka.
- Best Integrated Report - "SME Category" at the CMA Excellence in Integrated Reporting Awards 2023 organised by CMA Sri Lanka.
- "Next Ten Best Integrated Reports" Award at the CMA Excellence in Integrated Reporting Awards 2023 organised by CMA Sri Lanka.
- "Runner Up - Logistics & Transport Sector" at the National Business Excellence Awards 2024 organized by the National Chamber of Sri Lanka – Logicare

2025

- On 25th September 2024, Ceylon Tea Brokers PLC relocated its head office to a new, more spacious and strategically located premises at No. 481, T. B. Jayah Mawatha, Colombo 10.
- Bronze Award – "Service (Excluding Financial Services & Communication & IT Sector)" at the Best Presented Annual Report Awards, Integrated Reporting Awards and SAARC Anniversary Awards for Corporate Governance Disclosure 2023 organized by South Asia Federation of Accountants (SAFA)
- Bronze Award at the Tags Awards 2024 - Service Sector (Excluding Other Service Categories) by the Institute of Chartered Accountants of Sri Lanka.
- Best Integrated Report – Small and Medium Enterprises Industry at CMA Excellence in Integrated Reporting Awards 2024
- Certificate of compliance at CMA Excellence in Integrated Reporting Awards 2024
- National Logistics Awards – Logicare (Pvt) Ltd was presented a Bronze Award in the Warehousing and Distribution Category Under the Small Sub Sector
- National Award of Excellence Best Supply Chain Practicing Organization 2024 – Special Commendation Medium Scale awarded to Logicare (Pvt) Ltd by the Institute of Supply and Materials Management
- WILAT Awards – Logicare (Pvt) Ltd emerged as a Winner for the Digitalization Champion Award Warehousing and Transportation Industry

OUR NEW HEAD OFFICE





On 25th September 2024, Ceylon Tea Brokers PLC relocated its head office to a new, more spacious and strategically located premises.

No. 481, T. B. Jayah Mawatha, Colombo 10
Location

7,600 Sq Ft
Floor Area

1,492 Sq Ft
Tea Tasting Room

296 Sq Ft
Auction Room

AWARDS

"These accolades are a testament to our unwavering commitment to excellence and our ability to consistently deliver value to all stakeholders."

01. Bronze Award

Tags Awards 2024 - Service Sector (Excluding Other Service Categories) by the Institute of Chartered Accountants of Sri Lanka.

02. Bronze Award

"Service (Excluding Financial Services & Communication & IT Sector)" at the Best Presented Annual Report Awards, Integrated Reporting Awards and SAARC Anniversary Awards for Corporate Governance Disclosure 2023 organized by South Asia Federation of Accountants (SAFA).

01 02

04 03

03. Best Integrated Report

Small and Medium Enterprises Industry at CMA Excellence in Integrated Reporting Awards 2024.

04. Certificate of Compliance

At CMA Excellence in Integrated Reporting Awards 2024.

05. National Logistics Awards

Logicare (Pvt) Ltd was presented a Bronze Award in the Warehousing and Distribution Category Under the Small Sub Sector.

06. National Award of Excellence Best Supply Chain Practicing Organization 2024

Special Commendation Medium Scale awarded to Logicare (Pvt) Ltd by the Institute of Supply and Materials Management.

05 06 07

07. Digitalization Champion Award

WILAT Awards - Logicare (Pvt) Ltd emerged as a Winner for the Digitalization Champion Award Warehousing and Transportation Industry.

ESG PERFORMANCE

As a responsible corporate citizen, we remain committed to continuous improvement in our ESG initiatives to drive meaningful change and build a more sustainable future.

Our Purpose
Be a Socially Responsible Corporate Citizen

Environmental
We are dedicated to minimizing our environmental footprint while seizing opportunities to shape a greener future.

Social
Together, we strive and thrive, united in our pursuit of a better tomorrow.

Governance
As a responsible and responsive corporate citizen, we uphold the highest standards of integrity and accountability in all our endeavors.

	2024/25	2023/24
Environmental Performance		
Fuel Consumption (Liters)	73,667	70,057
Water Consumption for Operations (m3)	4,326	4,322
Paper Usage (Sheets/Mn)	2.80	2.70
Social Performance		
Employee turnover (%)	14.8%	18.9%
Total number of female employees as a percentage of total employees (%)	21%	22%
Female employees in decision making roles	9	9
Total number of injuries	-	-
Average training hours per employee	4	8
Total Employee Benefits Distributed (Rs Mn)	395.35	414.30
Income Tax Paid (Rs Mn)	71.25	105.90
Donation and Other Social contributions(Rs Mn)	1.34	0.89
Governance Performance		
Number of total audits conducted on management systems	1	1
Data privacy trainings (No of Hours)	39	22
Number of meetings conducted by the Audit Committee	7	5

In line with evolving global reporting standards, a comprehensive gap analysis is being conducted to assess the applicability of the newly issued SLFRS S1 and SLFRS S2 standards. This proactive initiative will enable the Company to implement appropriate disclosures in its reporting for the financial year ending March 31, 2027.

73,667 Liters ↑
Fuel Consumption
2023/24 - 70,057 Liters

395.3 Rs. Mn. ↓
Employee Benefits
2023/24 - 414.3 Rs. Mn

39 Hours ↑
Training on Data Privacy
2023/24 - 22 Hours

FINANCIAL HIGHLIGHTS

1,001.50 Rs. Mn

Revenue - Company

2023/24 - 1,072.12 Rs. Mn

896.28 Rs. Mn

Shareholder Funds - Company

2023/24 - 866.01 Rs. Mn

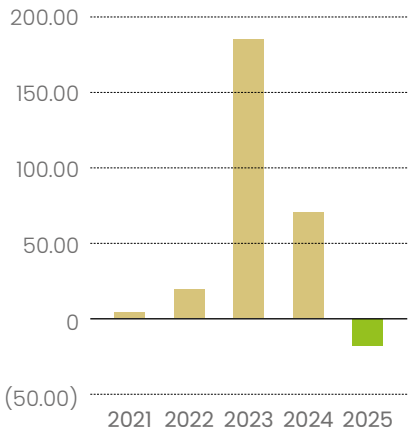
3,191.72 Rs. Mn

Total Assets - Company

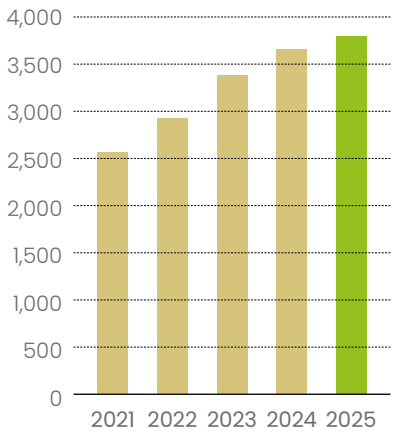
2023/24 - 2,901.24 Rs. Mn

Five Year Summary as at 31st March	2025		2024		2023		2022		2021	
	Group	Company	Group	Company	Group	Company	Group	Company	Group	Company
Revenue (Rs. Mn)	1,370.44	1,001.49	1,638.35	1,072.12	1,711.45	1,154.97	867.31	580.67	693.59	518.68
Expenses (Rs. Mn)	(1,260.91)	(809.98)	(1,486.51)	(860.74)	(1,434.90)	(823.00)	(811.30)	(434.35)	(653.88)	(373.50)
Profit / (Loss) Before Taxation (Rs. Mn)	109.53	191.51	151.84	211.38	276.55	331.97	56.01	146.32	39.71	145.18
Profit / (Loss) After Taxation (Rs. Mn)	(18.29)	121.20	69.78	141.91	184.35	239.68	19.10	109.80	1.00	107.53
Total Assets (Rs. Mn)	3,770.57	3,191.72	3,634.01	2,901.24	3,360.07	2,777.66	2908.86	2276.82	2547.21	1968.18
Shareholder's Funds (Rs. Mn)	550.11	896.27	654.29	866.01	620.11	850.09	510.35	675.00	431.02	633.44
Return on Shareholder's Funds After Tax (%)	(3)	13.52	10.66	16.39	29.73	28.19	3.74	16.27	0.23	16.98
Return on Assets After Tax (%)	(0.49)	3.80	1.92	4.89	5.49	8.63	0.66	4.82	0.04	5.46
Net Assets Per Share (Rs.)	3.02	4.91	3.59	4.75	3.40	4.66	2.80	3.70	2.36	3.47
Earnings Per Share (Rs.)	(0.10)	0.66	0.38	0.78	1.01	1.31	0.105	0.60	0.005	0.59
Dividend Per Share (Distribution from during the year profit) (Rs.)	0.60	0.60	0.44	0.44	0.68	0.68	0.36	0.36	0.35	0.35
Current Ratio (Times)	1.10	1.20	1.18	1.30	1.26	1.34	1.24	1.28	1.05	1.22
Total Asset Turnover (Times)	0.36	0.31	0.45	0.37	0.51	0.42	0.30	0.26	0.27	0.26
Market Price (Rs.)	6.4	6.4	5.00	5.00	4.1	4.1	3.2	3.2	3.1	3.1
P/E Ratio (Times)	(63.82)	9.63	13.16	6.41	4.06	3.13	30.48	5.33	620.00	5.25
Earning Yield (Rs.)	(0.02)	0.10	0.08	0.16	0.25	0.32	0.03	0.19	0.0016	0.19
Price/Book value ratio (Times)	2.12	1.30	1.39	1.05	1.21	0.88	1.14	0.86	1.31	0.89

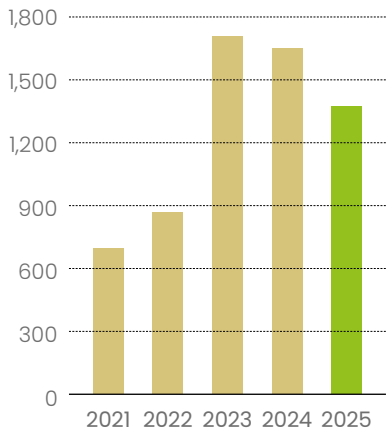
Profit / (Loss) After Taxation *(Rs. Mn)*



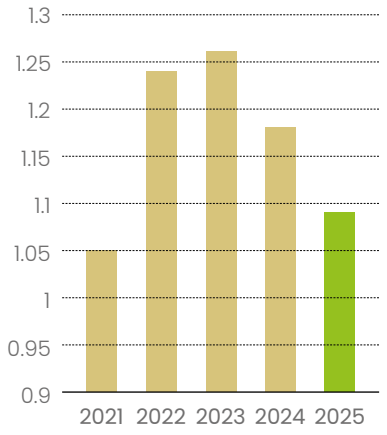
Total Assets *(Rs. Mn)*



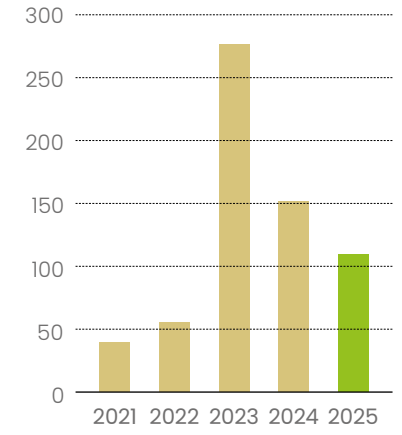
Revenue *(Rs. Mn)*



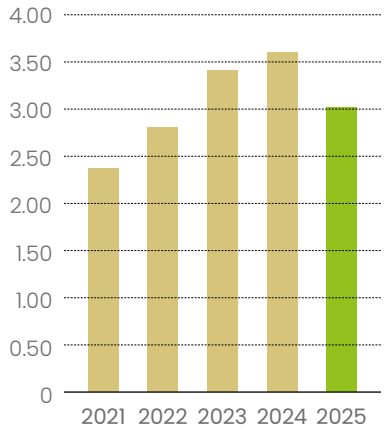
Current Ratio *(Times)*



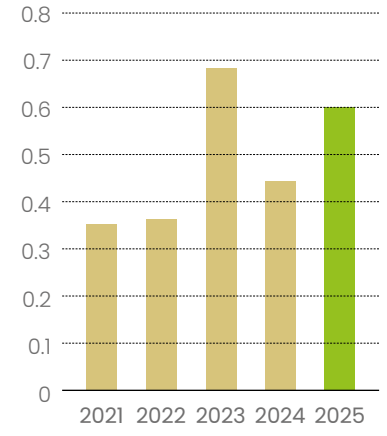
Profit / (Loss) Before Taxation *(Rs. Mn)*



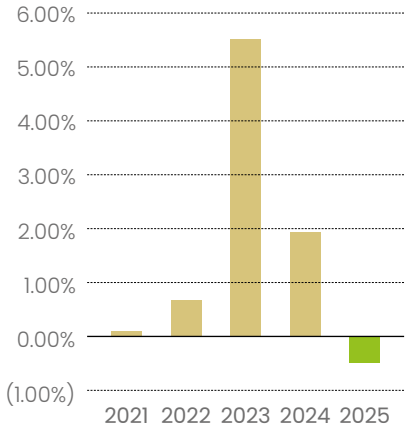
Net Assets Per Share *(Rs.)*



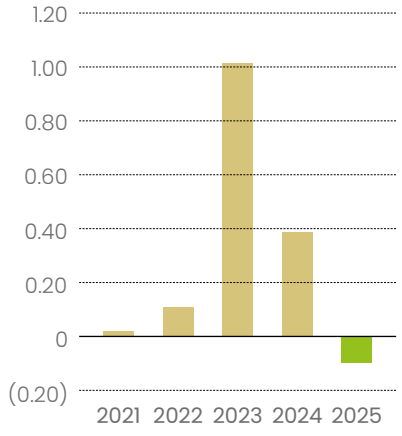
Dividend Per Share *(Rs.)*



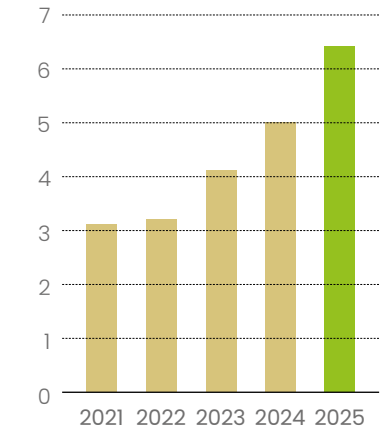
Return on Assets After Tax *(%)*



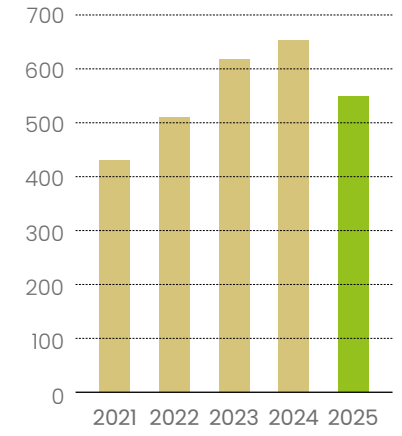
Earnings Per Share *(Rs.)*



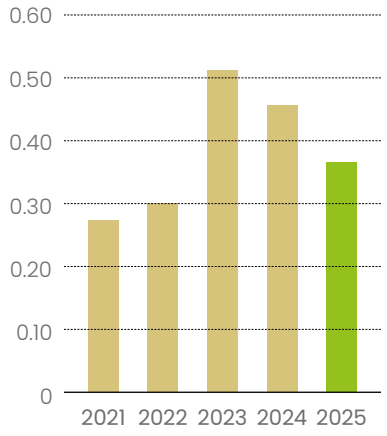
Market Price *(Rs.)*



Shareholder's Funds *(Rs. Mn)*



Total Asset Turnover *(Times)*



NON-FINANCIAL HIGHLIGHTS

Operational Performance

Market Share on

15.95 % ↑
Quantity Sold
2023/24 - 14.46%

16.12 % ↑
Value of Teas Sold
2023/24 - 14.88%

Quantity Sold

41.14 Mn Kg ↑
2023/24 - 36.85 Mn Kg

Tea Broking Revenue

499.43 Rs. Mn ↑
2023/24 - 433.43 Rs. Mn

LRA Assigned

(SL) BBB
Rating with a Stable Outlook
2023/24 - (SL) BBB - LRA

Manufactured Capital

Floor Area

1,492 sq ft
Tea Tasting Room

5,900 sq ft
Tea Sampling Room

296 sq ft
Auction Room

224,637 sq ft
Warehouse Capacity (Leased/Own)

Warehouse

04 Nos.
Location

976 Rs. Mn ↑
PPE & Leasehold Land
2023/24 - 974 Rs Mn

Human Capital

Total Employees

121 Nos.
CTB - 91
Logicare - 30

Gender Diversity
Male -79%
Female - 21%

Trainings

790 Hrs ↓
Number of Training Hours
2023/24 - 969 Hrs

Total Compensation

395.3 Rs. Mn ↓
2023/24 - 414.3 Rs. Mn

Intellectual Capital

Brand Equity and Reputation

LOGICARE
PRIVATE LIMITED

Awards

Bronze Award

Service Organisation Category at the TAGS Awards 2023 Organised by CA Sri Lanka

2023/24 - Silver Award

Natural Capital

Consumption/ Usage

73,667 Liters ↑

Fuel Consumption

2023/24 - 70,057 Liters

2.80 Mn ↑

Paper Usage (Sheets)

2023/24 - 2.70 Mn

4,326 m^3 ↑

Water Consumption

2023/24 - 4,322 m^3

Social & Relationship Capital

CSR Initiatives

0.025 Rs.

Allocated Per Kilo of Tea Sold

2023/24 - 0.025 Rs.

1.34 Rs. Mn ↑

Donation and Other Social Contributions

2023/24 - 0.89 Rs. Mn

Customers Handled

171 Nos.

Tea Producers

221 Nos.

Tea Buyers

40 Nos.

Logistic Clients

CHAIRMAN'S MESSAGE

"It is with great pride that I present this year's Annual Report, reflecting a period of resilience and steady growth for our company. However the company's top and bottom lines were behind that of 2023/2024. The significant feature was the market share showing a positive growth. More on this and the specifics relating to the tea industry performance will be elaborated later in the message."

Niraj De Mel
Chairman

Sri Lankan Economy

Introduction

In the wake of a historic economic crisis, the financial year marked a critical juncture in Sri Lanka's journey toward recovery. Building on the foundations laid in 2023, the nation pursued a path of economic stabilization supported by the International Monetary Fund (IMF) program, key structural reforms, and significant progress in debt restructuring. This period demonstrated Sri Lanka's resilience and determination to steer its economy toward sustainable growth, following unprecedented hardships that included sovereign default, rampant inflation, and severe balance of payments pressure.

Macroeconomic Stabilization and Governance

The government's steadfast commitment to fiscal discipline and institutional reform continued to underpin the country's economic trajectory in 2024/25. The IMF remained a central partner, with the third and fourth reviews of the USD 2.9 billion Extended Fund Facility (EFF) program completed successfully. These reviews led to the release of two additional tranches, amounting to over USD 660 million, reinforcing investor confidence and supporting critical balance of payments needs. A notable development during the year was Sri Lanka's completion of key milestones in external debt restructuring, including agreements with a majority of bilateral creditors and completion in sovereign bondholder agreements. These advances not only contributed to the reduction of the debt service burden but also bolstered the country's credibility on the global financial stage.

Fiscal consolidation efforts showed tangible results, with the government achieving a primary surplus of 2.2 percent of GDP in 2024. Public debt levels moderated to approximately 102 percent of GDP by the end of the year, a notable improvement from post-crisis highs. Tax revenue increased significantly through a combination of Value Added Tax (VAT) reforms, income tax revisions, and improved compliance, with the revenue-to-GDP ratio climbing above 13.5 percent. These outcomes reflect the effectiveness of targeted policy interventions aimed at restoring macroeconomic stability.

Outlook

The year 2024/25 represented a turning point for Sri Lanka, with the economy showing clear signs of recovery and stabilization. The successful implementation of macroeconomic reforms, underpinned by international support and sound policymaking, allowed the country to reverse the sharp declines of the previous years. Strong GDP growth, rapid disinflation, improved reserves, and debt restructuring efforts have placed Sri Lanka on firmer ground.

Nonetheless, challenges remain. Fiscal consolidation must be carefully managed to avoid undermining social cohesion, while continued reform momentum is essential to unlock long-term growth. Structural challenges such as low labor force participation, limited export diversification, and public sector inefficiencies require sustained attention. With global conditions still uncertain, Sri Lanka must also navigate external risks including geopolitical tensions, commodity price volatility, and shifts in global interest rates.

Looking ahead, Sri Lanka has the opportunity to build on its current gains and transition toward a path of inclusive, resilient, and sustainable development. The commitment to reform, combined with prudent economic management and public support, will determine the country's success in realizing this vision.

The Sri Lankan economy rebounded strongly in 2024 following two consecutive years of contraction and as per the Central Bank Annual report for the year 2024, recorded a real GDP increase of 5% compared to the contraction of 2.3% in 2023. The real GDP from agriculture, forestry and fishing related activities improved during the year by 1.2% compared to the increase of 1.6% in 2023. The total tea production in 2024 increased by 2.4% against an uptick of 1.8% in the previous year. Service-related activities and the industry sector increased by 2.4% and 11% in 2024 compared to contractions of 0.2% and 9.2% respectively in the last financial year.

The per capita GDP was reported as US$ 4,516 in 2024 compared to US$ 3,801 in 2023.

The service sector contributed 59.2% to the GDP in the year under review as against 60.7% in 2023. Agriculture, forestry and fisheries sector contributed 7.5% to the GDP, little below its share of 7.8% in 2023. Industrial activities were responsible for a contribution of 26.7% in 2024 as against 25.3% in 2023.

The labor market showed tentative signs of stabilization during the year under review. The unemployment rate decreased to 4.4% in 2024 as against

CHAIRMAN'S MESSAGE

4.7% in 2023. After an initial upward movement, inflation overall showed a decreasing trend during 2024 and reached deflationary levels from September. Accordingly, y-o-y headline inflation, measured by the Colombo Consumer Price Index (CCPI, 2021=100)[3] was recorded at -1.7% by end 2024 compared to 4.0% at end 2023, while the annual average CCPI based headline inflation in 2024 decelerated to 1.2% from 17.4% recorded in 2023.

External Sector Developments

Sri Lanka's external sector showed continued improvement throughout 2024, supported by higher foreign exchange inflows and prudent external account management. The current account recorded a surplus of approximately 1.8 percent of GDP, reversing several years of deficits. This was primarily driven by strong remittance inflows and the resurgence in tourism, both of which significantly boosted the country's balance of payments.

The merchandise trade deficit widened in 2024 compared to the preceding year but remained lower than averages in recent years. The trade deficit of USD 6.1 bn in 2024 was moderate compared to the annual average trade deficit of around USD 9 bn recorded during the pre-pandemic period from 2015 to 2019. Export earnings recorded a positive trajectory, in most of 2024, on a y-o-y basis, mainly supported by the increase in industrial exports. Meanwhile, import expenditure rose significantly in 2024 due to increased economic activity, relaxed import restrictions, eased monetary conditions and favorable global price dynamics. As a percentage of GDP, the trade deficit widened to 6.1% in 2024 from 5.9% in the previous year.

There was a declining trend in Average Weighted Prime Lending Rate (AWPLR) and weekly AWPLR is stated at 7.88% as at 11th July 2025. As a percentage of GDP, the trade deficit widened to 6.1% in 2024 from 5.9% in the previous year.

The current account surplus amounted to USD 1.2 bn (1.2% of GDP) in 2024 compared to USD 1.4 bn (1.7% of GDP) in 2023.

Sri Lanka's Tea Industry

Tea Production (Mn. Kilos)

Elevation	2024	2023	2022	2021	2020
High Grown	55.72	58.64	56.32	65.27	62.20
Mid Grown	47.62	42.34	40.18	50.91	46.55
Low Grown	158.82	155.11	154.99	183.16	169.73
Total	262.16	256.09	251.50	299.34	278.49

It is encouraging that Sri Lanka's tea production continues to increase since the dismal year of 2022. The near 2% increase achieved in 2023 over the previous year, was bettered in 2024 with a gain of 3% year on year. The increase is largely attributed to the improved application of fertilizer across all tea plantations including smallholdings. Medium elevation achieved a 12.5% increase whilst the Low elevation accounted for a 2.5% surplus. However, high grown elevation recorded a 5% decline Year-on-Year in spite of extensively applying fertilizer which is a serious concern that must be addressed by the government. The aging bushes, effects of climate change and the declining work force are often heard reasons whereas, an in-depth investigation is required to ascertain the causes and take effective measures to arrest the decline.

An ambitious strategic plan to increase production to 400 Mn kilos by 2030 has been proposed by the Ministry of Plantation Industries in consultation with the Sri Lanka Tea Board, the Tea Research Institute and the Tea Smallholdings Development Authority. Increasing production by a further 140 mn kilos in the next 6 years is doable. However, given the current ground realities, it would have been prudent to have discussed with the producers whether such a figure is achievable within that time period. A huge investment is necessary to rectify some of the causes that are retarding growth and more importantly to carry out re-planting. RPCs in general are not in favor of re-planting as recovery of such an investment (ROI) would take a long time, even beyond the expiry of the current leases. Further, some of them are averse to increasing production due to possible decline in tea prices affecting revenues and profits. This year too seems to show some promise with the harvest for the first half 2025 recording a 7 million kilo increase over the corresponding period of last year.

Colombo Auction Average Prices (per kilo)

Elevation	2024		2023		2022		2021		2020	
	LKR	Approx. USD	LKR	Approx. USD	LKR	Approx. USD	LKR	Approx. USD	LKR	Approx. USD
High Grown	1,141.63	3.78	1,072.48	3.27	1,093.10	3.37	587.13	2.95	580.90	3.13
Mid Grown	1,064.48	3.52	1,012.35	3.09	1,030.82	3.18	550.80	2.77	553.94	2.99
Low Grown	1,304.38	4.32	1,252.15	3.82	1,339.86	4.13	644.23	3.24	666.32	3.59
Total	1,225.17	4.06	1,171.29	3.58	1,234.24	3.80	615.44	3.09	628.21	3.39

Tea prices in 2024 were much improved in comparison to 2023 with the national annual average price per kilo gaining by approximately Rs 54/-. High grown elevation average was noticeably higher by approx. Rs 69/-. The auction prices for each elevation and the National average in US dollar terms were approx. 48 cents higher than the levels that prevailed in 2023. This has contributed to higher tea export revenues.

Tea Exports (including re-exports with imported tea)

Year	Qty. Mn/Kg	Value (Rs./Bn)	Average FOB Price per Kg (Rs.)	Value (USD/Bn)	Average FOB Price per Kg (USD)
2024	245.79	433.47	1,763.61	1.43	5.84
2023	241.91	428.29	1,770.44	1.31	5.41
2022	250.19	411.09	1643.11	1.27	5.06
2021	286.02	263.35	920.76	1.32	4.63
2020	265.57	230.17	866.70	1.24	4.67
2019	292.66	240.64	822.25	1.35	4.60
2018	282.36	231.75	820.75	1.43	5.05
2017	288.98	233.34	807.44	1.53	5.30
2016	288.77	184.78	639.88	1.27	4.39
2015	306.97	182.05	593.08	1.34	4.36
2014	327.87	212.91	649.37	1.63	4.97
2013	319.66	199.44	623.91	1.54	4.83
2012	319.95	180.43	563.94	1.41	4.42
2011	322.56	164.85	511.08	1.49	4.62
2010	324.36	162.79	501.88	1.44	4.44

The total tea exports gained by 4 million kilos in 2024 in comparison to the previous year whilst the earnings continued to break record increasing further to Rs 433 billion. It is however, disappointing to note that the country's tea export volume has declined by 79 million kilos from the quantity exported 15 years ago (2010). Further the export earnings in USD terms too have remained almost unchanged between then and now. This needs to be analyzed on an urgent basis given that the average unit FOB price has reached a record level of USD 5.84 per kilo against USD 4.44 per kilo in 2010.

262.16 Mn.Kg ↑

Sri Lanka's Tea Production

2023/24 - 256.09 (Mn. Kg)

433.47 Rs. Bn ↑

Tea Exports Value

2023/24 - 428.29 (Rs. Bn)

An ambitious strategic plan to increase production to 400 Mn kilos by 2030 has been proposed by the Ministry of Plantation Industries in consultation with the Sri Lanka Tea Board, the Tea Research Institute and the Tea Smallholdings Development Authority.

CHAIRMAN'S MESSAGE

We reiterate what we have stated in earlier years that Sri Lanka must adopt multiple strategies to increase the value of tea exports through bold, innovative and dynamic initiatives.

The Global Perspective

As per the International Tea Committee's supplementary bulletin 2024, tabulated below are the leading 5 tea producing, exporting and importing countries in 2024.

Top 5 Producers,Exports and Importers of tea in 2024

The top 5 producing countries remain unchanged. Whilst China and Kenya have recorded further increases in production, India has shown a decline. China accounts for 53% of the global production whilst India has dropped to 18%. Sri Lanka continues to lag behind at around 3.9%.

Kenya continues to dominate the top slot among the tea exporting nation whilst China retains the second position. India after many years, have moved ahead of Sri Lanka. However, Sri Lanka is likely to regain the no. 3 position in 2025 going by the performance up to date.

Pakistan although importing less tea than the previous year, holds on to the leading position among tea importing countries. USA has displaced Russia taking the no. 2 slot.

Looking at Sri Lanka's Tea industry as a whole, it is imperative that the relevant government institutes including the line ministry together with the stakeholders in the value chain engage in a serious dialogue to address many fundamental issues facing the growers, the manufacturers, the RPCs and the exporters.

Producers			Exports			Importers		
No	Country	Qty (Mn/kg)	No	Country	Qty (Mn/kg)	No	Country	Qty (Mn/kg)
1	China*	3,740.00	1	Kenya	594.50	1	Pakistan	222.27
2	India	1,284.78	2	China	374.10	2	USA	123.36
3	Kenya	598.48	3	India	254.67	3	Russian Federation	119.53
4	Turkey	272.85	4	Sri Lanka	245.79	4	United Kingdom	99.40
5	Sri Lanka	262.16	5	Vietnam	134.34	5	Egypt	96.44
*Predominantly Green Tea			Includes imported tea re-exported where applicable					

Looking at Sri Lanka's Tea industry as a whole, it is imperative that the relevant government institutes including the line ministry together with the stakeholders in the value chain engage in a serious dialogue to address many fundamental issues facing the growers, the manufacturers, the RPCs and the exporters. Volumes currently being produced are inadequate to meet the increasing demand from countries, particularly the Middle East where populations are rising rapidly. This situation leads to higher prices in the short term and consequently, drives the importers to other producing countries where they could source their requirements at much cheaper prices.

Increasing foreign exchange earnings from tea would require a larger availability of good quality tea in order to tap into affluent markets such as Japan, the Western nations, Saudi Arabia, China and Russia. This is one of many ways by which the tea industry would be able to increase its contribution to the state coffers.

Company Performance

The quantity of tea marketed by the company increased by almost 12% largely as a result of the increase in the market share. The value of tea marketed by the company too increased by approx. 15%. The specific details which reflect this position and of interest to the shareholders are set out below.

	Quantity of Tea Marketed through the company (Mn/Kg)	Value of Tea Marketed through the company (Rs. /Mn)	Revenue generated by the company (Rs. /Mn)	Profit After Tax (Rs./ Mn)	Total Equity (Rs./ Mn)
2024/25	41.14	49,929.16	1,001.49	121.20	896.27
2023/24	36.8	43,301.41	1,072.12	141.91	866.01
2022/23	36	51,869.70	1,153.50	239.7	850.1
2021/22	44.4	28,965.30	580.7	109.8	675
2020/21	42.5	28,049.00	518.7	107.5	633.4
2019/20	41.2	23,119.00	580.6	21.5	542
2018/19	35	22,830.00	767.6	115.3	582.6
2017/18	34.3	22,402.00	655.9	106.8	471.3
2016/17	29.9	16,114.36	419.7	41.5	237.7
2015/16	31.3	12,518.90	334	25.9	208.7
2014/15	34.72	16,073.49	435.5	54.7	212.4

15.95 %

Market Share on Quantity Sold

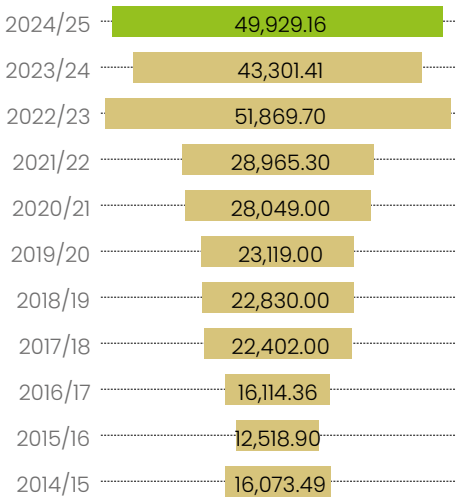
2023/24 - 14.46%

16.12 %

Market Share on Value of Teas Sold

2024/25 - 14.88%

Value of Tea Marketed through the Company *(Rs. Mn)*



The revenue generated by the company during the year under review declined in comparison to the financial year 2023/2024 due to the continuous lowering of interest rates leading to a lower interest income.

In addition to the above details, I present below some salient comparative data on market share and other significant performance indicators.

50 tea auctions were successfully conducted on the live environment (electronic platform) in 2024.

Corporate Development and Market Focus

Amidst a year marked by volatility and uncertainty across the broader economic and agricultural landscape, we are pleased to report that the company not only maintained its operational momentum but also advanced meaningfully in its strategic objectives. These results are a testament to the strength of our corporate vision, the commitment of our team, and the trust of our valued stakeholders.

The plantation sector continued to experience the compounding effects of climate change, particularly the challenges posed by prolonged

CHAIRMAN'S MESSAGE

high temperatures and shifting rainfall patterns. These climatic pressures impacted core agricultural inputs and production cycles. Nevertheless, our team remained steadfast, navigating these complexities with agility and purpose. The foundation laid through previous years of restructuring and internal realignment, focused on enhancing accountability, governance, and stakeholder engagement, has positioned the company to respond with resilience and efficiency.

In the low grown segment, which continues to serve as a vital economic engine for rural entrepreneurs, we are proud to have retained our leadership position once again. This achievement, in a highly competitive market, reflects our commitment to service excellence and the strength of our relationships with producers who rely on us for consistent support and insight. The unwavering loyalty of this segment has been matched by our dedication to offering timely advice, transparent processes, and market-driven solutions.

Our progress in the high grown category has been more measured, due to the deeply rooted presence of established players and the historic nature of relationships within this segment. However, our approach has not wavered. Through the efforts of a young and driven team, we have developed innovative value-added services that are increasingly gaining recognition among producers and buyers alike. This has enabled us to expand our reach and consolidate our position as the second-largest broker in the industry, with continued growth on the horizon. We are undoubtedly the market determining broker of the new generation with an unparalleled service record.

Our corporate ethos remains centered on being a trusted partner and the preferred service provider in the industry. We aspire to distinguish ourselves through insight-led advisory services, operational transparency, and a culture of continuous improvement. Our goal is not simply to grow market share, but to elevate the industry as a whole, ensuring long-term value for clients, employees, shareholders, and all stakeholders connected to our journey.

With innovation, integrity, and a deep sense of responsibility, our team remains focused on navigating the evolving market landscape, strengthening relationships across the value chain, and delivering sustainable performance that will drive the next phase of growth for both our company and the tea industry.

Logicare Private Limited

The performance of Logicare still remains below expectations. The Board of Logicare has taken necessary steps that have significantly reduced these losses starting in April 2025. However, this is only a way of reducing the loss, and therefore, the Board of Ceylon Tea Brokers PLC, as the holding company is currently exploring the viability of the current business model vis-à-vis Logicare (Pvt) Ltd and will be taking decisive steps during this year.

Dividend

I am pleased to report that the Directors have declared a dividend of =/60 cents per share for the financial year 2024/25 compared with =/44 cents per share in 2023/24. The total payout amounts to Rs. 109.44 Mn which is a 90% payout ratio of the distributable profits. The balance amounting to Rs. 11.76 Mn has been transferred to reserves thereby enhancing the total equity of the company.

Farewell

At the end of the financial year under reference, we bade goodbye to 2 board directors namely, Mr. B R L Fernando & Mr. Saminda Deshapriya.

MR B R L Fernando, who was appointed to the board of Ceylon Tea Brokers PLC on 5th May 2010, served for little more than 14 years. With his wide experience in the corporate world, having been a chairman for a group of companies for a considerable length of time, serving on boards of number of other companies and his involvement in many govt sector initiatives, he made a very useful contribution to the success and development of Ceylon Tea Brokers PLC.

Mr Saminda Deshapriya who started from the very inception of Ceylon Tea Brokers PLC as a Cataloguging Executive, displayed his ability to quickly grasp the operations of the company, particularly in the area of logistics and was appointed the Chief Operating Officer in 2016. Soon thereafter, he was appointed as an Executive Director in the same year, a position he held until end March 2022. Thereafter, he served as a non-executive Director. He made an immense contribution to the smooth operation and rapid growth of the company. The ability displayed by him in logistics enabled him to become

the unanimous choice to head the companies warehousing subsidiary – Logicare Ltd. He served as Director / Chief Executive Officer of this entity until his resignation to take up appointment in an overseas venture at the beginning of this year.

On behalf of the Board, I extend our sincere gratitude and deep appreciation to Mr. B R L Fernando and Mr. Saminda Deshapriya for their dedicated service and invaluable contributions. We wish them continued success in their future endeavours.

Welcome

During the year under reference, Dr. Beshan Kulapala, Dr. Mihirini De Zoysa & Mrs. Amrah Akbar were appointed to the board of the company effective 27th September 2024.
Dr. Kulapala has vast experience in Technology & Innovation whilst Dr. De Zoysa is an expert in Human Resources. Mrs. Akbar currently serving as Business Director at MAS Active being a very senior accountant would add strength to Ceylon Tea Brokers PLC going forward.
On behalf of the board, I welcome the above-mentioned three persons and look forward to their dynamic contribution towards the company.

Venue

After little over 9 years, the office of CTB moved from Nawam Mawatha to another convenient location at Ground Floor, 481, T B Jayah Mawatha, Colombo 10. The new office showcases a sleek, modern corporate environment, designed to create a welcoming atmosphere for clients and stakeholders alike. Equipped with state-of-the-art infrastructure and advanced facilities, the office provides an inspiring space that supports efficiency, collaboration, and future growth.

Acknowledgement

I would like to extend my sincere appreciation to my fellow members of the Board for their continued support, insight, and commitment throughout this challenging but pivotal year. Their collective wisdom and oversight were invaluable in guiding the strategic direction of our organization.

My heartfelt gratitude goes to the Management and Staff at every level for their unwavering dedication, resilience, and professionalism. Their tireless efforts and ability to adapt in a complex and evolving environment have been central to our achievements during this period of recovery and growth.

We are deeply thankful to our clients and partners for the enduring trust they have placed in us. Their loyalty and engagement have reinforced our purpose and driven us to maintain the highest standards of service and performance.

I also wish to acknowledge with sincere thanks the ongoing collaboration and assistance extended to us by the Colombo Brokers' Association, the Colombo Tea Traders' Association, the Sri Lanka Tea Factory Owners' Association, the Planters' Association of Ceylon, the Tea Exporters' Association, the Association of Small and Medium Exporters of Tea, the Sri Lanka Tea Board, and the Ministry of Agriculture and Plantation Industries. The strong partnerships we share with these organizations continue to be instrumental to our success.

Finally, I express my deepest appreciation to our shareholders for their steadfast confidence in our company. Your continued support not only encourages us but serves as a driving force as we strive to deliver long-term value and sustainable growth.

Concluding Thought

In keeping with our tradition, I leave you with the guiding principle that charts our course for 2025: **NEW YEAR**. This powerful acronym stands for **N**ew beginnings, cultivating **E**mpathy, diligent **W**ork ethics, the integrity of letting our 'Yes be **Y**es', the courage to **E**nvision, the strength of our **A**ssociations, and the promise of **R**eaping rewards. This shared ethos, established with our management, defines our approach as we collectively build towards a prosperous future.

Niraj De Mel
Chairman

24th October 2025

MESSAGE FROM THE MANAGING DIRECTOR

"FY2024/25 was a year of strategic progress, operational investment and resilient performance. As we move forward, I am confident that with our exceptional team, trusted clients and supportive shareholders, Ceylon Tea Brokers PLC will continue to set new benchmarks in the tea industry."

Waruna De Silva

To Our Shareholders,

Ceylon Tea Brokers PLC passed several milestones during the financial year 2024/25. We transacted over 41 million kilograms of tea at the Colombo Tea Auction, secured the position of the second highest in overall market share among tea broking firms, relocated our operations to a purpose-built head office and deepened our digital and analytical service offerings to clients. All of this was achieved despite an uncertain macroeconomic climate, volatile auction prices and structural headwinds across the tea industry.

Yet in many ways, it still feels like Day One: not because we are at the beginning of our journey, but because we approach each challenge with the same energy, hunger and determination that defined our early years. This mindset of staying curious, driven and committed to continuous improvement remains central to who we are. We believe the future belongs to those who think differently, act boldly and prioritize long-term value over short-term applause. When I joined Ceylon Tea Brokers in November 2008, the company was still in its early stages. At the end of the 2005/06 financial year, our market share stood at just 2.47%. Today, we have grown that figure to 15.95%; a result of years of consistent effort, trust built with our stakeholders and a culture that embraces both precision and progress. Having taken on the role of Managing Director in January 2025, I consider it a privilege to lead an organization that continues to push boundaries while staying rooted in its founding principles.

Our purpose remains simple; to build enduring value for our tea producers and buyers by delivering market access, price discovery, liquidity and insight in a world of increasing complexity. We exist to serve producer clients and buyers with transparency and trust. If we do this well, we believe shareholder value will follow.

Our Principles and Trade-Offs

In a dynamic and competitive industry, clarity of principle is what sustains long-term value creation. These are the trade-offs we embrace to remain resilient and future-ready:

- We will **focus relentlessly on the client**, because we believe satisfied producers and buyers lead to stable market share, referral growth and long-term performance.
- We will **use data and evidence** to evaluate the success of new initiatives and will scale what works while quickly exiting what does not.
- We will **invest boldly** in digital capabilities, ESG and client services where we see a long-term edge, even if the payoff is not immediate.
- We will maintain a **cost-conscious, lean culture**, understanding that operational discipline is essential in a margin-sensitive business.
- We will focus on **recruiting and retaining versatile talent** and continue to reward long-term thinking and ownership behavior over short-term performance metrics.

Driven by Clients, Defined by Service

From the start, our value proposition has been clear: enable Sri Lanka's tea producers get the best possible prices, with the best possible insight, in the most efficient way. That core promise has remained unchanged but the way we deliver on it continues to evolve.

In FY2024/25, we reached a significant milestone with the relocation of our operations to a purpose-built head office in Colombo 10. Spanning 7,600 sqft., this new facility brings together tea tasting, auction bidding, analytics and client collaboration in one integrated space. It reflects our ongoing commitment to elevate service delivery, foster closer relationships with our clients and position ourselves for the next phase of precision-driven broking.

MESSAGE FROM THE MANAGING DIRECTOR

Progress Snapshot – FY 2024/25

- Over **41 million kilograms** of tea handled, maintaining top-tier auction share
- **Highest Market Share** in the **low grown** elevation
- **Second Highest in Overall Market share**
- **Company Revenue -** Rs. 1,001.49 million
- **Company Profit After Tax** - Rs. 121.20
- Strengthened **Client advisory capacity** and **digital readiness**
- Maintained **cost discipline**, enabling profitability despite margin pressures
- Sustained **strong client retention** and referral-led business growth

Our People

The soul of Ceylon Tea Brokers is our people. Tea is a complex, fast-moving, deeply relational business. You can't automate relationships. You can't algorithm away the intuition of a seasoned taster. You need a team that blends discipline with passion and we are fortunate to have just that.

It's not easy to work here. This is a high-precision, high-accountability business. But the team rises to the challenge. They are the reason we retained market share. They are the reason clients trust us year after year. They are the reason we will endure.

Looking Ahead

Our focus is on building a broking business that is modern, client-obsessed and equipped to lead the industry for decades to come. We are still early in our journey of reinvention. We see substantial opportunities in the following areas:

- **Digital modernization** of the industry
- **ESG-linked traceability** and sustainability practices
- **Data-led** forecasting models

Each of these areas requires sustained investment, operational clarity and a clear long-term strategy. But we are committed to building a broking industry that is modern, client-obsessed and built to last.

A Note of Appreciation

As we reflect on a year of growth and transformation, I would like to take this opportunity to express my sincere appreciation to those who have contributed meaningfully to our journey.

On behalf of the Board and the management team, I extend our heartfelt gratitude to Mr. B R L Fernando, who served as an Independent Non-Executive Director until his resignation on 24th August 2024 and to Mr. K H S Deshapriya, Non-Executive Director, who stepped down on 27th September 2024. Their guidance, experience and contributions have been instrumental in shaping Ceylon Tea Brokers PLC, and we thank them for their valuable service.

I also wish to extend our sincere appreciation to Mr. Ajith Fernando, who served as

1,001.49 Rs. Mn ↓

Company Revenue

2023/24 - 1,072.12 Rs. Mn

121.20 Rs. Mn ↓

Company Profit After Tax

2023/24 - 141.91 Rs. Mn

16.12 % ↑

Market Share on Value of Teas Sold

2023/24 - 14.88%

The soul of Ceylon Tea Brokers is our people. Tea is a complex, fastmoving, deeply relational business. You can't automate relationships.

You can't algorithm away the intuition of a seasoned taster. You need a team that blends discipline with passion and we are fortunate to have just that.

Managing Director until January 2025. Under his leadership, the Company achieved significant milestones, strengthened its market position and built a reputation for excellence and integrity in the tea broking industry. His vision, stewardship and unwavering commitment to the Company have left a lasting legacy.

We were also pleased to welcome three new members to the Board in September 2025. Ms. A Akbar, Dr. K B K B R Kulapala, and Dr. M. De Zoysa, all appointed as Independent Non-Executive Directors with effect from 27th September 2025. Their diverse expertise and fresh perspectives will no doubt be valuable as we navigate the next phase of our growth.

Finally, I wish to warmly congratulate Mr. Dinesh Fernando on his appointment as Chief Executive Officer in January 2025. Having been a part of the leadership team for many years, his deep industry insight, strategic focus and commitment to our core values make him well-suited to lead the Company into its next chapter.

FY2024/25 was a year of strategic progress, operational investment and resilient performance. As we move forward, I am confident that with our exceptional team, trusted clients and supportive shareholders, Ceylon Tea Brokers PLC will continue to set new benchmarks in the tea industry.

Waruna De Silva
Managing Director

24th October 2025

CHIEF EXECUTIVE OFFICER'S REVIEW

"The future will not look like the past but with curiosity, courage, and a deep sense of responsibility, I am confident that Ceylon Tea Brokers will continue to be relevant, resilient and ready for the opportunities to come. With decisive focus and unwavering determination, we embrace FY2025/26 with optimism, as shifting market dynamics and new opportunities set the stage for a transformative and rewarding year ahead."

Dinesh Fernando

Our Annual Report theme this year, "Precision", encapsulates the discipline, foresight, and attention to detail that underpin every aspect of our operations at Ceylon Tea Brokers PLC. In an industry as intricate and nuanced as tea broking where every leaf carries the legacy of a centuries-old tradition, our commitment to precision defines not only how we operate, but how we deliver value to our clients.

Precision guides our approach to market analysis, client engagement and operational execution. It ensures that our insights are timely, our services are tailored, and our decisions are data-driven. From pricing to client manufacturing advisory, from sustainability reporting to digital adoption, we have embedded precision into our corporate DNA; transforming information into intelligence and action into advantage.

As we navigate a dynamic and competitive landscape, precision is not just a principle; it is our promise. A promise to our stakeholders that every move we make is deliberate, every strategy refined, and every opportunity pursued with clarity, confidence and care.

Thinking Long-Term in a Traditional Industry

Sri Lanka's tea industry is more than 150 years old. It is steeped in legacy and governed by long-standing practices. Yet we believe the role of the tea broker is ripe for reinvention. The fundamentals of price discovery, liquidity, and trust remain unchanged, but the tools, expectations, and value drivers have evolved.

We are building Ceylon Tea Brokers for the next decade, not just the next quarter. That means prioritizing strategic investments even when short-term visibility is uncertain. It means embracing change, even when tradition resists it and it means maintaining discipline in cost, capital, and culture, especially in years of transition. With this mindset, we are not only adapting to change but are purposefully positioning ourselves to thrive in the tea industry in the long term.

Operational Highlights and Transformation

The year 2024/25 marked a defining period in our journey at Ceylon Tea Brokers PLC, a year in which we balanced continuity with transformation, deepened stakeholder engagement, and reinforced our role as a trusted steward in Sri Lanka's tea industry.

A landmark achievement during the year was the relocation to our new head office in Colombo 10. This 7,600 sq. ft. facility now houses our core functions from tea tasting to digital analytics under one roof. This move reflects our broader strategy of becoming more agile, data-driven, and client-centric.

In line with the revised Listing Rules on Corporate Governance issued by the Colombo Stock Exchange, we have enhanced the structure and function of the Board and its Committees. Particular attention has been given to director independence, succession planning, and continued development to ensure the Board remains equipped to provide oversight amidst a dynamic operating environment.

Performance in the Tea Segment

Sri Lanka's macroeconomic environment showed signs of stability through 2024/25, with inflation declining, interest rates softening and the currency appreciating. However, external volatility in key export markets, particularly in the Middle East, continued to place pressure on the tea sector. Within this mixed context, CTB focused on what we could control: investing in the long term, modernizing operations, and building closer relationships with our stakeholders.

The national tea crop recorded a modest increase of 2% year-on-year, reaching 262.16 million kilograms. In this context, Ceylon Tea Brokers PLC delivered strong performance, with broking volumes rising by 12% in FY 2024/25 from 36.8 million kilograms to 41.1 million kilograms. This growth, driven by a strategic focus on targeted client engagement, also translated into an increase in market share on proceeds from 14.88% to 16.12%.

During the year under review, we reinforced our leadership in the Low Grown sector, achieving a market share of 18.79%. Our reach extended across the High and Medium Grown segments as well, with respective market shares of 11.35% and 11.93%. These results contributed to an overall market share of 15.95% by quantity sold for the financial year 2024/25.

CHIEF EXECUTIVE OFFICER'S REVIEW

Logicare's performance continues to fall short of expectations. While measures implemented by its Board since April 2025 have helped curb losses, these are interim solutions. Accordingly, the Board of Ceylon Tea Brokers PLC, is reviewing the viability of Logicare's current business model and will take decisive action within the year.

People: The Heart of the Business

In an industry where reputation is everything, our people are our greatest asset. The precision of a tea taster, the commitment of an operations executive, the judgment of a client manager; these are not easily replicated. They are cultivated through experience, mentorship, and culture.

I am proud of how our team performed this year, not only in sustaining high volumes and service levels but in embracing change, relocating with minimal disruption and continuously seeking ways to do better.

As we look to the future, we are focused on upskilling, leadership development and succession planning ensuring that Ceylon Tea Brokers remains strong beyond individuals.

Sustainability with Purpose

As a steward in the agricultural value chain, we recognize the responsibility we hold, not just to our shareholders and clients, but to the planet, to communities, and to the generations to come. This year, we took deliberate steps to formalize our Sustainability and ESG policy framework, anchoring it to material themes such as climate impact, ethical sourcing, inclusive economic growth and responsible governance.

In line with evolving global reporting standards, a comprehensive gap analysis is being conducted to assess the applicability of the newly issued SLFRS S1 – General Requirements for Disclosure of Sustainability related Financial Information and SLFRS S2 – Climate related Disclosures. This proactive initiative will enable the Company to implement appropriate disclosures in its reporting for the financial year ending March 31, 2027.

Technology and Innovation: Reimagining the Broker's Role

Digitization continues to reshape the way we operate, engage with stakeholders, and make decisions. Over the past year, we made further investments in strengthening both our internal systems and client-facing platforms. Enhancements in data analytics particularly at the tasting phase of our Valuation application along with improvements in market reporting and the adoption of cloud-based workflows, have significantly increased our ability to deliver services with greater transparency, speed, and precision. These initiatives are aimed at enhancing decision-making, minimizing delays, and fostering a more agile and responsive broking environment.

15.95 % ↑

Market Share on Quantity Sold

2023/24 - 14.46%

14.8 % ↓

Employee Turnover

2023/24 - 18.9%

In an industry where reputation is everything, our people are our greatest asset. The precision of a tea taster, the commitment of an operations executive, the judgment of a client manager; these are not easily replicated. They are cultivated through experience, mentorship, and culture.

Board Transitions and New Appointments

I wish to place on record our sincere appreciation to Mr. B. R. L. Fernando and Mr. K. H. S. Deshapriya, who stepped down from the Board in August and September 2024 respectively, for their invaluable service and guidance to the Company. At the same time, I warmly welcome Ms. A. Akbar, Dr. K. B. R. Kulapala, and Dr. M. De Zoysa, who joined the Board as Independent Non-Executive Directors in September 2025. Their wealth of knowledge and fresh perspectives will be an asset as we move forward.

Looking Ahead: Focused, Agile and Future-Ready

As we look toward FY2025/26, our focus is clear: to continue strengthening our competitive edge while preparing for a more sustainable, digital and globally interconnected tea industry. We will continue to invest in our people, embrace innovation, and cultivate partnerships that generate shared value.

In an environment shaped by geopolitical uncertainties, climate disruptions, and shifting consumption patterns, our role as a connector between producers and markets is more important than ever. We intend to deepen our engagement with all stakeholders, be it producers, buyers, regulators or communities and remain a force for positive transformation in the tea sector.

FY2024/25 was a year of strategic progress despite industry headwinds. As we look to 2025/26 and beyond, our focus remains on creating enduring value for our producers, buyers, shareholders, and the broader tea ecosystem.

Thank you to our clients, colleagues, and partners for your trust and collaboration. We are excited about what lies ahead.

The future will not look like the past but with curiosity, courage, and a deep sense of responsibility, I am confident that Ceylon Tea Brokers will continue to be relevant, resilient and ready for the opportunities to come. With decisive focus and unwavering determination, we embrace FY2025/26 with optimism, as shifting market dynamics and new opportunities set the stage for a transformative and rewarding year ahead.

Dinesh Fernando
Director/ Chief Executive Officer

24th October 2025

BOARD OF DIRECTORS

GRI 2021 : 405-1

Niraj De Mel
Chairman /
Independent Non-Executive Director

Waruna de Silva
Managing Director

Dinesh Fernando
Director / Chief Executive Officer

Thilina Nonis
Executive Director

Zameel Mohamed
Executive Director

Ajith Fernando
Non-Executive Director

Board Composition

- 4 Executive Directors
- 4 Independent/Non-Executive Directors
- 4 Non-Independent/Non-Executive Directors

8:4
Male : Female Ratio
2023/24 - 9:2

Chrisantha Perera
Non-Executive Director

Shiromal Cooray
Non-Executive Director

Sharmali Perera
Non-Executive Director

Dr. Beshan Kulapala
Independent Non-Executive Director

Dr. Mihirini De Zoysa
Independent Non-Executive Director

Amrah Akbar
Independent Non-Executive Director

Committees

- Audit Committee
- Remuneration Committee
- Nomination Committee
- Related Party Transaction Review Committee
- Risk Management Committee
- Credit Review Committee
- IT Steering Committee

DIRECTOR PROFILES

Niraj De Mel

Chairman / Independent Non-Executive Director

Date of Appointment:
1st April 2019

Qualifications & Experience:
Commenced career at Forbes & Walker Limited and has over 45 years of experience in the tea industry mostly as a buyer/ exporter.

Other Current Appointments:
- Founder/Director of The Mel's Ceylon (Pvt) Ltd.

Previous Appointments:
Immediate past Chairman of Sri Lanka Tea Board 2022/2024 & 2004/2005. Managing Director of Hayleys Global Beverages (Pvt) Ltd, Vanrees (Ceylon) Ltd and Bosanquet & Skrine Ltd. Chief Operating Officer of C.S. Asia Teas (Pvt) Ltd and Director of Mabroc Teas (Pvt) Ltd. Chairman of the Tea Exporters' Association 2011/12. Chief Executive Officer of the Tea Association of Sri Lanka and In-Country Manager of Ethical Tea Partnership (ETP), UK. Vice Chairman of Colombo Tea Traders Association & Chairman of Colombo Brokers Association (2022).

Shareholding:
80,000 shares

Membership of Board Subcommittees:
- A Member of the Risk Management Committee, Remuneration Committee, Nomination Committee, Related Party Transactions Review Committee and Audit Committee

Waruna de Silva

Managing Director

Date of Appointment:
23rd March 2009

Qualifications & Experience:
He joined Ceylon Tea Brokers in 2008 and was appointed as the Chief Executive Officer of the Company on 01st May 2017. He holds a Master of Business Administration (MBA) from the Cardiff Metropolitan University, UK. He also has completed an Executive MSc in Supply Chain Management, an Executive MSc in Human Resource Management and an Executive MSc in Project Management from Asia E-University Malaysia. A passed finalist of CMA Australia. He also completed his Executive education on Strategy and Leadership from Wharton Business School Philadelphia (USA) and holds the ADP Certificate and completed Executive education on Strategy & Enterprise-wide Transformation from Rice University Texas (USA) & MIT Sloan School of Management, Boston (USA). He also completed the Leadership development and high-performance teams from USC Marshall school of Business (USA) and CXO Leadership Program at Cornell University (USA). Doctor of Business Administration candidate at University of Kelaniya.

Other Current Appointments:
- A Director of Logicare (Pvt) Ltd
- A Director of Colombo Brokers' Association (CBA)

Previous Appointments:
- Manager-Tea at Forbes & Walker Limited.

Shareholding:
None

Membership of Board Subcommittees:
- A Member of the Credit Review Committee and IT Steering Committee

Dinesh Fernando

Director / Chief Executive Officer

Date of Appointment:
24th May 2019

Qualifications & Experience:
Master of Business Administration (MBA) from the University of Colombo. He holds a Bachelor of Arts (Hons) degree in Business & Marketing from the Coventry University, UK. A member of the Association of Chartered Certified Accountants (ACCA), UK and a Member of the Association of Business Executives (MABE), UK. He joined Ceylon Tea Brokers PLC in 2016 as a General Manager and has over 22 years of experience in tea broking.

Other Current Appointments:
None

Previous Appointments:
- A Senior Manager at Mercantile Produce Brokers Limited

Shareholding:
None

Membership of Board Subcommittees:
- A Member of the Credit Review Committee and IT Steering Committee

Thilina Nonis

Executive Director

Date of Appointment:
24th May 2019

Qualifications & Experience:
He joined Ceylon Tea Brokers in 2006 and was appointed as the Head of Marketing of the Company on 1st of April 2017. He has over 23 years of experience in tea broking.

Other Current Appointments:
None

Previous Appointments:
- He commenced his career at Asia Siyaka Commodities PLC and later worked at Somerville & Company (Pvt) Ltd and Bartleet Produce Marketing (Pvt) Ltd.

Shareholding:
10,000 shares

Membership of Board Subcommittees:
- A Member of the Credit Review Committee and IT Steering Committee

Zameel Mohamed

Executive Director

Date of Appointment:
24th May 2019

Qualifications & Experience:
Master of Business Administration (MBA) from the London Metropolitan University, UK. He joined Ceylon Tea Brokers PLC in 2018 as a Senior General Manager and has over 25 years of experience in tea broking.

Other Current Appointments:
- A Member of the Colombo Tea Traders Association (CTTA) Steering Committee

Previous Appointments:
- Senior General Manager at Bartleet Produce Marketing (Pvt) Ltd
- The "Tea Convener" of the Tea Sub-Committee of the Colombo Brokers' Association (CBA)

Shareholding:
None

Membership of Board Subcommittees:
- Chairman of the IT Steering Committee
- A Member of the Credit Review Committee

Ajith Fernando

Non-Executive Director

Date of Appointment:
1st February 2005

Qualifications & Experience:
A Fellow of the Chartered Institute of Management Accountants, UK and holds a Master of Arts (MA) in Financial Economics from the University of Colombo. He has over 30 years' experience in the money and capital markets.

Other Current Appointments:
Founder of the Capital Alliance Group and currently functions as a Director. Chairman of Logicare (Pvt) Ltd and Sri Lanka Technology Campus (Pvt) Ltd. Director of Hemas Holdings PLC and Rockland Distilleries (Pvt) Ltd.

Previous Appointments:
- He had worked with some of the leading financial institutions in Sri Lanka.

Shareholding:
48,837,837 Shares

Membership of Board Subcommittees:
- Chairman of the Credit Review Committee

DIRECTOR PROFILES

Chrisantha Perera

Non-Executive Director

Date of Appointment:
30th October 2009

Qualifications & Experience:
Associated with the Tea Industry for over 60 years. Retired as Chairman/ CEO of Forbes & Walker Ltd in 2005 after serving for 44 years. Served as Chairman Ceylon Tea Brokers PLC till April 2022 and continues to serve as a Non-Executive Director.

Other Current Appointments:
Presently serves as a Non-Executive Director in other Public Listed & Private Companies, including Logicare (Pvt) Ltd which is a subsidiary of Ceylon Tea Brokers Plc.

Previous Appointments:
Chairman of the Sri Lanka Tea Board, Sri Lanka Insurance Corporation Ltd., Public Enterprises Reform Commission and Bank of Ceylon. He served as an Appointed Member of the Monetary Board of the Central Bank of Sri Lanka.

Shareholding:
3,500,000 Shares

Membership of Board Subcommittees:
- A Member of the Risk Management Committee and Nominations and Governance Committee

Shiromal Cooray

Non-Executive Director

Date of Appointment:
9th October 2006

Qualifications & Experience:
A Fellow Member of the Chartered Institute of Management Accountants, UK and holds a Master of Business Administration (MBA) from the University of Colombo. A senior finance professional with wide experience in the private sector in number of industries.

Other Current Appointments:
Chairman and Managing Director of Jetwing Travels (Private) Limited – one of the leading inbound/outbound travel management companies in Sri Lanka. An Independent Non-Executive Director of Commercial Bank of Ceylon PLC. She is also an Independent Non Executive Director of Allianz Insurance Lanka Limited and Allianz Life Insurance Lanka Limited and holds other directorates in hotels, finance, investment banking.

Previous Appointments:
Chairman of the Sri Lanka Institute of Directors (SLID), and the President of the Sri Lanka Association of Inbound Tour Operators (SLAITO). Non-Executive Director on the Boards of Capital Alliance Finance PLC, Trade Finance and Investments PLC and served on the Boards of many other private and public companies.

Shareholding:
10,908,751 Shares

Membership of Board Subcommittees:
- A Member of the Remuneration Committee

Sharmali Perera

Non-Executive Director

Date of Appointment:
9th October 2006

Qualifications & Experience:
An Associate Member of the Chartered Institute of Management Accountants, UK. A founding member of Capital Alliance Group and has been with Capital Alliance since its inception in year 2000. A senior finance professional with well over 20 years of experience in the finance industry.

Other Current Appointments:
Chief Risk and Compliance Officer of the Capital Alliance Group and a Director of Capital Alliance Securities (Pvt) Limited, Capital Alliance Investments Limited, Finnovation (Pvt) Limited, Capital Alliance Partners Limited and Logicare (Pvt) Limited

Previous Appointments:
- She had worked with some of the leading financial institutions in Sri Lanka.

Shareholding:
1,390,492 Shares

Membership of Board Subcommittees:
- A Member of the Audit Committee and Related Party Transactions Review Committee

Dr. Beshan Kulapala

Independent Non-Executive Director

Date of Appointment:
27th of September 2024

Qualifications & Experience:
He holds a PhD in Electrical Engineering from Arizona State University, along with an MBA in Business Administration and a Master of Science in Electrical Engineering (2002–2003) from the same institution. He began his academic journey at the University of Kentucky, where he earned a Bachelor of Science in Electrical Engineering.

Other Current Appointments:
Dr. Beshan Kulapala is the Co-Founder and CEO of Volt Charge Sri Lanka. Co-Founder/Director/CEO, Cyrus EV Chargers. Chairman of the Sarva Medical Clinic in Boralesgamuwa.

Previous Appointments:
Previously, Beshan was the Director and a co-founder of Vega Innovations in Sri Lanka. He also created multiple technology brands under Vega, namely Chargenet: Sri Lanka's largest EV charging network with home grown EV Chargers, as well as Aigrow. He was also a Director at CodeGen and a board member of Trace Expert City.

Shareholding:
None

Membership of Board Subcommittees:
Chairman of the Risk Management Committee

Dr. Mihirini De Zoysa

Independent Non-Executive Director

Date of Appointment:
27th of September 2024

Qualifications & Experience:
She is a practitioner-scholar with a Doctorate (DProf) in Organizational Change from Ashridge School of Business and Middlesex University, UK; MSc in Responsibility and Business Practices from University of Bath, UK; and BSc in Economics from University of London, UK.

Other Current Appointments:
She is also the founder Director of Corporate Druids (Pvt) Ltd and also serves as a Non-Executive Director of Logicare (Pvt) ltd, CAL Partners and CAL Securities.

Previous Appointments:
She has worked in varied industries, including but not limited to Healthcare, Banking & Insurance, IT, Apparel, Publishing, Telecommunications, Plantations, Hospitality as well as in Non-Governmental Organizations and International Development Organizations such as the United Nations and World Bank.

Shareholding:
None

Membership of Board Subcommittees:
- Chairperson of the Related Party Transactions Review Committee, Remuneration Committee and Nomination and governance Committee

Amrah Akbar

Independent Non-Executive Director

Date of Appointment:
27th of September 2024

Qualifications and Experience:
University of Oxford: Bachelor of Arts – BA, Philosophy, Politics and Economics
ICAEW: CA – Business Administration and Management (General) Stanford University: Executive Program – Strategic Marketing and Management

Other Current Appointments:
Business Director – Marketing and Business Development – MAS Active

Previous Appointments:
- Board Director – Wearable X, USA
- Board Director – Elkaduwa Plantations Ltd

Shareholding:
None

Membership of Board Subcommittees:
- Chairperson of the Audit Committee

CORPORATE MANAGEMENT

Waruna de Silva
Managing Director

Dinesh Fernando
Chief Executive Officer

Thilina Nonis
Executive Director

Zameel Mohamed
Executive Director

Ramal Samarasinghe
Director Finance

Tharake Nilaweera
General Manager – Marketing

Sahan Gunatilake
General Manager – Manufacturing

Nishan Abeygunawardana
Senior Manager - Operations

Harshana Perera
Senior Manager – Tea

Deemantha Ekanayake
Senior Manager – Tea

Madawa Jayaratne
Senior Manager – Sample Room

Mahesh de Zoysa
Manager – IT

Sanethri Beminiwatte
Manager – Human Resources

Kasun Seneviratne
Finance Manager

Sachitra Warusevitane
Manager - Risk & Compliance

Thenuka Karunasena
Manager – Tea

Mario Silva
Manager – Tea

Teshan Baduge
Manager – Manufacturing

CORPORATE MANAGEMENT

Sonia Arif
Manager – Administration

Sadhananthan Shivani
Senior Assistant Manager – Tea

Shaveendra Hettiarachchi
Senior Assistant Manager – Tea

Senuri De Silva
Assistant Finance Manager

Thilini Subhashini
Assistant Finance Manager

Rochelle Fernando
Assistant Manager – Administration

Indika Abeyrathna
Assistant Finance Manager

Darshani Perera
Assistant Manager – Cataloguing

Devan Jayawardena
Assistant Manager – Tea

Saminda Priyadasun
Assistant Manager Warehousing

T. G. Kamal
Assistant Manager - Warehousing

Aminda Serasinghe
Business Analyst

Darshani Lanarol
Business Analyst

S. J. Thasan
Consultant – Warehousing

Janaka Epa
Manufacturing Consultant

Lalith Wijemanna
Manufacturing Consultant

Darshana Kumara
Manufacturing Consultant

Janaka Neththasinghage
Manufacturing Consultant

OUR STRATEGY

Ceylon Tea Brokers PLC's strategic aspirations are closely aligned with its long-term vision and corporate mission. While each department operates with distinct strategies that reflect its specific risks, opportunities, and core strengths, the overall strategic direction is set by the Board of Directors. Our strategy is anchored on our values and is cascaded throughout the organization to ensure alignment, focus, and value creation across all operational areas.

Our Strategic Approach Centered Around Three Pillars: Fostering a competent team, Achieving operational excellence, and Delivering service par excellence. Through the alignment of processes, people, and technology, we aimed to not only uphold our vision and mission but also surpass our strategic objectives.

Governance, Risk, and Sustainability (GRS) Framework

At Ceylon Tea Brokers PLC, we recognize that long-term value creation is underpinned by responsible governance, prudent risk management, and a deep-rooted commitment to sustainable development. Our Governance, Risk and Sustainability (GRS) Framework ensures a holistic and integrated approach to managing the business while upholding our accountability to all stakeholders.

Sustainable Development	Corporate Governance	Risk Management
Sustainability is central to our corporate purpose and operational model. As the first listed tea broking company in Sri Lanka, we remain committed to promoting environmentally and socially responsible practices across the tea value chain. Our strategy supports efficient resource utilization such as implementing a water treatment plant and installing a Rainwater Harvesting System at the Muthurajawela warehouse. We actively encourage our producer clients to obtain certifications such as the Rain Forest Alliance certificate. Our sustainability agenda is aligned with global best practices, contributing to the United Nations Sustainable Development Goals (SDGs) where relevant.	Strong corporate governance provides the foundation for ethical leadership, transparency and stakeholder confidence. Our governance structure is anchored in compliance with the Companies Act No. 7 of 2007, the Listing Rules of the Colombo Stock Exchange (CSE) and the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka. The Board of Directors assumes overall responsibility for the strategic direction, oversight, and accountability of the Company, supported by well-defined Board committees. Continuous efforts are made to strengthen governance practices, ensure timely disclosures, and uphold the highest standards of integrity and fairness.	We adopt a proactive and structured approach to identifying, assessing, and mitigating risks that could impact our operational continuity and strategic objectives. Our Risk Management framework supports informed decision making at all levels and ensures appropriate risk mitigation strategies are embedded across the Company. Regular risk assessments, internal controls, and compliance mechanisms are monitored and reviewed by the Board and Risk Management Committee. Our focus remains on building resilience and agility in a dynamic environment, particularly in the context of macroeconomic fluctuations, climate risks and regulatory changes.

Excellence Pillars

At Ceylon Tea Brokers PLC, our pursuit of excellence is embedded in every facet of our operations. Guided by our core Excellence Pillars; Service Excellence, Competent Team and Operational Excellence, we continuously strive to exceed stakeholder expectations, enhance our capabilities and deliver superior performance. These pillars reflect our commitment to maintaining the highest standards of professionalism, ensuring seamless and efficient operations and fostering a culture of continuous learning and improvement. Together, they drive our ability to create sustainable value and reinforce our position as a trusted leader in Sri Lanka's tea industry.

OUR STRATEGY

Service Excellence	Competent Team	Operational Excellence
Given the service-centric nature of tea broking, our unwavering commitment to service excellence remained paramount for sustained growth. We prioritized the continual enhancement of our services through investments in human capital and technological resources. By aligning our efforts with evolving client expectations, we aimed to provide a professional and unparalleled service experience.	Central to our strategy is the cultivation of a proficient team equipped with the requisite skills, expertise and dedication. We continued to invest in acquiring and enhancing human resources to better serve our clientele. Our Human Resource Policy was instrumental in managing, retaining and attracting top talent within the Group. We remained dedicated to providing ample training and development opportunities to our employees, nurturing both their interpersonal and technical proficiencies.	Striving for operational excellence remained a cornerstone of our strategy, aimed at optimizing costs and enhancing efficiencies. Despite business expansion, we successfully contained operational costs through continuous process improvements. Integration of our systems played a pivotal role in minimizing paperwork, eliminating delays, and mitigating errors. By streamlining our processes and adhering to industry best practices, we achieved a dual objective of cost reduction and heightened efficiency. These measures collectively contributed to delivering superior service to our valued clients.

Sustainable Growth and Impact

At Ceylon Tea Brokers PLC, our commitment to creating long-term value is anchored in a dual focus; delivering sustainable growth to our shareholders while driving meaningful economic, social, and environmental impact. We recognize that true business success is measured not only by financial performance, but also by our ability to contribute positively to the broader tea industry, our communities, and the environment. Through responsible business practices, sound governance, and stakeholder engagement, we strive to balance profitability with purpose; ensuring our growth remains inclusive, resilient, and sustainable for generations to come.

Sustainable Growth to Our Shareholders	Economic, Social and Environmental Sustainability
As the first standalone tea broking company listed on the Colombo Stock Exchange, we are committed to enhancing shareholder value through consistent financial performance, prudent risk management, and capital discipline. Our business model is built on maintaining strong relationships with tea producers and buyers, expanding market access and continuously improving service delivery and operational efficiencies. By staying resilient amidst economic challenges and adapting to industry dynamics, we ensure sustainable earnings growth and long-term returns to our shareholders. **Outcome to Our Shareholders** Stable Earnings + Strategic Growth = Long-Term Shareholder Value	We view sustainability as a strategic priority that aligns with our purpose and responsibility as a market intermediary in Sri Lanka's tea industry. Our approach integrates economic, social and environmental considerations into core business operations. Economically, we support the livelihoods of producers by offering timely financial facilities and ensuring fair market access. Socially, we uphold ethical business practices, workplace well-being and community engagement. Environmentally, we aim to minimize our footprint through resource efficiency, digital transformation, and stakeholder awareness. Our efforts contribute to the United Nations Sustainable Development Goals (SDGs) reinforcing our commitment to being a responsible corporate citizen. **Our Sustainable Commitment** Balancing Profit, People and Planet to Build a Resilient Future for Sri Lanka's Tea Industry

MANAGEMENT DISCUSSION & ANALYSIS

FUSION

At Ceylon Tea Brokers, leadership is the spark and strategy is the flame — together they create a powerful fusion that drives growth, resilience, and innovation. Like a fire artist transforming energy into brilliance, we blend expertise, vision, and passion to illuminate the future of the tea industry.

OPERATING LANDSCAPE

The operating landscape for Ceylon Tea Brokers PLC in the past fiscal year has been shaped by a dynamic interplay of global and domestic factors. This section delves into the various elements that have influenced our operations, from international market trends and changes to local economic conditions and industry specific developments. By providing a comprehensive overview of these factors, we aim to offer a clear understanding of the environment in which we operate and how it has impacted our performance and strategic decisions.

2025 (Projected)

4.3 %

Global Headline Inflation

2024 (Projected) - 3.6 %

2024

5.0 %

GDP Growth Rate (Sri Lanka)

2023 - 3.6 %

Global Economy

Global GDP

GDP Growth Rate		Projections	
	2024 (%)	2025 (%)	2026 (%)
World Output	3.3	2.8	3.0
Advanced Economies	1.8	1.4	1.5
United States	2.8	1.8	1.7
Euro Area	0.9	0.8	1.2
Japan	0.1	0.6	0.6
United Kingdom	1.1	1.1	1.4
Canada	1.5	1.4	1.6
Other Advanced Economies	2.2	1.8	2.0
Emerging Market and Developing Economies	4.3	3.7	3.9
China	5.0	4.0	4.0
India	6.5	6.2	6.3
ASEAN-5	4.7	3.6	4.3
Russia	3.7	0.4	0.8

Source: IMF World Economic Outlook, April 2025

Global economic growth is projected to decline from an estimated 3.3% in 2024 to 2.8% in 2025, before recovering moderately to 3.0% in 2026.

In advanced economies, growth is expected to slow from 1.8% in 2024 to 1.4% in 2025, with a slight uptick to 1.5% in 2026. In the United States, growth is projected to drop to 1.8% in 2025, primarily due to increased policy uncertainty, trade tensions and a weaker demand outlook driven by slower than expected consumption growth.

The Euro area is forecast to experience a modest decline in growth to 0.8% in 2025, followed by a gradual recovery to 1.2% in 2026. This subdued outlook is largely attributed to rising uncertainty and the imposition of new tariffs.

Global economic growth is projected to decline from an estimated 3.3% in 2024 to 2.8% in 2025, before recovering moderately to 3.0% in 2026.

Canada's growth is expected to reach 1.4% in 2025, reflecting the impact of newly imposed tariffs on exports to the United States, coupled with escalating geopolitical tensions and market uncertainty.

The United Kingdom is projected to grow at 1.1% in 2025 similar to 2024, this reflects the effects of recent tariff announcements and weaker private consumption amid elevated inflation driven by regulated prices and higher energy costs.

In emerging markets and developing economies, growth is forecast to moderate to 3.7% in 2025 and 3.9% in 2026, following an estimated 4.3% in 2024. India's growth remains comparatively resilient at 6.2% in 2025, supported by strong private consumption, especially in rural areas. In contrast, Russia is expected to witness a sharp slowdown, with growth dropping from 3.7% in 2024 to just 0.4% in 2025 and improving only slightly to 0.8% in 2026. This reflects a weakening in private consumption and investment amid easing labor market pressures and slower wage growth.

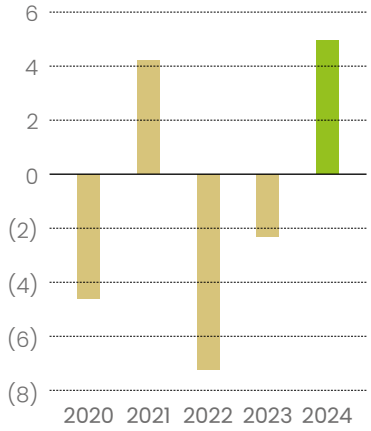
Global headline inflation is projected to decline steadily over the coming years, reaching 4.3% in 2025 and further easing to 3.6% in 2026. Inflation in advanced economies is expected to return to near-target levels more rapidly, falling to 2.2% by 2026. In contrast, emerging markets and developing economies are likely to experience a more gradual moderation, with inflation anticipated to ease to 4.6% over the same period. Meanwhile, global trade growth is forecast to slow to 1.7% in 2025, reflecting the increasing impact of newly introduced tariff measures on international trade flows.

Sri Lankan Economy

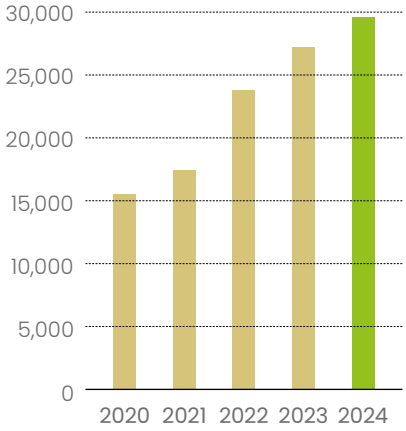
The Sri Lankan economy continued its steady recovery in 2024, following the severe economic downturn experienced two years prior. Clear signs of improvement were evident across multiple fronts, including increased economic activity, a partial rebound in purchasing power, and a reduction in overall uncertainty. Notably, the country's economic performance in 2024 exceeded expectations, with inflation easing considerably and even entering a period of deflation from September onwards, largely due to declining energy prices.

Sri Lanka recorded a real GDP growth of 5.0% in 2024, marking a strong rebound after two consecutive years of economic contraction. This growth was primarily driven by a resurgence particularly in manufacturing and construction industries, alongside robust performance in the Services sector, which benefited from sustained expansion in accommodation and transport services. Agriculture also made a positive contribution to the overall growth.

Real GDP Growth *(%)*



GDP at Market prices *(Rs/Bn)*



As a result of rising nominal GDP and a decline in the mid-year population, GDP per capita increased to Rs. 1,364,235 in 2024, compared to Rs. 1,244,262 in 2023.

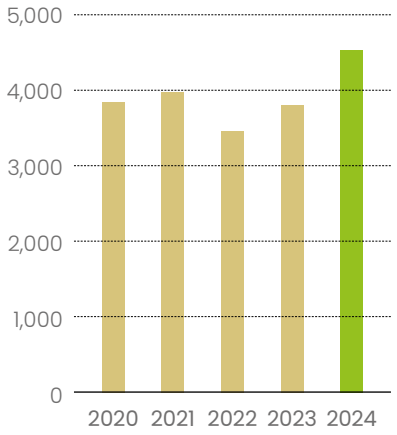
OPERATING LANDSCAPE

Macroeconomic Performances (2020-2024)

Indicator	Unit	2020	2021	2022	2023	2024
Real GDP Growth	%	(4.6)	4.2	(7.3)	(2.3)	5.0
GDP at Market prices	Rs./ Bn	15,646	17,612	24,063	27,420	29,899
Per Capita GDP	USD	3,851	3,999	3,464	3,801	4,516
CCPI YoY Headline Inflation	%	4.2	12.1	57.2	4.0	-1.7
NCPI YoY Headline Inflation	%	4.6	14.0	59.2	4.2	-2.0

Source: Central Bank of Sri Lanka

Per Capita GDP *(USD)*



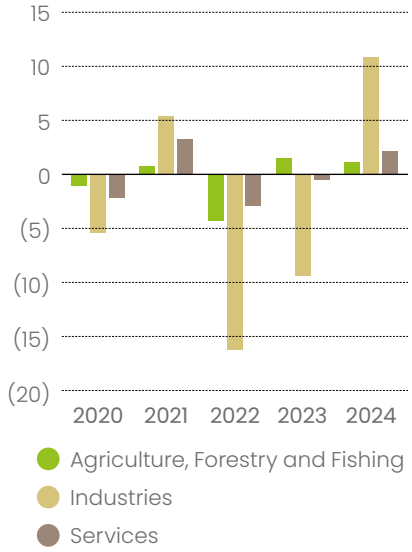
GDP Growth – Sector wise

In 2024, Agricultural activities recorded a modest growth of 1.2%, slightly lower than the 1.6% growth observed in 2023. This expansion was primarily supported by increases in animal production and the cultivation of fruits. However, the continued contraction in coconut cultivation limited overall growth in the sector. Additionally, extreme weather conditions, particularly during the fourth quarter, disrupted key agricultural operations, including the cultivation of rice and other cereals, as well as fishing activities.

Meanwhile, Industry activities rebounded strongly, with a growth of 11.0% in 2024, a significant turnaround from the 9.2% contraction recorded in the previous year. This recovery was fueled by a revival in domestic and external demand, with manufacturing serving as the main driver. Notable contributions came from the manufacture of food, beverages and tobacco products, as well as a recovery in the textile, apparel, leather, and related product segments.

With economic conditions gradually stabilizing, the Services sector also showed a solid recovery, expanding by 2.4% in 2024 compared to a marginal 0.2% contraction in 2023. The resurgence of tourism played a pivotal role in this growth, positively impacting related industries such as accommodation, food and beverage services, transport, and trade.

Major economic activities of GDP *(%)*



Major economic activities of GDP (percentage change)

Sector	2020	2021	2022	2023	2024
Agriculture, Forestry and Fishing	(0.9)	1.0	(4.1)	1.6	1.2
Industries	(5.3)	5.7	(16.0)	(9.2)	11.0
Services	(1.9)	3.4	(2.6)	(0.2)	2.4

Source: Central Bank of Sri Lanka

Unemployment

Sri Lanka's unemployment rate declined to 4.4% in 2024, compared to 4.7% in 2023, reflecting a gradual improvement in labor market conditions. However, both the employed and unemployed populations saw a slight decrease during the year, indicating possible shifts in labor force participation. According to the Sri Lanka Bureau of Foreign Employment, departures for foreign employment increased by 5.8%, rising to 314,828 in 2024 from 297,656 in 2023, of the total departures, 59.3% were male, while 40.7% were female.

2024

4.4 % ↓

Unemployment Rate

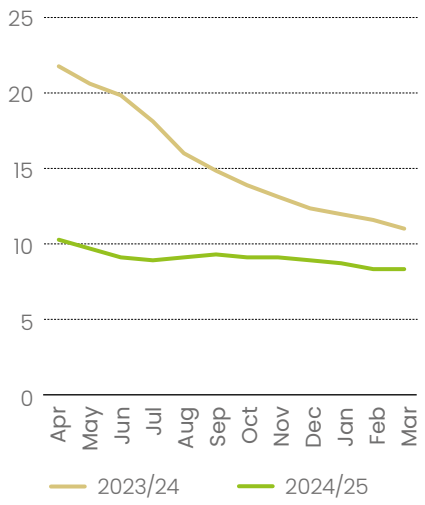
2023 - 4.7 %

Inflation

Economic growth over the near to medium term is expected to be supported by a combination of low and stable inflation, a declining interest rate environment, improved market sentiment and stable economic and political conditions. The current period of deflation is anticipated to subside by the first half of 2025, with inflation projected to stabilize around the medium-term target of 5%. However, several downside risks remain, including ongoing geopolitical tensions, the impact of U.S. monetary policy adjustments and related responses from other major economies, as well as climate change-related weather disruptions, all of which could influence both growth and inflation trajectories.

As of end-2024, year-on-year headline inflation, measured by the Colombo Consumer Price Index (CCPI, 2021=100), recorded a deflationary rate of -1.7%, compared to 4.0% at end-2023. Similarly, the National Consumer Price Index (NCPI, 2021=100) also reflected this deflationary trend, with headline inflation falling to -2.0% by end-2024, from 4.2% a year earlier.

Movement of Monthly Average Weighted Prime Lending Rate *[AWPLR] (%)*



VAT on Tea

The implementation of Value Added Tax (VAT) on tea from January 1, 2024, marked a significant policy shift that continues to reverberate across the tea industry. The initial months were marred by confusion around registration under the standard VAT and Simplified VAT (SVAT) schemes, causing administrative delays and a temporary disruption in market operations. Notably, the first Colombo Tea Auction of the year was postponed as stakeholders grappled with compliance requirements. Despite these early hurdles, the auction system has since regained momentum. Prices at subsequent auctions remained resilient, demonstrating the industry's ability to adapt in the face of policy changes.

However, the financial implications of VAT remain a concern for producers, particularly small and medium-scale stakeholders. The tax has increased the cost of inputs and processing, putting pressure on margins during a time when the industry is still stabilizing from past disruptions. These include the fertilizer and agrochemical shortages that significantly affected yields in 2021 and 2022. The reintroduction of VAT has also compelled industry participants to enhance their financial and operational transparency.

Economic growth over the near to medium term is expected to be supported by a combination of low and stable inflation, a declining interest rate environment, improved market sentiment and stable economic and political conditions.

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Market Interest Rate

Market interest rates continued their downward trajectory throughout 2024, driven by the accommodative monetary policy measures introduced since June 2023. While lending rates to small and medium-sized enterprises (SMEs) declined overall, rates on loans extended to micro and small-scale borrowers remained relatively rigid due to the higher credit risks and the nature of lending in that segment.

Despite the drop in nominal interest rates, real interest rates adjusted for actual inflation remained largely positive in 2024, supported by low inflation and deflationary conditions that prevailed from September onwards. However, with inflation expected to gradually converge toward the 5% target in the second half of 2025, real interest rates are likely to moderate.

Distribution of Loans and Advances by Licensed Commercial Banks

Credit extended to the private sector by Licensed Commercial Banks (LCBs) recorded a notable expansion in 2024 to Rs. 8,262 billion from Rs. 7,476 billion marking a significant turnaround from the contraction observed at the end of 2023. In the early months of the year, credit growth remained uneven, reflecting cautious lending behavior by banks and subdued credit demand amidst evolving economic conditions. However, from mid-2024 onward, private sector credit began to expand steadily.

Credit extended to key sectors of the economy experienced a notable expansion, reflecting a broad-based recovery in economic activity supported by improved business confidence. Signaling a rebound in industry related activities, credit to the Industry sector which accounts for 39.7% of total outstanding credit showed a year-on-year growth of 8.4% by the end of the year. Credit to the Services sector, which represents 27.4% of total outstanding credit also expanded notably, recording a 12.3% year-on-year growth by end-2024. Meanwhile, the Agriculture sector, accounting for 9.0% of total credit, saw a strong 12.6% year-on-year increase. Growth in this sector was driven by expanded financing to tea, coconut, paddy, and fisheries, reflecting enhanced support for primary agricultural production and export-oriented commodities.

Sectoral Distribution of Loans & Advances granted by Licensed Commercial Banks

Sector	2023 Rs. Billion	2024 Rs. Billion	% Share in 2024	Change %
Agriculture and Fishing	658	740	9.0	12.6
Industry	3,028	3,284	39.7	8.4
Services	2,014	2,261	27.4	12.3
Personal Loans & Advances	1,777	1,978	23.9	11.3
Total	**7,476**	**8,262**	**100.0**	**10.5**

Source: Central Bank of Sri Lanka

Credit extended to the private sector by Licensed Commercial Banks (LCBs) recorded a notable expansion in 2024 to Rs. 8,262 billion from Rs. 7,476 billion marking a significant turnaround from the contraction observed at the end of 2023.

2025

8,262 Rs. Bn ↑

Distribution of Loans and Advances by LCBs

2023 - 7,476 Rs. Bn

2025

740 Rs. Bn ↑

Agriculture and Fishing Sector - loans and advances granted by LCBs

2023 - 658 Rs. Bn

Export Performance

The merchandise export sector recorded notable growth in 2024, reflecting the country's economic recovery and resilience amid a challenging external environment. Export earnings rose to USD 12.8 billion during the year, marking a 7.2% increase compared to 2023.

This growth was primarily driven by the strong performance of industrial exports, with textiles and garments particularly garments showing a significant recovery. Exports of food, beverages and tobacco also improved, supported by increased demand for value-added coconut products. Additionally, earnings from rubber product exports strengthened, largely due to higher exports of gloves. However, not all segments performed equally well. Export earnings from gems, diamonds, and jewelry, as well as from machinery and mechanical appliances, declined during the year.

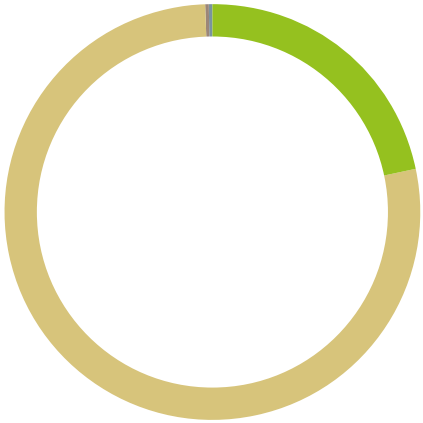
Agricultural exports showed an overall improvement in earnings compared to 2023, with notable contributions from tea, coconut-based products and spices. The growth in tea export earnings was driven by both higher volumes and elevated prices, underscoring the continued global demand for Sri Lankan tea. Nevertheless, despite the year-on-year increase, the total volume of tea exports in 2024 remained significantly below the pre-pandemic annual average recorded between 2015 and 2019.

Composition of Exports

Category	2023		2024		Change in Value USD Million	Y-o-Y change %
	Value USD Million	Share %	Value USD Million	Share %		
Agricultural Exports	2,566.50	21.5	2,774.50	21.7	208.00	8.1
Industrial Exports	9,277.70	77.9	9,946.90	77.9	669.20	7.2
Mineral Exports	38.50	0.3	24.5	0.2	-14.00	-36.2
Unclassified Exports	28.00	0.2	26.1	0.2	-1.90	-6.6
Total Exports	**11,910.70**	**100.0**	**12,772.00**	**100.0**	**861.30**	**7.2**

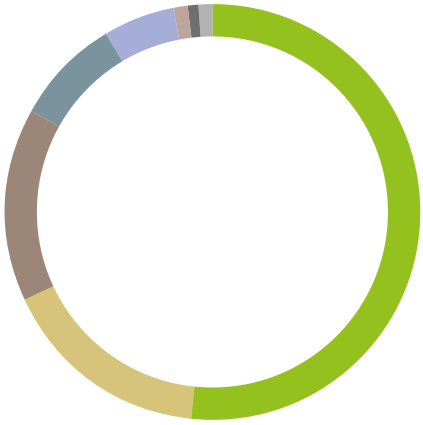
Source: Central Bank of Sri Lanka

Composition of Export Revenue 2024 *(%)*



- Agricultural Exports
- Industrial Exports
- Mineral Exports
- Unclassified Exports

Composition of Agricultural Export Revenue 2024 *(%)*



- Tea
- Spices
- Coconut
- Seafood
- Minor Agricultural Products
- Vegetables
- Rubber
- Unmanufactured Tobacco

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Import Performance

Sri Lanka experienced a significant rise in merchandise import expenditure in 2024, driven by the revival of economic activity and the easing of most import restrictions. Total merchandise imports reached USD 18.8 billion during the year, reflecting a year-on-year growth of 12.1%. Despite this increase, import expenditure in 2024 remained considerably below the pre-pandemic annual average of approximately USD 20.3 billion recorded between 2015 and 2019.

The overall rise in import expenditure was attributed to heightened demand across all major categories. Imports of consumer goods grew in 2024 compared to the previous year, largely due to increased imports of essential items such as oils and fats, vegetables and rice, the latter of which saw a notable surge towards the end of the year in response to domestic supply shortages.

Expenditure on non-food consumer goods also rose, particularly for home appliances, clothing and accessories and telecommunication devices.

Composition of Imports

Category	2023		2024		Change in Value USD Million	Y-o-Y change %
	Value USD Million	Share %	Value USD Million	Share %		
Consumer Goods	3,043.90	18.1%	3,465.70	18.4%	421.8	13.9
Intermediate Goods	11,006.60	65.5%	11,914.50	63.2%	907.9	8.2
Investment Goods	2,744.60	16.3%	3,448.20	18.3%	703.6	25.6
Unclassified Imports	16.00	0.1%	13	0.1%	-3	-18.8
Total Imports	16,811.10	100.0%	18,841.40	100.0%	2030.3	12.1

Source: Central Bank of Sri Lanka

Exchange Rates

The Sri Lankan rupee appreciated in 2024, marking the second consecutive year of appreciation. This trend was supported by current account surpluses and a steady net inflow of foreign currency into the domestic foreign exchange market, which increased foreign exchange liquidity. Key sources of these inflows included workers' remittances, earnings from tourism and other service-related exports. Meanwhile, outflows comprising payments for merchandise imports, services and other current account transactions remained moderate during the year.

Despite the overall upward trend, the Sri Lankan rupee experienced periods of volatility during the year. By end-of-2024, the rupee closed at Rs. 292.58 per US dollar, reflecting an annual appreciation of 10.7%. While most major global currencies depreciated against the US dollar in 2024, the Sri Lankan rupee strengthened against many of them. It appreciated against the euro (17.8%), pound sterling (12.3%), Japanese yen (22.5%), Chinese yuan (13.9%), Indian rupee (13.9%), and Australian dollar (21.7%).

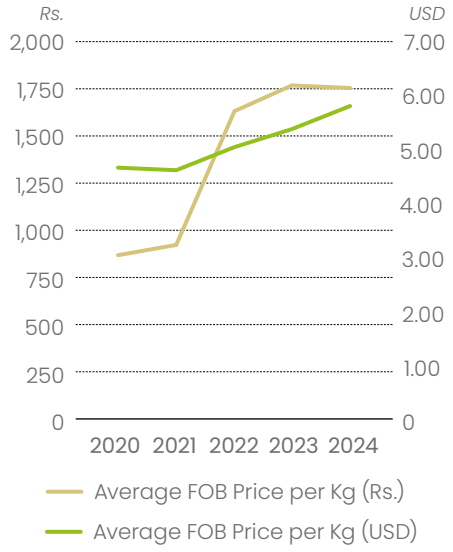
2024

302.12 (USD) ↓

Annual Average Exchange Rate

2023 - 327.53 (USD)

FOB Price - Per Kilo



Total merchandise imports reached USD 18.8 billion during the year, reflecting a year-on-year growth of 12.1%.

Global Tea Industry

Global tea production increased by 7% in 2024, reaching 7,052.60 million kilograms compared to 6,603.81 million kilograms in 2023. The most significant contributor to this growth was China, which recorded a substantial increase of 400.52 million kilograms. Kenya and Turkey also reported positive growth of 5% and 3% respectively, while Sri Lanka saw a modest increase of 2%, producing 262.16 million kilograms in 2024 compared to 256.09 million kilograms in the previous year. In contrast, India experienced a decline in production, falling by 108.88 million kilograms (8%) to 1,284.78 million kilograms.

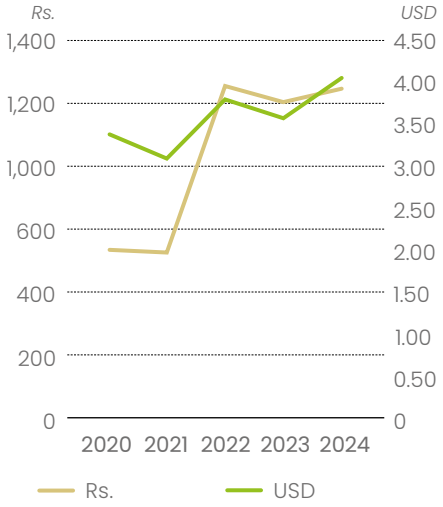
2024

5.84 (USD) ↑

FOB Price Per Kilo

2023 - 5.41 (USD)

Colombo Tea Auction Prices



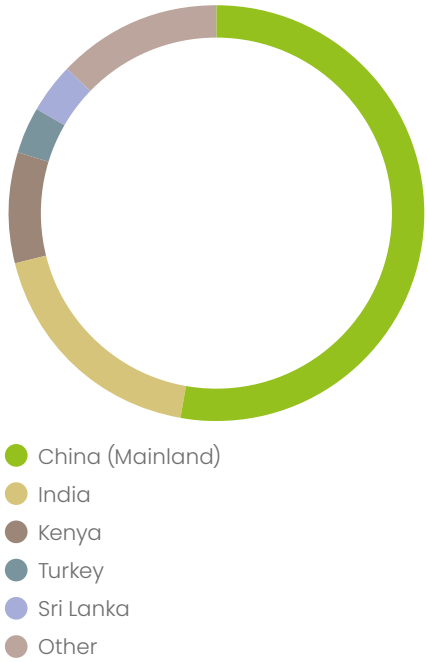
World Production of Tea

Country	2023	2024	Variance	
	(Mn/Kg)	(Mn/Kg)	(Mn/Kg)	%
China (Mainland)	3,339.48	3,740.00	400.52	12%
India	1,393.66	1,284.78	-108.88	-8%
Kenya	570.26	598.48	28.22	5%
Turkey	264.99	272.85	7.87	3%
Sri Lanka	256.09	262.16	6.07	2%
Other	894.76	894.33	-0.43	0%
Total	6,603.81	7,052.60	448.79	7%

Source: Sri Lanka Tea Board and International Tea Committee

Global tea exports grew by 5% in 2024, reaching 1,944.06 million kilograms compared to 1,853.75 million kilograms in 2023, an increase of 90.32 million kilograms. Kenya led the growth with a significant rise in exports of 71.59 million kilograms, marking a 14% increase. India also recorded a strong performance, increasing its exports by 13% to 254.67 million kilograms. Vietnam and China saw moderate increases of 7% and 2% respectively, while Sri Lanka registered a marginal growth of 2%, exporting 245.79 million kilograms in 2024.

World Production of Tea 2024 *(Mn/Kg)*



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World Export of Tea

Country	2023	2024	Variance	
	(Mn/Kg)	(Mn/Kg)	(Mn/Kg)	%
Kenya	522.92	594.50	71.59	14%
China (Mainland)	367.54	374.10	6.56	2%
India	225.00	254.67	29.67	13%
Sri Lanka	241.91	245.79	3.88	2%
Vietnam	125.99	134.34	8.35	7%
Other	370.39	340.66	-29.72	-8%
Total	1,853.75	1,944.06	90.32	5%

Source: Sri Lanka Tea Board and International Tea Committee

World Export of Tea 2024 *(%)*

- Kenya
- China (Mainland)
- India
- Sri Lanka
- Vietnam
- Other

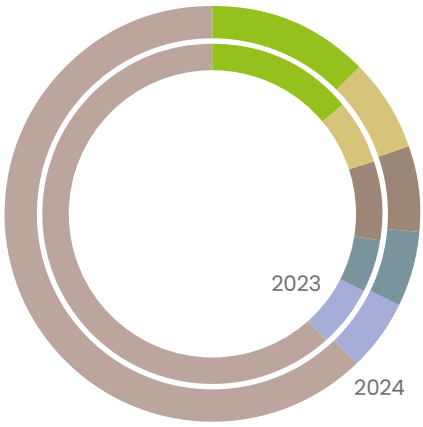
Global tea imports increased by 3% in 2024, totaling 1,745.75 million kilograms compared to 1,693.56 million kilograms in 2023, an overall rise of 52.19 million kilograms. The USA and UK led this growth, with imports rising by 18% and 19% respectively. The USA imported 123.36 million kilograms (up by 19.13 Mn/Kg), while the UK imported 99.40 million kilograms (up by 15.85 Mn/Kg). In contrast, Pakistan, Russia, and Egypt recorded declines in tea imports. Pakistan saw the largest drop of 13.79 million kilograms (-6%), followed by Russia with a decrease of 9.68 million kilograms (-7%), and Egypt with a slight decline of 3.84 million kilograms (-4%).

Tea Imports for Consumption

Country	2023	2024	Variance	
	(Mn/Kg)	(Mn/Kg)	(Mn/Kg)	%
Pakistan	236.06	222.27	-13.79	-6%
USA	104.24	123.36	19.13	18%
Russian Federation	129.21	119.53	-9.68	-7%
UK	83.55	99.40	15.85	19%
Egypt	100.28	96.44	-3.84	-4%
Other	1,040.23	1,084.75	44.52	4%
Total	1,693.56	1,745.75	52.19	3%

Source: International Tea Committee

Top 5 Importers of Tea 2023 vs. 2024



- Pakistan
- USA
- Russian Federation
- UK
- Egypt
- Other

Sri Lankan Tea Industry

Sri Lanka's tea production by elevation recorded a modest overall growth of 2.37% in 2024, reaching 262.16 million kilograms compared to 256.09 million kilograms in 2023. Mid Grown teas showed the most significant increase, rising by 12.48% to 47.62 million kilograms, reflecting improved performance in that segment. Low Grown teas, which continue to dominate overall production, also recorded a steady increase of 2.39%, reaching 158.82 million kilograms. In contrast, High Grown teas experienced a decline of 4.98%, with production falling to 55.72 million kilograms. The overall growth was largely supported by gains in the Mid and Low Grown elevations, helping to offset the dip in High Grown output.

Tea Production (Mn/Kg)

Elevation	2023	2024	Variance	
	Mn/Kg	Mn/Kg	Mn/Kg	%
High Grown	58.64	55.72	(2.92)	-4.98%
Mid Grown	42.34	47.62	5.28	12.48%
Low Grown	155.11	158.82	3.71	2.39%
Total	256.09	262.16	6.07	2.37%

Source: Sri Lanka Tea Board

In 2024, Sri Lanka's average tea prices increased across all elevations, both in Sri Lankan Rupees (LKR) and US Dollars (USD). The overall average price rose by 5% in Rupee Terms from LKR 1,171.29 to LKR 1,225.17 and by 13% in USD terms, increasing from USD 3.58 to USD 4.06. High Grown teas recorded the highest price gain in USD terms, rising by 16% to USD 3.78, while in LKR terms, prices increased by 6% to LKR 1,141.63. Mid Grown teas saw a 5% rise in LKR and a 14% increase in USD, reaching LKR 1,064.48 and USD 3.52, respectively. Low Grown teas, increased by 4% in LKR to LKR 1,304.38 and by 13% in USD to USD 4.32. The overall improvement in prices reflects a recovery in global demand, which positively influenced export earnings in foreign currency terms.

Colombo Auction Averages

Elevation	2023		2024		Variance		Variance %	
	LKR	USD	LKR	USD	LKR	USD	LKR	USD
High Grown	1,072.48	3.27	1,141.63	3.78	69.15	0.51	6%	16%
Mid Grown	1,012.35	3.09	1,064.48	3.52	52.13	0.43	5%	14%
Low Grown	1,252.15	3.82	1,304.38	4.32	52.23	0.50	4%	13%
Total	1,171.29	3.58	1,225.17	4.06	53.88	0.48	5%	13%

Source: Sri Lanka Tea Board

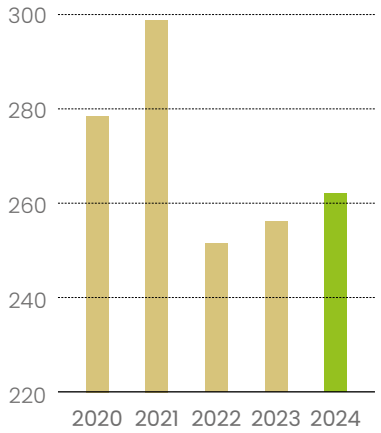
2024

262.16 (Mn/Kg) ↑

SL Tea Production

2023 - 256.09 (Mn/Kg)

Sri Lankan Tea Production *(Mn/Kg)*



2024

433.47 (Rs. Bn.) ↑

Tea Export Value

2023 - 428.29 (Rs. Bn.)

2024

1,225.17 (Rs.) ↑

Average Auction Price

2023 - 1,171.29 (Rs.)

OUR BUSINESS MODEL

GRI 2021 : 2-6

Our business model explains how we create value using our capital and transform them through our business activities and their output and impact to our stakeholders, society and environment. We regularly review our external environment and

Operating Landscape Pg. 50 to 59 → **Opportunities and Threats** Pg. 102 to 103

Internal Environment Pg. 50 to 59 → **Strengths and Weaknesses** Pg. 102 to 103

STRATEGY

Value Creation Process

Vision / Mission Pg. 9

Organisational Structure Pg. 107

INPUT

Financial Capital Pg. 68 to 75
- Shareholder Equity
- Bank Facilities
- Cash Flow from Operations

Manufactured Capital Pg. 76 to 78
- PPE
- Warehouses

Intellectual Capital Pg. 88 to 91
- Brand Equity
- Corporate Governance
- Innovation Capabilities
- Integrated IT Systems
- Digital Services
- Innovation

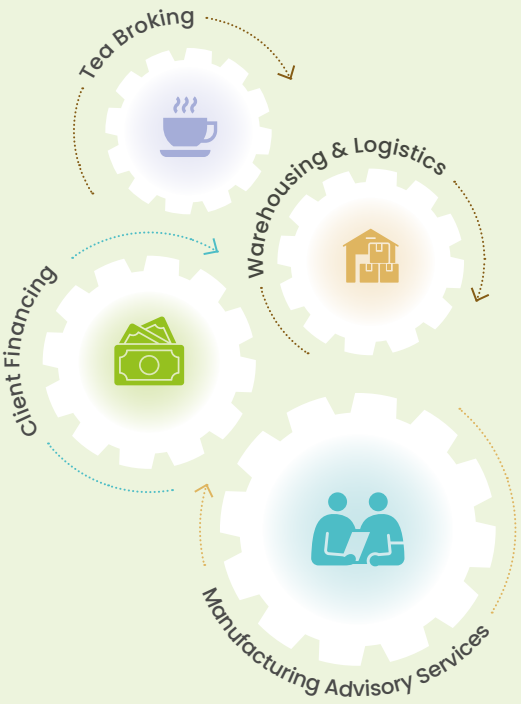
Human Capital Pg. 79 to 87
- Competent Team
- Employee Diversity
- Skill & Experience

Social and Relationship Capital Pg. 94 to 97
- Stakeholder Engagement
- Investors Relations
- Strategic and sustainable
- Community development

Natural Capital 92 to 93
- Water and Energy Consumption
- Material Usage
- Natural Resources

BUSINESS ACTIVITIES

Risk Managements Pg. 160 to 167



Corporate Governance Pg. 105 to 113

Ability | **Credibility**

identify the risks and opportunities relevant to our Group and revise the components of the business model and our strategies accordingly. As a socially responsible corporate citizen we continuously improve our processes and technology to reduce the adverse social and environmental effects that may arise from our business model.

Stakeholders Pg. 62 to 67

Stakeholder Expectations Pg. 62 to 67

OUTPUTS

Financial Capital
- PAT - Rs. (18) Mn
- Dividend - Rs. 109.44 Mn
- Interest paid - Rs. 284.12 Mn

Manufactured Capital
- Cap Ex - Rs. 65.79 Mn
- Asset Turnover - 0.36 Times
- PPE - Rs. 976.43 Mn

Intellectual Capital
- Operational Excellence
- Intangible Assets - Rs. 49.86 Mn
- Awards and Accolades
- Investments in IT
- IT Related expenses

Human Capital
- Payments to Employees - Rs. 395.35 Mn
- Investments in T&D - Rs. 0.92 Mn
- Recruitments - 12
- No. of Employees - 121

Social and Relationship Capital
- Payments to Gov. as Taxes - Rs. 71.25 Mn
- No. of Clients - 432

Natural Capital
- Electricity Consumption - 343,818 Kwh
- Fuel Consumption - 73,667 Liters
- Water Consumption - 4,326 m^3

OUTCOME

Financial Capital
- Shareholder Equity
- Bank Facilities
- Cash Flow from Operations

Manufactured Capital
- PPE
- Warehouses

Intellectual Capital
- Brand Equity
- Corporate Governance
- Innovation Capabilities
- Integrated IT Systems
- Digital Services
- Innovation

Human Capital
- Competent Team
- Employee Diversity
- Skill & Experience

Social and Relationship Capital
- Stakeholder Engagement
- Investors Relations
- Strategic and sustainable
- Community development

Natural Capital
- Water and Energy Consumption
- Material Usage
- Natural Resources

Investors
Shareholder returns & sustainable business growth

Customers
Quality product, best possible prices & superior customer service

Employees
Better compensation, career growth, better working environment & work life balance

Suppliers
Long term business relationships, fast settlements & convenience in transactions

Community & Environment
Community development, responsible business practices & environmental sustainability

Regulator
Compliance with regulatory requirements, responsible business practices

Integrity | **Teamwork**

GRI 2021 : 2-29

STAKEHOLDER RELATIONSHIPS AND MATERIALITY

Stakeholder Relationships

The Group's operations have fostered strong, interconnected relationships across a wide range of stakeholder groups. Effectively understanding and responding to the evolving needs of these stakeholders is vital; not only for sustaining commercial success, but also for ensuring responsible and resilient business operations.

Our Stakeholders

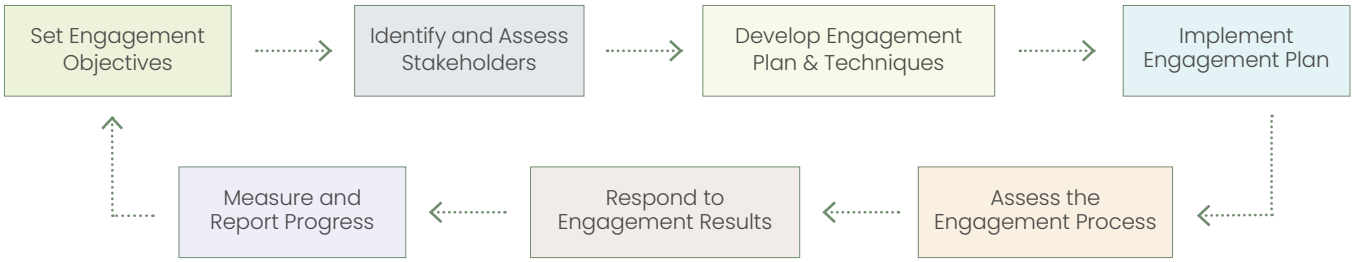
The Group evaluates the significance and influence of each stakeholder in relation to its operations and long-term value creation. Based on this assessment, appropriate management actions are implemented to address stakeholder expectations and concerns. Eight key stakeholder groups have been identified; those who are either significantly impacted by the Group's activities, outputs, and outcomes or who hold the potential to materially influence the Group's ability to generate sustainable value. These stakeholder groups are illustrated in the accompanying graphic.

Stakeholder power/interest grid

"Our strength lies in the meaningful relationships we nurture with our stakeholders. By understanding their evolving needs and addressing their concerns, we create long-term sustainable value while ensuring responsible and resilient business operations."

Stakeholder Engagement Process

The Group recognizes stakeholder engagement as a strategic priority, central to advancing sustainable development and upholding sound governance practices. Engaging meaningfully with our diverse stakeholder base is integral to how we operate and create value. Through a structured stakeholder management framework, we ensure that relevant stakeholders are identified, analyzed and engaged in alignment with the Group's objectives. The effectiveness of these engagements is regularly assessed through feedback and continuous improvement initiatives. Our stakeholder engagement process is outlined below.



Stakeholder Engagement Mediums

Stakeholder engagement is a vital component of the Group's value creation process, serving as a channel to communicate our value proposition and build trust with key stakeholder groups. The Group has established clear policies for employees, suppliers, and communities, providing structured guidance on how engagement should be approached in a meaningful and consistent manner. A range of engagement mediums are utilized to ensure effective, transparent, and two-way communication with our stakeholders. These include the following:

Liaise	• Buyer/ Supplier Satisfaction surveys • Meetings • Collaborative Forums • Projects
Communicate	• Corporate reporting • Press releases corporate website • Social media platforms • Market Report/ Mass e-mail and SMS
Evaluate	• Digital and social media monitoring • Monitoring Industry Research and News Reports

STAKEHOLDER RELATIONSHIPS AND MATERIALITY

GRI 2021 : 2-29

Stakeholder Engagement

Annually - **A** Quarterly - **Q** Monthly - **M** Weekly - **W** As Required - **R**

Stakeholder	Expectations	Mode of Engagement	Frequency				
			A	Q	M	W	R
Shareholders/ Investors	• Shareholder returns and growth • Risk Management • Business Continuity • Strengthening the Corporate Governance Practices	• Annual General Meeting	✓				
		• Annual Report	✓				
		• Interim Financial Statements		✓			
		• Corporate Website					✓
		• Announcements in CSE					✓
Tea Producers	• Best prices for their produce • Financial support to meet their working capital requirements • Technical advisory support to improve the quality of the produce • Efficient communication and convenience in transactions • Efficient service in warehousing activities	• One to one meetings					✓
		• Monthly and Quarterly performance reviews		✓	✓		
		• Weekly Tea Market Snapshot and other market related information				✓	
		• Regular factory visits by the Manufacturing advisors and marketing executives				✓	✓
		• Conduct seminars for factory owners and their staff on 'importance of maintaining quality of Tea'	✓				
		• Customer Satisfaction survey					✓
Tea Buyers	• Quality product at a reasonable price • Efficient communication and convenience in transactions • Efficient service in warehousing activities	• One to one meetings with buyers					✓
		• Weekly market reports and other information sharing				✓	✓
		• Customer satisfaction survey					✓
Employees	• Industry competitive remuneration packages • Career growth • Better working environment • Work-life balance • Equal Opportunity • Health and Safety • Job security	• Regular staff meetings		✓			✓
		• Formal and informal discussions			✓		✓
		• Internal communication channels					✓
		• Training programs					✓
		• Recreational activities	✓				
		• Employee survey					✓

GRI 2021 : 2-29, 3-1

Annually - **A** Quarterly - **Q** Monthly - **M** Weekly - **W** As Required - **R**

Stakeholder	Expectations	Mode of Engagement	Frequency				
			A	Q	M	W	R
Supplier and Service providers	• Favourable terms and conditions • Speed and on time settlements • Long Term business relationship • Convenience in transactions Business growth	• Written Communications					✓
		• Regular meetings					✓
Industry bodies/ Associations	• Sustainability of the Industry • Developments of the relevant community groups	• The Company actively engaged with the industry bodies and associations such as Sri Lanka Tea Board, the Colombo Tea Traders' Association, Tea Exporters' Association, Sri Lanka Tea Factory Owners' Association and participated at meetings, events, and AGM's organised by such associations					✓
Community and Environment	• Community Development • Responsible Business practices • Employment Opportunities • Environment Sustainability	• Providing training opportunities and internships to graduates and under graduates					✓
		• CA Sri Lanka certified training partner for students					✓
		• Actively participate in seminars organised by Tea Smallholders to educate the Tea Producer clients					✓
		• CSR Initiatives					✓
Government and Regulators	• Compliance with requirements under governing bodies • Responsible business practices • Support in surveillances carried out	• Directives and Circulars					✓
		• Meetings and consultations					✓
		• Press releases					✓
		• Periodic returns	✓	✓			✓
		• Attend meetings					✓
		• Written Communication					✓

Materiality

Materiality of issues can be considered as the issues which substantially affect the Group's value creation process and sustainability over the short, medium and long term. Meeting the needs and aspirations and addressing the material issues of our stakeholders is the foundation of the Group's strategy. Our focus on materiality is based on material aspects recognised by both internal and external stakeholders.

STAKEHOLDER RELATIONSHIPS AND MATERIALITY

GRI 2021 : 2-29, 3-1

Materiality Determination Process

Materiality analysis is a key process that enables the Group to define key triple bottom line issues that are vital to our business and stakeholders, both internal and external. This process is crucial to drive performance, improve our sustainability framework and use the corporate governance practices at all levels of the Group. The Group conducts regular external stakeholder engagement in ascertaining aspects material to its significant Stakeholders. In addition, materiality is also assessed internally in ascertaining the aspects material to the Group and to fine-tune and streamline its strategy and processes to manage these material issues.

Materiality determination process of the Group is graphically depicted below;

Identifying relevant internal and external matters

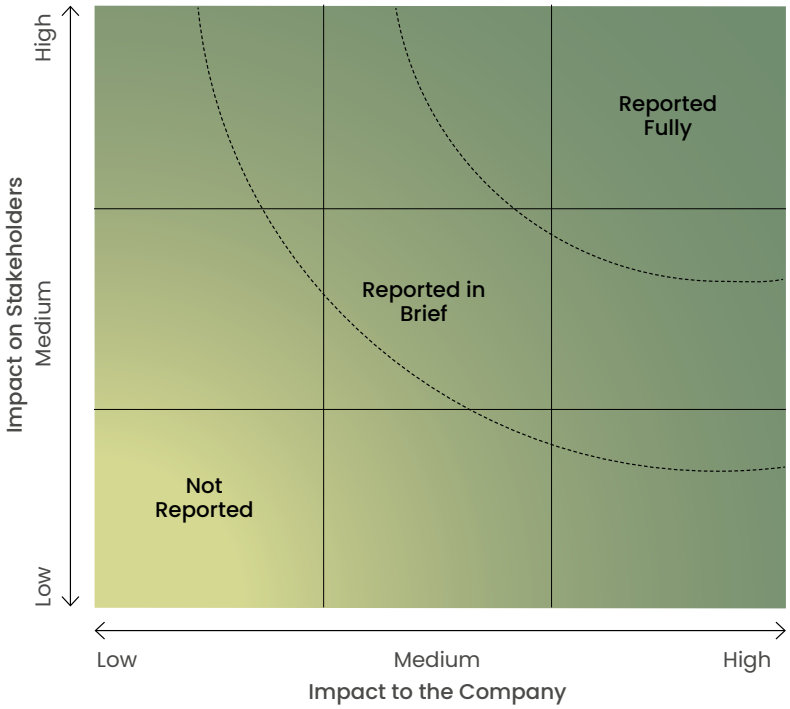
↓

Evaluating importance of matters identified

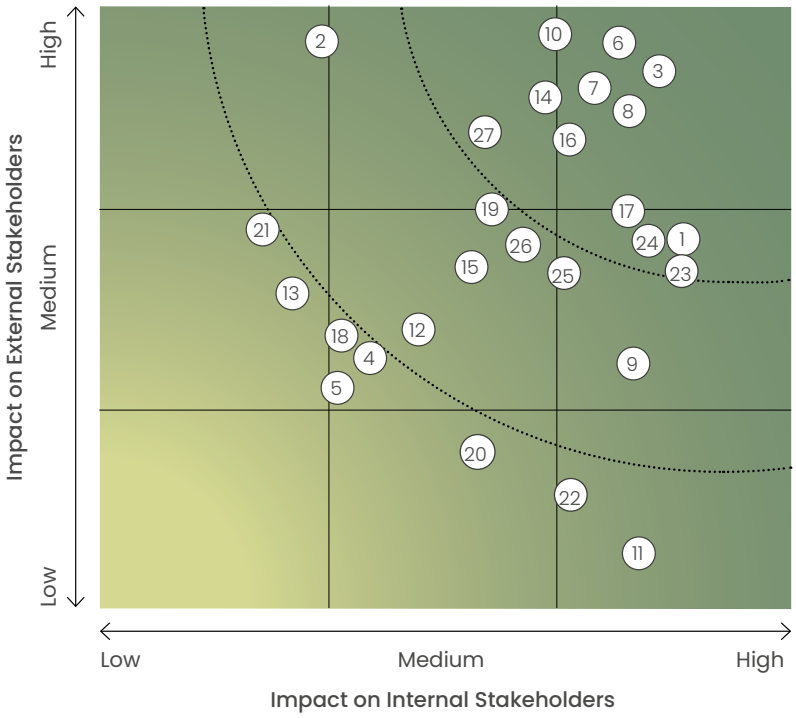
↓

Prioritising matters relevant to each stakeholder

Once we prioritise the material issues, relevant disclosures are made based on the impact of the each material issue to each Stakeholder and to the Group as illustrated below;



Key issues that were rated as the most material in respect of the key stakeholders are graphically depicted below;



	Material Issue	Relevant GRI Standard
1	Anti corruption	GRI 205: Anti-corruption 2016
2	Child labour	GRI 408: Child Labor 2016
3	Climate change	GRI 201: Economic Performance 2016
4	Community development	GRI 413: Local Communities 2016
5	Competition	GRI 206: Anticompetitive Behavior 2016
6	Corporate governance	GRI 2: General Disclosures 2021
7	Customer satisfaction	GRI 416: Customer Health and Safety 2016 GRI 418: Customer Privacy 2016
8	Direct economic value generated	GRI 201: Economic Performance 2016
9	Disaster recovery plans	GRI 201: Economic Performance 2016
10	Economic performance	GRI 201: Economic Performance 2016
11	Employee training and development	GRI 404: Training and Education 2016
12	Energy consumptions	GRI 302: Energy 2016
13	Environment protection	GRI 304: Biodiversity 2016
14	Ethical conduct	GRI 2: General Disclosures 2021
15	Forced labour	GRI 409: Forced or Compulsory Labor 2016
16	Global economy	GRI 201: Economic Performance 2016
17	Health and safety	GRI 403: Occupational Health and Safety 2018
18	Human rights	GRI 2: General Disclosures 2021 GRI 410: Security Practices 2016
19	Innovation in process and services	Not covered in GRI
20	Labour relations	GRI 402: Labor/Management Relations 2016
21	Non discrimination	GRI 406: Nondiscrimination 2016
22	Operational cost	GRI 201: Economic Performance 2016
23	Regulatory compliance	GRI 2: General Disclosures 2021
24	Reputation	Not covered in GRI
25	Risk management	GRI 2: General Disclosures 2021 GRI 201: Economic Performance 2016
26	Talent acquisition and retention	GRI 401: Employment 2016
27	Waste management	GRI 306: Effluents and Waste 2016

Disclosures in this report pertaining to the above key issues are given in the GRI Content Index from Page 242 to 249.

Board of Directors' Oversight on Sustainability

The Board of Directors play a pivotal role in overseeing the company's sustainability strategies and initiatives. As the highest governance body, the BOD is responsible for ensuring that the company's approach to sustainability aligns with its overall strategic objectives and ethical standards. The Board regularly reviews and approves material matters related to environmental, social, and governance (ESG), ensuring that these are integrated into the company's business practices and decision-making processes.

CAPITAL MANAGEMENT REPORTS

Financial Capital

Our financial capital, a cornerstone of our sustained growth, reflects our commitment to prudent resource allocation, effective cost management, and value creation for our stakeholders. This section provides a detailed overview of our financial performance, key metrics, and the strategies that have fortified our position as a leading player in the tea brokerage industry, ensuring long-term sustainability and profitability.

REVENUE

1,370 Rs. Mn
Revenue - Group

1,001 Rs. Mn.
Revenue - Company

ASSETS

3,771 Rs. Mn
Assets - Group

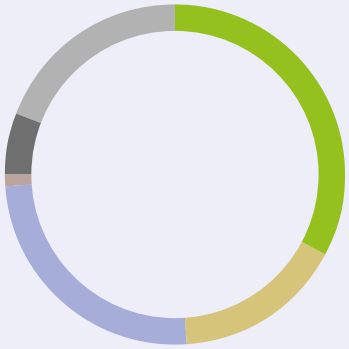
3,192 Rs. Mn.
Assets - Company

PROFITS AFTER TAX

(18) Rs. Mn
Profits After Tax - Group

122 Rs. Mn
Profits After Tax - Company

REVENUE COMPOSITION



Brokerage Fee	33%
Handling Charges	16%
Tea-Documentation Charges	0%
Tea-SVAT Voucher Handling Charges	0%
Logistic & Transportation Income	25%
Lot Fee	1%
Sundry Income	6%
Interest Earned on Loans and Advances	19%

Financial Capital Contribution in Value Creation			
Sustained Profitability and Shareholder Returns	Strategic Resource Allocation to drive operational excellence	Strengthening Financial Resilience to navigate market volatility and secure long-term stability	Enhancing Market Competitiveness to offer better services to clients

Revenue

	2025	2024	Variance	% Change
Group	1,370,435,890	1,638,346,007	(267,910,117)	-16%
Company	1,001,493,729	1,072,116,679	(70,622,950)	-7%

In 2025, the Group recorded revenue of Rs. 1.37 Bn compared to Rs. 1.64 Bn in 2024, reflecting a 16% decline. At the Company level, revenue stood at Rs. 1.00 Bn, down 7% from the previous year. The contraction was largely driven by lower interest income from loans and advances, as falling market interest rates curtailed returns. On the positive side, income streams such as Brokerage, Storage, Lot Fees, and Sundry Income recorded growth, softening the overall impact of reduced interest earnings.

2024/25

1,370 Rs. Mn

Revenue - Group

2023/24 - 1,638 Rs. Mn.

2024/25

1,001 Rs. Mn

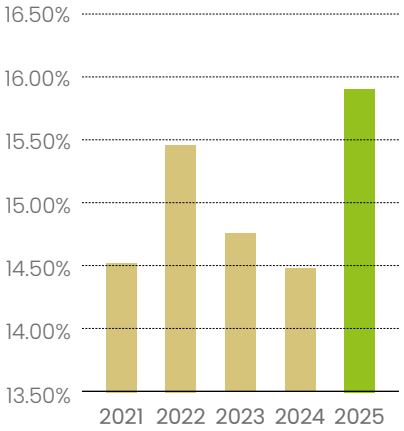
Revenue - Company

2023/24 - 1,072 Rs. Mn.

Group Revenue Composition

	2025	2024	Variance	% Change
Brokerage Fee	499,432,778	433,432,696	66,000,082	15%
Handling Charges	111,645,059	102,413,334	9,231,725	9%
Tea-Documentation Charges	2,221,107	-	2,221,107	-
Tea-SVAT Voucher Handling Charges	1,439,262	-	1,439,262	-
Logistic & Transportation Income	368,942,161	563,342,128	(194,399,967)	-35%
Lot Fee	8,201,259	7,398,390	802,869	11%
Sundry Income	86,398,902	82,814,174	3,584,728	4%
Interest Earned on Loans and Advances	292,155,362	448,945,285	(156,789,923)	-35%

Market Share *(Qty. Sold)*



The year under review reflected several notable achievements. Brokerage income increased by 15% (Rs. 66 Mn), underpinned by a 12% growth in volumes (4.2 Mn Kgs) and a 3% increase in the average price per kilogram (Rs. 39). Handling Charges also recorded a growth of 140%, reflecting operational momentum. Additional income was generated through Tea Documentation Charges, Tea SVAT Voucher Handling Charges, Lot Fees, and Sundry Income, all of which contributed positively to the overall earnings mix.

Despite this progress, Interest Income from Loans and Advances declined by 35% (Rs. 156.8 Mn), reflecting the sustained downward adjustment of the Minimum Lending Rate set by the Colombo Brokers Association (CBA) in line with the drop in the Average Weighted Prime Lending Rate (AWPLR). Logistics and Transportation Income also decreased by 35%, following necessary rate realignments with prevailing market conditions.

However, the Company continued to strengthen its market leadership, securing a share of 15.95% by quantity and 16.12% by value of teas sold during FY2024/25, reaffirming its position as a key player in the industry.

CAPITAL MANAGEMENT REPORTS

Financial Capital

Expense Category

	Group			Company		
	2024/25 Rs.	2023/24 Rs.	Variance Rs.	2024/25 Rs.	2023/24 Rs.	Variance Rs.
Operating Expenses	495,906,275	608,172,611	112,266,336	197,078,517	177,358,014	(19,720,503)
Marketing Expenses	29,803,238	34,987,601	5,184,363	25,444,966	24,236,757	(1,208,209)
Administration Expenses	535,506,654	555,646,210	20,139,556	431,623,643	445,637,898	14,014,255
Net Finance Expenses	193,285,044	282,804,396	89,519,352	125,024,220	215,312,658	90,288,438

Operating Expenses

	2024/25 Rs.	2023/24 Rs.	Variance Rs.
Group	495,906,275	608,172,611	112,266,336
Company	197,078,517	177,358,014	(19,720,503)

At the Company level, operating expenses increased primarily as a result of the transfer of tea handling operations from Logicare (Pvt) Ltd to Ceylon Tea Brokers PLC, effective 1st February 2025. Conversely, at the Group level, operating expenses declined, reflecting the direct correlation between revenue and operating costs. The reduction in revenue during the year was resulted in a corresponding saving in related operating expenses.

2024/25

496 Rs. Mn ↓

Operating Expenses - Group

2023/24 - 608 Rs. Mn.

Marketing Expenses

	2024/25 Rs.	2023/24 Rs.	Variance Rs.
Group	29,803,238	34,987,601	5,184,363
Company	25,444,966	24,236,757	(1,208,209)

At the company level Marketing expenses experienced an increase driven by intensified marketing activities. In contrast, at the Group level, marketing expenses declined in line with the reduction in revenue, as the relative cost of marketing adjusted proportionately.

2024/25

29 Rs. Mn ↓

Marketing Expenses - Group

2023/24 - 35 Rs. Mn.

Administration Expenses

	2024/25 Rs.	2023/24 Rs.	Variance Rs.
Group	535,506,652	555,646,210	20,139,557
Company	431,623,643	445,637,898	14,014,255

At the Company level, administration expenses recorded a decrease, primarily due to lower performance-based compensation compared to the previous year, which more than offset the increase in salary-related expenses. At the Group level, administration expenses also reflected a decrease, driven mainly by the reduction in staff-related costs, including bonuses, salaries, and staff welfare, relative to the previous year.

Net Finance Expenses

	2024/25 Rs.	2023/24 Rs.	Variance Rs.
Group	193,285,044	282,804,396	89,519,352
Company	125,024,220	215,312,658	90,288,438

At both the Company and Group levels, net finance expenses recorded a significant reduction during the year. This improvement was primarily driven by the sustained downward trend in the Average Weighted Prime Lending Rate (AWPLR), which eased borrowing costs. Notably, the lending portfolio remained broadly unchanged across both years, indicating that the decline was solely attributable to the favorable interest rate environment.

Other Expenses

	2024/25 Rs.	2023/24 Rs.	Variance Rs.
Group	8,853,124	15,202,895	6,349,771
Company	31,923,322	8,502,698	(23,420,624)

At the company level, other expenses increased due to the impairment on investments in the subsidiary and related party receivables. However, at the group level, other expenses declined as a result of the reversal of impairment provisions on trade and other receivables recognized at the subsidiary level.

2024/25

536 Rs. Mn ↓

Administration Expenses - Group

2023/24 - 556 Rs. Mn.

At the company level, Other Expenses recorded a notable increase compared to the previous year, primarily due to the impairment provision on the investment in the subsidiary.

CAPITAL MANAGEMENT REPORTS

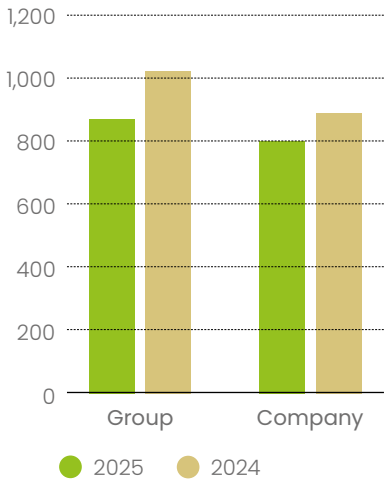
Financial Capital

Gross Profit

	2025 Rs.	2024 Rs.	Variance Rs.
Group	874,529,615	1,030,173,396	(155,643,781)
Company	804,415,212	894,758,665	(90,343,453)

At both the Company and Group levels, gross profit recorded a decline during the year under review. At the Company level, the reduction was primarily attributable to lower interest income from loans and advances, which offset the gains achieved from higher brokerage and storage income. At the Group level, gross profit contracted as the reduction in revenue outpaced the savings in operating expenses, resulting in a net decline.

Gross Profit *(Rs/Mn)*

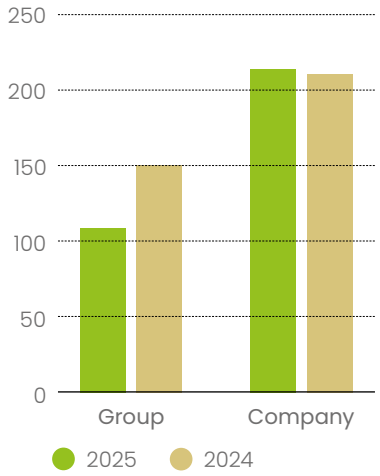


Profit Before Tax

	2025 Rs.	2024 Rs.	Variance Rs.
Group	109,528,002	151,842,265	(42,314,263)
Company	191,510,653	211,378,625	19,867,972

At the company level, profit before tax declined by Rs. 19.87 million, primarily due to the impairment provisions recognized on the investment in the subsidiary and related party receivables. At the Group level, however, profit before tax declined, as the reduction in revenue during the year had a direct negative impact on overall performance.

Profit Before Tax *(Rs/Mn)*



Net Profit/ (Loss) After Tax

	2025 Rs.	2024 Rs.	Variance Rs.
Group	(18,290,876)	69,775,427	88,066,303
Company	121,196,566	141,913,011	(20,716,445)

At the company level, Net Profit After Tax declined primarily due to the impairment provisions recognized on the investment in the subsidiary and related party receivables. At the Group level, however, net profit after tax was adversely impacted, moving into a loss position. This was primarily due to higher income tax expenses arising from the deferred tax derecognition.

Group – Assets

Total assets of the Group increased by 4%, reaching LKR 3,770 Mn as at 31st March 2025, compared to LKR 3,634 Mn as at 31st March 2024. This growth was primarily driven by the recognition of Right-of-Use assets arising from lease transactions at the Company level.

Group – Liabilities

In 2025, the Group's total liabilities rose by 8% to LKR 3,220 Mn, compared to LKR 2,979 Mn in 2023/24. This increase was primarily attributable to higher borrowings under short-term loan facilities.

Credit Rating

During the year under review, the company engaged one of the leading rating agencies, Lanka Rating Agency (LRA), to conduct an issuer rating. LRA assigned the company a rating of (SL) BBB with a stable outlook.

2024/25 - LRA Assigned

(SL) BBB

Rating with a stable outlook

2023/24 - (SL) BBB

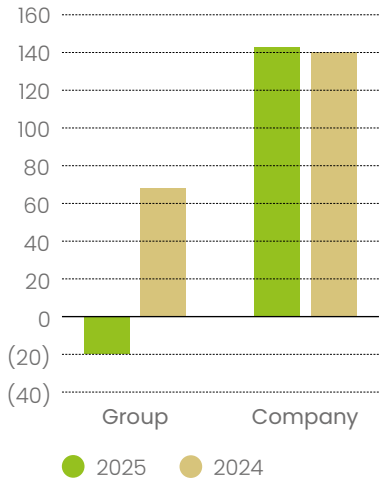
2024/25

896 Rs. Mn

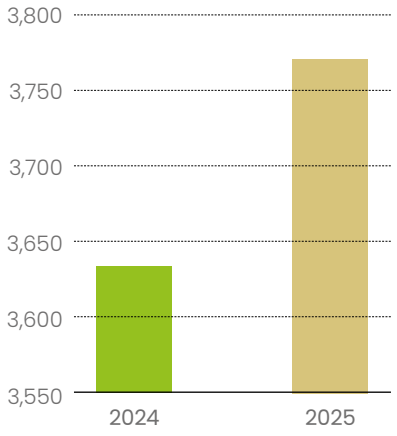
Shareholder Funds - Company

2023/24 - 866 Rs. Mn.

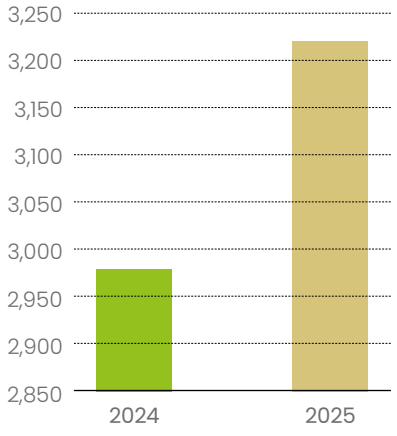
Net Profit After Tax *(Rs/Mn)*



Group Assets *(Rs/Mn)*



Group Liabilities *(Rs/Mn)*



CAPITAL MANAGEMENT REPORTS

GRI 2021 : 201-1, 203-1, 203-2

Financial Capital

Contribution to the Economy

The economic dimension of sustainability concerns our Company's impact on the economic conditions of our stakeholders, and on economic systems at local, national, and global levels. The following section illustrates distribution flow of capital among different stakeholders, and the main economic impacts of the organization throughout society.

Economic Value-Added Statement – Group

	2024/25 Rs.	2023/24 Rs.
Revenue	1,370,435,890	1,638,346,007
(Include sub categories as presented in the revenue note of the financial statements)		
Total Value Created	1,370,435,890	1,638,346,007
Value Distributed		
Operating Costs	495,906,275	452,221,711
Employee Wages & benefits	425,180,111	445,690,768
Payment to Government	71,246,852	105,902,300
Payments to providers of capital	354,287,010	471,316,465
Community investments	1,363,213	1,437,988
Total Value distributed	1,347,983,461	1,476,569,232
Total Value Retained	22,588,202	172,086,746
Total Value Created	1,325,395,259	1,304,482,486
Value Retained Expansion & Growth		
Profit Retained	(18,290,874)	69,775,428
Depreciation & Amortization	120,225,368	102,311,318
Total Value Retained Expansion & Growth	101,934,494	172,086,746

Our sustainability strategy aims to generate value for all stakeholders. We are committed to continuously evaluating the effects of our actions on the economy, society, and environment. As part of this commitment, the Company has distributed 98% of the economic value created by our business to different stakeholders.

2024/25

1,371 Rs. Mn

Value Created

2023/24 - 1,649 Rs. Mn.

2024/25

1,348 Rs. Mn

Value Distributed

2023/24 - 1,477 Rs. Mn.

2024/25

102 Rs. Mn

Value Retained

2023/24 - 172 Rs. Mn.

Our sustainability strategy aims to generate value for all stakeholders. We are committed to continuously evaluating the effects of our actions on the economy, society, and environment. As part of this commitment, the company has distributed 98.35% of the economic value created by our business to different stakeholders.

Financial Assistance received from/taxes paid to the government

Income tax on all income categories was charged at rate of 30% for both the company and its subsidiary.

Indirect Economic Impacts

As at March 31, 2025, the Company has provided Rs. 1,410.22 million in loans and advances to our producer clients. This financial assistance aims to meet their working capital needs and facilitate the purchase of machinery. By supporting these investments, the Company contributes to the growth of the industry and provides a positive impact on the broader economy, reinforcing our commitment to fostering economic development and industry progress.

Donation of medical equipment to the Cancer Hospital

Awareness program conducted for the KDU Group

Donation of stationary to the Parakrama Boys' Orphanage

CAPITAL MANAGEMENT REPORTS

Manufactured Capital

Manufactured capital encompasses the infrastructure developed by the Group, including our corporate office, warehousing facilities, tea tasting room and information technology systems. Leveraging this manufactured capital has enabled us to deliver superior service to our clients while reducing operational costs. Recognizing the vital role of this capital in the value creation process, the Group has focused on enhancing infrastructure to support current business activities and to meet future challenges effectively.

FLOOR AREA

1,492 Sq Ft
Tea Tasting Room

5,900 Sq Ft
Tea Sampling Room

296 Sq Ft
Auction Room

WAREHOUSE CAPACITY

224,637 Sq Ft
Total Warehouse Capacity

97,410 Sq Ft
Muthurajawela

47,902 Sq Ft
Grandpass

44,400 Sq Ft
Enderamulla

34,925 Sq Ft
Awariwatta

976 Rs. Mn
PROPERTY, PLANT AND EQUIPMENT

TOP 3 PPE BY TYPE

726 Rs. Mn
Building

75 Rs. Mn
Machinery & Equipment

93 Rs. Mn
Storage System

CAPITAL EXPENDITURE

66 Rs. Mn
Total CAPEX

65 Rs. Mn

LOGICARE PRIVATE LIMITED **1** Rs. Mn

Manufactured Capital Contribution in Value Creation			
Enhancing Operational Efficiency and Productivity through State-of-the-Art Equipment and modernized facilities	Driving Innovation and Digital Transformation	Promoting Sustainability and cost savings	Ensuring Quality and Compliance

A New Chapter: Our Head office

On 25th September 2024, Ceylon Tea Brokers PLC relocated its head office from Level 7, Millennium House, 46/58, Nawam Mawatha, Colombo 02 to a new, more spacious and strategically located premises at No. 481, T. B. Jayah Mawatha, Colombo 10. This move marks a significant milestone in our journey, reflecting both our growth as a company and our long-term commitment to operational excellence.

The new head office spans approximately 7,600 sq ft, offering enhanced infrastructure to better serve our stakeholders. Purpose-built to cater to the unique requirements of the tea broking industry, the premises include a state-of-the-art tea tasting room covering 1,492 sq ft, a fully equipped auction room of 296 sq ft, a modern tea bar, a board room and a range of functional workspaces.

This modern facility provides a more collaborative and efficient working environment, enabling us to deliver greater value to our producer clients, buyers and other stakeholders.

Warehousing Facilities

During the past year, the Group managed over 224,637 sq ft of leased and rented warehousing space, including four warehouses located in Muthurajawela, Grandpass, Enderamulla and Awariwatta, with 97,410 sq ft, 47,902 sq ft, 44,400 sq ft and 34,925 sq ft respectively. Tea handling operations were transferred back to Ceylon Tea Brokers PLC from Logicare (Pvt) Ltd w.e.f 01st February 2025.

New Head Office

Group owns a state-of-the-art warehousing complex - Logicare (Pvt) Ltd

Ceylon Tea Brokers PLC relocated its head office to a modern, purpose-built 7,600 sq ft facility in Colombo 10, enhancing operational efficiency and stakeholder service, while also managing 224,637 sq ft of warehousing space across four locations.

CAPITAL MANAGEMENT REPORTS

Manufactured Capital

Logicare had previously entered into a 39-year lease agreement on July 29, 2016, with the Sri Lanka Land Reclamation and Development Corporation for land in Muthurajawela. The increased capacity of the Muthurajawela warehouse led to the closure of the Elakanda warehouse in June 2023 and part of the Enderamulla warehouse in October 2023.

The Group owns a state-of-the-art warehousing complex at Muthurajawela, equipped with modern warehousing technology and machinery, designed to reduce our carbon footprint and align with our commitment to environmental sustainability. Besides the Muthurajawela warehouse, all other warehouses operated by the Group are secured through short-term to long-term rental agreements, ensuring flexible and efficient business operations.

Tea Tasting Room

CTB PLC has invested in a 1,492 sq ft Tea tasting room in its head office with a state-of-the-art lighting system to enhance the efficiency of the Tea tasting function which is one of the key areas in our business process.

Tea Sample Room

CTB PLC has a 5,900 sq ft Tea sample room with all equipment to carry out the sampling operation efficiently.

Auction Room

The Company established an auction room of 296 sq ft, at its head office for tea auctioning purposes, enabling sellers to focus without any external disturbances.

2024/25

976.4 Rs. Mn ↑

Total PPE

2023/24 - 974.4 Rs. Mn.

2024/25

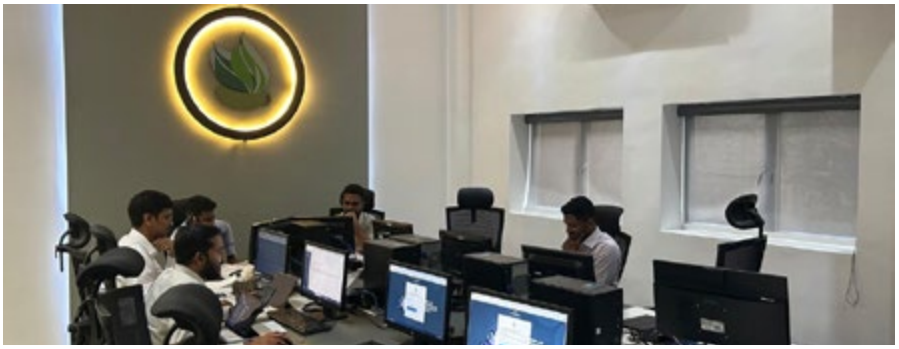
65.79 Rs. Mn ↑

Total CAPEX

2023/24 - 22.00 Rs. Mn.

Tea Tasting Room

Tea Sample Room



Auction Room

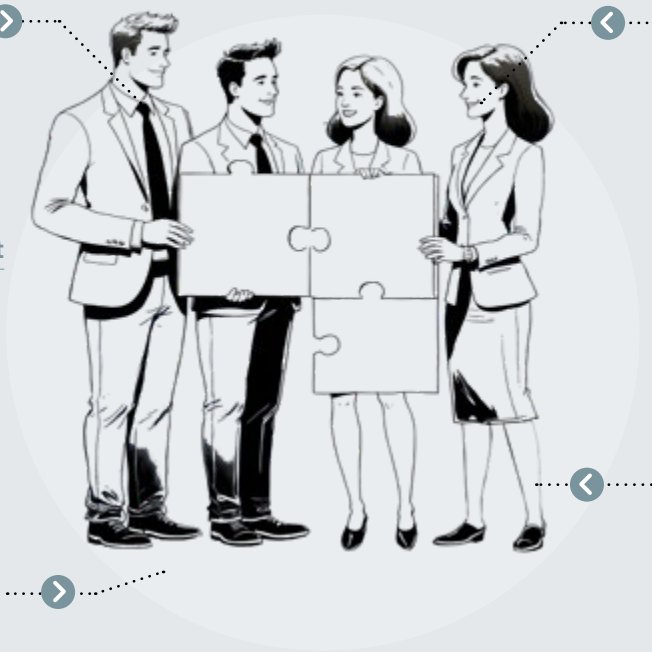
Human Capital

The strength and success of Ceylon Tea Brokers PLC are deeply rooted in our most valuable asset: Our People. During the 2024/2025 fiscal year, we have continued to place significant emphasis on nurturing and developing our human capital to drive the company's vision and strategic goals. Our dedicated workforce, marked by their expertise, commitment and excellence remains the cornerstone of our operations and achievements in a highly competitive market.

EMPLOYEES BY TYPE

79 %
Permanent

21 %
Direct Employment Contract



GENDER DIVERSITY

79 %
Male

21 %
Female

NUMBER OF EMPLOYEES

121 Nos
TOTAL EMPLOYEES

91 Nos
CTB Employees

30 Nos
Logicare Employees

EMPLOYEES BY CATEGORY

31 %
Managerial

26 %
Executive

24 %
Contract

19 %
Other

Human Capital Contribution in Value Creation			
Drive operational excellence through continuous skill development	Fostering a Culture of Excellence and Engagement	Building a Resilient and Adaptable Workforce	Promoting Ethical Practices and Strong Corporate Governance

CAPITAL MANAGEMENT REPORTS

Human Capital

GRI 2021 : 2-7, 405-1

As we navigate through evolving industry landscapes and global challenges, our investment in human capital has been pivotal. We have invested in training programs, enhanced employee engagement initiatives, and fostered a culture of inclusivity and continuous improvement. These efforts ensure that our team is well equipped to adapt, innovate, and excel in delivering exceptional value to our stakeholders.

In this section, we will highlight the key initiatives and milestones achieved in our human capital development, including our recruitment strategies, training programs, employee well-being measures and efforts to promote diversity and inclusion. By investing in our people, we reaffirm our commitment to maintaining our leadership in the tea brokerage industry and sustaining long-term growth and success.

Our Team

Our formidable team at Ceylon Tea Brokers PLC is a rich tapestry of talent and expertise, encompassing individuals from a wide array of backgrounds who play an integral role in our value creation efforts. This diversity is our strength, enabling us to draw from a broad spectrum of perspectives and experiences, which drives operational excellence in all facets of our operations.

We are proud to have representation from diverse genders, major ethnic groups and different generations within our workforce. This diversity underscores our steadfast commitment to being an equal opportunity employer and fostering an inclusive work environment where every employee can flourish. Our inclusive culture is not just a policy but a core value that permeates our organizational ethos.

During the year, we have continued to prioritize the growth and development of our employees. This commitment has borne fruit, with 7 individuals being promoted, advancing their careers and enhancing their contributions to the company. These promotions reflect our dedication to recognizing and nurturing talent, providing our team members with opportunities to grow and excel.

While our core team consists of permanent employees who are the backbone of our operations,

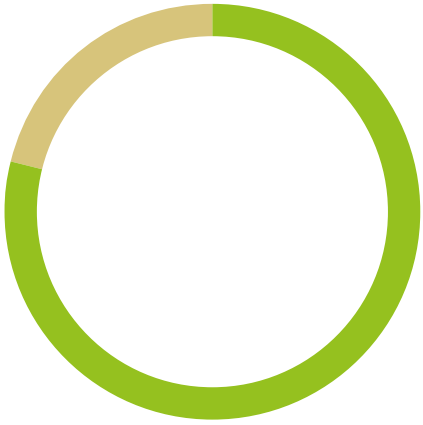
2024/25

121 Nos ↓

Total Employees

2023/24 - 123 Nos

Employment Type *(%)*



we also collaborate with a cadre of contracted and outsourced professionals. These specialists bring additional expertise in key areas such as warehouse management, sample room operations, legal affairs, marketing and IT. This strategic collaboration ensures that we have the right skills and knowledge to maintain our competitive edge and deliver exceptional service to our stakeholders.

At Ceylon Tea Brokers PLC, our team is more than just a workforce; it is a community of professionals who share a common vision and commitment to excellence. Together, we continue to build a dynamic and resilient organization poised for sustained growth and success in the ever-evolving tea brokerage industry.

Equal Opportunity

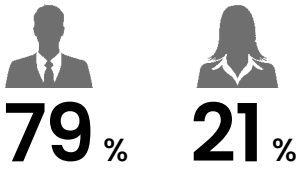
At Ceylon Tea Brokers PLC, we are steadfast in our commitment to upholding the principles of equal opportunity employment. We believe that fostering a workplace defined by equity, inclusivity, and diversity is not just a responsibility but a fundamental aspect of our identity. We are dedicated to implementing tangible measures that ensure every employee, regardless of their background, is empowered, supported and given equal opportunities to advance their careers. Recognizing the unique needs and aspirations of each team member, we strive to provide an environment, where personal growth and professional development are prioritized. Our policies and practices are designed to enable every individual to reach their fullest potential, thereby enhancing their contributions to the company and fostering a culture of continuous improvement and innovation.

Gender Diversity

Group	Male		Female		Total
	Nos	%	Nos	%	Nos
Managerial	31	26%	9	7%	40
Executive	18	15%	13	11%	31
Other	27	22%	1	1%	28
Contract	18	15%	4	3%	22
Total	94	78%	27	22%	121

Level of Employment

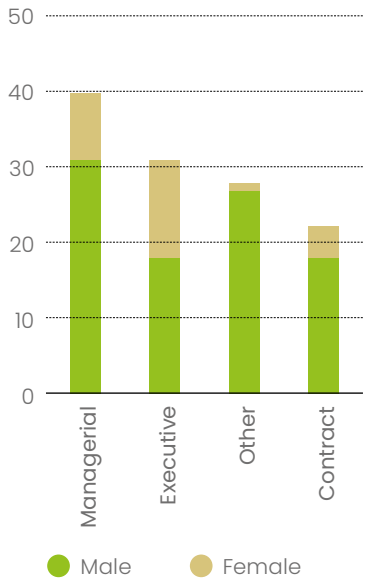
Group	Nos	%
Managerial	38	31%
Executive	31	26%
Other	29	24%
Contract	23	19%



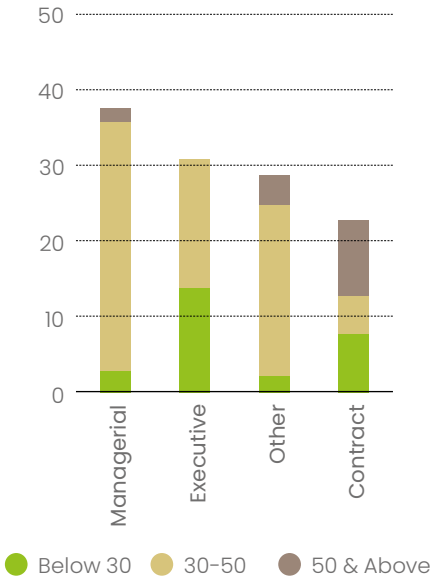
79 % **21 %**

Gender Diversity

Gender Distribution by Employment Category *(%)*



Age Distribution *(Nos)*



CAPITAL MANAGEMENT REPORTS

Human Capital

GRI 2021 : 2-7, 405-1

Value Creation for Employees

The cornerstone of our achievements lies in our ability to create a culture that values diverse backgrounds, promotes fairness and nurtures inclusivity. This inclusive culture has been instrumental in driving our success, enabling us to attract and retain talented individuals who are inspired and motivated to excel.

We have implemented a range of initiatives and practices to ensure that our employees are supported and encouraged in their professional journeys. These include comprehensive training programs, mentorship opportunities and wellness initiatives, all designed to create a supportive and stimulating work environment. Our efforts to inspire and motivate our workforce have consistently translated into tangible value for our employees and the company alike.

During the year under review, our commitment to our employees is reflected in the total compensation paid, which amounted to Rs. 395.3 million, compared to Rs. 414.3 million in the previous year. This significant increase underscores our dedication to recognizing and rewarding the hard work and contributions of our team. Through these efforts, we continue to build a dynamic, resilient organization where every employee has the opportunity to thrive and contribute to our collective success.

Talent Acquisition and Management

At Ceylon Tea Brokers PLC, we uphold a fair and transparent approach to recruitment and selection, ensuring our Human Resources team assesses candidates based solely on their competencies, skills and experience. This rigorous evaluation process is designed to meet our strategic hiring needs, enabling us to build a workforce that is both highly skilled and diverse.

Our talent acquisition channels are meticulously crafted to attract individuals with the right blend of interpersonal skills and technical proficiencies. By leveraging these channels, we have successfully demonstrated our commitment to our employees' career success. This is evidenced by our human capital analysis ratios, which show significant career progression and long-term tenure within the company.

We believe in the importance of building and nurturing a workforce that can adapt to

2024/25

395.3 Rs. Mn ↓

Employee Benefits

2023/24 - 414.3 Rs. Mn

Ceylon Tea Brokers PLC fosters a diverse, inclusive, and skilled workforce by collaborating with specialized professionals and promoting equal opportunities for all employees to grow and excel.

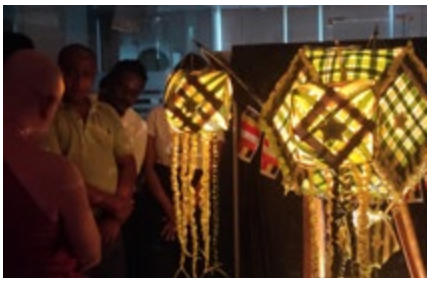
01st Jan'25 Celebrations

dynamic and ever-changing external environments. Preparing our employees to thrive amidst volatility enables us to stay agile and responsive to external shifts.

Employee Engagement and Recreational Activities

At Ceylon Tea Brokers PLC, we believe that fostering an engaged workforce is essential to our success. To promote camaraderie and teamwork among our staff, we organize a variety of recreational activities, including a tea tasting challenge, Vesak Lantern Competition and Friday Fundays. These events are designed to strengthen relationships and build a sense of community within the company.

Additionally, the HR department conducts Coffee Sessions with the Managing Director and CEO, providing employees with a unique opportunity to connect with senior management. During these sessions, employees are encouraged to share their thoughts, ideas and suggestions for enhancing performance. This open dialogue cultivates a strong bond between employees and senior management.



Vesak Lantern Competition 2024

Tea Tasting Challenge 2024

Christmas Celebrations 2024

Thai Pongal Celebrations2025

Women's Day Celebrations

Fun Fridays

Fun Fridays

CAPITAL MANAGEMENT REPORTS

GRI 2021 : 2-7, 401-1, 404-2, 405-1

Human Capital

Recruitments and Resignations

Age		Recruitments	Resignations
Below 30	Male	2	7
	Female	2	3
30-50	Male	5	5
	Female	3	3
50 & Above	Male	0	0
	Female	0	0

Training and Development

Our emphasis on training and development is pivotal to our strategy for continuous improvement and organizational growth. We are committed to ensuring our staff possess the skills and knowledge necessary to excel in their roles. To achieve this, our HR department has actively collaborated with esteemed external training providers to deliver high-quality training programs. Training programs have been conducted internally as well as in partnership with prominent institutions such as The Institute of Chartered Accountants of Sri Lanka, the Institute of Certified Management Accountants of Sri Lanka and the Employers' Federation of Ceylon.

On the job training remains a cornerstone of our employee development strategy. By providing hands-on experiences, we ensure that our employees gain practical skills and insights that are directly applicable to their roles. Additionally, we have implemented cross-training initiatives, enabling staff to work proficiently across various divisions within the Group. This approach not only enhances our operational flexibility but also maximizes the potential of our workforce, creating numerous opportunities for career advancement and mobility within the organization.

Supporting our employees' career growth extends beyond internal training. We actively encourage the pursuit of professional qualifications, reimbursing annual subscription fees for memberships in professional bodies. This includes organizations such as The Institute of Chartered Accountants of Sri Lanka (CASL), the Chartered Institute of Management Accountants (CIMA), Association of Chartered Certified Accountants (ACCA) and Certified Management Accountants (CMA). Additionally, our company is recognized as a certified training partner by CA Sri Lanka for students underscoring our commitment to developing future industry leaders.

University student visits at Logicare

2024/25

4 Hrs ↓

Average Training Hours per Employee

2023/24 - 8 Hrs

2024/25

790 Hrs ↓

Total Training Hours

2023/24 - 969 Hrs

No of Training Hours

Group	Male		Female		Total	
	Total Hours	Avg Hours	Total Hours	Avg Hours	Total Hours	Avg Hours
Managerial	303	5	107	5	410	5
Executive	124	3	151	4	275	4
Other	55	4	2	-	57	4
Contract	42	3	8	2	50	3
Total	524	4	267	4	790	4

Ceylon Tea Brokers PLC offers competitive compensation and comprehensive benefits to attract, retain, and motivate employees, while recognizing performance.

Compensation and Benefits

At Ceylon Tea Brokers PLC, our compensation and benefits program is designed to attract, retain and motivate our employees, aligning with the organization's strategic goals. Our pay structures and scales are competitive, adhering to industry standards and ensuring that our employees are fairly compensated. Additionally, our incentive payout plan rewards both individual performance and the overall performance of the Group, fostering a culture of excellence and achievement.

To recognize and incentivize top talent, we utilize an annual performance review and increment cycle. This structured approach allows us to address the needs of our high-performing employees, rewarding their contributions and encouraging sustained performance. Beyond remuneration, our permanent employees benefit from a comprehensive package that includes life insurance coverage for themselves and their families, maternity leave and reimbursement of professional subscriptions.

Our commitment to employee well-being is further demonstrated through our comprehensive medical insurance scheme, which covers surgical and hospitalization expenses, critical illness and personal accidents. This insurance extends not only to employees but also to their spouses and children. Additionally, we offer a range of welfare and lifestyle benefits such as staff loans, to support our employees in fulfilling their personal needs.

Overall, our compensation and benefits scheme is meticulously designed to align with industry standards, recognize outstanding performance and provide extensive support to our employees and their families.

CMA Excellence in Integrated Reporting Awards 2024

Tags Awards 2024

CAPITAL MANAGEMENT REPORTS

Human Capital

GRI 2021 : 2-7, 2-16, 2-25, 2-26, 405-1

Gender Pay

We are committed to ensuring equitable compensation for all employees and are actively reviewing our practices to uphold this standard.

Female Representation

7% Managerial	**1%** Other	**267** Hrs Training Hours	**5** Nos Recruitments *(42% of total recruitments)*
11% Executive	**3%** Contract	**4** Hrs Average Hours per Female Employee	**6** Nos Resignations *(33% of total resignations)*

Female representation at Ceylon Tea Brokers PLC showcases the company's commitment to gender diversity and inclusion within its workforce. Women constitute 21% of the total workforce, with notable presence in executive roles at 11% and managerial positions at 7%. This balanced approach ensures that female employees have substantial opportunities for leadership and decision-making, reflecting the company's dedication to fostering an equitable and inclusive work environment. As the organization continues to grow, it remains focused on enhancing female participation across all levels, contributing to a more diverse and dynamic workplace.

Whistleblowing Policy

The Group has adopted a Whistleblowing Policy designed to deter, detect and address any genuine concerns regarding malpractice and unethical behavior. This policy allows employees to report such issues to a designated person confidently. Additionally, measures are in place to protect whistleblowers who act in good faith for the company's best interests. The Group is committed to maintaining the utmost confidentiality for staff members who raise concerns or make serious, specific allegations of malpractice or unethical behavior. Through these efforts, the Group aims to foster a healthy workplace that upholds good governance practices at every level.

Ceylon Tea Brokers PLC promotes gender diversity with women comprising 21% of its workforce, ensures equitable pay, and upholds ethical practices

2024/25

39 Hours ↑

Training on Data and Privacy

2023/24 - 22 Hours

Occupational Health, Safety, and Employment Practices

Category	Details
Occupational Health and Safety	• Safety Measures: Implemented to maintain a safe work environment. • Reported Incidents: None (no injuries or occupational diseases). • Trainings: Logicare provided occupational health and safety training to employees, ensuring they are well-informed to ensure a safe and compliant working environment. • Commitment: Accident prevention and workforce health. • Committees: No trade unions or joint management-worker health and safety committees.
Labour Law	• Compliance: Adherence to the Shop and Office Employees Act No. 15 of 1954 and other relevant statutory requirements. • Practices: Fair and lawful employment practices.
Defined Benefit Plan Obligations	• Gratuity Liabilities: Legal obligations followed. • Actuarial Assessment: Annual assessment by an independent consultant. • Transparency: Detailed information on page 216 to 217.
Collective Bargaining Agreements	• Core Values: Fairness and equal treatment. • Trade Unions: None within the Group. • Industrial Disputes: None throughout the year.
Ratios of Standard Entry Level Wage by Gender	• Wage Standards: Entry-level wages exceed local minimum wage requirements. • Gender Equality: Equal pay for all employees at entry level.
Proportion of Senior Management Hired from the Local Community	• Local Recruitment: Workforce, including senior management, recruited exclusively from the local community. • Foreign Employees: None within the Group.
Communication and Training about Anti-corruption Policies and Procedures	• Incidents of Corruption: During the reporting period, there were no reported incidents of corruption within the organization. • HR Policy and Code of Conduct: Includes anti-corruption guidelines and regulations. • Training: Ensures employee awareness and adherence to policies. • Standards: Highest standards of integrity and transparency.
Parental Leave	• Eligibility: Exclusively provided to female employees. • Usage: No instances of maternity leave availed during the reviewed period.
Minimum Notice Periods Regarding Operational Changes	• Notice Period: Minimum of two weeks before significant operational changes. • Purpose: Allows employees and their representatives to prepare and adjust.

CAPITAL MANAGEMENT REPORTS

Intellectual Capital

Our organization's intellectual capital comprises knowledge-based intangibles, which includes our Brand equity, Innovation and knowledge management, intellectual property, corporate governance framework, internal controls and procedures and the expertise of our employees. This intellectual capital sets us apart in the market and gives us a significant competitive advantage in the long term. Our commitment to fostering a culture of innovation, continuous learning and knowledge sharing has been instrumental in enhancing our market position and value proposition.

DATA DRIVEN CULTURE
Real-time Data Conversations
Power BI Dashboard
New Product Developments
Weekly Tea Market Reports

DISTINCTIVE COMPETENCIES

CERTIFICATIONS

ISO 9001:2015

HACCP

ISO 22000:2018

CTPAT

FRAMEWORKS AND PROCEDURES
Corporate Governance Framework Internal Controls & Procedures

BRAND EQUITY AND REPUTATION

LOGICARE PRIVATE LIMITED

[SL] BBB
LRA Assigned

Intellectual Capital Contribution in Value Creation			
Driving Innovation and Competitive Advantage for maintaining and enhancing market position.	Enhancing Operational Efficiency by leveraging knowledge-based assets and organizational expertise	Strengthening Brand Equity and Market Reputation contributing to sustained business growth and customer loyalty	Data-Driven Decision-Making

Brand Equity and Reputation

At Ceylon Tea Brokers PLC, our brand has been meticulously developed over the years to embody the qualities of trust, stability, and strength. These attributes are the cornerstone of our identity, and we continually emphasize and reinforce them in all our operations and communications. Understanding the ever-evolving nature of the tea industry, we have proactively integrated new strengths and effectively communicated these to our stakeholders, further enhancing our brand value.

Over the past decade, our relentless pursuit of quality and excellence has played a crucial role in establishing and strengthening our brand. The trust we have built with our clients and partners is a testament to our unwavering commitment to delivering superior value. Our brand's reputation is further bolstered by our corporate governance framework, rigorous internal controls and the expertise of our employees. Our brand's enduring value lies in its ability to adapt and thrive amidst change, ensuring that Ceylon Tea Brokers PLC remains synonymous with excellence in the tea industry.

Innovation and Knowledge Management

Knowledge Sharing Platforms: We have implemented knowledge management systems that facilitate the sharing of best practices, insights and expertise across the organization. These platforms ensure that valuable knowledge is retained and disseminated, fostering a culture of continuous improvement.

Intellectual Property

Trademarks and Certifications: We have continued to protect and enhance our intellectual property portfolio, including trademarks and certifications that differentiate our products and services in the market. These assets are integral to maintaining our competitive edge and ensuring the authenticity of our offerings.

The certificates ISO 9001:2015, ISO 22000 : 2018, HACCP and CTPAT were obtained/renewed by Logicare during the reviewed year.

Credit Rating

The Company has been assigned an Issuer rating of [SL] BBB with a stable outlook by Lanka Rating Agency Limited.

Corporate Governance Framework

At Ceylon Tea Brokers PLC, we are steadfast in our belief that exemplary corporate governance practices are vital for our competitiveness, growth, and sustainability. The Board of Directors has instituted a set of core corporate values: ability, credibility, integrity, and teamwork. These values underpin our leadership approach and ensure we adhere to high ethical standards and accountability in our commitment to good governance.

The Board of Directors bears the ultimate responsibility for ensuring compliance, transparency, and accountability to all stakeholders. To effectively execute policies and monitor their effectiveness, the Board has introduced a comprehensive corporate governance framework. This

LOGICARE
PRIVATE LIMITED

Our Brands

2024/25

[SL] BBB

LRA Assigned

2023/24 - [SL] BBB - LRA Assigned

Ceylon Tea Brokers PLC strengthens its brand through trust, quality, and innovation, supported by strong governance.

CAPITAL MANAGEMENT REPORTS

Intellectual Capital

framework integrates both internal and external governance structures, establishing a robust system that aligns with our strategic goals and operational needs. Our commitment to good governance is reflected in our continuous efforts to improve our governance practices, ensuring they meet or exceed industry standards.

Internal Controls and Procedures

Robust internal controls and procedures are fundamental to our risk management strategy at Ceylon Tea Brokers PLC. Under the supervision and guidance of the Board of Directors, our Management and Credit Committee are tasked with implementing policies and procedures at the operational level to fortify our internal controls. These measures are designed to ensure the reliability and integrity of our operations, thereby enhancing overall governance.

Internal Auditors play a crucial role in reviewing and ensuring the effectiveness of our risk management practices and internal controls across the Group. Concurrently, External Auditors focus on assessing the internal controls related to our financial reporting process. This dual approach ensures a comprehensive evaluation of our control mechanisms, promoting a culture of continuous improvement and accountability.

Digital Platforms

Online Auction

The introduction of the first-ever Online Tea Auction in 2020 marked a transformative milestone for the Sri Lankan tea industry. Building on the success of the E-Auction, industry stakeholders continue to explore opportunities for further digitalization of auction-related support services. These ongoing discussions aim to enhance efficiency and effectiveness across the board, ensuring the auction process remains cutting-edge and highly competitive.

Digital Buyers' Portal

Our commitment to creating a seamless, end-to-end customer journey has driven us to integrate human and digital interactions more closely. In 2018, we launched a user-friendly 'Digital Buyers' Portal' for our tea buyers, providing access to detailed information on purchased teas for each sale. This portal eliminates the need for emails and calls, streamlining the selection of lots, facilitating payment processing, and allowing buyers to request delivery orders. Notifications are sent via text message when delivery orders are ready for download.

Internal Processes

To remain at the forefront of technology and continuously improve our internal processes, we have made strategic investments in system migration to the cloud, enhanced our IT infrastructure to support remote work, and

Weekly Tea Market Report

The weekly market reports of the company can be accessed using the above QR code

implemented robust Business Continuity and Disaster Recovery plans. These efforts ensured uninterrupted service to our clients, even during unprecedented times, demonstrating our ability to adapt swiftly to challenging circumstances.

Transforming to a Data-Driven Culture

Our management is dedicated to fostering a data-driven culture across the Group. We have established a team of Business Analysts to provide insights for better decision-making. Our customers have also benefited from data-based analysis, which has proven valuable in shaping their businesses. Analyzing historical data has unlocked patterns in buying behavior, performance, and monitoring, paving the way for more informed and strategic decisions.

Category	Details
Tech/Data Developments During the Year	• **Power BI Dashboard:** Developed for the marketing department. • **Hosting:** CTB website, user login required. • **Data Coverage:** Comprehensive data on sold and unsold products from 2022 to present, organized into clusters. • **Reports:** Customized reports for individual users, general, and new reports available.
Impact on Company Performance	• **Bridging the Knowledge Gap:** Dashboard bridges gap between tea managers/brokers and analysts, saving time and improving communication. • **Real-time Data Conversations:** Users engage with clients using live data, speeding up decision-making, eliminating the need for multiple back-and-forth visits to request data. • **Identifying Trends and Patterns:** Enables trend identification and uncovering hidden patterns, optimizing marketing strategies and sales performance. • **Improving Efficiency:** Streamlines workflow, allows proactive measures and increases overall efficiency.
Future Developments	• **Factory Access:** Providing access to factories with limited permissions to streamline operations and improve collaboration. • **Expansion:** Expanding dashboards to other departments to foster a data-driven culture across teams.

IT Governance

Investing in robust IT infrastructure and network security is critical to our operations. Our IT Steering Committee, comprising executive directors and heads of operations, finance, and IT divisions, collaborates with skilled IT consultants to systematically assess and evaluate existing IT controls. The committee regularly reviews IT policies, manages cybersecurity risks, and explores new technologies to maintain a competitive edge in service excellence.

Social Media Footprint

The Group utilizes diverse communication channels such as Facebook, TikTok, Instagram, and LinkedIn to ensure comprehensive reach and effective dissemination of information. These platforms are used to share updates, success stories and educational content, enhancing our visibility and engagement with a wider audience. Our active social media presence helps us connect with stakeholders, promote our brand and stay relevant in an increasingly digital world.

Followers		
TikTok	2,159	88
Instagram	672	282
Facebook	3,472	3,947
LinkedIn	1,753	2,976

Social media followers as at 31st Mar'25

CAPITAL MANAGEMENT REPORTS

GRI 2021 : 302-4

Natural Capital

Ceylon Tea Brokers PLC is committed to managing its natural capital responsibly, recognizing that sustainable resource usage is vital for the long-term success of our business and the preservation of the environment. Our approach to managing natural capital focuses on the efficient use of water, paper, electricity, and fuel.

TOTAL PAPER USAGE

2,801,576 Nos.
Paper Usage (No of Sheets)

1,569 Nos.
Files

2,554,557 Nos.
Paper

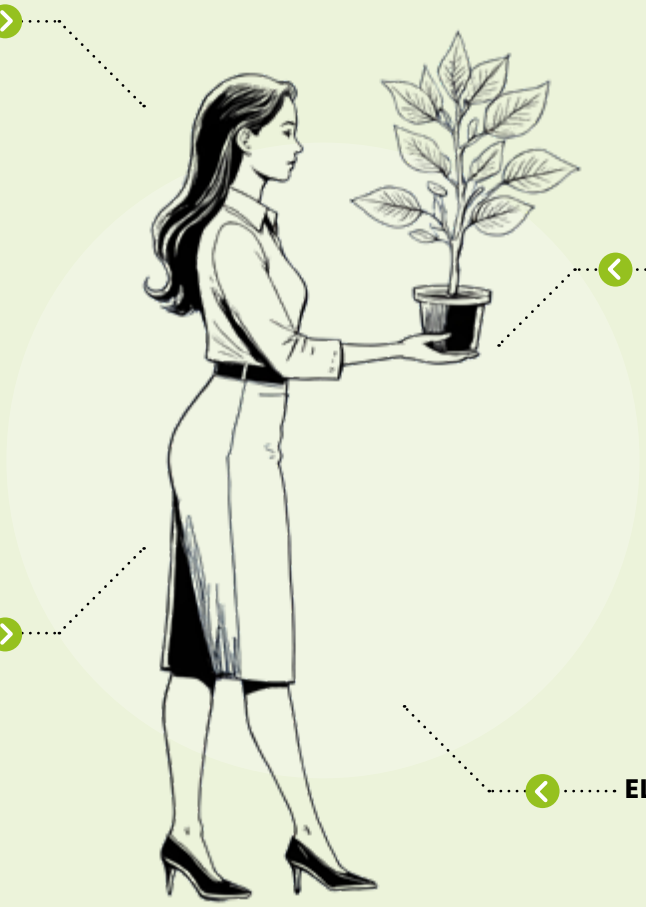
245,450 Nos.
Envelopes

FUEL CONSUMPTION

73,667 Liters
Total Fuel Consumption

38,476 Liters
Petrol

35,191 Liters
Diesel



WATER CONSUMPTION

4,326 Nos.
Total Water Consumption

4,263 m^3
Water line

63 m^3
Bottled water

ELECTRICITY CONSUMPTION

343,818 Kwh
Electricity Consumption

Natural Capital Contribution in Value Creation			
Provides water, energy, and raw materials critical for the organization.	Ensures the quality and quantity of tea through healthy natural resources.	Supplies renewable and non-renewable energy for all operational needs.	Supports biodiversity and ecosystem balance, essential for sustainable business continuity.

Natural Capital Management

Water Consumption

Warehouses and Headquarters: The group primarily utilizes the water line and bottled water at both warehouses and headquarters to ensure efficient water usage and minimal waste.

Paper Consumption

Business Operations: Paper is an essential resource for our day-to-day activities. We use paper, files, and envelopes extensively, particularly for placing samples into envelopes during our operations. Efforts are made to optimize paper use and explore digital alternatives where feasible.

Electricity Usage

Main Line Dependence: Our electricity consumption is managed through the use of the main electricity line, ensuring a reliable and efficient power supply for our warehouses, offices, and other facilities.

Fuel Consumption

Factory Visits and Employee Travel Allowances: Fuel is predominantly used for factory visits. Additional fuel usage comes from employee travel allowances.

Environmental Initiatives

To minimize our environmental impact, the Group has implemented several initiatives.

Transition to a Paperless Office

Through automation and technological investments, we have significantly reduced our carbon footprint by minimizing paper usage.

Initiative	Description	Impact
Transition to a Paperless Office	Electronic Correspondence	Routine client communications through emails and SMS.
	Digital Faxes	Incoming faxes converted to emails for individual users.
	Microsoft Teams	Digital access to board papers and virtual meetings for the Board of Directors.

These initiatives have successfully reduced our carbon footprint by minimizing paper usage, envelopes, and other printing materials. Furthermore, we have transitioned from making payments to customers via cheques to electronic methods, resulting in cost savings on paper and faster realization of payments through collaboration with leading banks in the country.

Initiative	Description	Impact
Environmental Sustainability Practices	Natural Lighting	Utilizing natural lighting in warehousing locations and tea tasting rooms to maximize daylight usage.
	Certifications	Encouraging producer clients to obtain certifications such as the Rain Forest Alliance certificate.
	Water Treatment	Implementing a water treatment plant at the Muthurajawela warehouse to treat wastewater before disposal.
	Rainwater Harvesting	Installing a Rainwater Harvesting System (RWHS) to collect and reuse rainwater at the warehouse.

Financial Implications and Climate Change Risks

As a company involved in the production of tea, we recognize that weather and climatic changes have a significant impact on our profitability. While we cannot directly control the implications of climate change, we closely monitor weather patterns in all agro-climatic districts and adjust our business plans accordingly.

Significant Impacts on Biodiversity

Being a service organization, our business activities and services have no significant impact on biodiversity.

Compliance with Environmental Laws and Regulations

During the reviewed year, no incidents were reported regarding noncompliance with environmental laws and regulations. We remain committed to upholding environmental standards and complying with relevant regulations.

CAPITAL MANAGEMENT REPORTS

GRI 2021 : 2-28

Social and Relationship Capital

Ceylon Tea Brokers PLC is committed to managing its natural capital responsibly, recognizing that sustainable resource usage is vital for the long-term success of our business and the preservation of the environment. Our approach to managing natural capital focuses on the efficient use of water, paper, electricity, and fuel.

TEA PRODUCER PORTFOLIO

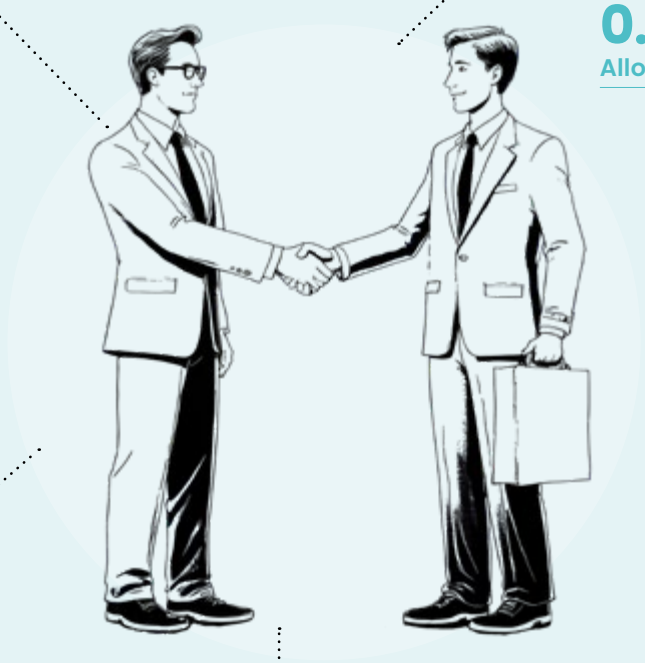
17 %
High Grown

19 %
Medium Grown

64 %
Low Grown

TOWARDS CSR

0.025 Rs.
Allocated Per Kilo of Tea Sold



CLIENTS

221 Nos.
Tea Buyers

171 Nos.
Tea Producers

40 Nos.
Logistic

INDUSTRY STAKEHOLDER ASSOCIATIONS

Colombo Tea Traders' Association
Colombo Brokers' Association
Ceylon Chamber of Commerce
Sri Lanka Private Tea Factory Owners' Association
Tea Exporters' Association
Ministry of Plantation Industries
Sri Lanka Tea Board

Social and Relationship Capital Contribution in Value Creation			
Strengthening supply chain resilience by maintaining robust and supportive relationships with tea producers, buyers and logistic clients	Enhancing customer loyalty and satisfaction through continuous engagement, feedback mechanisms, and tailored service offerings	Regulatory compliance and industry advocacy	Our commitment to social responsibility and ethical practices ensures the ongoing success and profitability of our business

Customers

We consistently strive to enhance our customer service proposition to earn the trust of our customers and strengthen our relationships with them. Our customer portfolio includes tea producers, tea buyers and logistic clients. Our marketing team, with statistical assistance from Business Analysts and their industrial expertise, diligently identifies buyer requirements and matches them with the capabilities of our producer clients. By fostering strong relationships with tea buyers, we ensure we secure the best possible prices for our producer clients' products.

To improve the customer experience, we promptly address customer complaints by involving relevant department heads to take appropriate corrective actions. During the reviewed year, we conducted a comprehensive customer satisfaction survey with tea producers and tea buyers to gather feedback on the quality of services provided. This feedback has been instrumental in guiding our continuous improvement efforts.

Our commitment to enhancing customer relationships is unwavering, and we actively seek to build new connections. By understanding and anticipating our customers' needs, we aim to provide exceptional service and foster long-term partnerships that drive mutual success.

Supply Chain

As an intermediary between tea producers and tea buyers, our key stakeholders in the supply chain are the producers, buyers, and other service providers. At the subsidiary level, our supply chain includes warehouse providers, machinery and equipment suppliers, transporters, packaging material suppliers, manpower suppliers and a multitude of corporate and private customers.

Our stable and efficient supply chain ensures that we can meet the demands of our customers while maintaining high standards of quality and reliability.

Business Partners

Our business partners, including suppliers and service providers, play a vital role in ensuring the continuity of our operations. We rely on a diverse group of partners who supply the materials and services necessary for our day-to-day operations. Strengthening relationships with our business partners involves entering into service level agreements, making timely payments and maintaining regular communication.

By establishing clear and mutually beneficial agreements, we ensure that our operations run smoothly and efficiently. Regular communication helps us address any issues promptly and collaboratively, fostering a cooperative and supportive business environment. Our commitment to maintaining strong relationships with our business partners is essential for our continued success and operational excellence.

Our commitment to Enhancing customer Relationships is Unwavering, and we Actively seek to build New connections. By understanding And anticipating our Customers' needs, We aim to provide Exceptional service And foster long-term Partnerships that Drive mutual success.

CAPITAL MANAGEMENT REPORTS

GRI 2021 : 407-1, 408-1, 409-1, 416-2, 418-1

Social and Relationship Capital

Category	Details
Customers	• **Service Enhancement:** Enhance customer service, gain trust, strengthen relationships with tea producers, buyers and logistic clients • **Marketing Team Role:** Match buyer requirements with producer capabilities. • **Complaint Resolution:** Promptly address complaints with corrective actions. • **Customer Surveys:** Conduct customer satisfaction surveys with tea buyers and producers • **Relationship Building:** Enhance and establish new relationships.
Supply Chain	• **Stakeholders:** Tea producers, Tea buyers, service providers. • **Subsidiary Supply Chain:** Warehouse providers, machinery suppliers, transporters, packaging suppliers, manpower suppliers, corporate and private customers. • **Changes:** Tea handling operations were transferred back to Ceylon Tea Brokers PLC from Logicare (Pvt) Ltd w.e.f 01st February 2025.
Customer Health and Safety	• **Compliance:** No instances of non-compliance relating to health and safety impacts reported during the reviewed year.
Customer Privacy	• **Privacy Protection:** No substantiated complaints regarding breaches of privacy or loss of customer data during the reviewed year.
Business Partners	• **Role:** Supply materials and services for operations. • **Relationship Strengthening:** Service level agreements, timely payments, regular communication.
Procurement Procedure	• **Standards:** Adheres to high ethical standards, emphasizes social and environmental responsibilities.
Labor Rights	• **Freedom of Association:** No operations or suppliers pose a risk to freedom of association and collective bargaining. • **Child Labor:** No operations or suppliers at significant risk for incidents of child labor. • **Forced Labor:** No operations or suppliers at significant risk for incidents of forced or compulsory labor.

Category	Details
Industry Stakeholder Associations	• **Associations:** Colombo Brokers' Association, Colombo Tea Traders' Association, Sri Lanka Private Tea Factory Owners' Association, Tea Exporters' Association, Ceylon Chamber of Commerce, Sri Lanka Tea Board, Ministry of Plantations Industries. • **Participation:** Active participation in events and forums.
Community	• **Social Responsibility:** Emphasis on social responsibility and positive contributions to society by allocating 0.025 Rs. per every Kilo of tea sold
Training and Development	• **Opportunities:** Provided training and internships to graduates and undergraduates. • **Certification:** Certified training partner by CA Sri Lanka. • **Training Hours:** 790 hours of staff training and development during the reviewed year.
Infrastructure Investments	• **Financial Support:** Extended financial facilities amounting to Rs. 1,399.1 million for producer clients' working capital requirements as of March 31, 2025.
Legal Proceedings	• **Compliance:** No legal actions or accusations related to anticompetitive behavior, anti-trust violations, or monopolistic practices during the reviewed year.
Non-discrimination	• **Equality:** No instances of discrimination recorded or reported during the reviewed year.
Human Rights	• **Assessments**: No business operations subject to human rights reviews or impact assessments. • **Ethical Practices:** Adhered to ethical practices and upheld human rights standards.
Political Contributions	• **Neutrality:** No political contributions made during the reviewed year.
Regulatory Compliance	• **Adherence:** No instances of non-compliance with laws and regulations pertaining to social and economic matters.
Security Measures	• **Third-party Security:** Relies on third-party organizations for security personnel. • **Group Policies & Procedure Education:** Security personnel educated about the Group's policies and procedures.

OPERATIONAL PERFORMANCE REVIEW

Overview

In the year under review, Ceylon Tea Brokers PLC continued to strengthen its position as a pivotal player in the tea broking industry, navigating through a complex landscape marked by both challenges and opportunities. Our unwavering commitment to excellence has enabled us to deliver robust operational performance, reinforcing our status as a trusted partner in the industry. The fiscal year was characterized by dynamic market conditions, fluctuating demand, and evolving regulatory frameworks. Despite these hurdles, Ceylon Tea Brokers PLC demonstrated resilience and agility, leveraging our deep industry expertise, strong stakeholder relationships, and technological capabilities to optimize operations and drive growth.

Our strategic initiatives focused on enhancing operational efficiencies, expanding our service offerings, and strengthening our market presence. These efforts were underpinned by our dedicated team, whose expertise and passion for the tea industry have been instrumental in our success. By fostering a culture of continuous improvement, we have been able to deliver exceptional value to our clients and stakeholders.

In this section, we delve into the key aspects of our operational performance. We believe that our steadfast commitment to operational excellence will continue to propel Ceylon Tea Brokers PLC towards sustained growth and long-term success.

Tea Broking Segment | Client Financing Activities | Manufacturing Advisory | Warehousing & Logistic Segment

Tea Broking Segment

Tea Broking Segment	2024/25	2023/24
Tea Volume (Mn. Kg)	41.14	36.85
Avg price per kilo (Rs)	1,213.57	1,175.14
Market Share (Quantity) (%)	15.95	14.46
Market Share (Value) (%)	16.12	14.88

The Tea Broking segment remains the cornerstone of Ceylon Tea Brokers PLC's operations, reflecting our expertise in the industry. In the past year, the segment navigated a challenging environment characterized by market volatility and fluctuating tea prices. Despite these hurdles, we delivered a commendable performance, driven by our strategic initiatives and unwavering commitment to excellence. Tea production in Sri Lanka recorded a marginal increase in 2024, rising from 256.09 Mn Kg to 262.16 Mn Kg. This growth, together with the improvement in market share from 14.46% to 15.95% in 2024/25, was mirrored in the performance of Ceylon Tea Brokers PLC, with the volume of tea handled increasing from 36.8 Mn Kg in the previous year to 41.1 Mn Kg.

Average price per kilo increased by 3%, from Rs. 1,213.57 to Rs. 1,175.14, in the current year. The Company recorded an increase in market share based on quantity sold, rising to 15.95% from 14.46% in the previous year. Likewise, market share in terms of the value of teas sold improved from 14.88% to 16.12%, primarily driven by the increase in average prices realized. This growth in market share was further supported by the increase in the number of tea factories that channeled their teas through Ceylon Tea Brokers PLC during the year.

Client Financing Activities

Client Financing Activities	2024/25	2023/24
Loans and advances to Tea Suppliers (Rs. Mn)	1,399.14	1,287.15
Interest Earned on Loans and Advances (Rs. Mn)	292.16	448.95
Finance Expenses related to Client Financing Activities (Rs. Mn)	160.89	243.29

During the financial year 2024/25, loans and advances extended to tea suppliers increased to Rs. 1,399.14 Mn compared to Rs. 1,287.15 Mn in 2023/24, reflecting the Company's continued support towards meeting the working capital requirements of its suppliers. This growth highlights the Company's commitment to ensuring liquidity for its producer base despite the challenging operating environment.

However, interest income from loans and advances declined sharply to Rs. 292.16 Mn in 2024/25 from Rs. 448.95 Mn in 2023/24. The reduction was primarily due to a significant decrease in market interest rates during the year, which directly impacted yields from client financing activities.

Finance Expenses related to Client Financing Activities stood at Rs. 160.89 Mn, marginally lower than Rs. 243.29 Mn in the previous year, reflecting the benefit of prudent financial management and successful negotiations in reducing borrowing costs.

Manufacturing Advisory

Manufacturing Advisory
Personalized service to clients to assist in improving the quality of tea
Advise on manufacturing methods to address market needs
One-on-one meetings with tea sellers, tea factory owners, and factory operational staff

Our manufacturing advisors play a vital role in organizational growth, as their advice and guidance on improving the quality of tea that our clients produce, enable us to obtain competitive prices at the auction. They are stationed permanently in various tea-producing areas across the country and provide personalized service to our clients to assist them in improving the quality of their tea. One-on-one meetings with manufacturing advisors, tea sellers, tea factory owners, and factory operational staff have created a solid communication platform to share the expectations of tea exporters, understand the challenges faced by tea producers, and advise on how manufacturing methods could be transformed to address market needs.

Warehousing & Logistic Segment

Warehousing & Logistic Segment	2024/25	2023/24
Revenue (Rs. Mn)	502.97	652.20
Gross Profit (Rs. Mn)	70.11	133.19
Profit / (Loss) from Operations (Rs. Mn)	(36.37)	8.72
Profit / (Loss) after Tax (Rs. Mn)	(162.14)	(71.13)

The Warehousing & Logistics segment recorded revenue of Rs. 502.97 Mn in 2024/25, compared to Rs. 652.20 Mn in the previous financial year. Gross profit for the year declined to Rs. 70.11 Mn from Rs. 133.19 Mn in 2023/24, primarily due to lower revenue, throughput and underutilisation of capacity amid competitive market conditions.

Ceylon Tea Brokers PLC delivered resilient performance amid market volatility, strengthening its position in the tea broking industry through operational excellence, strategic growth, and enhanced stakeholder value.

The segment reported a loss from operations of Rs. 36.37 Mn, compared to an operating profit of Rs. 9.74 Mn in the prior year. Consequently, the loss after tax widened to Rs. 162.14 Mn in 2024/25 from Rs. 71.13 Mn in the previous year.

Despite efforts to stabilise performance, the segment has yet to deliver the expected results. In view of this, operations have been rationalised from April 2025 with the objective of aligning costs to prevailing demand levels. At the same time, a comprehensive review of the business model is underway, with the aim of identifying strategic options that will enable the segment to achieve sustainable growth.

GRI 2021 : 2-22

OUR APPROACH TO SUSTAINABILITY

Ceylon Tea Brokers PLC integrates Environmental, Social, and Governance (ESG) principles into its operations, driving sustainable value creation while supporting people, the planet, and long-term economic growth.

We put our efforts to operate in a way that creates long-term value by balancing the needs of the organization with the needs of future generations. Our Group's sustainability approach provides the foundation for incorporating the three pillars of sustainability: Environmental, Social and Economy, into our decision-making process.

Being a socially responsible corporate citizen is part of our mission. Therefore, we ensure that our business activities positively impact on economic, social and environmental sustainability. The Group has executed initiatives to integrate Environmental, Social and Governance (ESG) considerations with triple bottom line value creation.

We believe our approach in embedding our strategic sustainable practices into our operations has so far made a greater contribution in safeguarding the people and planet while achieving our financial objectives. Our persistent commitment to accomplish objectives set out by the United Nations Sustainability Goals (SDGs) and the progress we made in each of these priorities, are set out below.

Financial Capital

- Provided financial facilities worth Rs. 1,399.14 million in the form of Loans and Advances as of 31st March 2025 to our producer clients to expand their operations which in turn helped the industry and the economy.
- The total economic value distributed for the year is Rs. 1,348 million

Manufactured Capital

- Muthurajawela warehouse is designed to reduce the carbon footprint.
- A wastewater treatment plant is in place at the Muthurajawela warehouse to clean water before discharging.
- Logicare (Pvt) Ltd initiated a Rainwater Harvesting System (RWHS) at the Muthurajawela warehouse, to collect and reuse rainwater at the warehouse.

Human Capital

- Adhered to an equal and transparent recruitment and selection process
- Total recruitments to the Group during the year is 12.
- The total number of employees 121.
- Provided various and diverse training opportunities to employees in order to enhance their professional and technical skills.
- Reimbursed annual subscription fees of employees who are members of professional bodies.
- Emphasized at all times to act as an equal opportunity employer

Intellectual Capital

- Company provided financial facilities worth Rs. 1,399.14 million in the form of advances and loans as of 31st March 2025 to support Tea producer clients in expanding their operations.
- Improved connectivity through Microsoft Teams, Zoom, E-mails, and social media platforms.
- Invested in improving the IT infrastructure of the Group by hosting all the systems in clouds.

Natural Capital

- CTB PLC has invested in technology to reduce paper usage during its journey to a paperless office
- Routine correspondences to our clients have been converted to electronic forms such as emails and SMSs
- Natural lighting is used in warehouse locations during the daytime.
- Most of the payments to suppliers, and Tea producer clients are made electronically in collaboration with leading banks in the country.
- Encourage our producer clients to obtain globally recognized certifications such as Rain Forest Alliance certificate.

Social and Relationship Capital

- Ensured that any of the group's operations or suppliers were not involved with any incidents of child labour, forced labour, or compulsory labour.
- The group introduced Code of Business conduct and ethics for directors, key management personnel and employees in January 2018.

The following diagram elaborates our strategy towards sustainability and our sustainability goals which are in line with our business strategy.

Ceylon Tea Brokers PLC is deeply committed to operating responsibly and sustainably by embedding Environmental, Social, and Governance (ESG) principles into every aspect of its business, focusing on long-term value creation that balances the needs of the organization with those of future generations, while actively supporting economic growth, environmental preservation, and social well-being through initiatives aligned with the United Nations Sustainable Development Goals (SDGs).

Creating a Sustainable Future

Following diagram elaborates our strategy to sustainability and our sustainability goals which are in line with our business strategy.

Economic		Social		Environment	
Economic Performance	**Ethics and Integrity**	**Employees**	**Community**	**Natural Resources**	**Emission and Waste**
• Creating Wealth to all Stakeholders	• Ethics and Integrity in all Business Activities • Responsible Business Practices • Good Procurement Practices	• Employee Relations • Training and Development • Diversity and Equal Opportunity • Health and Safety • Employee Well-Being	• Community Development • Responding to Natural Disasters	• Optimize the Usage of Energy and Materials	• Reduce the Carbon Footprint

OUTLOOK

Global and Local Tea Industry

The global tea industry experienced a year of steady growth in 2024, with both production and exports showing notable improvements across key tea producing nations. Global tea production increased by 7% in 2024, reaching 7,052.60 million kilograms compared to 6,603.81 million kilograms in 2023. While Sri Lanka saw a modest increase of 2%, producing 262.16 million kilograms in 2024 compared to 256.09 million kilograms in the previous year. Global tea exports grew by 5% in 2024, reaching 1,944.06 million kilograms compared to 1,853.75 million kilograms in 2023, an increase of 90.32 million kilograms. While Sri Lanka registered a marginal growth of 2%, exporting 245.79 million kilograms in 2024.

Tea Production by Elevation in Sri Lanka

Elevation	2024	2025	Variance	
	Mn/Kg	Mn/Kg	Mn/Kg	%
High Grown	58.64	55.72	-2.92	-5%
Mid Grown	42.34	47.62	5.28	12%
Low Grown	155.11	158.82	3.71	2%
Total	**256.09**	**262.16**	**6.07**	**2%**

Tea production in Sri Lanka recorded a marginal overall growth of 2% in 2024/25, increasing from 256.09 Mn Kg in the previous year to 262.16 Mn Kg. This improvement was largely driven by a notable 12% increase in Mid Grown elevation, which rose from 42.34 Mn Kg to 47.62 Mn Kg, alongside a 2% increase in Low Grown elevation from 155.11 Mn Kg to 158.82 Mn Kg. In contrast, High Grown elevation declined by 5%, falling from 58.64 Mn Kg in 2023/24 to 55.72 Mn Kg in 2024/25.

Warehousing and Logistics Industry

Sri Lanka's strategic location along major shipping and air routes continues to reinforce its potential as a regional logistics hub. The ports of Colombo and Hambantota remain central to supporting entrepot and transshipment services, while proximity to emerging markets strengthens the country's competitive positioning.

As the economy shows signs of stabilisation, trade flows are expected to gradually improve, driving demand for advanced warehousing and logistics services. Growth in e-commerce is further accelerating the need for modern warehousing facilities, while increased adoption of digital platforms, automation, and data-driven technologies is transforming the industry. These developments, supported by ongoing improvements to physical and ICT infrastructure, are key to Sri Lanka's ambition of becoming a multimodal logistics hub.

The global tea industry recorded steady growth in 2024, driven by higher production and export volumes, with Sri Lanka posting modest gains in both areas.

However, the sector continues to face challenges such as fuel price volatility, regulatory adjustments, and the shortage of skilled labour. While these factors exert pressure on margins, they also present opportunities to innovate and strengthen resilience through more efficient, technology enabled logistics networks.

The Group

Tea Broking Segment

During the year under review, Ceylon Tea Brokers PLC handled a total quantity of 41.14 Mn Kg, representing a 15.95% share of the total production. The overall average price realized stood at Rs. 1,213.57 per Kg, generating total proceeds of approximately Rs. 49.93 Bn, which accounted for 16.12% of the industry's total value.

By elevation, Low Grown teas dominated the portfolio, contributing 29.26 Mn Kg or 18.79% of total production, at an average of Rs. 1,294.30 per Kg. High Grown teas accounted for 6.22 Mn Kg (11.35%) with an average of Rs. 1,033.56 per Kg, while Medium Grown teas recorded 5.66 Mn Kg (11.93%) at an average of Rs. 993.94 per Kg.

This performance underscores CTB's strong presence across all elevations, with a particularly significant contribution from Low Grown teas, reinforcing its position as a leading player in the tea broking industry.

Warehousing Segment

The Warehousing & Logistics segment recorded revenue of Rs. 502.97 Mn in 2024/25, down from Rs. 652.20 Mn in the previous year. Gross profit declined to Rs. 70.11 Mn, primarily due to lower volumes and underutilised capacity amid competitive market conditions. The segment reported a loss from operations of Rs. 36.37 Mn, compared to an operating profit of Rs. 8.72 Mn in 2023/24, while loss after tax widened to Rs. 162.14 Mn from Rs. 71.13 Mn.

In response, operations were rationalised from April 2025 to align costs with demand, while the business model is being reviewed to identify sustainable growth opportunities. Despite these challenges, Logicare made significant progress by combining operational excellence, technology, and customer-centric innovation. Key achievements include industry awards, ISO certifications (including new ISO 14001 and ISO 45001), operational innovations such as On-Demand Warehousing and cross-docking, enhanced customer experience through the Logicare One platform, a customer satisfaction rate above 95%, and comprehensive training and development initiatives for staff.

These milestones demonstrate Logicare's commitment to service excellence and innovation, providing a strong foundation for repositioning the segment toward long-term sustainable growth.

GOVERNANCE REPORTS

FOCUS

Strong governance is about discipline and precision. At Ceylon Tea Brokers, we remain focused — like a juggler keeping every element in motion — ensuring transparency, accountability, and consistency in all that we do.

CHAIRMAN'S STATEMENT ON CORPORATE GOVERNANCE

Mr. R J N De Mel
Chairman

> "In line with the revised Listing Rules on Corporate Governance issued by the Colombo Stock Exchange, we have enhanced the structure and function of the Board and its Committees."

The evolving business environment, shaped by market volatility, regulatory reform, and the rapid digitization of operations continues to present both opportunities and challenges for listed companies in Sri Lanka. In this context, Ceylon Tea Brokers PLC remains firmly committed to maintaining the highest standards of corporate governance, recognizing that accountability, transparency, and ethical leadership are critical to preserving stakeholder confidence and ensuring long-term sustainability.

The year under review marked a period of progress in our governance journey. We undertook a comprehensive review and reconstituted our board and the key Board Committees, ensuring alignment with updated regulatory requirements and enhanced functional effectiveness.

Our governance philosophy is rooted in the principles of fairness, integrity, and responsibility. We believe that strong governance is not merely a compliance exercise but a vital mechanism that underpins disciplined performance, responsible conduct, and stakeholder trust. As a public listed company, we take seriously our duty to uphold the highest levels of transparency in our disclosures and decision making processes.

In line with the revised Listing Rules on Corporate Governance issued by the Colombo Stock Exchange, we have enhanced the structure and function of the Board and its Committees. Particular attention has been given to director independence, succession planning, and continued development to ensure the Board remains equipped to provide oversight amidst a dynamic operating environment.

We are pleased to confirm that the Company remains in full compliance with the Code of Best Practice on Corporate Governance 2023 issued by the Institute of Chartered Accountants of Sri Lanka. These standards have guided us in refining our internal controls, strengthening risk governance, and maintaining appropriate checks and balances at all levels of the organization.

Looking ahead, we will continue to evaluate and enhance our governance systems, ensuring they remain robust, responsive, and in line with emerging best practices. Our commitment is to sustain a culture of transparency and integrity that supports the Company's strategic goals and safeguards the interests of all stakeholders.

I would like to express my sincere appreciation to my fellow Board members for their insight and counsel, to the Management team for their focused execution, and to all stakeholders for their continued trust and support. We will remain steadfast in our efforts to uphold the principles of good governance that define Ceylon Tea Brokers PLC.

Mr. R J N De Mel
Chairman

24th October 2025

GRI 2021 : 2-9

CORPORATE GOVERNANCE

Ceylon Tea Brokers PLC's corporate governance philosophy is anchored in responsible leadership, unwavering integrity, and a culture built on ethical business conduct. This philosophy has been integral to our journey since inception, guiding the Company through market changes and supporting sound decision-making amidst an evolving operating landscape. It continues to shape our governance practices, enabling us to remain agile, transparent and accountable as we deliver long-term value to our stakeholders.

Key Corporate Governance Developments – 2024/25

Board and Committee Changes

- Appointment of three new Independent Non-Executive Directors has strengthened the Board's overall expertise.
- In compliance with the listing rules of the Colombo Stock Exchange (CSE) Reconstitution of board sub-committees.

Skills added to the Board: Finance, Accounting and Auditing, Banking and Management, Marketing, Human Resources, Organizational and Leadership Development, Engineering, Innovation and Technology

Bribery, Anti-Corruption and Whistleblowing

Strengthened the Group's Bribery, Anti-Corruption and Whistleblowing framework.

Policies

In accordance with Section 9.2 of the Colombo Stock Exchange (CSE) Listing Rules, the Company has established and maintained the required policies and has disclosed the existence of these policies, along with details of their implementation by the Entity, on its official website.

Board Contribution

- Provided strategic oversight and monitored organizational performance
- Engaged proactively with key stakeholders
- Played a pivotal role in shaping and guiding the organization's culture

Governance and Functionality

Committee Operations

Each Committee operates under a formal charter and convenes on a regular basis, with a minimum of one meeting per quarter. The frequency and agenda of meetings are aligned with the nature and urgency of issues under review.

External Expertise

Where necessary, Committees draw on external professional expertise to obtain independent perspectives, ensure regulatory compliance, and enhance the quality of decision-making.

Accountability to the Board

While authority is delegated, ultimate responsibility for Committee decisions remains with the Board of Directors. The Board reviews and deliberates on key matters arising from Committee proceedings to ensure alignment with the Company's governance objectives.

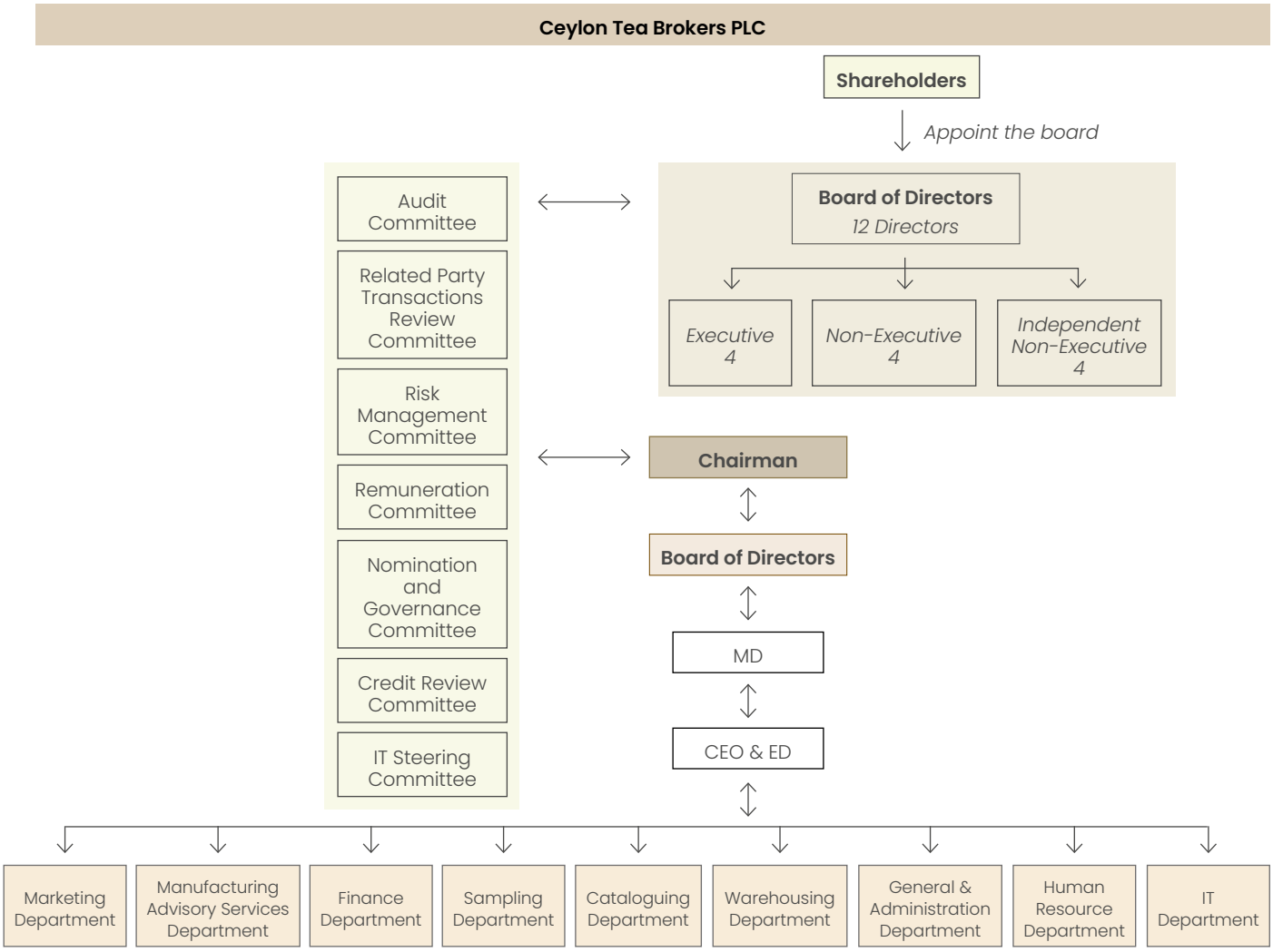
- Committee minutes are formally recorded and presented to the Board, capturing key deliberations and decisions.
- Where required, matters are referred back to the respective Committees for further review, analysis, or resolution.
- This structured reporting and oversight mechanism ensures that all decisions are made with due diligence, transparency, and alignment to the Company's strategic direction.

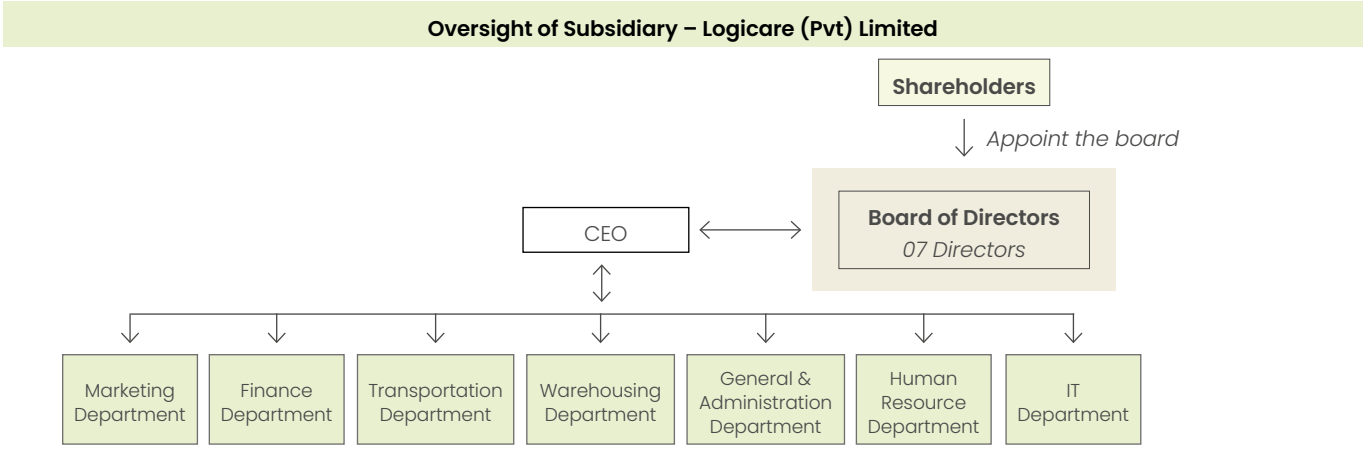
Appointment and Removal of the Company Secretary

The Board of Directors holds the authority and responsibility for the appointment and removal of the Company Secretary, ensuring that the role is fulfilled with integrity and in alignment with the Company's governance framework. The Company Secretary plays a pivotal role in upholding the highest standards of corporate governance, serving as a key conduit between the Board and management, and fostering a culture of transparency, compliance, and accountability across the organization.

Group Governance Structure

The governance structure of Ceylon Tea Brokers PLC has been progressively refined to ensure transparency and accountability to all stakeholders. As illustrated below, the Board maintains clear oversight across the Group ensuring effective governance and strategic alignment.





CORPORATE GOVERNANCE

GRI 2021 : 2-9

Governance Standards and Frameworks

At Ceylon Tea Brokers PLC, we are committed to upholding the highest standards of corporate governance, ensuring transparency, accountability, and ethical conduct across all levels of the organization. Our governance framework is designed to support effective decision making, safeguard stakeholder interests and promote long-term value creation.

Internal Governance Structure

Governance Component	Key Roles and Responsibilities
Board of Directors	Overall oversight of governance, strategic direction and compliance.
Board Sub-Committees	Specialized focus on Audit, Risk, Remuneration, and other key areas.
Management Departments	Execution of strategic plans and oversight of day-to-day operations.
Internal Audit	Independent assurance on the effectiveness of internal controls and risk management systems.

Objective : To ensure policies, procedures, and internal controls are effectively implemented and monitored.

External Governance Structure

Compliance Areas	Regulatory/Best Practice Framework
Corporate Governance	• Companies Act No. 07 of 2007 • Continuing Listing Rules – Colombo Stock Exchange • Sri Lanka Accounting and Auditing • Standards Act No.15 of 1995 • Inland Revenue Act No. 24 of 2017 and subsequent amendments • The Shop and Office Employees Act No. 15 of 1954
Voluntary Compliance	• Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants 2023 • 10 principles of the United Nations Global Compact • Integrated Reporting Framework • Global Reporting Initiative Standards • Quality standard certifications obtained by Logicare (Pvt) Ltd
Regulatory Bodies	• Sri Lanka Tea Board • Colombo Tea Traders' Association • Department of Inland Revenue • Colombo Brokers' Association

Objective : To ensure transparent, ethical, and accountable operations, the Group adheres to a comprehensive external governance structure guided by statutory requirements, regulatory bodies, and best practice frameworks.

Code of Business Conduct and Ethics

The Group introduced its Code of Business Conduct and Ethics for Directors, Key Management Personnel and employees in 2018 which covers the following aspects in order to promote good governance and an ethical business environment.

Conduct Area	Description
Accurate Accounting	Honest and transparent financial reporting.
Anti-Bribery & Corruption	Zero tolerance for unethical inducements.
Anti-Money Laundering	Compliance with AML frameworks.
CSR & Charitable Contributions	Ethical giving and corporate social responsibility.
Compliance with Laws	Including insider trading regulations.
Confidentiality	Protection of sensitive company and client information.
Conflict of Interest	Transparent management of conflicting interests.
Entertainment & Gifts	Ethical acceptance and offering of gifts.
Fair Dealing	Just and impartial conduct in all dealings.
Grievance Handling	Clear disciplinary procedures.
Unethical Behavior	Prohibition of illegal or immoral acts.
Intellectual Property	Respect for and protection of IP rights.
Non-Discrimination	Safe, inclusive work environment.
Non-Solicitation	No wilful solicitation of clients or staff.
Asset Protection	Proper use of company resources.
Trademarks & Service Marks	Legal compliance and brand integrity.
Tech & Info Security	Responsible use of digital tools and protection of data.
Whistleblowing	Secure and anonymous reporting of misconduct.

Sustainability as a Precautionary Approach

"We view sustainability management as an essential strategy to mitigate economic, social, and environmental risks."

Principle	Implementation Approach
Legal Compliance	Review of all laws, regulatory requirements, and internal procedures.
Anticipatory Action	Proactive steps to prevent any form of harm - economic, environmental, or social.
Inclusive Decision-Making	All decisions are open, informed, and democratic, involving all affected stakeholders.

CORPORATE GOVERNANCE

GRI 2021 : 2-9, 2-11, 2-12, 2-13, 2-15, 2-24

Board of Directors

The Board is responsible for the Company's shareholders to ensure at all times that the activities of the Company are conducted with the highest ethical standards and in the best interest of all Stakeholders. The Board consists of professionals from various industries such as tea broking, finance, banking, accounting and management etc.

Roles and responsibilities of the Board

As the apex governing body of Ceylon Tea Brokers PLC, the Board provides strategic leadership and oversight to ensure the long-term sustainability and value creation of the Company. Its key responsibilities include:

- Strategic Leadership – Defining the Company's strategic direction and setting the risk appetite to ensure alignment with stakeholder expectations and market dynamics.
- Governance and Ethics – Approving and upholding corporate governance frameworks, including remuneration policies, while fostering a culture of integrity and ethical conduct across the organization.
- Oversight and Performance Monitoring – Overseeing the Company's operational and financial performance, ensuring regulatory compliance, and reviewing the effectiveness of internal control and risk management frameworks.
- Resource Stewardship – Guiding the efficient allocation and utilization of resources to maximize stakeholder value and operational efficiency.
- Appointments and Succession – Overseeing appointments to the Board, Board Committees and senior management roles, with a focus on maintaining a balance of skills, experience, and independence.

In fulfilling these responsibilities, the Board delegates the execution of strategic plans and the management of day-to-day operations to the Corporate Management team, while maintaining oversight over internal controls, compliance, and risk management systems to safeguard the interests of all stakeholders.

Board – Corporate Management dynamics

At Ceylon Tea Brokers PLC, the relationship between the Board and the Corporate Management is defined by a clear understanding of their respective roles, responsibilities, and delegated authority. This mutual trust, respect and accountability has been fundamental to maintaining sound corporate governance and driving the Company's operational and strategic effectiveness. It remains a cornerstone of our continued growth and our standing within Sri Lanka's tea broking industry.

Segregation of roles of Chairman, Managing Director and Chief Executive Officer

In accordance with the Corporate Governance requirements of the Colombo Stock Exchange, the roles of the Chairman, Managing Director and Chief Executive Officer are clearly delineated to preserve a balance of power and safeguard independent oversight.

The Chairman leads the Board, ensuring its effectiveness in fulfilling its governance responsibilities, while the MD and the CEO is responsible for executing the Company's strategic plan, managing day-to-day operations and delivering performance in line with Board approved objectives.

Policies

In compliance with Section 9.2 of the Listing Rules of the Colombo Stock Exchange (CSE), the Company has established and continues to maintain the following policies. The existence of these policies, together with details regarding their implementation by the Entity, have been disclosed on the Company's official website, accessible via the QR code provided below.

- Policy on the matters relating to the Board of Directors
- Policy on Board Committees
- Policy on Corporate Governance, Nominations and Re-election
- Policy on Remuneration
- Policy on Internal Code of Business conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities
- Policy on Risk management and Internal controls
- Policy on Relations with Shareholders and Investors
- Policy on Environmental, Social and Governance Sustainability

- Policy on Control and Management of Company Assets and Shareholder Investments
- Policy on Corporate Disclosures
- Policy on Whistleblowing
- Policy on Anti-Bribery and Corruption

Aligning with global ESG standards - SLFRS S1 & SLFRS S2

In line with evolving global reporting standards, a comprehensive gap analysis is being conducted to assess the applicability of the newly issued SLFRS S1 – General Requirements for Disclosure of Sustainability related Financial Information and SLFRS S2 – Climate related Disclosures. This proactive initiative will enable the Company to implement appropriate disclosures in its reporting for the financial year ending March 31, 2027.

Composition of the Board

As at 31st March 2025, the Board of Directors of Ceylon Tea Brokers PLC comprised twelve members, compared to eleven at the end of the previous financial year. The composition included four Independent Non-Executive Directors (INEDs), ensuring independent judgment, balanced decision-making and alignment with the interests of shareholders. (Refer pages 38 to 41 for profiles of the Board and page 112 for the composition of the Board at end of FY2024/25)

Each Director contributes a diverse range of expertise across various professional disciplines, which enables the Board to critically evaluate proposals from Corporate Management and provide well rounded perspectives on complex and evolving matters.

Diversity and inclusion

Ceylon Tea Brokers PLC recognizes that diversity and inclusion are vital to cultivating an agile, innovative, and forward-looking organization. The Company fosters a culture where varied viewpoints are actively encouraged and valued, contributing to well-informed decision-making and sustained organizational progress.

Reflecting this commitment, the Board brings together professionals with deep experience in fields such as Tea Industry Operations, Finance, Accounting and Auditing, Banking and Management, Marketing, Human Resources, Organizational and Leadership Development, Engineering, Innovation and Technology, creating a rich tapestry of knowledge and insight that supports the Company's strategic direction.

Board meetings

During the financial year 2024/25, the Board convened five scheduled meetings to provide oversight on key matters concerning strategy, performance, governance, and risk. These sessions served as critical forums for steering the Group's short-term priorities and long-term objectives (Refer on page 112 for the composition of the Board and attendance at meetings for FY2024/25)

Attendance and hybrid meeting format

In recognition of the need for flexibility and continuity, Ceylon Tea Brokers PLC continued to adopt a hybrid model for Board meetings. This format enabled Directors travelling overseas or otherwise unable to attend in person to participate virtually, ensuring uninterrupted governance processes.

CORPORATE GOVERNANCE

GRI 2021 : 2-9

Composition of the Board and attendance at meetings

Name of the Director	Designation	DOA	Age Group	Directorship Status		Attended/ Eligibility to attend	Board Subcommittee Membership							Tenure on the Board as at 31.03.2025
							AC	RPTRC	RMC	RC	NGC	CRC	ITSC	
Mr. R J N De Mel	Chairman	01.04.2019	≥ 50 Yrs	NED	ID	5/5	M	M	M	M	M			5+
Mr. D G W De Silva	Managing Director	23.03.2009	30 - 50 Yrs	ED	NID	5/5	BI	BI	BI	BI	BI	M	M	16
Mr. K A D Fernando	Chief Executive Officer	24.05.2019	30 - 50 Yrs	ED	NID	5/5	BI	BI	BI	BI	BI	M	M	5+
Mr. W A T Fernando	Director	01.02.2005	≥ 50 Yrs	NED	NID	5/5			BI	BI	BI	C		20+
Mr. H T D Nonis	Director	24.05.2019	30 - 50 Yrs	ED	NID	4/5			BI			M		5+
Mr. Z Mohamed	Director	24.05.2019	30 - 50 Yrs	ED	NID	5/5			BI			M	C	5+
Mr. C P R Perera	Director	30.10.2009	≥ 50 Yrs	NED	NID	5/5			M		M			15+
Ms. N T M S Cooray	Director	09.10.2006	≥ 50 Yrs	NED	NID	4/5				M				18+
Ms. H M S Perera	Director	09.10.2006	≥ 50 Yrs	NED	NID	5/5	M	M						18+
Dr. K B G B R Kulapala	Director	27.09.2024	30 - 50 Yrs	NED	ID	2/2			C					<1
Ms. A Akbar	Director	27.09.2024	30 - 50 Yrs	NED	ID	2/2	C							<1
Dr. M De Zoysa	Director	27.09.2024	≥ 50 Yrs	NED	ID	2/2		C		C	C			<1
Mr. B R L Fernando (resigned w.e.f 24th Aug'24)	Former Director	05.05.2010	≥ 50 Yrs	NED	ID	2/2								
Mr. K H S Deshapriya (resigned w.e.f 27th Sep'24)	Former Director	01.04.2016	30 - 50 Yrs	NED	NID	3/3								

DOA – Date of Appointment
ED – Executive Director
NED – Non-Executive Director
ID – Independent Director
NID – Non-Independent Director

AC – Audit Committee
RPTRC – Related Party Transactions Review Committee
RMC – Risk Management Committee
RC – Remuneration Committee
NGC – Nominations and Governance Committee
CRC – Credit Review Committee
ITSC – IT Steering Committee

M - Member
BI - By Invitation
C - Chairperson

Composition of the Board as at 31st March 2025

Executive and Non-Executive Directors

- Executive Directors Non-Independent Directors – 4
- Non-Executive Directors Non-Independent Directors – 4
- Non-Executive Directors Independent Directors – 4

Board's gender composition

- Male – 8
- Female – 4

Board's age composition

- Age above 50 years - 6
- Age below 50 years - 6

Tenure on the Board (Years)

Board of Directors' industry/background experience

Finance, Accounting and Auditing

Banking and Management

Engineering, Innovation and Technology

Tea Industry Expertise

Marketing

HR, Organizational and

Changes to the Board in 2024/25

New appointments

Three new Director were appointed to the Board during the year.

- Dr. K B G B R Kulapala - Independent Non-Executive Director (appointed w.e.f. 27th Sep'24)
- Dr. M De Zoysa - Independent Non-Executive Director (appointed w.e.f. 27th Sep'24)
- Ms. A Akbar - Independent Non-Executive Director (appointed w.e.f. 27th Sep'24)

Resignations

Two Directors resigned from the Board during the year ended March 31, 2025.

- Mr. B R L Fernando (resigned w.e.f 24th Aug'24)
- Mr. K H S Deshapriya (resigned w.e.f 27th Sep'24)

Communication of changes to the CSE

The company ensured all required details regarding the appointments/retirement of Directors were promptly communicated to the CSE, as stipulated in the Listing Rules.

Re-election/election of Directors

The Articles of Association of the company prescribe a process for the re-election and election of Directors, ensuring that the Board maintains its effectiveness and alignment with governance principles.

2025 re-election candidates:

Mr. C P R Perera, Ms. N T M S Cooray, Dr. K B G B R Kulapala, Ms. A Akbar and Dr. M De Zoysa will seek re-election at the AGM on 27th of November 2025.

Board Committees

Ceylon Tea Brokers PLC has instituted a well-defined Board Committee structure to strengthen the Company's governance framework and support the Board in the effective discharge of its responsibilities. The Company has established seven Board Committees, each entrusted with specific mandates and delegated authority to oversee subject-specific and technical matters. This structure enables the Board to remain focused on broader strategic priorities, while ensuring that key operational and governance areas receive dedicated attention.

Mandatory and voluntary committees

Mandatory Board Committees:

In compliance with the listing rules of the Colombo Stock Exchange (CSE), Ceylon Tea Brokers PLC has established the following five mandatory committees:

- Audit Committee
- Related Party Transactions Review Committee
- Risk Management Committee
- Remuneration Committee
- Nomination and Governance Committee

These Committees play a critical role in safeguarding stakeholder interests and ensuring adherence to regulatory and governance standards.

Voluntary Board Committees:

In addition to the mandatory Committees, the Company has constituted two voluntary Committees to address specific business and operational priorities:

- Credit Review Committee
- IT Steering Committee

These Committees reflect the company's proactive approach to strengthening internal controls, technology governance, and credit oversight, underscoring a continued commitment to operational excellence.

COMMITTEE REPORTS

Report of the Audit Committee

Ms. A Akbar
Chairperson – Audit Committee

The Committee regularly assesses the adequacy and effectiveness of the Company's internal control systems to ensure the accuracy, reliability and integrity of its financial reporting.

67 %
Independence
(as at end-March 2025)

7 Meetings

Composition of the Committee

During the year under review, the Board Audit Committee was constituted in accordance with the requirements of Section 9.19.6 of the Listing Rules issued by the Colombo Stock Exchange (CSE), and Section D.3.1 of the Code of Best Practice on Corporate Governance – 2023, issued by CA Sri Lanka. The Committee comprised the following Directors:

- Ms. A Akbar (Chairperson) - Independent Non-Executive Director
- Ms. H M S Perera - Non-Executive Director
- Mr. R J N De Mel - Independent Non-Executive Director

Meeting Attendance

The Committee convened seven times during the year under review, and its deliberations and recommendations were communicated to the Board of Directors as appropriate.

Name of the Director	Attended	Eligibility to Attend
Ms. A Akbar (appointed as the Committee Chairperson w.e.f. 27th Sep'24)	3	3
Ms. H M S Perera*	7	7
Mr. R J N De Mel	5	7
Mr. C P R Perera**	4	4
Mr. B R L Fernando (resigned w.e.f 24th Aug'24)	3	4

* Tenure as the committee chairperson concluded during the reconstitution of Board sub-committees on 27th September 2024

** Tenure as a committee member concluded during the reconstitution of Board sub-committees on 27th September 2024

Regular Attendees by Invitation

The following members of the corporate management team regularly attended the meetings by invitation of the Committee.

- Mr. D G W De Silva - Executive Director / Managing Director
- Mr. K A D Fernando - Executive Director / Chief Executive Officer
- Mr. S A A R Samarasinghe - Director Finance
- Mr. P K S Senevirathna - Finance Manager
- Ms. L S C De Silva - Assistant Finance Manager

Representatives from external auditors, Messrs. KPMG and representatives from internal

auditors, Messrs. Deloitte also attended one meeting each during the year by invitation of the Committee.

Terms of Reference

The Audit Committee has been established to assist the Board of Directors in discharging its oversight responsibilities. The terms of reference for the Audit committee have been clearly defined and the main scope is as follows:

Ensure the integrity of the Financial Statements of the Company
Evaluate the adequacy and effectiveness of internal controls and risk management systems
Monitor compliance with legal and regulatory requirements
Review the scope, effectiveness, and independence of both internal and external audit functions

Financial Reporting

The Committee is responsible for monitoring the Company's compliance with applicable financial reporting regulations, including the Sri Lanka Financial Reporting Standards (SLFRS and LKAS) issued by the Institute of Chartered Accountants of Sri Lanka, the Companies Act No. 7 of 2007, and the Listing Rules of the Colombo Stock Exchange.

In discharging this responsibility, the Audit Committee, together with Management, reviewed the Quarterly and Annual Financial Statements for the year ended 31st March 2025. These reviews focused on ensuring the accuracy, completeness, and regulatory compliance of the financial statements. The Committee also evaluated the effectiveness of the financial reporting processes in place to ensure that reliable and timely information is communicated to shareholders and other stakeholders.

Internal Audit

To support its oversight of internal controls and risk management, the Committee engaged the services of Deloitte to conduct the internal audit for the year. The scope of the internal audit was reviewed and agreed upon in consultation with both the Internal Auditors and Management prior to the commencement of the audit. The resulting Internal Audit Report was thoroughly evaluated by the Committee alongside Management. The Committee also monitored the implementation status of key recommendations made by the Internal Auditors to ensure that necessary corrective actions were taken.

External Audit

The Audit Committee reviewed and discussed the scope of the external audit with both the External Auditors and Management prior to the commencement of audit activities. Upon completion of the audit, the Committee reviewed the Management Letter issued by the External Auditors, and where necessary, recommended appropriate remedial actions. Following an evaluation of the performance of the External Auditors, the Committee has recommended to the Board of Directors the reappointment of Messrs. KPMG, Chartered Accountants of No. 32A, Sir Mohamed Macan Markar Mawatha, Colombo 02, as the External Auditors for the financial year ending 31st March 2026, subject to shareholder approval at the Annual General Meeting. The Committee also reviewed the proposed audit fees, which were subsequently submitted to the Board for approval.

Independence of the External Audit

The Audit Committee reviewed all non-audit services provided by the External Auditors to ensure that their independence and objectivity remained uncompromised. The Committee is satisfied that the Company's accounting practices, and internal control environment offer reasonable assurance that operations are conducted in compliance with internal policies and that the Company's assets are properly accounted for and adequately safeguarded.

Ms. A Akbar
Chairperson – Audit Committee

24th October 2025

Report of Related Party Transactions Review Committee

Dr. M De Zoysa
Chairperson – Related Party Transactions Review Committee

The Committee regularly assesses the transactions between the company and its related parties to ensure they are conducted on fair and transparent terms.

67 %
Independence
(as at end-March 2025)

4 Meetings

Composition of the Committee

During the year under review, the Board Related Party Transactions Review Committee was constituted in accordance with the requirements of Section 9.14.2 of the Listing Rules of the Colombo Stock Exchange (CSE) and Section D.5.2 of the Code of Best Practice on Corporate Governance – 2023, issued by CA Sri Lanka. The Committee comprised the following Directors:

- Dr. M De Zoysa (Chairperson) - Independent Non-Executive Director
- Mr. R J N De Mel - Independent Non-Executive Director
- Ms. H M S Perera - Non-Executive Director

Meeting Attendance

The Committee convened four times during the year under review, and its deliberations and recommendations were communicated to the Board of Directors as appropriate.

Name of the Director	Attended	Eligibility to Attend
Dr. M De Zoysa (appointed as the Committee Chairperson w.e.f. 27th Sep'24)	2	2
Ms. H M S Perera	4	4
Mr. R J N De Mel	3	4
Mr. B R L Fernando (resigned w.e.f 24th Aug'24)	2	2

Regular Attendees by Invitation

The following members of the corporate management team regularly attended the meetings by invitation of the Committee.

- Mr. D G W De Silva - Executive Director / Managing Director
- Mr. K A D Fernando - Executive Director / Chief Executive Officer
- Mr. S A A R Samarasinghe - Director Finance
- Mr. P K S Senevirathna - Finance Manager
- Ms. L S C De Silva - Assistant Finance Manager

Terms of Reference

The Related Party Transactions Review Committee has been established to assist the Board of Directors in overseeing and reviewing all Related Party Transactions undertaken by the Company. The Committee's responsibilities include:

- Review all Related Party Transactions carried out by the Company and ensuring adherence to applicable regulatory and governance standards.
- Ensure that such transactions comply with:

i. The Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission (SEC) of Sri Lanka,

ii. Section 9 of the Listing Rules of the Colombo Stock Exchange (CSE), and

iii. The Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

- Report to the Board of Directors on a quarterly basis, providing updates and recommendations on matters reviewed by the Committee.

Procedures followed by the Committee

The Committee has implemented the following procedures to ensure the effective oversight of related party transactions:

- Senior management is required to present a summary of all related party transactions to the Committee during each of its quarterly meetings.
- Management must notify the Committee of any proposed non-recurrent related party transactions prior to their execution.
- With respect to recurrent transactions, the Committee assesses the ongoing relationships with related parties to verify that such transactions continue to align with established guidelines and remain appropriate.

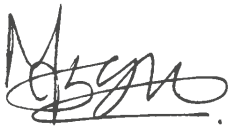
Activities during the Year

During the financial year under review, the Committee held periodic meetings to evaluate all related party transactions undertaken by the Company. Each transaction was assessed with regard to its terms, nature, and compliance with applicable guidelines. Observations and recommendations arising from these reviews were formally communicated to the Board of Directors.

The related party transactions executed during the year have been disclosed in Note 30 to the Financial Statements.

Declaration

The Board of Directors has issued a declaration confirming compliance with the applicable rules and regulations on related party transactions. This declaration is included in the Report of the Board of Directors on page 150 to 159 of this Annual Report.



Dr. M De Zoysa
Chairperson – Related Party Transactions Review Committee

24th October 2025

Report of the Risk Management Committee

Dr. K B G B R Kulapala
Chairman – Risk Management Committee

The Committee oversees the identification, assessment, and mitigation of key risks to safeguard the company's operations and objectives.

67 %
Independence
(as at end-March 2025)

4 Meetings

Composition of the Committee

During the year under review, the Risk Management Committee was constituted in accordance with the requirements of Section D.4.1 of the Code of Best Practice on Corporate Governance 2023, issued by CA Sri Lanka. The Committee comprised the following Directors:

- Dr. K B G B R Kulapala (Chairman) - Independent Non-Executive Director
- Mr. R J N De Mel - Independent Non-Executive Director
- Mr. C P R Perera - Non-Executive Director

Meeting Attendance

The Committee convened four times during the year under review, and its deliberations and recommendations were communicated to the Board of Directors as appropriate.

Name of the Director	Attended	Eligibility to Attend
Mr. K B G B R Kulapala (appointed as the Committee Chairperson w.e.f. 27th Sep'24)	4	4
Mr. R J N De Mel*	4	4
Mr. C P R Perera	3	4
Mr. W A T Fernando**	4	4
Mr. D G W De Silva**	4	4
Mr. K A D Fernando**	4	4
Mr. Z Mohamed**	4	4
Mr. H T D Nonis**	4	4
Mr. B R L Fernando (resigned w.e.f 24th Aug'24)	4	4

*Tenure as the committee chairperson concluded during the reconstitution of Board sub-committees on 27th September 2024

** Tenure as a committee member concluded during the reconstitution of Board sub-committees on 27th September 2024 and participation in committee meetings continued by invitation.

Regular Attendees by Invitation

The following members of the board and corporate management team regularly attended the meetings by invitation of the Committee.

- Mr. W A T Fernando** - Non-Executive Director
- Mr. D G W De Silva** - Executive Director / Managing Director
- Mr. K A D Fernando** - Executive Director / Chief Executive Officer

- Mr. Z Mohamed** - Executive Director
- Mr. H T D Nonis** - Executive Director
- Mr. S A A R Samarasinghe - Director Finance
- Mr. J S Warusevitane - Risk and Compliance Manager
- Mr. P K S Senevirathna - Finance Manager
- Ms. L S C De Silva - Assistant Finance Manager

Terms of Reference

The Risk Management Committee operates under a defined Terms of Reference outlining its authority and responsibilities. The Committee has been established to support the Board of Directors in overseeing the Company's risk management practices and internal control systems. Its key responsibilities include:

Reviewing the adequacy and effectiveness of the Company's risk management framework and internal controls, with the objective of mitigating potential risks and minimizing their impact on the Company's operations.
Evaluating all categories of risk and reporting significant findings and recommendations to the Board through verbal updates and by submitting the minutes of Committee meetings at quarterly Board Meetings.

Activities during the year

During the year under review, the Risk Management Committee actively supported the Board by evaluating the Company's risk management framework and its operational effectiveness. Where necessary, the Committee recommended improvements to strengthen the overall risk management processes.

A comprehensive review of the Company's Risk Management Framework is presented on pages 161 to 167 of this Annual Report.

Dr. K B G B R Kulapala
Chairman – Risk Management Committee

24th October 2025

GRI 2021 : 2-19, 2-20

Report of the Remuneration Committee

Dr. M De Zoysa
Chairperson – Remuneration Committee

The Committee oversees and determines fair and competitive compensation policies for directors and management to attract and retain talent.

67 %
Independence
(as at end-March 2025)

4 Meetings

Composition of the Committee

The Remuneration Committee during the year under review, comprised of the following Independent Non-Executive Directors in conformity with the requirements of Section 9.12.6 of the Listing Rules of the CSE and the Section B.2.2 of the Code of Best Practice on Corporate Governance 2023, issued by CA Sri Lanka.

- Dr. M De Zoysa (Chairperson) - Independent Non-Executive Director
- Mr. R J N De Mel - Independent Non-Executive Director
- Ms. N T M S Cooray - Non-Executive Director

Meeting Attendance

The Committee convened four times during the year under review, and its deliberations and recommendations were communicated to the Board of Directors as appropriate.

Name of the Director	Attended	Eligibility to Attend
Dr. M De Zoysa (appointed as the Committee Chairperson w.e.f. 27th Sep'24)	4	4
Ms. N T M S Cooray	4	4
Mr. R J N De Mel*	4	4
Mr. B R L Fernando (resigned w.e.f 24th Aug'24)	2	2

*Tenure as the committee chairperson concluded during the reconstitution of Board sub-committees on 27th September 2024

Regular Attendees by Invitation

The following members of the board regularly attended the meetings by invitation of the Committee.

- Mr. W A T Fernando - Non-Executive Director
- Mr. D G W De Silva - Executive Director / Managing Director
- Mr. K A D Fernando - Executive Director / Chief Executive Officer

Terms of Reference

The Remuneration Committee operates under formally agreed Terms of Reference and is responsible for ensuring that remuneration structures are aligned with individual performance and the overall objectives of the Company. The Committee evaluates the performance of Executive Directors against pre-established goals and recommends appropriate remuneration packages. Final

decisions on remuneration are made by the Board of Directors, based on the Committee's recommendations. Importantly, no Director is involved in determining his or her own remuneration.

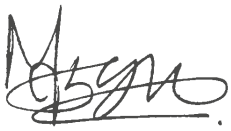
Remuneration Policy

The Company's Remuneration Policy is designed to attract, retain, and motivate highly qualified and experienced Executive Directors and Key Management Personnel. It aims to link remuneration with both individual and corporate performance, thereby fostering a high-performance culture.

As part of the remuneration structure, a profit-sharing scheme is in place for the Key Management Team, including Executive Directors. This scheme, which is aligned with the interests of the Company and its stakeholders, provides incentives for delivering superior performance. The scheme is reviewed annually by the Remuneration Committee to ensure its continued relevance and effectiveness.

In addition, salaries and other benefits are reviewed on an annual basis, taking into consideration individual contributions, Company performance, and prevailing industry remuneration benchmarks.

Details of the aggregate remuneration paid to Executive and Non-Executive Directors during the year under review are disclosed on page 196 under Directors' Remuneration.



Dr. M De Zoysa
Chairperson – Remuneration Committee

24th October 2025

GRI 2021 : 2-10, 2-18

Report of the Nomination Committee

Dr. M De Zoysa
Chairperson – Nomination Committee

The Committee oversees the selection, evaluation, and appointment of directors to ensure a balanced and effective Board.

67 %
Independence
(as at end-March 2025)

4 Meetings

Composition of the Committee

The Nomination Committee during the year under review comprised of the following Independent Non-Executive Directors in conformity with the requirements of Section 9.11.4 of the Listing Rules of the CSE and Section A.7.1 of the Code of Best Practice on Corporate Governance-2023, issued by CA Sri Lanka.

The Nomination Committee appointed by and responsible to the Board of Directors comprises of the following Directors;

- Dr. M De Zoysa (Chairperson) - Independent Non-Executive Director
- Mr. R J N De Mel - Independent Non-Executive Director
- Mr. C P R Perera - Non-Executive Director

Meeting Attendance

The Committee convened four times during the year under review and attendance for these meetings is provided below.

Name of the Director	Attended	Eligibility to Attend
Dr. M De Zoysa (appointed as the Committee Chairperson w.e.f. 27th Sep'24)	2	2
Mr. R J N De Mel*	4	4
Mr. C P R Perera (appointed to the committee w.e.f. 27th Sep'24)	2	2
Mr. W A T Fernando**	4	4
Mr. B R L Fernando (resigned w.e.f 24th Aug'24)	2	2

*Tenure as the committee chairperson concluded during the reconstitution of Board sub-committees on 27th September 2024

** Tenure as a committee member concluded during the reconstitution of Board sub-committees on 27th September 2024 and participation in committee meetings continued by invitation.

Regular Attendees by Invitation

The following members of the board also regularly attended the meetings by invitation of the Committee.

- Mr. W A T Fernando - Non-Executive Director
- Mr. D G W De Silva - Executive Director / Managing Director
- Mr. K A D Fernando - Executive Director / Chief Executive Officer

Terms of Reference

The Nomination Committee is responsible for making recommendations to the Board on all new appointments and re-appointments of Directors. The Committee regularly reviews and assesses the structure, size, composition, and skill set of the Board to ensure it remains effective and well-balanced. Based on these assessments, the Committee makes appropriate recommendations regarding Board composition. These evaluations also inform decisions relating to the appointment of new Directors and the re-election of existing Directors.

Activities during the year

During the year under review, the Committee engaged in discussions on succession planning for Executive Directors and members of the Corporate Management team.

Re-election / Re-appointment of Directors at the Sixteenth Annual General Meeting

Information regarding the Directors proposed for re-election or re-appointment at the Sixteenth Annual General Meeting is provided in the Notice of the Annual General Meeting on page 250 to 252 of this Annual Report.

Dr. M De Zoysa
Chairperson – Nomination Committee

24th October 2025

Report of the Credit Review Committee

Mr. W A T Fernando
Chairman – Credit Review Committee

The Committee oversees and evaluates the loans and advances extended to tea factory clients, ensuring prudent credit risk management. It reviews portfolio performance, assesses creditworthiness, and supports recovery efforts in line with company policy.

10 Meetings

Composition of the Committee

During the year under review, the Credit Review Committee was composed of the following members of the Board of Directors and the management team:

- Mr. W A T Fernando (Chairman) - Non-Executive Director
- Mr. D G W De Silva - Executive Director / Managing Director
- Mr. K A D Fernando - Executive Director / Chief Executive Officer
- Mr. Z Mohamed - Executive Director
- Mr. H T D Nonis - Executive Director
- Mr. S A A R Samarasinghe - Director Finance
- Mr. N Abeygunawardana - Senior Manager Operations
- Mr. P K S Senevirathna - Finance Manager
- Ms. L S C De Silva - Assistant Finance Manager

Meeting Attendance

The Committee convened ten times during the year under review, and its deliberations and recommendations were communicated to the Board of Directors as appropriate.

Name of the Member	Attended	Eligibility to Attend
Mr. W A T Fernando	10	10
Mr. D G W De Silva	10	10
Mr. K A D Fernando	10	10
Mr. Z Mohamed	10	10
Mr. H T D Nonis	9	10
Mr. S A A R Samarasinghe	10	10
Mr. N Abeygunawardana	10	10
Mr. P K S Senevirathna	10	10
Ms. L S C De Silva	10	10

Regular Attendees by Invitation

The following member of the board also regularly attended the meetings by invitation of the Committee.

- Mr. R J N De Mel - Chairman

Terms of Reference

The Credit Review Committee is tasked with overseeing the Company's portfolio of loans and advances granted to tea factory clients. Its primary responsibilities include:

- Reviewing and assessing the creditworthiness of new and existing tea factory clients.
- Monitoring the performance of the loans and advances portfolio, with a focus on exposure, recoverability, and overdue positions.
- Ensuring that all credit facilities are extended in line with the Company's internal credit policies and regulatory guidelines.
- Recommending measures to mitigate credit risk and improve the effectiveness of the Company's credit risk management practices.
- Supporting the Board and management in maintaining a prudent balance between business development and credit risk exposure.

Activities in 2025

During the year 2025, the Credit Review Committee undertook the following key activities:

- Conducted regular reviews of the loans and advances portfolio, focusing on high-exposure clients and ageing analysis of outstanding balances.
- Evaluated the creditworthiness of new clients and recommended appropriate limits, terms, and collateral requirements based on risk profiles.
- Ensured that all credit decisions and disbursements were made in compliance with the Company's internal credit policy and in alignment with market conditions.
- Recommended actions to improve recovery of long-outstanding advances and supported management in implementing follow-up strategies.
- Ensured the portfolio remained within acceptable risk parameters throughout the year despite external pressures from market volatility and sectoral challenges.

The Committee remains focused on safeguarding the Company's financial position while supporting the operational liquidity needs of tea factory clients through responsible and structured lending.

Mr. W A T Fernando
Chairman – Credit Review Committee

24th October 2025

Report of the IT Steering Committee

Mr. Z Mohamed
Chairman – IT Steering Committee

The Committee provides strategic oversight and direction for the Company's technology initiatives. It ensures that IT systems align with business objectives, supports digital transformation, strengthens cybersecurity, and promotes operational efficiency through the effective use of technology.

4 Meetings

Composition of the Committee

During the year under review, the IT Steering Committee was composed of the following members of the Board of Directors and the management team:

- Mr. Z Mohamed (Chairman) - Executive Director
- Mr. D G W De Silva - Executive Director / Managing Director
- Mr. K A D Fernando - Executive Director / Chief Executive Officer
- Mr. S A A R Samarasinghe - Director Finance
- Mr. M De Zoysa - Manager - IT
- Mr. N Abeygunawardana - Senior Manager Operations

Meeting Attendance

The Committee convened four times during the year under review, and its deliberations and recommendations were communicated to the Board of Directors as appropriate.

Name of the Member	Attended	Eligibility to Attend
Mr. Z Mohamed	4	4
Mr. D G W De Silva	4	4
Mr. K A D Fernando	4	4
Mr. S A A R Samarasinghe	4	4
Mr. M De Zoysa	4	4
Mr. N Abeygunawardana	4	4

Regular Attendees by Invitation

The following members of the corporate management team and IT consultants regularly attended the meetings by invitation of the Committee.

- Ms. S Arif - Manager - Administration
- Mr. B G M Arachchige - IT Consultant
- Ms. D Rajapakse - Digital Transformation Consultant

Terms of Reference

The IT Steering Committee is responsible for providing strategic direction, oversight, and governance of the Company's information technology (IT) initiatives. The Committee's key responsibilities include:

- Aligning IT strategies with the Company's overall business objectives.

- Evaluating and recommending major IT investments and system upgrades.
- Monitoring the performance, effectiveness, and security of existing IT systems.
- Ensuring compliance with relevant regulatory and cybersecurity standards.
- Supporting innovation, digital transformation, and operational efficiency through the use of technology.

Activities in 2025

During the year 2025, the IT Steering Committee undertook the following key activities:

- Oversaw improvements to the Company's core systems to enhance functionality, data accuracy, and reporting capabilities.
- Reviewed and strengthened the Company's cybersecurity framework, including regular vulnerability assessments and implementation of updated protocols to protect sensitive data.
- Updated and tested the Company's IT disaster recovery and business continuity plans to ensure minimal disruption in the event of unforeseen incidents.
- Assessed and reviewed third-party IT service providers and software vendors to ensure value, reliability, and data security.
- Supported the digitization of internal processes, including document management and workflow automation, to improve productivity and reduce manual intervention.

The Committee remains committed to leveraging technology to drive efficiency, resilience, and innovation across the Company's operations. As part of our continued commitment to operational excellence and client-centric service, CTB has invested in advancing its digital capabilities. This year, we strengthened our data infrastructure and analytics frameworks to support smarter, faster decision-making across the value chain.

Mr. Z Mohamed
Chairman – IT Steering Committee

24th October 2025

DIRECTORS' STATEMENT ON INTERNAL CONTROLS

Responsibility

The Board is responsible for the adequacy and effectiveness of Ceylon Tea Brokers PLC's system of internal controls. However, such a system is designed to manage the Company's key areas of risk within an acceptable risk profile, rather than eliminate the risk of failure to achieve the business objectives of the Company.

Accordingly, the system of Internal Controls can only provide a reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

Internal Control Process

The Risk Management Committee and the Audit Committee review the effectiveness of the risk management framework and internal controls, effectiveness of the audit, review of compliance and internal audit processes. The Management Committee and the Credit Committee which are under the supervision and direction of the Board of Directors implement policies and procedures at operational level in order to strengthen the internal controls. Internal Auditors review the effectiveness of risk management practices and the internal controls of the Company whilst the External Auditors review the internal controls over the financial reporting process. Detailed review on risk management and internal controls is given from page 161 to 167 under Risk Management.

Confirmation

Based on the above processes, the Board confirms that the financial reporting system of the Company has been designed to provide a reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes and has been done in accordance with Sri Lanka Accounting Standards and other regulatory requirements.

By order of the Board

Ms. A Akbar
Chairman – Audit Committee

Mr. R J N De Mel
Chairman

Mr. D G W De Silva
Managing Director

24th October 2025

SUMMARY OF COMPLIANCE

Voluntary Compliance with the Code of Best Practice on Corporate Governance 2023 issued by the Institute of Chartered Accountants of Sri Lanka is as follows:

Section I – The Company

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
A	**Directors**		**The Board comprises of twelve directors out of which Eight serve as Non Executive Directors as at 31st March 2024**
A.1	**The Board**		
A.1.1	Board Meetings	Yes	The Board has met five times during the year and attendance at these Board Meetings are given on Page 112 of this report.
A.1.2	Role of the Board	Yes	Key responsibilities of the Board includes; • Formulation and implementation of strategies • Reviewing and approving business plans and budgets • Reviewing and comparing actual results against the budgets • Ensuring effective internal controls and risk management • Ensuring effective compliance with laws, regulations and ethical standards. • Ensuring that the ICT roadmap is in line with the business strategy.
A.1.3	Act in Accordance with the Laws of the Country	Yes	The Board has ensured that the Directors have adhered to all applicable laws, rules and regulations.
A.1.4	Access to the Company Secretary Appropriate Insurance Cover	Yes Yes	All Directors have access to the advice and services of the Company Secretary M/s. PW Corporate Secretarial (Pvt.) Ltd., who is responsible to the Board in ensuring that Board procedures are followed and that applicable rules and regulations are complied. The Group has obtained a Directors and Officers Liability Insurance Cover.
A.1.5	Independent Judgement	Yes	The Board members are required to refrain from matters of self interest and to bring independent judgement to the decision making process.

SUMMARY OF COMPLIANCE

GRI 2021 : 2-23, 2-24, 2-27

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
A.1.6	Adequate Time and Effort	Yes	Directors dedicate adequate time and effort to matters pertaining to the Board and the Group to ensure that their duties and responsibilities are satisfactorily discharged. Directors dedicate sufficient time before a meeting to review Board papers and request additional information and clarification and follow up on issues consequent to the meeting.
A.1.7	Resolution to be presented to the Board	Yes	One third of Directors can call for a resolution to be presented to the Board where they feel it is in the best interest to the Group to do so.
A.1.8	Appropriate Training	Yes	Majority of the Directors have experience in the Tea Industry and every Director is given appropriate training on the industry as well as guidelines for accepting a new directorship, when they are first appointed to the Board.
A.2	**Chairman and Chief Executive Officer (CEO)**	Yes	The roles of the Chairman, Managing Director and the Chief Executive Officer are separate with a clear distinction of responsibilities, which ensures balance of power and authority.
A.3	**Chairman's Role**	Yes	Main responsibility of the Chairman is to lead and manage the Board and its Committees, so that they can function effectively. The Chairman ensures that the Board is in complete control of the Group's affairs and alerts to its obligations to all Shareholders and other Stakeholders.
A.4	**Financial Acumen**	Yes	All Directors have sufficient financial acumen and knowledge on matters of finance. Majority of the Non-Executive Directors have previous experience in Banking and Finance related Companies. Mr. W A T Fernando (Non-Executive Director), Ms. N T M S Cooray (Non-Executive Director) and Ms. H M S Perera (Non-Executive Director) are members of Chartered Institute of Management Accountants, UK (CIMA). Ms. Amrah Akbar (Independent Non-Executive Director) is a Chartered Accountant (England & Wales).
A.5	**Board Balance**		
A.5.1	Non Executive Directors	Yes	Eight out of Twelve Directors were Non-Executive Directors. The names of Non-Executive Directors are given on page 36 to 37 and a brief resume of each Director is available on pages 38 to 41.
A.5.2	Independent Non Executive Directors	Yes	Four out of Eight Non-Executive Directors were independent and the names of Independent Non-Executive Directors are given on page 36 to 37.

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
A.5.3	Independence of Non Executive Directors	Yes	All Independent Non-Executive Directors have met the criteria set out in the Listing Rules of CSE to be recognised as independent.
A.5.4	Annual Declaration of Non Executive Directors	Yes	The Non-Executive Directors have submitted the required declaration, which was used for determining the independence of the Independent Directors.
A.5.5	Determination of Independence of the Directors	Yes	The Board has made an annual determination as to the independence or non-independence of each Non-Executive Director based on a declaration made by the Non-Executive Directors and as per the criteria set out by the Colombo Stock Exchange Listing Rules. The special declaration on the determination of independence of Independent Non-Executive Directors, is presented on page 111 and 151.
A.5.6	Alternate Directors	Not Applicable	No alternative Directors were appointed during the year.
A.5.7 & A.5.8	Senior Independent Director	Not Applicable	Roles of the Chairman and the Chief Executive Officer are clearly separated.
A.5.9	Chairman conducting Meetings with Non Executive Directors	Yes	The Chairman conducts meetings with the Non-Executive Directors, without the presence of Executive Directors as necessary.
A.5.10	Recording of concerns in the Board Minutes	Yes	Concerns raised by the Directors which could not be unanimously resolved during the year, such individual concerns (if any) were recorded in the minutes.
A.6	**Supply of Information**		
A.6.1	Management's obligation to provide appropriate and timely information to the Board	Yes	Directors are provided with monthly reports on financial and operational performance of the Group, minutes of the Board Sub Committees and other Management Committees and any other information as necessary. The Chairman ensures that all Directors are properly briefed on issues arising at Board Meetings.
A.6.2	Providing relevant information prior to the Board Meetings	Yes	The minutes, agenda and papers required for Board Meetings are provided to Directors with adequate time to study them to facilitate its effective conduct.

SUMMARY OF COMPLIANCE

GRI 2021 : 2-23, 2-24, 2-27

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
A.7	**Appointments to the Board**		
A.7.1	A Nomination Committee	Yes	The Board has appointed a Nomination and Governance Committee to make recommendations to the Board on all new Board appointments. Composition of the Nomination Committee is given on page no. 122.
A.7.2	Assessment of the Board Composition	Yes	The Nomination and Governance Committee and the Board continuously assess the Board composition to ascertain whether the combined knowledge and experience of the Board matches the strategic demands facing the Group. The findings of such assessment should be taken into account when new Board appointments are considered and when incumbent Directors come up for re-election.
A.7.3	Succession plan for CEO & for all KMPs and determining training & development requirements for identified successors.	Yes	The committee continuously evaluates the succession plan, training, and development requirements for CEO & KMP.
A.7.4	Disclosure on New Directors to Shareholder	Yes	Upon the appointment of a new Director to the Board, the Group discloses the following details to shareholders through CSE. • a brief resume of the Director • the nature of his expertise in relevant functional areas • the names of companies in which the Director holds Directorships 'independence' of such directors
A.7.5	Chairman and the members of the Nomination Committee to be identified in the Annual Report	Yes	Nomination and Governance Committee comprise of three directors out of which two directors are Independent non-executive directors. Details of the Nomination Committee has been given on page no. 122 to 123 of this annual report.
A.7.6	TOR for Nomination Committee	Yes	Referred the terms of reference of the committee and the requirements have been followed. Please refer page 123 on the annual report for the TOR of the Nomination and Governance Committee.

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
A.8	**Re-election**		
A.8.1	Appointment of Non Executive Directors	Yes	Non-Executive Directors are appointed for specified terms subject to re-election and to the provisions in the Companies Act relating to the removal of a Director, and their re-appointment are not automatic.
A.8.2	Re-Election	Yes	All Directors including the Chairman of the Board are subject to election by Shareholders at the first opportunity after their appointment, and re-election thereafter are done in accordance with the Articles of Association of the Company. Refer page 150 to 159 under Annual Report of the Board of Directors.
A.8.3	Resignation of directors - written communication to the board giving reasons for resignation.	Yes	Mr. B R L Fernando resigned w.e.f 24th Aug'24 and Mr. K H S Deshapriya resigned w.e.f 27th Sep'24
A.9	**Appraisal of Board Performance**		
A.9.1 & A.9.2	Annual Performance Evaluation of the Board and its Sub Committees	Yes	Performance evaluation of the Board and its Sub Committees are done by way of discussions and Checklist-Based/Questionnaire Board Evaluations at Board Meetings.
A.9.3	Review the performance of the Directors at the time of re-election	Yes	The Board reviews the performance of each director in terms of participation, contribution and engagement at the time of reelection.
A.9.4	Disclosure of performance evaluation criteria	Yes	This section itself would serve the purpose of disclosure.
A.10	**Disclosure of information in respect of Directors**	Yes	The following information in relation to Directors are disclosed in this report. • Name, qualifications, nature of expertise, other Directorships of Listed Companies and other companies and brief profile on page 38 to 41. • Material Business Relationships on page 230 to 233. • Nature of the Directorship on page 112. • Number of Board Meetings attended on page 112. • Memberships of Board Sub Committees and attendance on pages 114 to 127.

SUMMARY OF COMPLIANCE

GRI 2021 : 2-23, 2-24, 2-27

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
A.11	**Appraisal of Chief Executive Officer (CEO)**		
A.11.1	Setting Annual Targets	Yes	Financial and Non Financial Targets are set at the beginning of the financial year as budgets and KPI's which are in line with the Group's short term and long term business objectives.
A.11.2	Performance Evaluation	Yes	Performance of the CEO and the management team are evaluated by the Board quarterly and at the end of each financial year. Actual performances against targets are compared and with the reasons and justifications in the event that the targets are not achieved.
B	**Director's Remuneration**		
B.1	**Remuneration Procedure**	Yes	Company has established a formal & transparent procedure for developing policy on executive remuneration and for fixing remuneration packages of individual directors. No director is involved in deciding his / her own remuneration package.
B.2	**Remuneration Committee**		
B.2.1	Remuneration Committee	Yes	The Board has appointed a Remuneration Committee to make recommendations to the Board, within agreed terms of reference, on the Group's framework of remunerating Executive directors. The Board collectively determines the remuneration of the Non- Executive Directors including the members of the Remuneration Committee, within the limits set in the Articles of Association.
B.2.2	Composition of the Remuneration Committee	Yes	The Remuneration Committee comprises of three Non-Executive Directors out of which two are Independent.
B.2.3	Consultation of the Chairman and access to professional advice	Yes	The Remuneration Committee consults the Chairman, Managing Director and/or CEO about its proposals relating to the remuneration of other Executive Directors and has access to professional advice from within and outside the Group, in discharging their responsibilities.
B.2.4	Remuneration Packages of Executive Directors	Yes	The Remuneration Committee provides the packages needed to attract, retain and motivate Executive Directors of the quality required with reasonable limits.

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
B.2.5	Design of the remuneration packages of Executive Directors to promote long term success	Yes	Remuneration packages of Executive Directors are designed to promote long term performance of the business.
B.2.6	Comparison of remuneration with other Companies	Yes	The Remuneration Committee cautiously compare the levels of remuneration of the Group with other companies in the industry.
B.2.7	Comparison of remuneration with other Companies in the Group	Yes	The Remuneration Committee is sensitive to remuneration and employment conditions in other companies of the Group.
B.2.8	Performance related elements of remuneration of Executive Directors	Yes	A profit share scheme based on the performance of the Group is in place as part of the remuneration of Executive Directors to align their interests with those of the Group and main Stakeholders and to give these Directors appropriate incentives to perform at the highest levels.
B.2.9	Executive Share Options	Yes	No share options were issued to Executives during the year.
B.2.10	Performance related remuneration	Yes	The Remuneration Committee follows the provisions set out in Schedule G of the Code as required.
B.2.11 & B.2.12	Early termination of Executive Directors	Not Applicable	Special early termination clauses are not included in the contract of employment of Executive Directors that would entitle them for extra compensation. However, any such compensation would be determined by the Board of Directors. No Executives Directors were terminated during the year.
B.2.13 & B.2.14	Levels of remuneration for Non-Executive Directors	Yes	Remuneration for Non-Executive Directors reflects the time commitment and responsibilities of their role, taking into consideration market practices. No share options were granted to Non-Executive Directors.
B.2.15	Chairman and the members of Remuneration Committee	Yes	Composition of the Remuneration Committee is given on page 120 to 121.
B.2.16	Terms of Reference for Remuneration Committee.	Yes	Referred the terms of reference of the committee and the requirements have been followed. Please refer page 120.

SUMMARY OF COMPLIANCE

GRI 2021 : 2-23, 2-24, 2-27

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
B.3	**Disclosure of Remuneration**		
B.3.1	Composition of the Remuneration Committee.	Yes	Composition of the Remuneration Committee and the Group's Remuneration Policy is given on the page 120. Aggregate remuneration paid to Executive and Non-Executive Directors during the year under review appears on page 233 under Director's Remuneration.
C	**Relations with Shareholders**		
C.1	**Constructive use of the Annual General Meeting (AGM) and conduct of General Meetings**		
C.1.1	Notice of the AGM and Related Documents	Yes	The Notice of Meeting and related documents are dispatched to the Shareholders 15 working days prior to the AGM, as per Section 135 of the Companies Act No.07 of 2007.
C.1.2	Separate resolution for all separate substantial issues at the Annual General Meeting	Yes	Group proposes a separate resolution at the AGM on each substantially separate issue and in particular, propose a resolution at the AGM relating to the adoption of the report and accounts.
C.1.3	Use of Proxy Votes	Yes	An effective mechanism is in place to count all proxy votes and indicate proxies lodged on each resolution and the balance for and against the resolution and withheld, is conveyed to the Chairman.
C.1.4	Availability of Chairmen of the Board Sub Committees to respond to queries at the AGM	Yes	The Chairmen of the Audit, Remuneration and Nomination and Governance Committees are usually present at the Annual General Meeting to facilitate Shareholders' inquiries.
C.1.5	Procedures of voting at the Annual General Meeting	Yes	The Notice of Meeting outlines the procedure relating to voting at the Annual General Meeting.
C.2	**Communication with shareholders**		
C.2.1	Communication Channels	Yes	Group uses the Annual General Meeting, Annual Report, Quarterly Financial Statements, Corporate disclosures to the CSE and the Corporate Website as Channels to communicate with Shareholders.

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
C.2.2	Policy and Methodology for Communication	Yes	The Group's policy in communication with shareholders includes the sharing of all financial and non-financial information as per the statutory requirements and as well as the sharing of all price sensitive information. The methodology of communication with Shareholders is multifaceted to ensure accurate and timely information.
C.2.3	Implementation of Policy	Yes	The implementation of the policy and the methodology is done through the adoption of the above mentioned channels of communication.
C.2.4	Disclose the contact person for shareholder communications	Yes	The contact person in relation to all matters pertaining to the Shareholders is the Company Secretary.
C.2.5	Directors awareness on major issues and concerns of Shareholders	Yes	The Chairman ensures that all Directors are aware of major issues and concerns of shareholders. Such issues are discussed at Board Meetings.
C.2.6	Contact person in relation to shareholders' matters	Yes	The contact person in relation to all matters pertaining to the Shareholders is the Company Secretary.
C.2.7	Response to shareholders	Yes	The Chairman and the Directors answer all the queries raised by the Shareholders at the AGM. Appropriate responses formulated and actions taken to address Shareholder concerns by the Board are communicated to the shareholders by the Company Secretary.
C.3	**Major and Material Transactions**		
C.3.1 & C.3.2	Disclosure on major and material transactions'	Yes	There was no transaction during the year that fell within the definition of a major transaction defined by the Companies Act No. 07 of 2007 or SEC Law and CSE Regulations which materially affect the net asset base of the Group.
C.3.3	Compliance with the disclosure requirements and the shareholder approval by special resolution	Yes	The Group has complied with the disclosure requirements and the shareholder approval by special resolution as required by the rules and regulations of the Securities and Exchange Commission (SEC) and by the Colombo Stock Exchange (CSE).

SUMMARY OF COMPLIANCE

GRI 2021 : 2-23, 2-24, 2-27

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
D	Accountability and Audit		
D.1	Financial and Business Reporting (Annual Report)		
D.1.1	Presenting the annual report including financial statements	Yes	The Group has strictly complied with all the statutory requirements pertaining to preparing and publishing of Interim Financial Statements, Annual Financial Statements and Annual Reports.
D.1.2	The Board's responsibility in presenting balanced and understandable information	Yes	The Board is responsible for presenting a balanced and understandable assessment extends to interim and other price sensitive public reports and reports to regulators, as well as to information required for statutory requirements. The 'Statement of Directors' Responsibilities' for preparation and presentation of Financial Statements is given on page 171 of this Annual Report.
D.1.3	Declaration from the Chief Executive Officer and Chief Financial Officer	Yes	Relevant declarations from the Chief Executive Officer and the Finance Director were obtained prior to the Board 's approval of the Financial Statements for the financial period.
D.1.4	Directors' Report in the Annual Report	Yes	The Annual Report of the Board of Directors on the affairs of the Group is given on pages 150 to 159 of this Annual Report which contains the relevant declarations required by this Code.
D.1.5	Statement of Directors' and Auditor's responsibility for the Financial Statements / Directors Statement on Internal Control	Yes	The 'Statement of Directors' Responsibilities' for preparation and presentation of Financial Statements is given on page 171 of this Annual Report and the Auditor's responsibilities are set out on the 'Independent Auditors' Report' on pages 172 to 175 of the Annual Report. Statement on Internal Controls is given on page 161 to 167 of the Annual Report.
D.1.6	The annual report should contain a report on the "Management discussion & analysis"	Yes	The annual report contains a report on "Management discussion & analysis" which covers, business model, industry structure & developments, risk management, internal control systems & it's adequacy, stakeholder relationship, financial performance, prospects for the future. Refer page nos. 49 to 103 in the annual report.
D.1.7	Summon an Extraordinary General Meeting to notify serious loss of capital	Not Applicable	This situation did not arise during the financial year under review.

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
D.1.8	Disclosure of Related Party transactions	Yes	The Board has adequately and accurately disclosed the related party transactions in this Annual Report as required in this Code. Refer Report of the Related Party Transactions Review Committee on page 116 to 117 and Related Parties and Related Party Transactions Disclosures on page 230 to 233.
D.2	**Risk Management & Internal Control**		
D.2.1	Risk Management		
D.2.1.1	Assessment of Risk	Yes	Ongoing risk assessment is being done throughout the year addressing the risks affecting the business model, future performance, solvency, or liquidity.
D.2.1.2	Risk Management	Yes	Report on Risk Management has been given on page 161 to 167 in the annual report.
D.2.1.3	Risk Committee	Yes	Company has a separate committee for the assessment and management of risks. The report on the Risk Committee has been given in page no. 118 to 119 of the annual report.
D.2.1.4	Audit & Risk Committee	Yes	Company has two separate committees for Audit and Risk. The respective reports are given on pages 114 to 115 and 118 to 119.
D.2.1.5	Risk Committee composition	Yes	Please refer page 118 in the annual report.
D.2.1.6	Terms of Reference for the Risk Committee	Yes	Referred and followed the requirements. Please refer the page 119.
D.2.1.7	Report of the Risk Committee	Yes	Please refer page 118 in the annual report.
D.2.1.8	Regulatory Industry	Yes	When determining the composition, scope, roles and responsibilities of the Committee, applicable laws and regulations has been considered.
D.2.2	Internal Controls		
D.2.2.1	Internal Control System	Yes	The report on Directors' statement on internal controls has been given on page 128.
D.2.2.2	Internal Audit	Yes	The group has obtained the service of Messers. Delloite as the Independent Internal Auditor of the Group to serve this purpose.
D.2.2.3	Review on Internal Controls	Yes	Audit committee reviews processes and the effectiveness of internal controls and gives recommendations to the board.
D.2.2.4	Guidance on Internal Controls	Yes	Schedule L of the Code has been referred and followed.

SUMMARY OF COMPLIANCE

GRI 2021 : 2-23, 2-24, 2-27

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
D.3	**Audit Committee (AC)**		
D.3.1	Composition of the Audit Committee	Yes	The Audit Committee comprises of Three Non-Executive Directors and two of them are Independent. Details are given on page 114.
D.3.2	Duties of the Audit Committee and Terms of Reference of the Audit Committee	Yes	Audit Committee is responsible for reviewing the scope and results of the audit and its effectiveness, and the independence and objectivity of the Auditors. The Terms of Reference of the Audit Committee is given in the Report of the Audit Committee on page 115.
D.3.3	Disclosures	Yes	Refer Report of the Audit Committee on pages 114 to 115 for the relevant disclosures on the composition of the Audit Committee and the independence of the auditors.
D.4	**Risk Committee**		
D.4.1	Members of the Risk Committee	Yes	Currently, the Risk Management Committee comprise of Three members out of which two members are Independent, Non-Executive directors. Refer page no 118.
D.4.2	Content of TOR for the Risk Committee	Yes	Please refer page 119 for the TOR of the Risk Committee
D.4.3	Risk Committee Meetings	Yes	Risk Committee has met four times by the end of March 2025.
D.4.4	Consultation for the Risk Committee	Yes	The Risk Committee consults the Chairman, Managing Director and/ or CEO about its potential risks and has access to professional advice from within and outside the Group, in discharging their responsibilities.
D.4.5	Report of the Risk Committee	Yes	Please refer page no. 118 to 119.
D.5	**Related Party Transactions Review Committee**		
D.5.1	A related party and related party transactions	Yes	The Group has considered Related parties and related party transactions as defined in the LKAS 24.
D.5.2	Related Party Transactions Review Committee (RPTRC)	Yes	The Group formed a Related Party Transactions Review Committee in November 2015. The Committee comprises three Directors as at 31st March 2025, of whom two are Independent Non-Executive Directors and one is a Non-Executive Director. The Chairman of the Committee is an Independent Non-Executive Director. Composition of the RPTRC is given on page 116.

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
D.5.3	Terms of Reference of the Related Party Transactions Review Committee (RPTRC)	Yes	Refer Report of the Related Party Transactions Review Committee (RPTRC) on page 116 for the Terms of Reference of the RPTRC.
D.6	**Code of Business Conduct and Ethics**		
D.6.1	Disclosure of Code of Business Conduct & Ethics	Yes	Group has a Code of the Business Conduct and Ethics for Directors and Key Management and relevant declaration is given in the 'Annual Report of the Board of Directors in the Affairs of the Company on the pages 150 to 159.
D.6.2	Process to ensure that material and price sensitive information is promptly identified and reported.	Yes	The Group has a process in place to ensure that material and price sensitive information is promptly identified and reported in accordance with the relevant regulations.
D.6.3	Policy and process to ensure for monitoring and disclosure of shares purchased by any Director, Key Management Personnel or any other employee involved in financial reporting	Yes	All the employees involved in financial reporting are required to declare details of their dealings in shares of the CTB PLC to the Company Secretary immediately. In addition, the Directors and KMP's too are required to disclose their dealings in shares of CTB PLC to the Company Secretary, enabling her to inform such transactions to the CSE.
D.6.4	Whistleblowing Policy	Yes	There is a separate policy on the same and procedures are followed.
D.6.5	Training on Code of Business Conduct & Ethics	Yes	Appropriate training is given at the induction and confirmation is done annually from all the employees.
D.6.6	Whistleblowing Policy Management	Yes	If violations are detected, that will be reported to the board.
D.6.7	Affirmation Statement by Chairman	Yes	Refer the 'Chairman's Statement on Corporate Governance' on page 105.
E	**Institutional Investors**		
E.1	**Shareholder Voting**		
E.1.1	Communication with Shareholders	Yes	The Annual General Meeting provides the forum for shareholders to express their views. The Chairman ensures that any views expressed by investors to him personally or at General Meetings are discussed with the Board. The Directors consider the importance to understand the views of shareholders and, in particular, any issues which concern them.

SUMMARY OF COMPLIANCE

GRI 2021 : 2-23, 2-24, 2-27

Reference to Code	Governance Principle	Compliance Status	Details of Compliance
E.1.2	Communication with Shareholders	Yes	The Annual General Meeting provides the forum for shareholders to express their views. The Chairman ensures that any views expressed by investors to him personally or at General Meetings are discussed with the Board. The Directors consider the importance to understand the views of shareholders and, in particular, any issues which concern them.
E.2	Evaluation of Governance Disclosures	Yes	This section of the Annual Report contains the Group's governance arrangements and institutional investors are encouraged to give due weight to all relevant factors drawn to their attention.
F	Other Investors		
F.1	Investing/Divesting Decisions	Yes	Interim Financial Statements, Annual Consolidated Financial Statements and Annual Reports are published on the CSE website and these reports provide information that enables shareholders to carry out adequate analysis or seek independent advice in investing or divesting decisions.
F.2	Shareholder Voting	Yes	The shareholders are encouraged to participate at the AGM and exercise their voting rights. Instructions with regard to appointing a proxy and the manner in which a Proxy Form should be completed are available in the Proxy Form circulated with the Annual Report
G	Internet of Things and Cyber Security	Yes	The Group implemented a comprehensive IT policy which covers the security of IT assets and the information assets. The Board's Audit Committee and the Risk Management Committee continuously discussed the importance of cyber risk management.
H	Sustainability: ESG Risk and opportunities	Yes	ESG principles are reported in a holistic manner throughout this report in the following sections: Corporate Governance – on page 106 to 113. Enterprise Risk Management – on page 161 to 167.
I	Establishment and maintenance of policies	Yes	Company has established and maintained the required policies and has disclosed the existence of these policies, along with details of their implementation by the Entity, on its official website.

Level of compliance with Continuing Listing Requirements Section 7.6 issued by the Colombo Stock Exchange (CSE)

Rule No.	CSE Listing Rule	Compliance Status	Details of Compliance
7.6 (i), (ii)	Names of the individuals who served as directors during the financial year and the principal activities undertaken during the year.	Yes	Please refer Annual Report of the Board of Directors on the Affairs of the Company on page 150 to 159.
7.6 (iii), (iv)	Twenty largest Shareholders, float adjusted market capitalization, public holding percentage, no. of public shareholders and minimum required public shareholding	Yes	Please refer Investor Relations Section on page 238 to 241.
7.6 (v)	Directors' and CEO's(MD's) holding in shares	Yes	Please refer Investor Relations Section on Page 238 to 241.
7.6 (vi)	Material foreseeable risk factors of the entity.	Yes	Please refer Risk Management on page 161 to 167.
7.6 (vii)	Details of material issues pertaining to employees and industrial relations of the Entity.	Yes	Please refer Human Capital on page 79 to 87.
7.6 (viii)	Extents, locations, valuations, number of buildings	Yes	Please refer "Who we are" Section Page 8.
7.6 (ix)	Number of shares representing the Entity's stated capital.	Yes	Please refer Annual Report of the Board of Directors on the affairs of the company.
7.6 (x)	Shareholder Distribution Schedule including percentage of total holding in given categories.	Yes	Please refer Investor Relations Section on page 238 to 241.
7.6.(xi)	Ratios and Market Price Information.	Yes	Please refer Investor Relations Section on page 238 to 241.
7.6 (xii)	Changes in Entity's and subsidiaries fixed assets and market value of land.	Yes	Please refer the Consolidated Statement of Financial Position on page 177.
7.6 (xiii)	If during the financial year the entity has raised funds either through a public issue, rights issue or private placement.	N/A	N/A
7.6 (xiv)	Information in respect of Employee Share Ownership or Stock Option Schemes.	N/A	N/A
7.6 (xv)	Disclosures pertaining to Corporate Governance practices in terms of Section 9 of the Listing Rules.	Yes	Please refer Corporate Governance Report on page 106 to 117.
7.6 (xvi)	Related party transactions exceeding 10% of Equity or 5% of total assets of the Entity as per audited financial statements, whichever is lower.	Yes	Please refer Related Party Transactions on page 116 to 117.

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Rule No.	CSE Listing Rule	Compliance Status	Details of Compliance
7.6 (xvii)	In the event a Listed Entity has its Foreign Currency denominated Securities listed on the Exchange, the Entity shall additionally disclose in its Annual Report:	N/A	N/A
7.6 (xviii)	In the event a Listed Entity has listed GSS + Bonds on the Exchange, such Entity shall additionally disclose the following;	N/A	N/A

Level of Compliance under Section 168 of the Companies Act No 07 of 2007

Section No.	Requirement	Compliance status	Reference
168 (1) (a)	The nature of the business of the Company together with any change thereof during the accounting period	Yes	Annual Report of the Board of Directors on page 150 to 159.
169 (1) (b)	Signed financial statements of the Company for the accounting period completed	Yes	Consolidated Financial Statements from pages 176 to 180.
170 (1) (c)	Auditors' Report on financial statements of the Company	Yes	Independent Auditors' Report on pages 172 to 175.
171 (1) (d)	Accounting policies and any changes therein	Yes	Notes to the Consolidated Financial Statements from pages 181 to 236.
172 (1) (e)	Particulars of the entries made in the Interests Register during the accounting period	Yes	Annual Report of the Board of Directors from pages 150 to 159.
173 (1) (f)	Remuneration and other benefits paid to Directors of the Company during the accounting period	Yes	Director's Remuneration on page 233.
174 (1) (j)	Corporate donations made by the Company during the accounting period	Yes	Refer Annual Report of the Board of Directors on page 150 to 159.
175 (1) (h)	Information on the Directorate of the Company during and at the end of the accounting period	Yes	Refer Board of Directors section from pages 38 to 41.
176 (1) (i)	Amounts paid/payable to the External Auditor as audit fees and fees for other services rendered during the accounting period	Yes	Refer Notes to the Consolidated Financial Statements on page 181 to 236.
177 (1) (j)	Auditors' relationship or any interest with the Company and its Subsidiaries	Yes	Refer Report of the Audit Committee on page 114 to 115.
178 (1) (k)	Acknowledgment of the contents of this Report and signatures on behalf of the Board	Yes	Refer Statement on Directors' Responsibilities for Preparation of Financial Statements on page 171 and Annual Report of the Board of Directors on pages 150 to 159.

Compliance with CSE Corporate Governance Principles – Revised Section 9 of the Listing Rules

Rule No.	Corporate Governance Principles	Compliance Status	Details of Compliance
9.2	**Policies**		
9.2.1	Establish, maintain and disclose the following policies	Compliant	The Company has established and continues to maintain the following policies - Policy on the matters relating to the Board of Directors, Policy on Board Committees, Policy on Corporate Governance, Nominations and Re-election, Policy on Remuneration, Policy on Internal Code of Business conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities, Policy on Risk management and Internal controls, Policy on Relations with Shareholders and Investors, Policy on Environmental, Social and Governance Sustainability, Policy on Control and Management of Company Assets and Shareholder Investments, Policy on Corporate Disclosures, Policy on Whistleblowing and Policy on Anti-Bribery and Corruption
9.2.3	Disclosure on the Annual Report	Compliant	The Company has disclosed in its Annual Report: (i) the list of policies that are in place in conformity Rule 9.2.1 above, with reference to its website. (ii) details pertaining to any changes to policies adopted by the Listed Entities in compliance with Rule 9.2 above.
9.3	**Board Committees**		
9.3.1	Board committees at minimum includes	Compliant	The Company continues to maintain the Nominations and Governance Committee, Remuneration Committee, Audit Committee and Related Party Transactions Review Committee as well as the Risk Management Committee
9.3.2	Board Committees - Composition and disclosures	Compliant	All the Committees comply with the required rules. Please refer the respective Committee Reports
9.3.3	Chairperson of Board Committees	Compliant	Chairperson of Board Committees is not the Chairperson of the Board
9.4	**Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with shareholders**		
9.4.1	Meeting Procedures	Compliant	Company maintains records of all resolutions passed at General Meetings
9.4.2	Communication and Relations with shareholders	Compliant	The Company has a Shareholder Communication and Relations policy and it is published on the company website. The contact person is mentioned. The policy includes a process whereby Directors are informed of major issues and concerns of shareholders

SUMMARY OF COMPLIANCE

GRI 2021 : 2-23, 2-24, 2-27

Rule No.	Corporate Governance Principles	Compliance Status	Details of Compliance
9.5	Policy on matters relating to the Board of Directors		
9.5.1	Establish and maintain a formal policy governing matters relating to the Board of Directors	Compliant	The Company maintains a Policy on Matters relating to the Board of Directors which addresses the requirements in rules 9.5.1
9.5.2	Confirm compliance with the requirements of the policy referred to in Rule 9.5.1 above in the Annual Report	Compliant	The Company maintains a Policy on Matters relating to the Board of Directors which addresses the requirements in rules 9.5.1 and has confirmed compliance on the annual report as required in rule 9.5.2
9.6	Chairperson and CEO		
9.6.1	Chairperson shall be a Non-Executive Director and the position of the Chairperson and CEO shall not be held by the same individual	Compliant	Chairperson of the company is a Non-Executive Director and the position of the Chairperson, Managing Director and CEO are not been held by the same individual
9.6.2	Chairperson of a Listed Entity is an Executive Director and/or the positions of the Chairperson and CEO are held by the same individual, such Entity shall make a Market Announcement	Not Applicable	Not Applicable
9.6.3	The Requirement for a SID	Not Applicable	Not Applicable
9.6.4	Rationale for appointing a SID	Not Applicable	Not Applicable
9.7	Fitness of Directors and CEOs		
9.7.1	Take necessary steps to ensure that their Directors and the CEO are, at all times, fit and proper persons as required in terms of these Rules	Compliant	The Company ensures that the Chairman, Managing Director, CEO and Directors at all times fulfill the fit and proper assessment criteria set out in the Listing Rules
9.7.4	Obtain declarations from their Directors and CEO on an annual basis confirming that each of them have continuously satisfied the Fit and Proper Assessment Criteria	Compliant	The Chairman, Managing Director, CEO and Directors have provided the declaration confirming that they satisfy the Fit and Proper Assessment Criteria during the financial year and as at the date of such confirmation
9.7.5	Fit and Proper Assessment Criteria - Disclosures in the Annual Report	Compliant	Page 153 of the Annual Report provides the relevant disclosure

Rule No.	Corporate Governance Principles	Compliance Status	Details of Compliance
9.8	**Board Composition**		
9.8.1	Minimum number of Directors	Compliant	The Board consisted of 12 Directors as at 31st March 2025
9.8.2	Independent Directors	Compliant	Four Directors are Independent as at 31st March 2025
9.8.3	Criteria for determining independence	Compliant	The 4 independent directors are deemed independent according to the criteria listed on section 9.8.3
9.8.5	Disclosure relating to Director independence	Compliant	Each Independent Director has submitted a signed and dated declaration annually of his or her "independence" or "non-independence"
9.9	**Alternate Directors**	**Not Applicable**	**The Board does not have any alternate directors**
9. 10	**Disclosures relating to Directors**		
9.10.1	Maximum number of directorships	Compliant	Company Policy on maximum number of Directorships which a Director can hold in listed companies is 20
9.10.2	Upon the appointment of a new Director to its Board, make an immediate Market Announcement	Compliant	Disclosed the appointments of new Directors to the Colombo Stock Exchange. Appointments are reviewed by the Nominations and Governance Committee and recommended to the Board. Please refer pages 38 to 41 for a brief resume of each Director
9.10.3	Immediate Market Announcement regarding any changes to the composition of the board and board committees	Compliant	All changes to Board Committees were immediately informed to the Colombo Stock Exchange
9.10.4	Disclosure relating to Directors on the Annual Report	Compliant	Pages 150 to 159 of the Annual Report of the Board of Directors contains the relevant information
9.11	**Nominations and Governance Committee**		
9.11.1	Establish a Nominations and Governance Committee	Compliant	Refer the Nominations and Governance Committee Report on pages 122 to 123.
9.11.2	Maintain a formal procedure for the appointment of new Directors and re-election of Directors	Compliant	Refer the Nominations and Governance Committee Report on pages 122 to 123.
9.11.3	Nominations and Governance Committee shall have a written terms of reference	Compliant	Refer the Nominations and Governance Committee Report on pages 122 to 123.

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GRI 2021 : 2-23, 2-24, 2-27

Rule No.	Corporate Governance Principles	Compliance Status	Details of Compliance
9.11.4	Composition of the Nominations and Governance Committee	Compliant	The Nominations and Governance Committee comprised of 2 Independent Non Executive Directors. There are no Executive Directors on the Committee. Please refer the Report on Pages 122 to 123.
9.11.5	Functions of the Nominations and Governance Committee	Compliant	Refer the Nominations and Governance Committee Report on pages 122 to 123.
9.11.6	Disclosures in Annual Report	Compliant	Refer the Nominations and Governance Committee Report on pages 122 to 123.
9.12	**Remuneration Committee**		
9.12. 2	Establish a Remuneration Committee that conforms to the requirements set out in Rule 9.12	Compliant	The Remuneration Committee comprises 2 Independent Non Executive Directors. Refer the Remuneration Committee Report on page 120.
9.12.3	Remuneration Committee shall establish and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneration and for fixing the remuneration packages of individual Directors.	Compliant	
9.12.4	Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of non-discriminatory pay practices	Compliant	
9.12.5	Remuneration Committee shall have a written terms of reference	Compliant	The Remuneration Committee includes Terms of Reference
9.12.6	Remuneration Committee Composition	Compliant	Refer the Remuneration Committee Report on page 120.
9.12.7	Functions of Remuneration Committee	Compliant	The Remuneration Committee recommends the remuneration payable to the Managing Director, Chief Executive Officer and the Executive Directors. Refer the Remuneration Committee Report on page 120.
9.12.8	Disclosure in the Annual Report relating to Remuneration Committee	Compliant	

Rule No.	Corporate Governance Principles	Compliance Status	Details of Compliance
9.13	**Audit Committee**		
9.13.1	Establish an Audit Committee	Compliant	The Audit Committee comprises 2 Independent Non Executive Directors. The Committee has defined Terms of Reference defining its scope, authority and duties. The company maintains separate Committees to perform the Audit and Risk functions. Refer Audit Committee Report on pages 114 to 115.
9.13.2	The Audit Committee shall have a written terms of reference	Compliant	
9.13.3	Composition of Audit Committee	Compliant	
9.13.4	Audit Committee Functions	Compliant	
9.13.5	Disclosure in the Annual Report relating to Audit Committee	Compliant	
9.14	**Related Party Transactions Review Committee (RPTRC)**		
9.14. 1 and 9.14.2	Composition of the Related Party Transactions Review Committee (RPTRC)	Compliant	The Company has a RPTRC which comprises 3 Directors out of which 2 Directors are Independent. Please refer the Report of the Related Party Transaction Review Committee in page 116 to 117.
9.14.3	Functions of RPTRC	Compliant	Please refer the Report of the Related Party Transaction Review Committee on page 116 to 117.
9.14.4	RPTRC Meetings	Compliant	RPTRC met 04 times during the year 2024/25
9.14.7	Immediate Disclosures	Compliant	Please refer Note 30 on pages 230 to 233.
9.14.7	Disclosure of Non- Recurrent and Recurrent Related Party Transactions	Compliant	Please refer Note 30 on page 230 to 233.
9.14.8	The Report by the Related Party Transaction Review Committee	Compliant	Please refer the Report of the Related Party Transaction Review Committee on page 116 to 117.
9.14.8 (4)	An affirmative declaration by the Board of Directors	Compliant	Please refer the Annual Report of Board of Directors for an affirmative statement of compliance of the Board on pages 150 to 159.
9.17	**Additional Disclosures**	**Compliant**	**Please refer the Report of the Board of Directors on pages 150 to 159.**

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

The Board of Directors of Ceylon Tea Brokers PLC has pleasure in presenting to the Shareholders their Annual Report on the affairs of the Company together with the Audited Financial Statements of the Company and the Consolidated Financial Statements of the Company and its subsidiary for the financial year ended 31st March 2025, conforming to all relevant statutory requirements.

This Report provides the information as required by the Companies Act No.07 of 2007, Listing Rules of the Colombo Stock Exchange and the recommended best practices.

General

The Company was incorporated in terms of the Companies Act, No.17 of 1982 under the name of "De Silva Abeywardena and Peiris (Private) Limited" on 15th June 1999, changed its name to Ceylon Tea Brokers (Private) Limited on 5th April 2006 and was converted to a public company on 21st June 2007. The Company which was re-registered as per the Companies Act, No.07 of 2007 on 20th January 2010 with PB 1280 as the new number assigned to the Company, obtained a listing on the Diri Savi Board of the Colombo Stock Exchange on 16th March 2010 and changed its name to Ceylon Tea Brokers PLC on 3rd May 2010. The registration number of the Company is PB 1280 PQ.

Subsidiary

Logicare (Pvt) Ltd is a fully owned subsidiary of Ceylon Tea Brokers PLC which provides transportation and warehousing facilities to third-party logistic clients. The new warehousing project of the Group started its commercial operations in June 2019.

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

The Company's principal activities during the year were Tea Broking, warehousing and providing financing facilities to its producer clients for their working capital requirements. This Report together with the Financial Statements, reflect the state of affairs of the Company.

The Group continues to own the leasehold rights of a land in Muthurajawela under the name of Logicare (Pvt) Ltd., the fully owned subsidiary of Ceylon Tea Brokers PLC. Logicare operates as a total supply chain solutions provider which includes, specialized logistics, transport and other supply chain related services to external clients based on their unique requirements.

Vision, Mission and Values

The Company's vision, mission and values are available on page 9.

Code of Business Conduct and Ethics

The Company has adopted a Code of Business Conduct and Ethics for Directors and Members of the Key Management. The Directors and all the employees conduct their activities with the highest level of ethical standards and integrity in achieving the corporate objectives of the Company.

Review of Business Performance

Review of business performance of the Company is available in the Chairman's message, Managing Director's message and the Chief Executive Officer's review.

Disclosures

The Annual Report of the Company complies with the disclosure requirements of Sri Lanka Accounting Standards (SLFRs/ LKASs), Companies Act No. 07 of 2007, the Listing Rules

of the Colombo Stock Exchange and Code of Best Practices on Corporate Governance issued jointly by the Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka.

Financial Statements

The Consolidated Financial Statements of the Group have been prepared in accordance with the Sri Lanka Accounting Standards (LKAS) and Sri Lanka Financial Reporting Standards (SLFRSs), issued by The Institute of Chartered Accountants of Sri Lanka and comply with requirements of the Companies Act No. 07 of 2007 and Listing Rules of the Colombo Stock Exchange. Consolidated Financial Statements for the year ended 31st March 2025 duly signed by Director Finance and two Directors on behalf of the Board , are given on page 176 to 180.

Directors' Responsibility for Financial Reporting

The Directors are responsible for the preparation of the Financial Statements of the Company and the Group, which reflect a true and fair view of their state of affairs.

The Directors are of the view that the Statement of Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement and Notes to Financial Statements appearing on pages 181 to 236 have been prepared in conformity with the requirements of the Sri Lanka Accounting Standards, Companies Act, No.07 of 2007, Sri Lanka Accounting and Auditing Standards Act, No. 15 of 1995 and the amendments thereto and the Listing Rules of the Colombo Stock Exchange. The Statement of Director Responsibility for Financial Reporting is given on page 171.

Independent Auditors' Report

The Report of the Independent Auditors on the Financial Statements of the Company and its subsidiary is given on pages 172 and 175.

Accounting Policies

The accounting policies adopted by the Company in the preparation of Financial Statements are given on pages 181 to 194 and are consistent with those of the previous period.

The Board of Directors

As at end of the financial year under review, the Board consisted of twelve Directors namely, four (04) Executive Directors, four (04) Non-Executive Directors and four (04) of whom are Independent. The names of the Directors who held office as at the end of the accounting period are given below and their brief profiles appear on pages 38 to 41.

- Mr. R J N De Mel - Chairman/ Independent Non Executive Director
- Mr. D G W De Silva - Managing Director
- Mr. K A D Fernando - Chief Executive Officer
- Mr. H T D Nonis - Executive Director
- Mr. Z Mohamed - Executive Director
- Mr. W A T Fernando - Non Executive Director
- Ms. N T M S Cooray - Non Executive Director
- Ms. H M S Perera - Non Executive Director
- Mr. C P R Perera - Independent Non Executive Director
- Ms. A Akbar - Independent Non-Executive Director – appointed w.e.f. 27.09.2025
- Dr. K B K B R Kulapala – Independent Non-Executive Director – appointed w.e.f. 27.09.2025
- Dr. M. De Zoysa – Independent Non- Executive Director – appointed w.e.f. 27.09.2025

A detailed resume of each Director of the Company is available on page 38 to 41.

Appointments/Re-designation of Directors of the Company

Mr D G Waruna de Silva was appointed the Managing Director of the Company w.e.f. 31st January 2025 and accordingly, he ceased to be the Chief Executive Officer effective from the same date.

Mr K A Dinesh Fernando was appointed the Executive Director/ Chief Executive Officer of the Company w.e.f. 31st January 2025 and accordingly, he ceased to be the Chief Operating Officer effective from the same date.

Mr W Ajith Terence Fernando was redesignated as a Non-Executive Director of the Company w.e.f. 31st January 2025, who stepped down from the office of Managing Director effective from the same date.

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

Mr C P R Perera was re-designated as a Non-Executive Director of the Company w.e.f. 7th October 2024.

Re-appointment of Directors who are over 70 years of age

Mr. C P R Perera who is over 70 years of age, offers himself for re-appointment as a Director in pursuance of Section 211 of the Companies Act with the recommendation of the Directors. A resolution proposing the re-appointment of Mr. C P R Perera who is 81 years of age, to the Board of the Company, declaring that the age limit of 70 years shall not apply to the said Director, will be placed before the shareholders at the forthcoming Annual General Meeting.

Recommendation for re-election of Directors who retire by rotation

Mrs. N T M S Cooray retires by rotation at the Annual General Meeting in terms of Article 87(i) of the Articles of Association and being eligible, consequent to review by the Nominations and Governance Committee is recommended by the Board for re-election.

Recommendation for re-election of Directors who were appointed since the last Annual General Meeting

Dr. K B G B R Kulapala, Ms. A Akbar and Dr. M De Zoysa who were appointed to the Board in terms of Article 94 of the Articles of Association of the Company, since the last Annual General Meeting are recommended by the Board for re-election by the Shareholders, consequent to review by the Nominations and Governance Committee.

Directors of the Subsidiary

The Directors of the subsidiary, Logicare (Pvt) Ltd as at 31st March 2025 consisted of the following:

- Mr. W A T Fernando
- Mr. K H S Deshapriya – resigned with effect from. 30.04.2025
- Mr. C P R Perera
- Mr. D G W De Silva
- Ms. H M G de Alwis
- Ms. H M S Perera
- Dr. M de Zoysa

Review of the Performance of the Board

The performance of the Board has been appraised through a formalized process of individual appraisal by enabling each member to self-appraise on an anonymous basis and it is mentioned in page 133 of the Annual Report.

Corporate Governance

The Board of Directors confirms, that the Company is in compliant with Section 9 of the Listing Rules of the Colombo Stock Exchange. The Chairman, the Board of Directors and the Key Management Staff is dedicated towards upholding an effective Corporate Governance Framework in compliance with the Code of Business Conduct, Ethics of the Company and in implementing systems and structures required to ensuring best practices within the Company.

The Corporate Governance of the Company is reflected in its strong belief in protecting and enhancing stakeholder value in a sustainable manner, supported by a sound system of policies and practices. Prudent internal controls ensure professionalism, integrity and commitment of the Board of Directors, Management and employees.

The Corporate Governance Statement on Pages 105 explains the measures adopted by the Company during the year of review.

Policies in terms of Rule 9.2 of the Listing Rules

In terms of Rule 9.2.1 of the Listing Rules, the Company established, adopted and published on the Company website (www.ceylonteabrokers.com) the following policies, ensuring adherence to best practices in corporate governance, ethical conduct, and regulatory compliance:

a) Policy on the matters relating to the Board of Directors

b) Policy on Board Committees

c) Policy on Corporate Governance, Nominations and Re-election
d) Policy on Remuneration
e) Policy on Internal Code of Business conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities
f) Policy on Risk Management and Internal controls
g) Policy on Relations with Shareholders and Investors
h) Policy on Environmental, Social and Governance Sustainability
i) Policy on Control and Management of Company Assets and Shareholder Investments
j) Policy on Corporate Disclosures
k) Policy on Whistleblowing
l) Policy on Anti-Bribery and Corruption

There were no significant changes to the above policies adopted by the Company during the year under review.

Fit and Proper Assessment of Directors

In terms of Rule 9.7.4 of the Listing Rules of the Colombo Stock Exchange, Declarations were obtained from the Directors who confirmed that they have continuously satisfied the Fit and Proper Assessment Criteria set out in the Listing Rules during the financial year under review and as at the date of such Declarations. These declarations were placed before the Nominations and Governance Committee, and upon review by the Nominations and Governance Committee, where no member participated in decisions relating to his/her continuation, were then presented to the Board.

Independence of Directors

The Board, based on the Declarations submitted by the Independent Directors declaring his/her independence against the criteria specified in Rule 9.8.3 of the Listing Rules and such other information available to the Board that could reasonably be constructed to have a bearing on the independence of such Directors, determined that the Three (3) Independent Directors namely Mr. R J N De Mel, Dr. K B G B R Kulapala, Ms. A Akbar and Dr. M De Zoysa are 'Independent' in terms of the Listing Rules.

Policy on Relations with the Shareholders and Investors

The Company has established a process for effective communication and relations with shareholders and investors.

Directorships held by the Directors in other Listed Entities

The Board, based on the recommendations of the Nominations and Governance Committee, and considering the time allocation required of the Directors for the Board related matters of the Company decided that a Director of the Company shall not hold more than 20 directorships in Listed Companies.

Policy on Matters relating to the Board of Directors

The Company has in terms of the above Policy, acted in compliance with the requirements set out in Rule 9.5.1 of the Listing Rules.

Additional disclosures pertaining to Directors

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

(ii) **Material Business Relationships with each other**
None of the Directors or close family members have any material business relationships with the other Directors of the Company.

(iii) **Other directorships held by the Directors**
Other directorships held by Directors are disclosed on pages 38 and 41.

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

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

(v) Applicable Laws Rules and Regulations
The Directors have made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of the changes, particularly to the Listing Rules ad applicable capital market provisions.

There were no material non-compliance with law or regulation or any fine, which are material, imposed by any Government for regulatory authority in any jurisdiction where the Company has operations.

Directors' Remuneration

The Company has adopted a Remuneration Policy and established a formal procedure for determination of the remuneration of the Directors including the Executive Directors. No. Director is involved in deciding his or her own remuneration.

The Directors remuneration is disclosed under key management personnel compensation in Note 30.4 to the Financial Statements on page 233.

Corporate Social Responsibility

The Company continued its Corporate Social Responsibility initiatives with a range of programs, details of which are set out on page 75 of this report.

Directors Shareholdings

The relevant interest of Directors in the shares of the Company as at 31st March 2025 as recorded in Investor Relations given on page 238 of the Annual Report under Shareholdings of Directors.

Share Information

There were 2,743 shareholders registered as at 31st March 2025 (2,823 shareholders as at 31st March 2024). The details of the distribution are given on page 239 of this report.

Public Shareholding Percentage

Information on Public Shareholding in terms of the Listing Rules is given on page 240 under Share Information.

Major Shareholders, Distribution Schedule and other information

Information on the distribution of shareholding, analysis of shareholders, market values per share, earnings per share, net assets per share, twenty largest shareholders of the Company, percentage of shares held by the public as pre the Listing Rules of the Colombo Stock Exchange are given on pages 238 to 241 under Shareholders' Information.

Stated Capital

The Stated Capital of the Company as at 31st March 2025 was Rs. 333,200,000/- represented by 182,400,000 ordinary shares. There were no changes in the Stated Capital of the Company during the year.

Shareholder Information

Information on the distribution of shareholding, analysis of shareholders, market values per share, earnings, dividends, net assets per share, twenty largest shareholders of the Company, Directors' shareholding, percentage of shares held by the public as per the Listing Rules of the Colombo Stock Exchange are given on page 238 to 241 under Investor Highlights and Information.

Donations

The Company made donations to the value of Rs. 1,339,583/- during the year under review.

Dividends

The Directors have approved a final dividend of cents Sixty (Rs. 0.60) per share for the year under review subject to obtaining a Certificate of Solvency from the Auditors and the said dividend will be paid on 24th November 2025.

Property, Plant and Equipment

Details of property, plant and equipment and changes during the year are given in Note 12 of the Consolidated Financial Statements.

Land Holdings

The Company does not own any freehold land or buildings.

Investments

Details of the Company's quoted and unquoted investments as at 31st March 2025 are given in Note 15 to the Financial Statements on page 206.

Appraisal of Board Performance

The Board is aware that appraising their own performance periodically would enhance the understanding of individual performance of the Board as a whole. The Board members ensure that Board responsibilities are satisfactorily discharged. Further details of the same are mentioned in page 120.

Delegation of Authority

The Board has delegated the authority of the day to day management of the Company to the Managing Director who is responsible for delivering services according to the policies and the budgets approved by the Board.

Delegation to Board Members

The Board has delegated certain functions and duties to Sub Committees that comprises of Board members. The functions and duties of each Sub Committee namely, the Audit Committee, the Remuneration Committee, the Related Party Transactions Review Committee, Nominations and Governance Committee and Risk Management Committee are detailed in the respective reports.

The Board is also encouraged to seek independent professional advice when necessary, at the Company's expense and also have access to the Company Secretary to obtain advice and services as and when necessary.

Board Committees

The Audit Committee, Remuneration Committee, Related Party Transactions Review Committee, Nominations and Governance Committee and the Risk Management Committee function as Board Sub Committees, with Directors who possess the requisite qualifications and experience. The composition of the said Committees is as follows:

Audit Committee

- Ms. Amrah Akbar - Chairperson of the Committee
- Mr. R J N De Mel - Member
- Ms. H M S Perera - Member

Related Party Transactions Review Committee

- Dr. Mihirini De Soyza - Chairperson of the Committee
- Mr. R J N De Mel - Member
- Ms. H M S Perera - Member

Remuneration Committee

- Dr. Mihirini De Zoysa - Chairperson of the Committee
- Mr. R J N De Mel - Member

Ms. N T M S Cooray - Member

Nomination Committee

- Dr. Mihirini De Zoysa - Chairperson of the Committee
- Mr. R J N De Mel - Member
- Mr. C P R Perera - Member

Risk Management Committee

- Dr. Beshan Kulapala - Chairman of the Committee
- Mr. R J N De Mel - Member
- Mr. C P R Perera - Member

IT Steering Committee

- Mr. Z Mohamed - Chairman of the Committee
- Mr. D G W De Silva - Member
- Mr. K A D Fernando - Member
- Mr. S A A R Samarasinghe - Member
- Mr. M De Zoysa - Member
- Mr. N Abeygunawardana – Member

Credit Review Committee

- Mr. W A T Fernando - Chairman of the Committee
- Mr. D G W De Silva - Member
- Mr. K A D Fernando - Member
- Mr. Z Mohamed - Member
- Mr. H T D Nonis - Member
- Mr. S A A R Samarasinghe - Member
- Mr. N Abeygunawardana - Member
- Mr. P K S Senevirathna - Member
- Ms. L S C De Silva - Member

The Company maintains an Interests Register in terms of the Companies Act, No. 07 of 2007, which is deemed to form part and parcel of this Annual Report and available for inspection upon request.

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

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

Board Meetings and Sub Committee Meetings

The number of Board meetings and Sub Committee meetings held during the year and the attendance of Directors at these meetings are given on Corporate Governance Section from page 112 to 113.

Internal Control and Risk Management

The Board is responsible for the adequacy and effectiveness of the Company's system of internal controls and risk management framework. Detail review in this regard is given in the page 161 to 167 under the Corporate Governance.

Material Foreseeable Risk Factors

Information pertaining to material foreseeable risk factors is given under the Risk Management section on page 161 to 167.

Declaration - Compliance with Rule 9 of the Listing Rules

The Directors declare that the Company has complied with Rule 9 of the Listing Rules of the Colombo Stock Exchange pertaining to Related Party Transactions during the financial year ended 31st March 2025.

Related Party Transactions/ Disclosures during the year

Non-Recurrent Related Party Transactions – Disclosure in terms of Rule 9.14.8(1) of the Listing Rules

There were no non-recurrent Related Party Transactions of which the aggregate value exceeds 10% of equity or 5% of total assets in the latest Audited Financial Statements as at 31st March 2024, which requires additional disclosures in the Annual Report 2024/25 in terms of Rule 9.14.8(1) of the Listing Rules of the Colombo Stock Exchange.

Recurrent Related Party Transactions – Disclosure in terms of Rule 9.14.8(2) of the Listing Rules

There were no recurrent Related Party Transactions of which the aggregate value exceeds 10% of the Company's Turnover as per the latest Audited Financial Statements as at 31st March 2024, which requires additional disclosures in the Annual Report 2024/25 in terms of Rule 9.14.8(2) of the Listing Rules of the Colombo Stock Exchange.

Sustainability

The Company pursues its business goals based on a model of stakeholders' governance. Finding of the continuous internal stakeholder engagements have enabled the Company to focus on material issues highlighted by other stakeholders such as employees, customers, suppliers and the community. These steps have been encapsulated in a Company-wide strategy focused on sustainable development which is continuously evolving based on the above-mentioned stakeholder engagements.

Major Transactions

The Board of Directors is required to act in accordance with Section 185 of the Companies Act No. 07 of 2007 with regard to 'major transactions' as per the said Section 185. There were no major transactions entered into by the Company during the year.

Employment Policy

The Company's employment policy is totally non-discriminatory which respects individuals and provides career opportunities irrespective of the gender, race or religion.

At a Company level as at 31 March 2025 a total of 121 persons were in employment (123 persons as at 31 March 2024). There were no material issues pertaining to employees and industrial relations during the financial year.

Refer Human Capital on Pages 79 to 87 for more information.

Statutory Payments

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

Contingent Liabilities

Except as disclosed in note 32 to the Financial Statements, there were no material Contingent Liabilities as at the reporting date.

Risk Management

An ongoing process is in place to identify and manage the risks that are associated with the business and operations of the Company and the Group on a quarter basis. The Directors review this process through the Risk Management Committee, to identify the competence and success of internal controls.

Specific steps taken by the Company in managing the risks are detailed in the section on Enterprise Risk Management on Pages 161 to 167.

Independent Auditors

Messrs KPMG, Chartered Accountants served as the Auditors of the Company during the year under review. The Auditors do not have any other relationship with the Company other than as Auditors of the Company who have also provided certain non-audit services.

A total amount of Rs. 1,300,000/- is payable by the Company to the Auditors for the year under review. Rs. 1,075,000/- as audit fees and Rs. 225,000/- as non-audit fees respectively.

The Auditors have expressed their willingness to continue in office. A resolution to re-appoint the Auditors and to authorise the Directors to determine their remuneration will be proposed at the forthcoming Annual General Meeting.

Group

Messrs KPMG, Chartered Accountants served as Auditors of the subsidiary company. Details of payments to the said Auditors on account of audit fees and for permitted non audit services, are set out in Note 08 to the Financial Statements on page 196.

Independence of Auditors

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

Compliance with laws and regulations

To the best of knowledge and belief of the Directors, the Company and its subsidiary have not engaged in any activity, which contravenes laws and regulations of the Country.

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

Special Business to be transacted at the Annual General Meeting - Amendments to the Articles of Association

The "Special Business" set out as Item 2 of the Notice of Annual General Meeting contains amendments to certain Articles of the Articles of Association of the Company, as recommended by the Directors, to be adopted by way of a Special Resolution. The salient amendments proposed are :

(a) Article 58 be deleted in its entirety and the new heading and the Article 58 be substituted therefore for meetings of shareholders to be held in addition to physical meetings as per the present Article; by means of audio or audio and visual communication ; thereby providing the Board to have the option to determine whether a General Meeting of shareholders would be held as a physical meeting, electronic meeting or as a hybrid meeting.

(b) Currently, the minimum number of Directors shall not be less than two (02). The recent amendments to Listing Rules require the minimum number to be increased to five (05). The proposed amendment to the number of Directors is to be in line with the new Rule.

(c) The Listing Rules have introduced provisions relating to the circumstances under which / the period for which an Alternate Director may be appointed. The proposed amendment to the provisions relating to Alternate Directors is to align the existing provisions with the Listing Rules.

(d) Additional methods were brought in, to serve notice on shareholders.

(e) Further provision in terms of the Listing Rules that publication by advertisement must be done as required by the statute in all three languages in national daily newspapers is proposed to be amended. Publication of notice was further enhanced if permitted by law, to be done via the official website of the Company and/or the official website of the Colombo Stock Exchange so long as the Company is listed on the Colombo Stock Exchange.

Declaration

The Directors declare that:

I. the Company has not engaged in any activity, which contravenes laws and regulations of the country to the best of their knowledge.

II. all material interests in contracts involving the Company

III. the Company has made all endeavours to ensure equitable treatment of all shareholders.

IV. the business is a going concern and that the Directors have reviewed the Company's budgets, capital expenditure requirements and future cash flows and are satisfied that the Company has sufficient resources to continue in operation for the foreseeable future. Accordingly, the Financial Statements are prepared considering the Company as a going concern.

V. they have conducted a review of the internal controls, covering financial, operational and compliance controls and risk management and have obtained reasonable assurance of their effectiveness and successful adherence.

VI. the Company has complied with Section 9 of the Listing Rules on Related Party Transactions issued by the Colombo Stock Exchange pertaining to Related Party Transactions during the financial year ended 31st March 2025.

Events Occurring after the Reporting Date

No circumstances have arisen and no material events have occurred during the period between the reporting date and the date of signing of Financial Statements by Directors that require disclosure or adjustment to the financial statements as disclosed in Note 33 to the Financial Statements on page 234 of this Annual Report.

Going Concern

The Financial Statements are prepared on going concern principles. After making adequate enquires from the Management, the Directors are satisfied that the Company has adequate resources to continue its operations in the foreseeable future.

Annual General Meeting

The Sixteenth (16th) Annual General Meeting will be held on 27th November 2025 at 2:00 p.m

The notice of the Annual General Meeting appears on page 250.

Acknowledgement of the content of the report

As required by Section 168(1)(k) of the Companies Act no.07 of 2007, the Board of Directors do hereby acknowledge the content of this Annual Report.

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

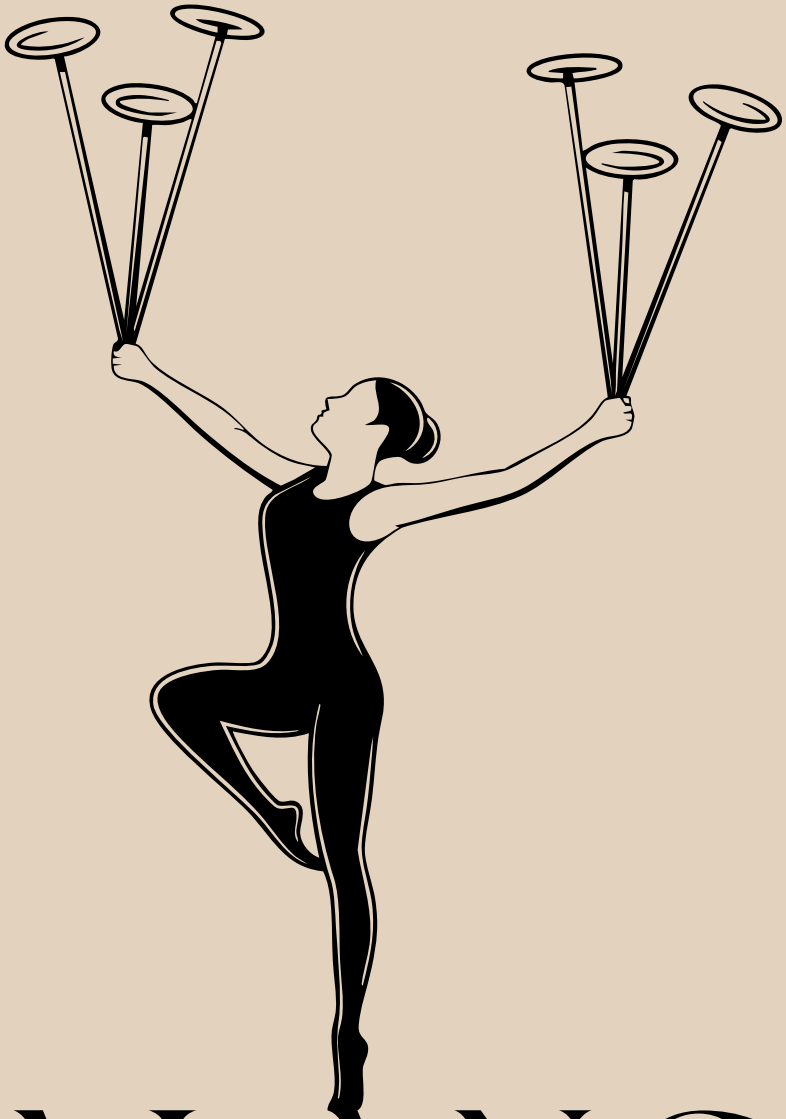
R J N de Mel
Chairman

D G W De Silva
Managing Director

Lasanthi Abeyakoon
P W Corporate Secretarial (Pvt) Ltd
Secretaries

24th October 2025
Colombo

Risk Management



BALANCE

Effective risk management is the art of balance — weighing challenges against opportunities with care and foresight. At Ceylon Tea Brokers, we remain steady and resilient, ensuring stability while navigating an ever-changing environment.

RISK MANAGEMENT

Risk Management

Risk implies future uncertainty about deviation from expected earnings or expected outcome. Therefore, risk management is vital for any business entity irrespective of in which industry it operates. As per the Corporate Governance Framework the Board is responsible for ensuring an effective risk management process and a sound system of internal controls to safeguard shareholders' investments and the Company's assets.

Risk Management Framework

The Company has established a Risk Management Framework with three levels of control in place under the supervision and direction of its Board of Directors and supported by the Corporate Management Team and employees at all levels. A graphical overview of the Company's risk management framework is given below.

Level of Controls	Responsibility	Actions
LEVEL 01 Board of Directors	Audit Committee	Review the scope and results of the audit and its effectiveness
	Risk Management Committee	Overlooks the Risk Management Framework and assist the Board in fulfilling its responsibilities relating to Risk Management and Internal Controls
LEVEL 02 Corporate Management	Management Committee	Managing day to day risk taking activities. Implementing Internal Policies and Procedures
	Credit Committee	Responsible for the decisions on credit risk of the company. Implementing policies and procedures on Lending.
LEVEL 03 Independent Assurance	Internal Audit	Review the effectiveness of Risk Management Practices and the Internal Controls
	External Audit	Provides an opinion on the true and fair view of the Financial Statements. Review the Internal Controls over the Financial Reporting process.

RISK MANAGEMENT

GRI 2021 : 3-3

Level 1 – Board of Directors

The Board of Directors gives the leadership to risk management framework of the Company as a part of its good governance practices.

The Board has delegated this responsibility to its two main subcommittees which are Risk Management Committee and the Audit Committee. These two subcommittees conduct meetings at least once in every quarter and update the Board of Directors at the board meetings on the effectiveness of the risk management framework and internal controls, effectiveness of the audit, review of compliance and internal audit processes.

Level 2 – Corporate Management

Management Committee and the Credit Committee which operates at the corporate management level are responsible for managing the risks of day to day business activities. These two committees which are under the supervision and direction of the Board of Directors implement policies and procedures at operational level in order to strengthen the internal controls.

Level 3 - Independent Assurance – Internal Audit / External Audit

Internal Audit reviews the effectiveness of risk management practices and the internal controls of the Company whilst the External Audit reviews the internal controls over the financial reporting process. This independent assurance assists the Board of Directors to identify any gaps in the current risk management framework and internal controls.

Risk Strategy

The Risk Strategy of the Company is to establish formal mechanisms to ensure that best efforts are taken to appropriately identify the risks and maximize any potential opportunities arising from such risks events and mitigate and minimize the adverse effects stemming from those identified risks. This is operationalised through the embedding of risk management in business operations and strategic decision making process.

Risk Appetite

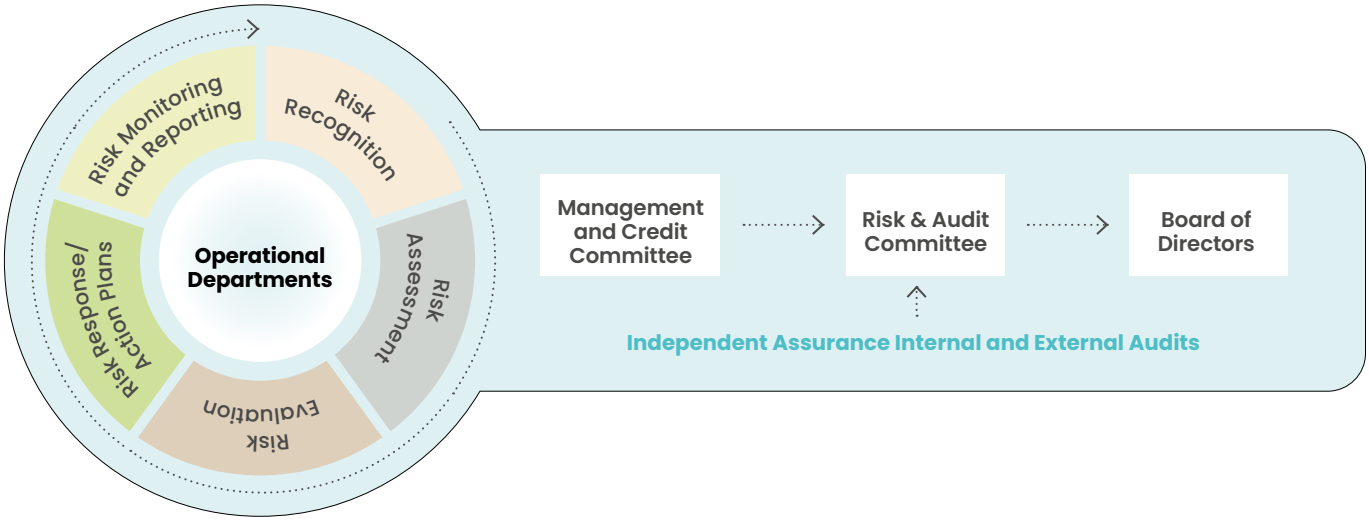
The Company's risk appetite is the amount of risk it is prepared to accept in pursuing its strategic objectives based on its key value drivers. The Company's stated Risk Appetite provides a decision-making framework for the strategic and operational treatment of risk and is used as an internal tool by the central Enterprise Risk Management Division as means of calibrating the level of tolerance of risk on a Company wide level.

Ceylon Tea Brokers PLC Risk Appetite Statement

Ceylon Tea Brokers PLC operates within a low overall risk range. The Company has a zero tolerance with regards to governance, reputation and regulatory non-compliance, and a low tolerance to business disruption, health and safety of its stakeholders, and employee satisfaction and a medium level of tolerance towards strategic objectives related to earnings volatility.

Risk Management Process

Whilst the overall setting of risk appetite is set at a Company level, the CTB's ERM process is a bottom-up approach, starting at business level as depicted in the process diagram below.



Key Risks

1. Credit Risk
2. Market Risk
3. IT Risk
4. Business Continuity Risk
5. Compliance Risk

Risk Register

The key risk areas which may interrupt the achievement of corporate objectives of the Company along with risk responses and action plans implemented to mitigate them are given from pages 164 to 167.

Rating of Risks

The level of risk for each risk event is determined by rating risks based on:

i. Likelihood of occurrence – Rating of probability of occurrence from 1 to 5
ii. Severity of impact – Rating of the impact to the business from 1 to 5.
iii. Velocity of Risk – assessment of the speed at which the impact of the risk would affect the organisation.

Below table elaborates the risk rating of the each risk identified in the above risk register.

Impact / Severity						
5 Catastrophic / Extreme Impact	5	10	15	20	25
4 Major / Very High Impact	4	8	12	16	20
3 Moderate / High Impact	3	6	9	12	15
2 Minor Impact	2	4	6	8	10
1 Low / Insignificant Impact	1	2	3	4	5
	Rare / Remote to occur	Unlikely to occur	Possible to occur	Likely to occur	Almost certain to occur
	1	2	3	4	5

Ultra High | High | Medium | Low | Insignificant | Occurrence / Likelihood

Velocity represents the speed at which the risk event would affect the Company. The impact of the risk event is felt immediately if the risk item has a high velocity.

RISK MANAGEMENT

GRI 2021 : 3-3

The key risk areas which may interrupt the achievement of corporate objectives of the Company along with risk responses and action plans implemented to mitigate them are given below.

Headline Risk	Risks	Implications	Impact to Company	Likelihood of Occurrence	Score	Velocity	Measures/Actions
Credit Risk	High Credit exposure of the Company	Increased cost of finance, Poor Recoverability, Increased bad debt provisions and reduced profitability	5	1	5	High	Regularly monitoring client's advance ratios by the Credit Committee, Review of facility agreements and securities, Regular Visits to Factories
	Reduced Liquidity	Increased cost of finance, Loss of Business, Disruptions to operations	5	1	5	High	Regular review of Book debts, Annual Credit Rating Review
	Low recoverability of Loans & Advances	Increased cost of finance, Increased bad debt provisions and reduced profitability, Loss of Revenue	5	1	5	High	Regularly monitoring client's advance ratios by the Credit Committee, Review of facility agreements and securities, Regular Visits to Factory, Carrying out critical evaluation on both quantitative and qualitative information pertaining to high risk clients
	Fluctuations of Interest Rates	Increased cost of finance, reduced profitability	3	2	6	High	Adjust the interest rates on lending to reflect the changes in the market rates.
Market Risk	Loss of Marks	Loss of Revenue, Loss of Market share and reputation	5	3	15	High	Provide a better service to the clients to increase customer retention, Constant dialogue with clients and regular factory visits to understand the clients requirements / satisfaction
	Low prices for the Teas Catalogued	Loss of Revenue, Loss of Business, Loss of Profitability and reputation	5	5	25	High	Manufacturing Advisory Services, Relationship building, Restrict the advances granted on Tea Stocks up to a certain limit, Closely monitor the market trends, Helding regular Information sharing meeting to evaluate weekly performances

Headline Risk	Risks	Implications	Impact to Company	Likelihood of Occurrence	Score	Velocity	Measures/Actions
	Increased number of claims and disputes over quality of Teas sold	Loss of Reputation, Loss of prices at the auctions, Increased unsold percentages	4	2	8	Low	Constant dialogue with clients and regular factory visits to factories/buyers to understand the clients requirements / satisfaction
	Increased number of Tea withdrawals	Loss of Reputation, Loss of prices at the auctions, Increased exposure to credit risk	3	2	6	Medium	Constant dialogue with Sri Lanka Tea Board officials and clients. Regular factory visits to factories to understand the reasons for withdrawals
	Customer Dissatisfaction with services	Loss of Revenue, Loss of Market share and reputation	5	2	10	High	Provide a better service to the clients to increase customer retention, Constant dialogue with clients and regular factory visits to understand the clients requirements / satisfaction
IT Risk	Data and information security	Disruptions to operations, loss of reputation, loss of Competitive advantage,	5	2	10	High	Periodical review of User access rights, Carrying out Vulnerability Assessment and Penetration Testing (VAPT), Ensure protection from virus guards and firewalls, Data classification and segregation
	Network Security	Disruptions to operations, loss of reputation, loss of Competitive advantage	5	2	10	High	Periodical review of User access rights, Carrying out Vulnerability Assessment and Penetration Testing (VAPT), Ensure protection from virus guards and firewalls
	Lack of User awareness and IT skills	Loss of Competitive advantage, Potential data theft	3	2	6	Low	Encouraging use of a complex passwords, Periodical review of user access rights, regular trainings to increase user awareness on cyber attacks

RISK MANAGEMENT

GRI 2021 : 3-3

Headline Risk	Risks	Implications	Impact to Company	Likelihood of Occurrence	Score	Velocity	Measures/Actions
	Technology and Infrastructure security	Disruptions to operations, loss of reputation, loss of Competitive advantage	5	1	5	High	Obtaining an appropriate insurance cover, Fixation of tools to monitor server room environment
Business Continuity Risk	Lack of Succession planning	Disruptions to operations and quality of service, loss of business	4	2	8	High	Development of a succession planning framework (competency & skill) with current situation, Regular performance appraisal, training and development
	Lack of adequate training	Disruptions to operations and quality of service, loss of business	4	2	8	High	Development of a succession planning framework (competency & skill) with current situation, Regular performance appraisal, training and development
Business Continuity Risk (contd.)	Data theft	Disruptions to operations and quality of service, loss of business, loss of reputation, increased cost due to penalties	5	1	5	High	Periodical review of user rights and activity, increasing awareness on potential cyber attacks
	Natural Disasters/ Biological Disasters	Disruptions to operations, loss of business, increased costs	5	1	5	High	Data backups, Business Continuity Planning, Obtain Relevant Insurance Policies. Monitoring Server room environment & use of network monitoring tool.
Compliance Risk	Unacceptable employee behaviour	Disciplinary issues, Loss of Company Reputation	2	1	2	Low	Conduct induction programs to educate employees on regular basis, Regular meetings with staff (Formal/ informal) Staff training and development

Headline Risk	Risks	Implications	Impact to Company	Likelihood of Occurrence	Score	Velocity	Measures/Actions
	Non-compliances with health and safety guidelines	Disruptions to operations, loss of Company reputation, Increased cost due to penalties/ expenses	3	1	3	Medium	Roll out of plan to contain the spread of Virus Availability of insurance covers
	Non-compliances to laws and regulations due to oversights	Disruptions to operations, loss of Company reputation, Increased cost due to penalties/ expenses	3	2	6	High	Implementation of checks and controls to ensure compliance to laws and regulations

The Risk Management Committee on a quarterly basis evaluate the process and identify areas for improvement.

MANAGING DIRECTOR, CHIEF EXECUTIVE OFFICER AND DIRECTOR - FINANCE'S RESPONSIBILITY STATEMENT

The Financial Statements of Ceylon Tea Brokers PLC and the Consolidated Financial Statements of the Group for the year ended 31st March 2025 have been prepared and presented in compliance with the following:

- Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka);
- The Companies Act No. 07 of 2007;
- The Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995;
- The Listing Rules of the Colombo Stock Exchange; and
- The Code of Best Practice on Corporate Governance 2023 issued by CA Sri Lanka.

We affirm that the accounting policies adopted in the preparation of these Financial Statements are suitable, consistently applied, and disclosed in detail in the Notes to the Financial Statements. Policies and estimates requiring significant judgment and involving a high degree of complexity were reviewed with the Audit Committee and discussed with the External Auditors.

The Internal Audit function provides reasonable assurance that the Company's established policies and procedures are adhered to. Nonetheless, we acknowledge that no system of internal control can provide absolute assurance, given its inherent limitations. The Audit Committee meets regularly with both the Internal Auditors and External Auditors to evaluate audit effectiveness and address matters relating to internal control, audit, and financial reporting. Both audit functions enjoy unrestricted access to the Audit Committee to raise any issues of significance.

The Financial Statements have been audited by the independent external auditors, Messrs. KPMG, Chartered Accountants, whose report appears on pages 172 to 175 of this Annual Report. The Audit Committee has also reviewed and approved the services provided by the External Auditors to ensure that their independence and objectivity are not compromised.

We further confirm that:

- The Company and its subsidiaries have complied with all applicable laws, regulations and prudential requirements;
- There are no material instances of non-compliance; and
- There are no material litigations pending against the Group.

Managing Director

Chief Executive Officer

Director – Finance

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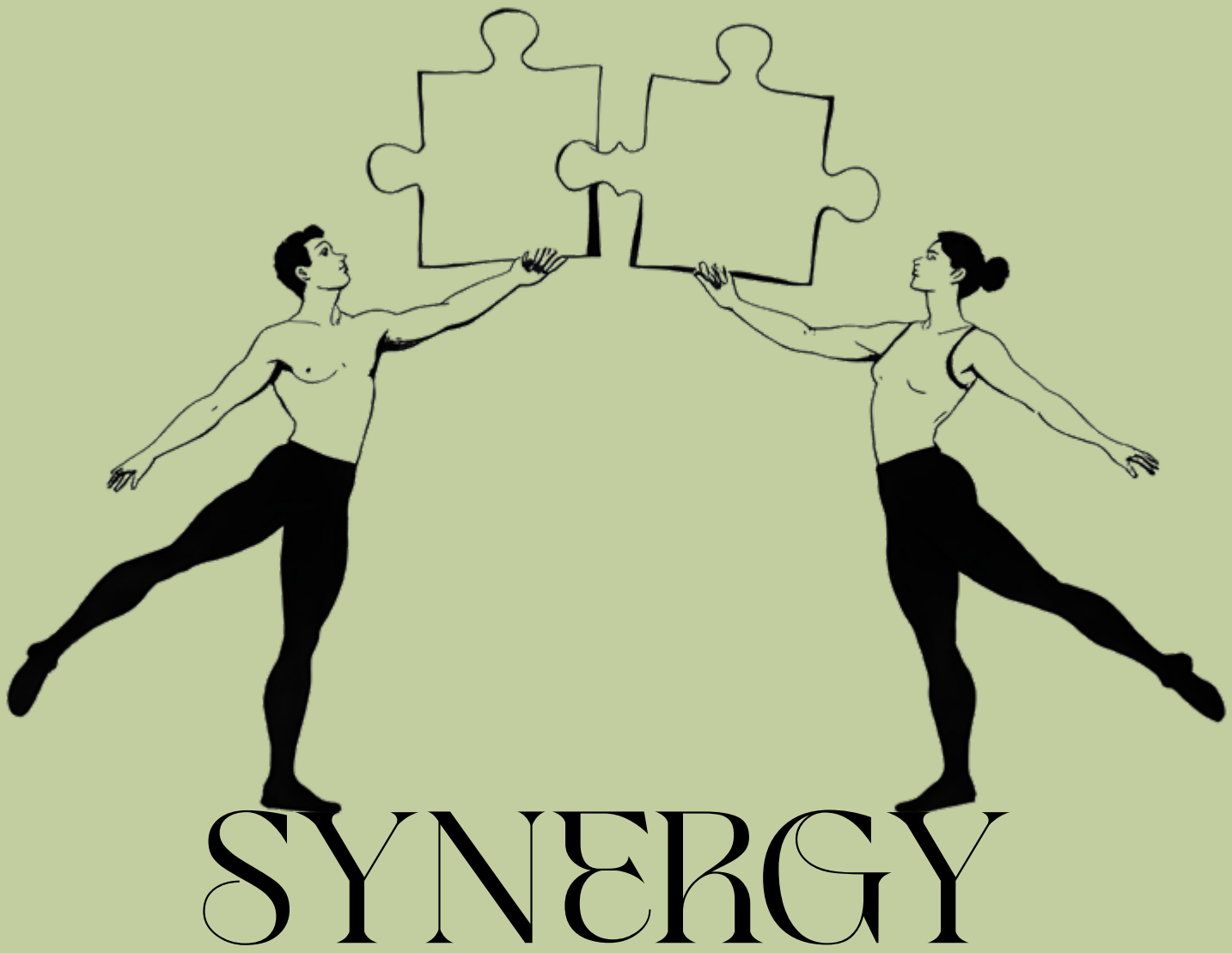

At Ceylon Tea Brokers, synergy fuels our financial strength—uniting market insight, stakeholder trust, and operational excellence to create lasting value across the tea industry.

FINANCIAL CALENDAR

Interim Reports
1st Quarter 15th August 2024
2nd Quarter 01st November 2024
3rd Quarter 14th February 2025
4th Quarter 30th May 2025

Audited Financial Statements
As at 31st March 2024 - 23rd August 2024
As at 31st March 2025 - 24th October 2025

Meetings
15th Annual General meeting was held on 27th September 2024
16th Annual General meeting to be held on 27th November 2025

Dividends
Final dividend for the year 2022/23 of Rs. 0.68 per share was paid on 22nd August 2023
Final dividend for the year 2023/24 of Rs. 0.44 per share was paid on 24th September 2024
Final dividend for the year 2024/25 of Rs. 0.60 per share to be paid on 24th November 2025

STATEMENT ON DIRECTOR'S RESPONSIBILITIES FOR PREPARATION OF FINANCIAL STATEMENTS

The responsibilities of the Directors, in relation to the Financial Statements of the Company and its subsidiary differ from the responsibilities of the Auditors.

The responsibility of the Independent Auditors in relation to the Financial Statements is set out in the Report of the Auditors given on pages 172 to 175 of the Annual Report.

As per the Sections 150(1), 151, 152(1) and (2), 153 (1) and (2) of the Companies Act No. 07 of 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 and its subsidiary as at the end of the financial year and of the results of its operations for the financial year, ensure that they are completed within six months or such extended period as may be determined by the Registrar General of Companies, certified by the person responsible for the preparation of the Financial Statements that they are in compliance with the said Companies Act and dated and signed on behalf of the Board by two Directors of the Company.

In terms of section 166(1) read together with sections 168(1)(b) and (c) and section 167(1) of the Companies Act, the Directors shall cause a copy of the aforesaid Financial Statements together with the Annual Report of the Board of Directors of the Company prepared as per section 166(1) of the Companies Act to be sent to every shareholder not less than fifteen working days before the date fixed for holding the Annual General Meeting.

The Directors consider that in preparing these Financial Statements set out on pages 176 to 180, appropriate accounting policies have been selected and applied in a consistent manner and supported by reasonable and prudent judgment and that all applicable Accounting Standards, as relevant, have been followed. The Directors are also confident that the Company has adequate resources to continue in operation and have applied the going concern basis in preparing these Financial Statements as disclosed in Note 2.4.

Further, the Directors have a responsibility to ensure that the Company and its subsidiary maintain sufficient accounting records to disclose, with reasonable accuracy, the financial position of the Company and its subsidiary. The Directors are also responsible for taking reasonable steps to safeguard the assets of the Company and its subsidiary and in this regard to give proper consideration to the establishment of appropriate internal control systems to prevent and detect fraud and other irregularities.

Financial Statements prepared and presented in this report have been prepared based on Sri Lanka Accounting Standards (SLFRS/ LKAS) and are consistent with the underlying books of accounts and are in conformity with the requirements of Sri Lanka Accounting Standards, Companies Act No. 07 of 2007, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 and the Listing Rules of the Colombo Stock Exchange.

Compliance Report

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

The Directors also confirm that to the best of their knowledge, all statutory payments payable by the Company and its subsidiary as at the reporting date have been paid or where relevant provided for.

By Order of the Board of
CEYLON TEA BROKERS PLC

P W Corporate Secretarial (Pvt) Ltd
Secretaries

24th October 2025

INDEPENDENT AUDITOR'S REPORT

KPMG
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P. 0. Box 186,
Colombo 00300, Sri Lanka.

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To the Shareholders of Ceylon Tea Brokers PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ceylon Tea Brokers PLC ("the Company") and the consolidated financial statements of the Company and its subsidiary ("the Group"), which comprise the statement of financial position as at 31st March 2025, and statements of profit and loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policies as set out on pages 176 to 236 of this Annual Report.

In our opinion, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as of 31st March 2025, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company financial statements and the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Company financial statements and the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Allowance for impairment on Loans and advances to Tea Suppliers	
Refer to Note 3.1.6.5 for Material Accounting Policies and explanatory Note 16 of the financial statements.	
Risk Description	Our Response
The Group and the Company has recognized a total impairment provision of Rs. 166 Million for the loans and advances given to tea suppliers amounting to Rs. 1,576 million as at 31st March 2025. Impairment allowances represent management's best estimate of the expected credit losses on loans and advances given to tea suppliers at the reporting date. They are calculated individually and on a collective basis for portfolios of receivables of a similar nature.	Our audit procedures included; • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the key internal controls management has established in arriving at the criteria used for provision computations and to ensure the accuracy of the impairment provision.

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

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

KPMG

Allowance for impairment on Loans and advances to Tea Suppliers	
Refer to Note 3.1.6.5 for Material Accounting Policies and explanatory Note 16 of the financial statements.	
Risk Description	Our Response
The calculation of impairment allowances is inherently judgmental in many cases. The Group uses both specific assessment and collective assessment for impairment and specific receivables are individually assessed for impairment by considering objective evidence and based on the expected realization of those balances. Collective impairment allowances are calculated using statistical models, and the amount of loss incurred and making adjustments to current and expected economic and credit conditions. The inputs to these models are subject to management judgment and model overlays are often required. Additional subjectivity and judgement have been introduced into the Group's measurement of ECL due to the heightened uncertainty associated with the impact of the economic outlook to the Group's customers, increasing our audit effort thereon. Therefore, impairment of loan and advances given to tea suppliers remains one of the most significant judgment made by management particularly in light of the current uncertain economic outlook in the Sri Lanka and complexity and subjectivity involved in determining the provision which is based on management judgement.	• Testing the completeness and accuracy of key inputs into models and computations. Further, we assessed the reasonability of the model methodology and key assumptions. • Assessing the recoverability of a sample of customers and reviewing the underlying documents to verify the details recorded in the database such as the credit limits, historical patterns of receipts and reviewing cash received subsequent to year end for its effect in reducing amounts outstanding at year end etc. and perform re computation over the computation. • Challenging how management had addressed the impact of the negative economic considerations to its borrowers within the ECL model to assess whether that it was appropriately considered in the measurement of ECLs at year-end. • Testing the mathematical accuracy of the calculation of allowance for impairment. • Assessing the appropriateness of the Group's disclosures in the financial statements using our understanding obtained from our testing and against the requirements of the Sri Lanka Accounting Standards.

Impairment assessment of Goodwill and Investments in subsidiary	
Refer to Note 3.1.9 for Material Accounting Policies and explanatory Note 14.2 and Note 15 of the financial statements.	
Risk Description	Our Response
As at 31st March 2025, the goodwill was carried at Rs. 43.5 million. Management allocated goodwill to the respective cash generating units ("CGUs") as disclosed in Note 14 to the financial statements. The recoverable amounts of the identified CGUs have been determined based on fair value less cost to sell calculation. As at 31st March 2025, the Company's investment in subsidiary amounted to Rs. 611 million and provision for impairment of investment in subsidiary of Rs. 21 million. The subsidiary operates in provision of warehouse facilities and logistics and have indicators of impairment as at the reporting date. Management performed the impairment assessment for subsidiaries with indicators of impairment and determined their recoverable amounts based on fair value less cost to sell calculation. We identified the audit of management's impairment assessment of goodwill and investment in subsidiary as a key audit matter due to the magnitude of the carrying value and subjectivity in the assessment of the recoverable amounts which requires estimation and the use of assumptions.	Our audit procedures included; • Obtaining an understanding of management's impairment assessment process by examining the indications of possible impairment in subsidiary. • Assessing the mathematical accuracy of the fair value less cost to sell calculations. • Engaging our own internal experts to review the appropriateness of fair values determined by the external valuation experts including the valuation methodology and key assumptions. • Assessing the adequacy of the disclosures in the financial statements in respect of impairment testing.

INDEPENDENT AUDITOR'S REPORT

Other Information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 2618.

Chartered Accountants
Colombo, Sri Lanka

24th October 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 31st March	Note	GROUP 2025 Rs.	GROUP 2024 Rs.	COMPANY 2025 Rs.	COMPANY 2024 Rs.
Revenue	5	1,370,435,890	1,638,346,007	1,001,493,729	1,072,116,679
Operating Expenses		(495,906,275)	(608,172,611)	(197,078,517)	(177,358,014)
Gross Profit		874,529,615	1,030,173,396	804,415,212	894,758,665
Other Income		2,446,447	10,309,971	1,111,592	10,309,971
Marketing Expenses		(29,803,238)	(34,987,601)	(25,444,966)	(24,236,757)
Administration Expenses		(535,506,654)	(555,646,210)	(431,623,643)	(445,637,898)
Other Expenses	6	(8,853,124)	(15,202,895)	(31,923,322)	(8,502,698)
Profit from Operations		302,813,046	434,646,661	316,534,873	426,691,283
Finance Income	7.1	93,625,156	83,477,808	90,650,742	79,880,995
Finance Expenses	7.2	(286,910,200)	(366,282,204)	(215,674,962)	(295,193,653)
Net Finance Expenses	7	(193,285,044)	(282,804,396)	(125,024,220)	(215,312,658)
Profit Before Tax	8	109,528,002	151,842,265	191,510,653	211,378,625
Income Tax Expenses	9	(127,818,878)	(82,066,838)	(70,314,087)	(69,465,614)
(Loss)/Profit for the Year		(18,290,876)	69,775,427	121,196,566	141,913,011
Total Other Comprehensive Income /(Expense)					
Remeasurement of Retirement Benefit Obligations	25.1	(8,048,909)	(3,973,972)	(15,249,887)	(2,797,817)
Deferred Tax on Remeasurement of Retirement Benefit Obligations	21	2,414,673	1,192,192	4,574,966	839,345
Gain on Revaluation	12	-	130,301,219	-	-
Deferred Tax on Revaluation	21	-	(39,090,366)	-	-
Total Other Comprehensive Income / (Expense) Net of Tax		(5,634,236)	88,429,073	(10,674,921)	(1,958,472)
Total Comprehensive Income/(Expenses) for the Year		**(23,925,112)**	**158,204,500**	**110,521,645**	**139,954,539**
Profit attributable to :					
Equity holders of the company		(18,290,876)	69,775,427	121,196,566	141,913,011
Profit/(Loss) for the Year		**(18,290,876)**	**69,775,427**	**121,196,566**	**141,913,011**
Total comprehensive Income attributable to :					
Equity holders of the company		(23,925,112)	158,204,500	110,521,645	139,954,539
Total Comprehensive Income/(Expenses) for the Year		**(23,925,112)**	**158,204,500**	**110,521,645**	**139,954,539**
(Loss)/Earning Per Share - basic and diluted	10	(0.10)	0.38	0.66	0.78
Dividend Per Share	11	0.44	0.68	0.44	0.68

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes, which form a part of the financial statements of the Company/Group set out on pages 181 to 236.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH	Note	GROUP 2025 Rs.	GROUP 2024 Rs.	COMPANY 2025 Rs.	COMPANY 2024 Rs.
ASSETS					
Non Current Assets					
Property, Plant and Equipment	12	976,428,221	974,354,721	72,004,760	17,224,294
Right of use Assets	13.1	315,106,823	192,747,728	155,417,274	-
Intangible Assets	14	49,864,258	57,772,045	973,312	1,848,544
Deferred Tax Assets	21	-	-	28,351,379	18,478,411
Investment in Subsidiary	15	-	-	611,604,470	633,000,000
Loans and Advances to Tea Suppliers	16.1	11,087,842	8,476,931	11,087,842	8,476,931
Refundable Deposit on Lease Premises	13.2	1,956,405	12,159,786	1,956,405	-
Total Non Current Assets		1,354,443,549	1,245,511,211	881,395,442	679,028,180
Current Assets					
Inventories	17	12,674	1,317,056	-	-
Trade and Other Receivables	18	813,714,439	996,255,569	699,893,447	838,484,164
Refundable Deposit on Lease Premises	13.2	30,332,362	6,595,710	16,036,952	6,595,710
Amount Due From Related Party	27	-	-	23,299,167	-
Loans and Advances to Tea Suppliers	16.2	1,399,139,880	1,287,679,377	1,399,139,880	1,287,679,377
Short Term Investments	19	23,567,980	21,617,028	23,567,980	21,617,028
Cash and Cash Equivalents	20	149,363,937	75,033,361	148,383,398	67,830,948
Total Current Assets		2,416,131,272	2,388,498,101	2,310,320,824	2,222,207,227
Total Assets		**3,770,574,821**	**3,634,009,312**	**3,191,716,266**	**2,901,235,407**
EQUITY AND LIABILITIES					
Equity					
Stated Capital	22	333,200,000	333,200,000	333,200,000	333,200,000
Retained Earnings		6,179,173	110,360,285	563,074,637	532,808,992
Revaluation Reserve	22.1	210,726,204	210,726,204	-	-
Total equity attributable to owners of the company		550,105,377	654,286,489	896,274,637	866,008,992
Non Current Liabilities					
Deferred Tax Liability	21	133,873,314	84,081,198	-	-
Interest Bearing Borrowings	23.2	663,966,667	796,216,663	145,000,000	290,416,663
Lease Payable	24	150,271,392	6,272,186	150,271,392	-
Retirement Benefit Obligations	25	78,487,037	63,092,215	73,761,801	42,803,582
Total Non Current Liabilities		1,026,598,410	949,662,262	369,033,193	333,220,245
Current Liabilities					
Interest Bearing Borrowings	23.1	1,369,101,046	924,451,185	1,289,606,502	796,212,027
Lease Payable	24	14,431,437	30,591,296	4,560,030	-
Trade and Other Payables	26	663,774,009	713,591,349	590,232,815	618,985,385
Amount Due to Related Party	27	-	-	-	7,557,430
Tax Payables		37,721,269	30,405,073	37,721,269	30,405,073
Bank Overdrafts	20	108,843,273	331,021,658	4,287,820	248,846,255
Total Current Liabilities		2,193,871,034	2,030,060,561	1,926,408,436	1,702,006,170
Total Liabilities		3,220,469,444	2,979,722,823	2,295,441,629	2,035,226,415
Total Equity And Liabilities		**3,770,574,821**	**3,634,009,312**	**3,191,716,266**	**2,901,235,407**

The Financial Statements are to be read in conjunction with the related notes, which form a part of the financial statements of the Group/Company set out on pages 181 to 236.

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

S A A R Samarasinghe
Director Finance

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board of Directors of Ceylon Tea Brokers PLC.

R J N de Mel
Chairman

D G W De Silva
Managing Director

24th October 2025
Colombo

STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March GROUP	Note	Stated Capital Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1st April 2023		333,200,000	119,515,351	167,398,638	620,113,989
Total Comprehensive Income For the Year					
Profit for the Year		-	-	69,775,427	69,775,427
Other Comprehensive Income /(Expense) For the Year-Net of Tax		-	91,210,853	(2,781,780)	88,429,073
Transactions with equity holders					
Dividend Paid During the Year	11			(124,032,000)	(124,032,000)
Balance as at 31st March 2024		**333,200,000**	**210,726,204**	**110,360,285**	**654,286,489**
Balance as at 1st April 2024		**333,200,000**	**210,726,204**	**110,360,285**	**654,286,489**
Total Comprehensive Income For the Year					
Loss for the Year		-	-	(18,290,876)	(18,290,876)
Other Comprehensive Expense for the Year-Net of Tax		-	-	(5,634,236)	(5,634,236)
Transactions with equity holders					
Dividend Paid During the Year	11	-	-	(80,256,000)	(80,256,000)
Balance as at 31st March 2025		**333,200,000**	**210,726,204**	**6,179,173**	**550,105,377**

COMPANY	Note	Stated Capital Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1st April 2023		333,200,000	516,886,453	850,086,453
				-
Total Comprehensive Income For the Year				
Profit for the Year-Net of Tax		-	141,913,011	141,913,011
Other Comprehensive Expense for the Year		-	(1,958,472)	(1,958,472)
Transactions with equity holders				
Dividend Paid During the Year	11		(124,032,000)	(124,032,000)
Balance as at 31st March 2024		**333,200,000**	**532,808,992**	**866,008,992**
Balance as at 1st April 2024		**333,200,000**	**532,808,992**	**866,008,992**
Total Comprehensive Income For the Year				
Profit for the Year-Net of Tax		-	121,196,566	121,196,566
Other Comprehensive Expense for the Year		-	(10,674,921)	(10,674,921)
Transactions with equity holders				
Dividend Paid During the Year	11	-	(80,256,000)	(80,256,000)
Balance as at 31st March 2025		**333,200,000**	**563,074,637**	**896,274,637**

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes, which form a part of the financial statements of the Group and the Company set out on pages 181 to 236.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH	Note	GROUP 2025 Rs.	GROUP 2024 Rs.	COMPANY 2025 Rs.	COMPANY 2024 Rs.
Cash Flows From Operating Activities					
Profit Before Taxation		109,528,002	151,842,265	191,510,653	211,378,625
Adjustment for;					
Depreciation/Amortisation	12,13,14	120,225,368	102,311,318	24,303,118	12,644,543
Interest Income	7.1	(93,625,156)	(83,477,808)	(90,650,742)	(79,880,995)
Interest Expense	7.2	286,910,200	367,058,376	215,674,962	295,193,653
Impairment of Loans Given to Tea Suppliers	16.3	8,034,668	7,153,924	8,034,668	7,153,924
Impairment of Investment in Subsidiary	15.1	-	-	21,395,530	-
Impairment of Related Party Receivable	27.1	-	-	1,254,540	-
Impairment of Trade and Other Receivables	18	818,456	8,048,971	1,238,584	1,348,774
Gain on Disposals of Property, Plant and Equipment	8	(539,596)	(9,100,000)	(539,596)	(10,112,425)
Provision for Retirement Benefit Obligations	25.2	15,083,313	15,940,739	11,741,104	11,063,872
Operating Profit Before Working Capital Changes		446,435,255	559,777,785	383,962,821	448,789,971
(Increase)/Decrease in Loans to Tea Suppliers	16	(122,106,080)	49,259,282	(122,106,080)	49,259,282
(Increase)/Decrease in Trade and Other Receivables	18	181,722,676	(190,443,824)	140,668,635	(155,017,514)
Decrease/(Increase) in Inventories		1,304,382	(1,317,056)	-	-
Increase/(Decrease) in Trade and Other Payables	26	(49,817,347)	109,496,869	(28,752,575)	79,949,803
(Increase)/Decrease in Related Party Payable		-	-	(38,514,416)	2,871,344
Cash Generated from Operations		457,538,886	526,773,056	335,258,385	425,852,886
Retirement Benefit Obligations Paid	25.1	(7,737,400)	(9,520,250)	(1,525,000)	(9,196,250)
Income Tax Paid		(71,246,852)	(105,902,300)	(71,246,852)	(105,902,300)
Net Cash Flow Generated from Operating Activities		378,554,634	411,350,506	262,486,533	310,754,336
Cash Flow From Investing Activities					
Interest / Investment income Received	7.1	86,553,226	77,935,564	86,027,167	75,582,153
Acquisition of Property, Plant and Equipment	12	(65,789,143)	(19,133,462)	(64,855,413)	(15,429,635)
Investment in Unit Trusts		1,520,000,000	(804,000,000)	1,520,000,000	(804,000,000)
Redemption of Unit Trust Investment		(1,520,000,000)	804,000,000	(1,520,000,000)	804,000,000
Acquisition of Intangible Assets	14	(2,190,819)	(5,424,715)	-	(746,323)
Proceeds on Disposal of Property, Plant and Equipment		1,315,500	9,100,000	1,315,500	12,947,382
Refundable Deposit Paid		(15,483,243)	(16,587,810)	(6,904,237)	(1,500,210)
Net Cash Flow Generated from Investing Activities		4,405,521	45,889,577	15,583,017	70,853,367

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH	Note	GROUP 2025 Rs.	GROUP 2024 Rs.	COMPANY 2025 Rs.	COMPANY 2024 Rs.
Cash Flow From Financing Activities					
Interest Paid		(284,115,461)	(361,529,755)	(213,192,955)	(290,264,257)
Loans Obtained During the Year	23	14,320,000,000	6,820,000,000	14,000,000,000	6,750,000,000
Loan Repayment made during the Year	23	(14,007,600,135)	(6,734,714,229)	(13,652,022,188)	(6,630,950,581)
Proceeds from Commercial Papers issued	23.1.7	200,000,000	113,175,342	200,000,000	113,175,342
Repayment of Commercial Papers redeemed	23.1.7	(200,000,000)	(113,175,342)	(200,000,000)	(113,175,342)
Payment of lease liabilities	24	(34,479,598)	(28,589,614)	(7,487,522)	(5,804,376)
Dividend Paid		**(80,256,000)**	**(124,032,000)**	**(80,256,000)**	**(124,032,000)**
Net Cash Flow Generated from / (Used In) Financing Activities		**(86,451,194)**	**(428,865,598)**	**47,041,335**	**(301,051,214)**
Net Increase/(Decrease) in Cash and Cash Equivalents		296,508,961	28,374,485	325,110,885	80,556,489
Cash and Cash Equivalents at the beginning of the Year		(255,988,297)	(284,362,782)	(181,015,307)	(261,571,796)
Cash and Cash Equivalents at the end of the Year	20	**40,520,664**	**(255,988,297)**	**144,095,578**	**(181,015,307)**

Figures in brackets indicate deductions.

The Financial Statements are to be read in conjunction with the related notes, which form a part of the financial statements of the Group/Company set out on pages 181 to 236.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1 Reporting Entity

Ceylon Tea Brokers PLC (the "Company") is a Company domiciled and operating in Sri Lanka, incorporated on 15th June 1999 and listed on the Colombo Stock Exchange on 20th January 2010. The Company's registered office and the principal place of business are located at No 481, T.B. Jayah Mawatha, Colombo 10.

The Company has a fully owned subsidiary, Logicare (Private) Limited, which was acquired in 2017, is a private Company with limited liability incorporated in Sri Lanka under the provisions of the Companies Act No. 07 of 2007. The immediate and the ultimate parent of the subsidiary is the Ceylon tea brokers PLC. The Ordinary shares of the company have a primary listing on the CSE.

Immediate and ultimate parent of the CTB is Ashthi Holdings (Private) Limited.

The staff strength of the Group and the Company was 121 and 91 in 2024/25 and 123 and 75 in 2023/24.

Corporate information is presented in the inner back cover of this Annual Report.

1.2 Principal Activities and Nature of Operations

The principle activities of the Company were tea brokering, tea warehousing and financing. The principal activity of the subsidiary is to carry on business providing warehousing facilities for clients of parent and services related to third party logistics (TPL). There were no significant changes in the nature of principal activities of the Company and the Group during the financial year.

1.3 Consolidated Financial Statements

The Consolidated financial statements of the Group as at, and for the year ended 31st March 2025 comprise the financial statements of Company (Parent Company) and its subsidiary (together referred to as the "Group")

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Consolidated Financial Statements of the Group and the separate Financial Statements of the Company comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRS's and LKAS's) laid down by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

These Financial Statements except information on Cash Flows have been prepared following the accrual basis of accounting.

Details of the Group's Material accounting policies followed during the year are given in Notes 3.

2.1.1 Statement of Presentation

The financial statements have been prepared and presented in accordance with the requirement of Companies Act No 7 of 2007 and provide appropriate disclosures as required by the Listing Rules of the Colombo stock exchange (CSE).

2.2 Responsibility For Financial Statements

The Board of Directors of the Company is responsible for the preparation and fair presentation of the financial statements of the Group and the Company as per the provision of the Companies Act No. 07 of 2007 and Sri Lanka Accounting Standards.

These financial statements include the following components:

- a Statement of Profit or Loss and Other Comprehensive Income providing the information on the financial performance of the Group and the Company for the year under review. Refer page 176;
- a Statement of Financial Position providing the information on the financial position of the Group and the Company as at the year end. Refer page 177;
- a Statement of Changes in Equity depicting all changes in shareholders' funds during the year under review of the Group and the Company. Refer pages 178;
- a Statement of Cash Flows providing the information to the users, on the ability of the Group and the Company to generate cash and cash equivalents and utilisation of those cash flows. Refer pages 179 to 180;
- Notes to the Financial Statements comprising Material Accounting Policies and other explanatory information. Refer pages 181 to 236.

The Consolidated Financial Statements were authorized for issue by the Company's Board of Directors in accordance with the resolution passed by the Board of Directors on 24th October 2025.

2.3 Basis of Measurement

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

- Liability for Retirement Benefit Obligation is measured at the present value of the defined benefit obligation based on actuarial valuation as per LKAS 19: Employee benefits.

- Buildings under Property, Plant and Equipment are measured at fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated any impairment as per LKAS 16: Property, Plant and Equipment.

2.4 Going Concern Basis of Accounting

The Management has made an assessment of the Group's and the Company's ability to continue as a going concern in the foreseeable future and they do not foresee a need for liquidation or cessation of business. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as going concern. Therefore, the Financial Statements of the Group continue to be prepared on going concern basis.

2.5 Current Versus Non-Current Classification

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

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

All other liabilities are classified as Non-Current Liabilities.

2.6 Functional and Presentation Currency

The Consolidated Financial Statements have been presented in Sri Lankan Rupees, which is the Group's/ Company's functional and presentation currency. All the financial information presented in Sri Lankan Rupees has been rounded to the nearest Rupee value unless otherwise indicated.

2.7 Presentation of Financial Statements

The assets and liabilities of the Group and the Company presented in the statement of financial position are grouped by nature and listed in an order that reflects their relative liquidity and maturity pattern.

2.8 Materiality and Aggregation

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

2.9 Offsetting

Financial assets and financial liabilities are offset and the net amount report in the statement of financial position, only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the income statement, unless required or permitted by Sri Lanka accounting standards and as specifically disclosed in the material accounting policies of the Company and the Group.

2.10 Comparative Information

Comparative information including quantitative, narrative and descriptive information is disclosed in respect of the previous period in the Financial Statements in order to enhance the understanding of the current period's Financial Statements and to enhance the inter period comparability. The comparative information have been reclassified where necessary to conform to the current year's presentation.

The presentation and classification of the Financial Statements of the previous year are amended, where relevant for better presentation and to be comparable with those of the current year. Refer Note no 34.

2.11 Use of Estimates, Judgments and Assumptions

In preparing these Consolidated and Separate Financial Statements, management has made judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

2.11.1 Determination of Fair Values

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group and the Company has access at that date. The fair value of a liability reflects its non-performance risk. Several of the Group's and the Company's accounting policies and disclosures require the determination

of fair value, for both financial and non-financial assets and liabilities.

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

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

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

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

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

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

2.11.2 Fair Value of Non-Financial Assets

The fair value used by the Group in the measurement of non-financial assets is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market that is accessible by the Group and the Company for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would act in their economic best interest when pricing the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

2.11.3 Useful Lives of Depreciable Assets

The Management reviews its estimation of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the useful life of certain property, plant and equipment.

2.11.4 Defined Benefit Obligation

The cost of the defined benefit plans are determined using an actuarial valuation. The Group's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as mortality rates, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the defined benefit obligation amount and the annual defined benefit expense.

2.11.5 Fair Value of Financial Instruments

The Group applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2.11.6 Recognition of Deferred Tax Assets

The Group applies significant judgment to the extent the deferred tax assets can be recognised based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various future tax jurisdictions.

3. MATERIAL ACCOUNTING POLICIES

Summary of material accounting policies have been disclosed along with the relevant individual notes in the subsequent pages. Those accounting policies presented with each note, have been applied consistently by the Group. Set out below are material accounting policies, which have been applied consistently by the Group, but not covered in any other sections.

3.1 Consolidation

3.1.1 Basis of Consolidation

The Group's Financial Statements comprise consolidated Financial Statements of the Group and its Subsidiary, prepared in accordance with the Sri Lanka Accounting Standards (SLFRS) 10 - Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.1.2 Business Combination

Business combinations are accounted for using the acquisition method as at the acquisition date - i.e. when control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; Minus
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Any goodwill that arises is tested annually for impairment (refer note 14). When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

3.1.3 Subsidiary

Subsidiary is entities controlled by the Group. The Group 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control.

The Financial Statement of subsidiary are included in the consolidated financial statements from the date, that control commence, until the date that control ceases.

3.1.3.1 Loss of Control

On the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interest and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

3.1.3.2 Transactions Eliminated On Consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.1.4 Foreign Currency

Transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the closing rate. Non-monetary items measured at fair value are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items measured at historical cost are translated at the rates prevailing on the date of transaction. Exchange differences arising on the settlement of monetary items and on the translation of monetary items are included in profit or loss for the period.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences, which are recognized in other comprehensive income.

3.1.5 Assets And The Bases Of Their Valuation

Assets classified as current assets in the Statement of Financial Position are cash, bank balances and those which are expected to be realized in cash, during the normal operating cycle of the Group's business, or within one year from the reporting date, whichever is shorter. Assets other than current assets are those which the Group intends to hold beyond a period of one year from the reporting date.

3.1.5.1 Property, Plant and Equipment

3.1.5.1.1 Recognition and Measurement

Basis of recognition

Property, plant and equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably, in accordance with the Sri Lanka Accounting Standard - LKAS 16 on "Property Plant and Equipment".

Basis of measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and subsequent costs (as explained under 3.1.5.1.4 - subsequent cost).

Cost Model

All property, plant and equipment except Freehold Buildings are recorded at cost, less accumulated depreciation and accumulated impairment losses, if any. When an asset's carrying value is higher than it's recoverable amount,

the carrying value is written down to its recoverable amount (Please refer Note 3.1.9 - Impairment of non-financial assets).

Revaluation Model
The Group policy is to revalue all buildings by an independent professional valuer every three years or when there is a substantial difference between the fair value and the carrying amount. On revaluation of an asset, any increase in the carrying amount is recognised in revaluation reserve in equity through Other Comprehensive Income or used to reverse a previous loss on revaluation of the same asset, which was charged to Profit or Loss. In this circumstance, the increase is recognised as income only to the extent of the previous write down in value. Any decrease in the carrying amount is recognised as an expense in Profit or Loss or charged to revaluation reserve in equity through Other Comprehensive Income, only to the extent of any credit balance existing in the revaluation reserve in respect of that asset. Any balance remaining in the revaluation reserve in respect of an asset, is transferred directly to retained earnings upon disposal of the asset.

3.1.5.1.2 Owned Assets
The cost of an item of property, plant and equipment comprise its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use.

The cost of self-constructed assets includes the cost of materials, direct labor, and any other costs directly attributable to bringing the asset to the working condition for its intended use. This also includes cost of dismantling and removing the items and restoring in the site on which they are located and borrowing costs on qualifying assets.

Purchased software that is integrate to the functionality of the related equipment is capitalized as part of equipment.

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

3.1.5.1.3 Capital Work-In-Progress
The cost of capital work-in-progress is the cost of purchase or construction together with any related expenses thereon. Capital work-in-progress is transferred to the respective asset accounts at the time of first utilization or at the time the asset is commissioned.

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

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

Borrowing costs that are not capitalised are recognised as expenses in the period in which they are incurred and charged to the Statement of Profit or Loss.

3.1.5.1.5 Depreciation
Depreciation is recognized in profit or loss on the straight-line basis over the estimated useful lives of each part of item of Property, Plant and Equipment. Depreciation of an asset begins when it is available for use whereas depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date that the asset is derecognized. Depreciation is not charged on Freehold Land.

The estimated useful lives of Property Plant and Equipment used by the Group and the Company are as follows:

Class of Assets	Annual Rate	Useful Life (Years)
Lease Hold Right Over Land	2.60%	39
Computer Equipment	25.00%	04
Furniture and Fittings	12.50%	08
Motor Vehicle	25.00%	04
Office Equipment	12.50%	08
Weight Scale	12.50%	08
Wooden Pallets	10.00%	10
Storage System	10.00%	10
Building	3.03%	31
Machinery & Electrical Equipment	12.50%	08
Software	25.00%	04

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.1.5.1.6 Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognizing of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the year the asset is derecognized.

3.1.5.2 Intangible Assets

3.1.5.2.1 Initial Recognition and Measurement

An intangible asset is recognized where it is probable that economic benefits are attributable to the assets will flow to the entity and cost of the assets can be measured reliably and carried at cost less accumulated amortization and accumulated impairment losses.

Separately acquired intangible assets are measured on initial recognition at cost. The cost of such separately acquired intangible assets include the purchase price, import duties, non-refundable purchase taxes and any directly attributable cost of preparing the asset for its intended use.

The cost of intangible assets acquired in a business combination is the fair value of the asset at the date of acquisition.

The cost of an internally generated intangible asset arising from the development phase of an internal project which is capitalised includes all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the Management. Other development expenditure and expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding is expensed in the income statement as and when incurred.

3.1.5.2.2 Subsequent Expenditure

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

3.1.5.2.3 Subsequent Measurement

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

The useful economic life of an intangible asset is assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life of the asset. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

3.1.5.2.4 Computer Software

All computer software costs incurred, which are not internally related to associate hardware, which can be clearly identified, reliably measured and its probable that they will lead to future economic benefits, are included in the Statement of Financial Position under the category of intangible assets. Amortization is calculated at an annual rate of 25%.

3.1.5.2.5 Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. Any goodwill that arises is tested annually for impairment.

3.1.5.2.5.1 Initial Recognition and Measurement

Goodwill is initially measured at cost and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

3.1.5.2.5.2 Subsequent Measurement

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

3.1.5.3 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the First in First Out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.1.6 Financial Assets

3.1.6.1 Recognition and Initial Measurement

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

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.1.6.2 Classification and Subsequent Measurement Of Financial Assets

On initial recognition, a financial asset is classified as subsequently measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; fair value through other comprehensive income (FVOCI) – equity investment; or fair value through profit or loss (FVTPL).

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Transaction cost in relation to financial assets and financial liabilities at fair value through profit or loss are dealt with through the Income Statement. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under SLFRS 15. Refer to the accounting policies in section 3.1.14.1, Revenue from contracts with customers.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

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

Financial assets – Business model assessment

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

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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

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

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

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

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

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

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

3.1.6.3 Reclassification
Financial assets are not reclassified subsequent to their initial recognition, except and only in those rare circumstances when the Group's changes its objective of the business model for managing such financial assets.

Financial Liabilities are not reclassified as such reclassifications are not permitted by SLFRS 9.

3.1.6.4 Derecognition of Financial Assets
A financial asset (or, where applicable a part of a financial asset or part of a Group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired,
- The Group and the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company has transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognized to the extent of the Group's and the Company's continuing involvement in it.

In that case, the Group and the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company has retained.

3.1.6.5 Impairment of Financial Assets

i. Impairment Policy:

Financial instruments
Loss allowances for trade receivables is always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

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

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

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

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

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

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

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

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

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

Presentation of allowance for ECL in the statement of financial position
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off
The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures to recovery of amounts due.

3.1.7 Financial Liabilities

On initial recognition, the Company classifies financial liabilities, other than financial guarantees and loan commitments, into one of the following categories:

- Financial liabilities at amortised cost; and
- Financial liabilities at fair value through profit or loss,

3.1.7.1 Classification and Subsequent Measurement of Financial Liabilities

The subsequent measurement of financial liabilities depends on their classification.

i. Financial Liabilities at Amortised Cost

Financial Liabilities issued by the Group that are not designated at fair value through profit or loss are recognised initially at fair value plus any directly attributable transaction costs, by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

The EIR amortisation is included in 'Interest expense' in the Income Statement. Gains and losses too are recognised in the Income Statement when the liabilities are derecognised as well as through the EIR amortisation process.

Loans and Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that is an integral part of the EIR. The EIR amortization is included in finance costs in the income statement.

3.1.7.2 Derecognition

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

3.1.8 Offsetting of Financial Instruments

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

Income and expense will not be offset in the Income Statement unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Company.

3.1.9 Impairment of Non-Financial Assets

The carrying amounts of the Group's non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

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

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (Company of units) on a pro rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.1.10 Lease

The Group assesses at the inception of a contract, whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration as per the guidelines of SLFRS 16. This assessment considers whether, throughout the period of use, the lessee has both the right to obtain all of the economic benefits from the use of the identified asset and the right to direct how and for what purpose the identified asset is used.

After the assessment of whether a contract is, or contains, a lease, the Group determines whether it contains additional lease or non-lease (service) components based on the detailed guidance provided in SLFRS 16. Accordingly, the right to use of an identifying asset is a separate lease component if the lessee can benefit from the use of underlying asset either on its own or together with other resources readily available to the lessee and the underlying asset is neither highly dependent on, nor highly interrelated with, the other underlying assets in the contract.

3.1.10.1 As a Lessee

As per SLFRS 16, when the Group has determined that a contract contains a lease component and one or more additional lease components or non-lease components, the consideration in the contract is allocated to each lease component on the basis of relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

The Group determines its incremental borrowing rate by analysing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

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

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

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

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

3.1.10.2 Short-Term Leases and Leases of Low-Value Assets

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

3.1.11 Provision, Contingent Liabilities, Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

3.1.12 Post-Employment Benefits

I) 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 recognised for the amount expected to be paid in cash as Ex gratia in the short term, if the Group 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.

ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan as define by Sri Lankan Accounting Standard – LKAS 19 on "Employment Benefits". The liability recognised in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the reporting date. The defined benefit obligation is calculated annually using the projected unit credit method by qualified actuary as recommended by LKAS - 19. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates that are denominated in the currency in which the benefits will be paid, and that have terms of maturity approximating to the terms of the liability.

Provision has been made in the financial statements for retiring gratuities from the first year of service for all employees.

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

The liability is not externally funded.

Group recognises all actuarial gains and losses arising from defined benefit plans immediately in the statement of other comprehensive income as they occur.

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

iii) Defined contributions plans – Employees' Provident Fund and Employees' Trust Fund

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

3.1.13 Ordinary Shares

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

3.1.14 Income Statement

3.1.14.1 Revenue from Contracts with Customers

Revenue represents the amounts derived from the provision of services, which falls within the Company's ordinary activities net of Revenue related taxes.

The Group/Company recognizes revenue from contracts with customers when control of the goods or services is transferred to the customer at an amount that reflects the consideration that the Group is to be entitled in exchange for those goods or services. Determining the timing of the transfer of control of goods or services, at a point in time or over time, requires judgements taking into consideration the nature of goods or services that Group/Company offers.

Disaggregation of revenue

SLFRS 15 requires an entity to disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. The Group/ Company disaggregate revenue in to following categories.

- Brokerage Fee
- Handling Charges
- Logistic and transportation income
- Lot fee

Revenue from rendering of services is recognized when the Group/ Company satisfies all performance obligations by transferring a promised service to a customer.

3.1.14.2 Net Financing Income / Cost

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on external borrowings and related party loans and payments made under finance lease agreements. Payments made under lease agreements are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received may be recognised as an integral part of the total lease expense, over the term of the lease.

3.1.14.3 Expenditure Recognition

a) All expenditure incurred in the running of the business and in maintaining the Property, Plant & Equipment in a state of efficiency including Depreciation has been charged to Income Statement in arriving at the profit for the year.

b) For the purpose of presentation of the Income Statement, the Directors are of the opinion that the function of expenses, present fairly the elements of the enterprises performance, hence such presentation method is adopted.

3.1.14.4 Income Tax Expense

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under LKAS 37 Provisions, contingent liabilities and Contingent assets.

(i) Current Tax

Current tax expense for the current and comparative periods are measured at the amount paid or expected to be payable to the Commissioner General of Inland Revenue on taxable income for the respective year of assessment computed in accordance with the provisions of the Inland Revenue Act, No. 24 of 2017 as amended by subsequent legislation enacted or substantively enacted by the reporting date.

(ii) Deferred Taxation

Deferred taxation is recognised using the Balance Sheet liability method, in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

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

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets and deferred tax liabilities are offset, if legally enforceable right exists to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity and the same taxation authority.

3.1.14.5 Basic Earnings Per Share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

3.1.14.6 Related Party Transactions

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

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

3.1.15 Cash Flow Statements

Interest received is classified as investing cash flows, while interest paid, is classified as financing cash flows for the purpose of presentation of Cash Flow Statement which has been prepared using the 'Indirect Method'. The group has elected to classify cash flows from Dividends paid as financing activities.

3.1.15.1 Cash and Cash Equivalents

Cash and cash equivalents comprise short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The cash and cash equivalents include cash in-hand, balances with banks and short term deposits with banks.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.1.16 Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Corporate Management Team headed by the Managing Director/ Chief Executive Officer (being the chief operating decision-maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

The Group has two strategic divisions (operating segments), namely:

- Tea broking
- Warehousing for Third Party Logistics

Segment performance is evaluated based on operating profits or losses which, in certain respects, are measured differently from operating profits or losses in the Consolidated Financial Statements. Income taxes are managed on a group basis and are not allocated to operating segments.

3.1.17 Events After The Reporting Date

Events after the reporting period are those events favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue.

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

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

The Institute of Chartered Accountants of Sri Lanka has issued the following amendments to Sri Lanka Accounting Standards (SLFRSs/ LKASs) which will become applicable for financial periods beginning after 1st April 2025. Accordingly, the Group has not applied these amendments in preparing these Financial Statements. The following amendments are not expected to have a significant impact on the Company's Financial Statements.

- SLFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information
- SLFRS S2 - Climate Related Disclosure

5. REVENUE

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
5.1 Revenue from Contract with Customers				
Brokerage Fee	499,432,778	433,432,696	499,432,778	433,432,696
Handling Charges	111,645,059	102,413,334	111,645,059	102,413,334
Tea-Documentation Charges	2,221,107		2,221,107	-
Tea-SVAT Voucher Handling Charges	1,439,262		1,439,262	-
Logistic & Transportation Income	368,942,161	563,342,128	-	-
Lot Fee	8,201,259	7,398,390	8,201,259	7,398,390
Sundry Income	86,398,902	82,814,174	86,398,902	79,926,974
Total Revenue from Contract with Customers	**1,078,280,528**	**1,189,400,722**	**709,338,367**	**623,171,394**
Interest Earned on Loans and Advances	292,155,362	448,945,285	292,155,362	448,945,285
Total Revenue	**1,370,435,890**	**1,638,346,007**	**1,001,493,729**	**1,072,116,679**
5.2 Timing of Revenue Recognition				
At a Point in Time (Ceylon Tea Brokers PLC)	1,001,493,729	1,072,116,679	1,001,493,729	1,072,116,679
Over The Period (Logicare Pvt Ltd)	**368,942,161**	566,229,328	-	-
Total	**1,370,435,890**	**1,638,346,007**	**1,001,493,729**	**1,072,116,679**

6. OTHER EXPENSES

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Impairment charge for Loans and advances Given to Tea Suppliers	8,034,668	7,153,924	8,034,668	7,153,924
Impairment of Investment in Subsidiary (Note 15.1)	-	-	21,395,530	-
Impairment of Related Party Receivable (Note 27.1)	-	-	1,254,540	-
Impairment of Trade and Other Receivables	818,456	8,048,971	1,238,584	1,348,774
	8,853,124	**15,202,895**	**31,923,322**	**8,502,698**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. NET FINANCE EXPENSES

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Finance Income (Note 7.1)	93,625,156	83,477,808	90,650,742	79,880,995
Finance Expenses (Note 7.2)	(286,910,200)	(366,282,204)	(215,674,962)	(295,193,653)
Net Finance Expenses	**(193,285,044)**	**(282,804,396)**	**(125,024,220)**	**(215,312,658)**
7.1 Finance Income				
Interest Income on Staff Loans	5,996,213	7,949,303	5,294,916	5,819,350
Investment / Interest Income on Others	85,583,674	72,655,368	83,448,050	71,188,508
Exchange Gain	1,720	-	-	-
Interest Income from Savings Account	135,773	-	-	-
Interest on Fixed Deposits	1,907,776	2,873,137	1,907,776	2,873,137
Total Finance Income	**93,625,156**	**83,477,808**	**90,650,742**	**79,880,995**
7.2 Finance Expenses				
Financial Services VAT on Interest Income	10,082,732	17,972,519	10,082,732	17,972,519
Interest on Borrowings	244,963,379	330,728,094	177,521,523	264,481,172
Interest on Lease	20,159,409	4,603,847	16,680,478	55,447
Loss on Exchange	-	100,655	-	-
Interest on Commercial Papers	8,908,222	11,176,352	8,908,222	11,176,352
Un-winding of Prepaid Staff Loan Expenses	2,796,458	1,700,737	2,482,007	1,508,163
Total Finance Expense	**286,910,200**	**366,282,204**	**215,674,962**	**295,193,653**

8. PROFIT BEFORE TAXATION

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Is stated after charging all expenses including the following;				
Auditors' Remuneration - Statutory Audit	1,375,000	1,250,000	1,075,000	975,000
- Non Audit Services	225,000	117,260	225,000	117,260
Directors' Fees & Consultancy Fees	17,866,667	14,600,445	16,611,667	12,945,000
Depreciation of Property, Plant and Equipment	62,939,740	56,166,814	9,299,043	6,484,232
Disposal Gain on Sales of Assets	(539,596)	(9,100,000)	(539,596)	(10,112,425)
Un-winding of Prepaid Benefits Cost of Staff Loan	2,796,458	1,700,737	2,482,007	1,508,163
Amortisation of Intangible Assets	10,098,606	10,238,266	875,232	1,348,403
Amortisation of Right of Use Assets	47,187,022	35,906,238	14,128,843	4,811,908
Personnel Costs (Note 8.1)	395,345,806	414,295,397	282,665,823	301,412,211

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
8.1 Personnel Costs				
Salaries, Wages and Overtime	287,604,494	263,794,141	192,838,723	172,735,558
Bonus & Profit Share Expenses	51,892,166	97,462,528	50,724,666	93,275,815
Defined Contribution Plan Costs - EPF	32,612,666	29,670,391	21,889,064	19,469,572
- ETF	8,153,167	7,427,598	5,472,266	4,867,393
Retirement Benefit Obligation Expenses	15,083,313	15,940,739	11,741,104	11,063,873
	395,345,806	**414,295,397**	**282,665,823**	**301,412,211**

9. INCOME TAX EXPENSES

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Current Year Income Tax Expenses (Note 9.1)	75,612,089	66,855,074	75,612,089	66,855,074
Over Provision in Respect of Previous Years	-	(731,480)	-	(731,480)
Deferred Tax Charge (Note 21)	52,206,789	15,943,244	(5,298,002)	3,342,020
	127,818,878	**82,066,838**	**70,314,087**	**69,465,614**
Effective Tax Rate				
Total Income Tax Expense				
Effective tax rate (%) - including deferred tax	N/A	54%	33%	33%
Effective tax rate (%) - excluding deferred tax	69%	44%	35%	32%
9.1 Current Year Income Tax Expenses				
Accounting Profit Before Taxation	109,528,002	151,842,265	191,510,653	211,378,625
Adjustments on Consolidation	-	1,012,426	-	-
Less: Income from Other Sources	(85,491,599)	(74,061,645)	(85,355,826)	(74,061,645)
Add: Aggregate Disallowable Items	155,260,210	113,798,261	107,535,686	35,525,198
Less: Aggregate Allowable Items	(120,606,066)	(132,027,536)	(47,006,043)	(24,053,578)
Taxable Business Income	58,690,547	60,563,771	166,684,470	148,788,600
Tax Loss for The Year-Logicare (Pvt) Ltd	(107,993,923)	(88,224,828)	-	-
Business Income-Ceylon Tea Brokers PLC	166,684,470	148,788,600	166,684,470	148,788,600
Net Business Income	166,684,470	148,788,600	166,684,470	148,788,600
Add: Income from Other Sources	85,491,599	74,061,645	85,355,826	74,061,645
Less: Loss deducted Against Investment Income	(135,773)	-	-	-
Total Taxable Income	252,040,296	222,850,245	252,040,296	222,850,245
Tax at 30%	75,612,089	66,855,074	75,612,089	66,855,074
	75,612,089	66,855,074	75,612,089	66,855,074

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GRI 2021 : 207-1, 207-2, 207-3

9. INCOME TAX EXPENSES (CONTD.)

The Aggregate Disallowable Items of the Group and the Company has increased during the year due to Lease interest , ROU amortization and Impairments related to subsidiary.

The income tax provision of the Group has been calculated in accordance with the Inland Revenue Act No. 24 of 2017 and its amendments thereto. In terms of the Inland Revenue Act no 24 of 2017, the Group is liable for income tax on 30% on revenue sources and other income.

Logicare (Private) Limited, the subsidiary company, is not liable for pay income tax for the year ended 31st March 2025 as the Company did not generate a taxable income.

	GROUP	
	2025 Rs.	2024 Rs.
9.2 Tax Losses Carried Forward		
Tax Losses Brought Forward	605,147,420	516,922,592
Add : Tax Losses for the Year	107,993,923	88,224,828
Less : Utilization of Tax Losses	(135,773)	-
Adjustment with respect to previous year	(669,097)	-
Balance carried forward (Note 9.2.1)	712,336,473	605,147,420

9.2.1 Breakup of Tax Losses

	2025 Rs.	2024 Rs.
Tax losses incurred in 2024/25 (will expire in 2030/31)	107,858,150	-
Tax losses incurred in 2023/24 (will expire in 2029/30)	89,022,591	88,224,828
Tax losses incurred in 2022/23 (will expire in 2028/29)	93,864,633	93,864,633
Tax losses incurred in 2021/22 (will expire in 2027/28)	138,765,591	138,765,591
Tax losses incurred in 2020/21 (will expire in 2026/27)	152,584,974	152,584,974
Tax losses incurred in 2019/20 (will expire in 2025/26)	130,240,534	131,707,394
	712,336,473	**605,147,420**

	GROUP	
	2025 Rs.	2024 Rs.
9.3 Unutilized Tax Credits		
Balance brought forward	257,599,225	257,599,225
Balance carried forward	257,599,225	257,599,225

Unutilized tax credits above relates to the entitlement of the enhanced capital allowance of Rs. 725,252,199 applicable to the subsidiary Logicare (Pvt) Ltd as per the provision of second schedule of the Inland Revenue Act No 24 of 2017. The enhanced capital allowance can be claimed in addition to the general capital allowances for those qualifying depreciable assets.

Out of this full amount the Inland Revenue Department has disallowed Rs. 467,652,974 during the year ended 31st March 2023.

Any unused tax credits out of this balance tax credits is set to expire by 31st March 2030.

10. EARNINGS/(LOSS) PER SHARE

10.1 Basic Earnings/(Loss) Per Share

The calculation of earnings/(Loss) per share is based on the profit/(Loss) after tax for the year attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year and calculated as follows;

	GROUP		COMPANY	
	2025	2024	2025	2024
(Loss)/Profit attributable to Ordinary Share Holders (Rs.)	(18,290,876)	69,775,427	121,196,566	141,913,012
Weighted Average Number of Ordinary Shares as at 31st March	182,400,000	182,400,000	182,400,000	182,400,000
Basic (Loss)/Earnings Per Share (Rs.)	(0.10)	0.38	0.66	0.78

10.2 Diluted Earnings Per Share

There were no potential dilutive ordinary shares outstanding at any time during the year. Therefore, diluted earning per share is same as Basic earnings per share.

11. DIVIDEND PER SHARE

The calculation of the dividend per share is based on the dividend paid during the year divided by the weighted average number of ordinary shares in issue as at balance sheet date and calculated as follows;

	GROUP		COMPANY	
	2025	2024	2025	2024
Dividend Paid (Rs.)	80,256,000	124,032,000	80,256,000	124,032,000
Weighted Average Number of Ordinary Shares	182,400,000	182,400,000	182,400,000	182,400,000
Dividend Per Share (Rs.)	0.44	0.68	0.44	0.68

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. PROPERTY, PLANT AND EQUIPMENT

a) GROUP

	Cost/Fair Value								
	Balance as at 1st April 2023 Rs.	Additions during the Year Rs.	Disposals/ Transfers during the Year Rs.	Adjustment on Revaluation Rs.	Gain on Revaluation Rs.	Balance as at 31st March 2024 Rs.	Additions during the Year Rs.	Disposals/ Transfers during the Year Rs.	Balance as at 31st March 2025 Rs.
Motor Vehicles	19,757,480	12,000,000	(6,652,730)	-	-	25,104,750	-	-	25,104,750
Furniture & Fittings	30,344,275	83,034	-	-	-	30,427,309	57,318,801	(21,461,347)	66,284,763
Office Equipment	24,235,110	617,087	-	-	-	24,852,197	972,545	(562,986)	25,261,756
Weighing Scales	258,175	591,500	-	-	-	849,675	593,868	-	1,443,543
Computer Equipment	26,016,332	3,298,111	-	-	-	29,314,443	4,339,929	-	33,654,372
Storage System	121,805,388	1,996,730	-	-	-	123,802,118	-	-	123,802,118
Building	659,475,285	-	-	(39,964,202)	130,301,219	749,812,302	-	-	749,812,302
Machinery & Equipment	153,825,223	547,000	-	-	-	154,372,223	2,564,000	-	156,936,223
	1,035,717,268	19,133,462	(6,652,730)	(39,964,202)	130,301,219	1,138,535,017	65,789,143	(22,024,333)	1,182,299,827

	Accumulated Depreciation							
	Balance as at 1st April 2023 Rs.	Charge for the year Rs.	Disposals During the year Rs.	Adjustment on Revaluation Rs.	Balance as at 31st March 2024 Rs.	Charge for the year Rs.	Disposals During the year Rs.	Balance as at 31st March 2025 Rs.
Motor Vehicles	19,669,903	2,352,509	(6,652,730)	-	15,369,682	3,062,340	-	18,432,022
Furniture & Fittings	24,627,703	1,976,394	-	-	26,604,097	3,986,015	(20,740,660)	9,849,452
Office Equipment	10,692,681	2,613,958	-	-	13,306,639	2,804,479	(507,770)	15,603,348
Weighing Scales	94,987	33,025	-	-	128,012	12,378	-	140,390
Computer Equipment	16,786,020	4,469,012	-	-	21,255,032	4,237,479	-	25,492,511
Storage System	19,926,595	5,490,767	-	-	25,417,362	5,504,645	-	30,922,007
Building	19,982,101	19,982,101	-	(39,964,202)	-	23,930,228	-	23,930,228
Machinery & Equipment	42,850,424	19,249,048	-	-	62,099,472	19,402,176	-	81,501,648
	154,630,414	56,166,814	(6,652,730)	(39,964,202)	164,180,296	62,939,740	(21,248,430)	205,871,606

Carrying Amounts

	Balance as at 31st March 2025 Rs.	Balance as at 31st March 2024 Rs.
Motor Vehicles	6,672,728	9,735,068
Furniture & Fittings	56,435,311	3,823,212
Office Equipment	9,658,408	11,545,558
Weighing Scales	1,303,153	721,663
Computer Equipment	8,161,861	8,059,411
Storage System	92,880,111	98,384,756
Building	725,882,074	749,812,302
Machinery & Equipment	75,434,575	92,272,751
	976,428,221	974,354,721

Non-Financial Assets Fair Value hierarchy

Asset	Fair value measurement	Fair Value as at 31st March 2024 (Rs.)
Building	Level 03 - Significant unobservable inputs	749,812,302

The Company carries its buildings on leasehold lands at fair value. An external independent property valuation specialist was engaged in determining the fair value of the building owned by the Company as at 31st March 2024. The Board of Directors determined that the carrying amount of Buildings as at 31st March 2025 are not materially different to its Fair Value.

Mr W.D.P. Rupananda (RICS), FIV (SL) has derived the fair value of the buildings on leasehold land as of 31st March 2024, based on the investment method, which utilises the discounted cash flow technique/rent income of the property, as explained below.

In determining the fair value, the highest and best use of the property has been considered, including the current location and future usability. The valuer has made reference to the market evidences of the similar properties and made the relevant adjustments for the size and locations.

Valuation Technique	Significant Unobservable Inputs	Inter-Relationship Between Key Unobservable Inputs and Fair Value Measurement
Discounted Cash flow technique : The valuation model considers the present value of net cash flows generated from the property taking into account the net rent that would yield from the property	Net rent	Positively correlated sensitivity
	Rs. 75Mn - Rs. 80 Mn per Annum	
	Discount rate	Negatively correlated sensitivity
	YP rate 5.5% for 31 years	

Location	Building area Sq.Ft	No of Buildings
No.1, Muthurajawella Road, Muthurajawella	99,673	8

The carrying amount of revalued assets that would have been included in the Financial Statements had the asset being carried at cost less accumulated depreciation is as follows;

Asset	Cost Rs.	Accumulated Depreciation Rs.	Net Book Value as at 31/03/2025 Rs.	Net Book Value as at 31/03/2024 Rs.
Buildings	524,576,445	(79,587,052)	444,989,393	459,572,619

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

b) COMPANY

	Cost						
	Balance as at 1st April 2023 Rs.	Additions during the Year Rs.	Disposals/ Transfers during the Year Rs.	Balance as at 31st March 2024 Rs.	Additions during the Year Rs.	Disposals/ Transfers during the Year Rs.	Balance as at 31st March 2025 Rs.
Motor Vehicles	19,757,480	12,000,000	(7,133,780)	24,623,700	196,429	-	24,820,129
Furniture & Fittings	26,626,775	123,025	(243,722)	26,506,078	57,221,595	(21,461,347)	62,266,326
Office Equipment	8,613,535	903,935	(4,071,500)	5,445,970	3,822,837	(562,986)	8,705,821
Weighing Scales	258,175	591,500	(795,836)	53,839	593,868	-	647,707
Computer Equipment	16,545,579	1,811,175	(896,540)	17,460,214	3,020,684	(840,209)	19,640,689
	71,801,544	**15,429,635**	**(13,141,378)**	**74,089,801**	**64,855,413**	**(22,864,542)**	**116,080,672**

	Accumulated Depreciation						
	Balance as at 1st April 2023 Rs.	Charge for the year Rs.	Disposals During the year Rs.	Balance as at 31st March 2024 Rs.	Charge for the year Rs.	Disposals During the year Rs.	Balance as at 31st March 2025 Rs.
Motor Vehicles	19,669,903	2,348,500	(7,133,780)	14,884,623	3,022,252	-	17,906,875
Furniture & Fittings	23,855,166	1,500,411	(94,067)	25,261,510	3,493,395	(20,740,659)	8,014,246
Office Equipment	5,853,166	469,831	(2,592,353)	3,730,644	503,800	(507,770)	3,726,674
Weighing Scales	94,987	33,025	(74,173)	53,839	12,378	-	66,217
Computer Equipment	11,214,475	2,132,465	(412,049)	12,934,891	2,267,218	(840,209)	14,361,900
	60,687,697	**6,484,232**	**(10,306,422)**	**56,865,507**	**9,299,043**	**(22,088,638)**	**44,075,912**

Carrying Amounts

	Balance as at 31st March 2025 Rs.	Balance as at 31st March 2024 Rs.
Motor Vehicles	6,913,254	9,739,077
Furniture & Fittings	54,252,080	1,244,568
Office Equipment	4,979,147	1,715,326
Weighing Scales	581,490	-
Computer Equipment	5,278,789	4,525,323
	72,004,760	**17,224,294**

The initial cost of the fully depreciated items of Property, Plant and Equipment which are still in use as at reporting date are as follows,

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Motor Vehicles	21,703,700	12,329,720	12,623,700	12,329,720
Furniture and Fittings	3,734,539	22,821,919	3,734,539	22,821,919
Office Equipments	2,080,348	2,460,334	2,080,348	2,460,334
Weighing Scales	53,839	53,839	53,839	53,839
Computer Equipments	16,660,819	10,630,916	9,721,680	8,678,489
	44,233,245	**48,296,728**	**28,214,106**	**46,344,301**

13. RIGHT OF USE ASSETS

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
13.1 Carrying Value of Right to use Assets				
Cost				
At the Beginning of the year	366,272,738	312,419,787	75,516,124	75,516,124
Derecognition of Right of Use Asset	(113,873,141)	-	(75,516,124)	-
Additions during the year	169,546,117	53,852,951	169,546,117	-
At the end of the year	**421,945,714**	**366,272,738**	**169,546,117**	**75,516,124**
Accummulated Amortization				
At the Beginning of the year	173,525,010	137,618,772	75,516,124	70,704,216
Derecognition of Right of Use Asset	(113,873,141)	-	(75,516,124)	-
Amortization for the Year	47,187,022	35,906,238	14,128,843	4,811,908
At the end of the year	**106,838,891**	**173,525,010**	**14,128,843**	**75,516,124**
Carrying Value at the year end	315,106,823	192,747,728	155,417,274	-

Derecognition of ROU assets relating to the below Lease agreements,
01. Previous Head Office (Company)
02. Athukorala Warehouse (Subsidiary)

Logicare (Pvt) Ltd (Subsidiary) has entered in to a 39 year lease agreement commencing from 29th July 2016 with Sri Lanka Land Reclamation and Development Corporation to lease a land in Muthurajawela.

With the adoption of SLFRS 16 from 1 April 2019, the leased rentals paid in advance has transferred to right-to-use assets.

13.2 Refundable Deposit on Lease Premises

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Refundable Deposit on Lease Premises - Previous Head Office	6,595,710	6,595,710	6,595,710	6,595,710
Refundable Deposit on Lease Premises - Athukorala Warehouse	14,295,410	12,159,786	-	-
Refundable Deposit on Lease Premises - AECP Warehouse	8,191,242	-	8,191,242	-
Refundable Deposit on Lease Premises - Enderamulla Warehouse	1,250,000	-	1,250,000	-
Refundable Deposit on Lease Premises - New Head Office	1,956,405	-	1,956,405	-
	32,288,767	**18,755,496**	**17,993,357**	**6,595,710**
Amount Receivable within one year	30,332,362	6,595,710	16,036,952	6,595,710
Amount Receivable after one year	1,956,405	12,159,786	1,956,405	-
Total	32,288,767	18,755,496	17,993,357	6,595,710

The Company has made a total security deposit of Rs.6,595,710/- to Allied Properties Ltd as a security deposit which is refundable after 04 years at the end of the lease period 15th September 2024.The Amount has received on 22nd May 2025.

During the year under review, the company made refundable deposits of Rs. 8,191,242 and Rs. 1,250,000 to the AECP Warehouse and Enderamulla Warehouse, respectively. The lease agreements for these warehouses are set to expire on 28th February 2026 and 31st October 2025, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. RIGHT OF USE ASSETS (CONTD.)

On 22nd May 2024, the company made a security deposit of Rs. 6,042,000 to Brown & Company PLC in relation to the lease of the new Head Office. This deposit is refundable at the end of the lease period, which concludes on 31st May 2034, after a duration of 10 years.

The Subsidiary has made a total security deposit of Rs.15,087,600.00 to Athukorala Group (Pvt) Ltd as a security deposit which is refundable after 02 years at the end of the lease period 31st July 2025.

The deposit has been fair valued using 13.09% by the company and 16.29 % by the subsidiary as the discount factor and unwinding the interest on a yearly basis starting from the commencement date of the lease.

14. INTANGIBLE ASSETS

	GROUP				COMPANY	
	Goodwill Rs.	Computer Software Rs.	Capital Work In Progress Rs.	Total Rs.	Computer Software Rs.	Total Rs.
Cost						
Balance as at 1st April 2024	43,533,355	60,634,144	941,950	105,109,449	23,648,289	23,648,289
Acquisitions	-	-	2,190,819	2,190,819	-	-
Balance as at 31st March 2025	43,533,355	60,634,144	3,132,769	107,300,268	23,648,289	23,648,289
Accumulated Amortisation						
Balance as at 1st April 2024	-	47,337,404	-	47,337,404	21,799,745	21,799,745
Charge for the Year	-	10,098,606	-	10,098,606	875,232	875,232
Balance as at 31st March 2024	-	57,436,010	-	57,436,010	22,674,977	22,674,977
Net Book Value As at 31st March 2025	**43,533,355**	**3,198,134**	**3,132,769**	**49,864,258**	**973,312**	**973,312**
Net Book Value As at 31st March 2024	**43,533,355**	**13,296,740**	**941,950**	**57,772,045**	**1,848,544**	**1,848,544**

14.1 Capital Work In Progress consists the project of Customer portal development cost incurred during the year is Rs. 2,190,819 and subsidiary expected to finish the project within 01 years of time. The total cost incurred as the reporting date is Rs. 3,132,769.

14.2 Goodwill

The group has recognized goodwill of Rs. 43,533,355 as at 31st March 2017 as a result of acquisition of subsidiary Logicare (Private) Limited in 2017.

As required by LKAS 36 - " Impairment of Assets " , goodwill is tested for impairment on annual basis and assessed for any indication of impairment as at each reporting date to ensure that carrying amount does not exceed the recoverable amount. Accordingly, the management of the Group/Company conducted an assessment and concluded that there is no impairment of the goodwill as at 31st March 2025.

The subsidiary has been tested for impairment as a single cash generating unit for the purpose of assessment of impairment as at 31st March 2025. The Group estimated the recoverable value of the subsidiary was determined based on highest and best use approach with reference to its fair value less cost to sell, measured using the adjusted net asset value of the subsidiary. In calculating the adjusted net asset value of the subsidiary, the group adjusted the fair value of leasehold right related to land, Building, storage system and machinery to the carrying amount of the net asset value of the subsidiary. The fair value is classified as Level 3 in terms of fair value measurement principles in SLFRS 13 - "Fair Value Measurement"

The fair value of leasehold right related to land, storage system and machinery was measured with reference to the valuation carried out by the external independent valuation specialist Mr. W.P.D. Rupananda. (RICS) , FIV (SL) a combination of Income approach and Cost approach as at 31st March 2025.

The fair value of lease hold right related to land and building were determined using the income approach whereas the fair value of the storage system and machinery were determined using cost approach.

Income approach calculates the fair value as at the date using present value technique of future expected rental payments. Cost approach considers the amount that would be required currently to replace these storage systems and machinery depreciated using an appropriate depreciation rate.

Key assumptions used in the measurement of fair value of the leasehold right of the land, storage system and the machinery are as follows,

Assumptions	Range	Fair Value Change (Rs)	
		1% Increase	1% Decrease
Net Annual Rent	Rs. 75 Mn - Rs. 85 Mn per annum	11,600,000	(11,600,000)
Discount Rate	YP rate 5.5% for 30 years	(116,900,000)	139,200,000
Depreciation Rate	5%-65%	(895,000)	895,000

14.3 The gross carrying amount of fully depreciated computer software which are still in use as at 31st March 2025 is Rs. 20,147,396 (2024 - Rs. 15,835,870).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. INVESTMENT IN SUBSIDIARY

	Company	
	2025 Rs.	2024 Rs.
Logicare (Private) Limited - 100% owned subsidiary	633,000,000	633,000,000
Less - Provision for Impairment of Investment in Subsidiary (Note 15.1)	(21,295,530)	-
	611,704,470	633,000,000
15.1 Movement for Impairment of Investment in Subsidiary		
Balance as at 01st April	-	-
Provision made during the year	21,295,530	-
Balance as at 31st March	21,295,530	-
15.2 Summarized financial information of the subsidiary		
Assets and Liabilities		
Total Assets	1,199,592,642	1,349,288,827
Total Liabilities	977,932,908	970,532,264
Loss for the Year	(162,137,514)	(71,125,158)

The subsidiary provides Logistics and transportation services to third party clients and to the clients of the parent Company.

Considering the operational losses and negative operating cash flow situation of the subsidiary, the company conducted an impairment assessment of the investment in subsidiary.

Impairment of the investment in subsidiary has been calculated with reference to the recoverable value determined using the assumptions disclosed under Note 14.2.

16. LOANS & ADVANCES TO TEA SUPPLIERS

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Loans to Tea Suppliers	196,299,889	151,680,765	196,299,889	151,680,765
Advances given to Tea Suppliers	1,383,044,042	1,311,291,795	1,383,044,042	1,311,291,795
Less: Written off of Loans and Advances	(2,949,883)	(5,734,711)	(2,949,883)	(5,734,711)
	1,576,394,048	1,457,237,849	1,576,394,048	1,457,237,849
Less: Provision for impairment of Loans and Advances (Note 16.3)	(166,166,326)	(161,081,541)	(166,166,326)	(161,081,541)
	1,410,227,722	**1,296,156,308**	**1,410,227,722**	**1,296,156,308**
Receivable after One Year (Note 16.1)	11,087,842	8,476,931	11,087,842	8,476,931
Receivable within One Year (Note 16.2)	1,399,139,880	1,287,679,377	1,399,139,880	1,287,679,377
	1,410,227,722	**1,296,156,308**	**1,410,227,722**	**1,296,156,308**
16.1 Receivable after One Year				
Loans & Advances to Tea Suppliers	141,382,288	128,210,739	141,382,288	128,210,739
Less: Provision of Impairment (Note 16.3)	(130,294,446)	(119,733,808)	(130,294,446)	(119,733,808)
	11,087,842	**8,476,931**	**11,087,842**	**8,476,931**
16.2 Receivable within One Year				
Loans & Advances to Tea Suppliers	1,435,011,760	1,329,027,110	1,435,011,760	1,329,027,110
Less: Provision of Impairment (Note 16.3)	(35,871,880)	(41,347,733)	(35,871,880)	(41,347,733)
	1,399,139,880	**1,287,679,377**	**1,399,139,880**	**1,287,679,377**
16.3 Movement of Provision for impairment				
Balance as at 01st April	161,081,541	159,662,328	161,081,541	159,662,328
Provision made during the year	8,034,668	7,153,924	8,034,668	7,153,924
	169,116,209	166,816,252	169,116,209	166,816,252
Amounts written off	(2,949,883)	(5,734,711)	(2,949,883)	(5,734,711)
Balance as at 31st March	**166,166,326**	**161,081,541**	**166,166,326**	**161,081,541**

Loans & Advances given to tea suppliers which have been written off during the year 2024/25, are still subject to enforceable activity.

Maturity wise Provision for Impairment				
Receivable after One year	130,294,446	119,733,808	130,294,446	119,733,808
Receivable within One year	35,871,880	41,347,733	35,871,880	41,347,733
	166,166,326	**161,081,541**	**166,166,326**	**161,081,541**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. INVENTORIES

	GROUP	
	2025 Rs.	2024 Rs.
Inventories	12,674	1,317,056
	12,674	1,317,056

This includes Packing materials use for Value Added Services.

18. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Gross Trade Receivables	755,511,268	939,390,414	651,006,929	795,808,932
Less: Impairment on Trade Receivables (Note 18.1)	(3,329,910)	(8,413,176)	(2,587,358)	(1,348,774)
Net Trade Receivables	752,181,358	930,977,238	648,419,571	794,460,158
Deposits and Prepayments	13,610,316	24,153,682	7,566,861	11,010,891
Staff Loan Receivables	27,741,238	22,478,924	26,593,581	19,431,805
Salary and Festival Advances	3,226,655	2,647,215	2,384,935	1,986,855
Other Receivables	18,606,306	14,390,490	12,891,080	9,418,272
WHT Receivables	2,052,930	2,185,660	2,037,419	2,176,183
Less: Provision for Impairment of other receivable (Note 18.2)	(3,704,364)	(577,640)	-	-
	813,714,439	**996,255,569**	**699,893,447**	**838,484,164**
18.1 Impairment on Trade Receivables				
Balance as at 1st April	8,413,176	3,158,581	1,348,774	-
Provision/(Reversal) made during the year	(2,308,268)	7,471,331	1,238,584	1,348,774
Write Off for the Period	(2,774,998)	(2,216,736)	-	-
Balance as at 31st March	**3,329,910**	**8,413,176**	**2,587,358**	**1,348,774**
18.2 Impairment on Other Receivables				
Balance as at 1st April	577,640	-	-	-
Provision made during the year	3,126,724	577,640	-	-
Balance as at 31st March	**3,704,364**	**577,640**	**-**	**-**

Trade Receivables which have been written off during the year 2024/25, are still subject to enforceable activity.

19. SHORT TERM INVESTMENTS

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Fixed Deposits	23,567,980	21,617,028	23,567,980	21,617,028
	23,567,980	21,617,028	23,567,980	21,617,028

Fixed Deposit is placed with Nations Trust Bank PLC which has a credit rating of A(lka) with a Stable Outlook.

20. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Favourable Balances				
Cash at Bank	149,181,937	74,880,861	148,271,398	67,783,448
Cash in Hand	182,000	152,500	112,000	47,500
	149,363,937	75,033,361	148,383,398	67,830,948
Unfavourable Balances				
Bank Overdrafts	(108,843,273)	(331,021,658)	(4,287,820)	(248,846,255)
Cash and Cash Equivalents for Cash Flows Purpose	40,520,664	(255,988,297)	144,095,578	(181,015,307)

Capital Alliance Holding Limited has provided Rs. 100 Mn of Corporate guarantees on behalf of the Company in order to obtain bank overdraft facilities.

21. DEFERRED TAXATION (ASSET)/ LIABILITY

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Balance as at 1st April	84,081,198	30,239,780	(18,478,411)	(20,981,086)
Recognised in profit or loss				
Deferred tax charge (reversal) for the year	52,206,789	15,943,244	(5,298,002)	3,342,020
	52,206,789	15,943,244	(5,298,002)	3,342,020
Recognised in other comprehensive income				
Deferred tax on Revaluation Gain	-	39,090,366	-	-
Deferred tax on Actuarial Loss	(2,414,673)	(1,192,192)	(4,574,966)	(839,345)
Balance at 31st March	133,873,314	84,081,198	(28,351,379)	(18,478,411)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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21. DEFERRED TAXATION (ASSET)/ LIABILITY (CONTD.)

Deferred tax is provided using the Liability method 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 has been computed taking into consideration the tax rate of 30%. The provision for deferred tax is attributable to the following;

a) GROUP	2025		2024	
	Temporary Difference Rs.	Tax Effect Rs.	Temporary Difference Rs.	Tax Effect Rs.
On Property, Plant and Equipment	244,223,138	73,266,940	234,137,142	70,241,142
Balance Impairment	(42,371,595)	(12,711,479)	(37,894,579)	(11,368,374)
On Right of Use Assets	186,562,314	55,968,694	53,461,586	16,038,476
On Lease Payable	(164,702,829)	(49,410,849)	(35,713,960)	(10,714,188)
On Intangible Assets	(17,043)	(5,113)	1,958,818	587,645
On Retirement Benefit Obligations	(70,438,128)	(21,131,438)	(59,118,243)	(17,735,472)
On Carried forward Tax Losses	-	-	(173,623,566)	(52,087,070)
	153,255,857	45,976,755	(16,792,802)	(5,037,841)
On Actuarial Loss on Retirement Benefit Obligations	(8,048,909)	(2,414,673)	(3,973,972)	(1,192,192)
On Revaluation Gain	301,037,435	90,311,231	301,037,435	90,311,231
	446,244,383	**133,873,313**	**280,270,661**	**84,081,198**

Subsidiary - Logicare (Private) Limited

Unutilized tax credits and tax losses of the group as at the reporting date was Rs. 969,937,698 (2024: Rs.862,746,545) which gave rise to a defferred tax asset of Rs. 290,980,709 (2024: Rs.258,823,794). However deferred tax asset arising from these tax credits and tax losses as at the reporting date has not been recognized due to the uncertainty regarding the availability of future taxable profits.

b) COMPANY	2025		2024	
	Temporary Difference Rs.	Tax Effect Rs.	Temporary Difference Rs.	Tax Effect Rs.
On Property, Plant and Equipment	16,596,031	4,978,809	11,461,418	3,438,426
Balance Impairment	(35,337,321)	(10,601,196)	(30,252,536)	(9,075,761)
Right of Use Asset	155,417,274	46,625,182	-	-
Lease Liability	(154,831,422)	(46,449,427)	-	-
Trade Receivable Impairment	(2,587,358)	(776,207)	-	-
On Retirement Benefit Obligations	(58,511,914)	(17,553,574)	(40,005,765)	(12,001,731)
	(79,254,710)	(23,776,413)	(58,796,883)	(17,639,066)
On Actuarial Loss on Retirement Benefit Obligations	(15,249,887)	(4,574,966)	(2,797,817)	(839,345)
	(94,504,597)	**(28,351,379)**	**(61,594,700)**	**(18,478,411)**

22. STATED CAPITAL

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Issued and Fully Paid				
182,400,000 Ordinary Shares	333,200,000	333,200,000	333,200,000	333,200,000
	333,200,000	333,200,000	333,200,000	333,200,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and only voting shareholders are entitled to one vote per individual present of meetings of the shareholders or one vote per share in the case of a poll.

22.1 Revaluation Reserve

Revaluation reserve relates to the amount by which the Group has revalued its Building. There were no restrictions on distribution of these balances to the shareholders.

23. INTEREST BEARING BORROWINGS

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Payable within One Year (Note 23.1)	1,369,101,046	924,451,185	1,289,606,502	796,212,027
Payable after One Year (Note 23.2)	663,966,667	796,216,663	145,000,000	290,416,663
	2,033,067,713	1,720,667,848	1,434,606,502	1,086,628,690
23.1 Payable within One Year				
NDB Term Loan (Note 23.1.1)	250,000,000	150,000,000	250,000,000	150,000,000
Sampath Bank Term Loan(Note 23.1.2)	140,000,000	140,000,000	140,000,000	140,000,000
Seylan Bank Term Loan (Note 23.1.3)	200,000,000	70,000,000	200,000,000	-
Cargills Bank Term Loan (Note 23.1.4)	-	115,000,000	-	115,000,000
HNB Short Term Loan (Note 23.1.5)	300,000,000	-	300,000,000	-
Standard Chartered Bank (Note 23.1.8)	150,000,000	-	150,000,000	-
DFCC Term Loan (Note 23.1.10)	100,000,000	-	100,000,000	-
HNB Trustee Loan (Note 23.2.1)	85,416,663	320,138,889	85,416,663	320,138,889
DFCC Loan (Note 23.2.2)	138,500,000	111,000,000	60,000,000	60,000,000
BOC Term Loan (Note 23.2.4)	-	12,111,852	-	6,051,276
Total Capital Outstanding as at 31st March	1,363,916,663	918,250,741	1,285,416,663	791,190,165
Accrued Interest Based on EIR	5,184,383	6,200,444	4,189,839	5,021,862
Interest Bearing Borrowings at Amortized Cost	1,369,101,046	924,451,185	1,289,606,502	796,212,027

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23. INTEREST BEARING BORROWINGS (CONTD.)

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
23.1.1 NDB Short Term Loan				
Balance as at 1st April	150,000,000	-	150,000,000	-
Loan Obtained During the Year	1,220,000,000	150,000,000	1,220,000,000	150,000,000
Repayments made during the Year	(1,120,000,000)	-	(1,120,000,000)	-
Balance as at 31st March	**250,000,000**	**150,000,000**	**250,000,000**	**150,000,000**
23.1.2 Sampath Bank Short Term Loan				
Balance as at 1st April	140,000,000	-	140,000,000	-
Loan Obtained During the Year	1,780,000,000	1,080,000,000	1,780,000,000	1,080,000,000
Repayments made during the Year	(1,780,000,000)	(940,000,000)	(1,780,000,000)	(940,000,000)
Balance as at 31st March	**140,000,000**	**140,000,000**	**140,000,000**	**140,000,000**
23.1.3 Seylan Bank Short Term Loan				
Balance as at 1st April	70,000,000	-	-	-
Loan Obtained During the Year	1,340,000,000	770,000,000	1,200,000,000	700,000,000
Repayments made during the Year	(1,210,000,000)	(700,000,000)	(1,000,000,000)	(700,000,000)
Balance as at 31st March	**200,000,000**	**70,000,000**	**200,000,000**	**-**
23.1.4 Cargills Bank Short Term Loan				
Balance as at 1st April	115,000,000	150,000,000	115,000,000	150,000,000
Loan Obtained During the Year	2,000,000,000	2,470,000,000	2,000,000,000	2,470,000,000
Repayments made during the Year	(2,115,000,000)	(2,505,000,000)	(2,115,000,000)	(2,505,000,000)
Balance as at 31st March	**-**	**115,000,000**	**-**	**115,000,000**
23.1.5 HNB Short Term Loan				
Balance as at 1st April	-	-	-	-
Loan Obtained During the Year	2,350,000,000	100,000,000	2,350,000,000	100,000,000
Repayments made during the Year	(2,050,000,000)	(100,000,000)	(2,050,000,000)	(100,000,000)
Balance as at 31st March	**300,000,000**	**-**	**300,000,000**	**-**
23.1.6 Capital Alliance Holdings Ltd				
Balance as at 1st April	-	35,000,000	-	-
Loan Obtained During the Year	80,000,000	-	-	-
Repayments made during the Year	(80,000,000)	(35,000,000)	-	-
Balance as at 31st March	**-**	**-**	**-**	**-**
23.1.7 Commercial Papers				
Balance as at 1st April	-	-	-	-
Obtained During the Year	200,000,000	113,175,342	200,000,000	113,175,342
Repayments made during the Year	(200,000,000)	(113,175,342)	(200,000,000)	(113,175,342)
Balance as at 31st March	**-**	**-**	**-**	**-**

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
23.1.8 Standard Chartered Bank				
Balance as at 1st April	-	-	-	-
Obtained During the Year	1,950,000,000	1,800,000,000	1,950,000,000	1,800,000,000
Repayments made during the Year	(1,800,000,000)	(1,800,000,000)	(1,800,000,000)	(1,800,000,000)
Balance as at 31st March	**150,000,000**	**-**	**150,000,000**	**-**
23.1.9 Central Finance PLC				
Balance as at 1st April	-	200,000,000	-	200,000,000
Repayments made during the Year	-	(200,000,000)	-	(200,000,000)
Balance as at 31st March	**-**	**-**	**-**	**-**
23.1.10 DFCC Bank				
Balance as at 1st April	-	-	-	-
Obtained During the Year	1,700,000,000	-	1,700,000,000	-
Repayments made during the Year	(1,600,000,000)	-	(1,600,000,000)	-
Balance as at 31st March	**100,000,000**	**-**	**100,000,000**	**-**
23.1.11 Bank of Ceylon				
Balance as at 1st April	-	-	-	-
Obtained During the Year	1,800,000,000	-	1,800,000,000	-
Repayments made during the Year	(1,800,000,000)	-	(1,800,000,000)	-
Balance as at 31st March	**-**	**-**	**-**	**-**
23.2 Payable After One Year				
HNB Trustee Loan (Note 23.2.1)	-	85,416,663	-	85,416,663
DFCC Loan (Note 23.2.2)	663,966,667	710,800,000	145,000,000	205,000,000
	663,966,667	**796,216,663**	**145,000,000**	**290,416,663**
23.2.1 HNB Trustee Loan				
Balance as at 1st April	405,555,552	570,138,885	405,555,552	570,138,885
Loan Obtained During the Year	-	150,000,000	-	150,000,000
Repayments made during the Year	(320,138,889)	(314,583,333)	(320,138,889)	(314,583,333)
Balance as at 31st March	**85,416,663**	**405,555,552**	**85,416,663**	**405,555,552**
Amount Payable within One Year	85,416,663	320,138,889	85,416,663	320,138,889
Amount Payable after One Year	-	85,416,663	-	85,416,663
	85,416,663	**405,555,552**	**85,416,663**	**405,555,552**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23. INTEREST BEARING BORROWINGS (CONTD.)

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
23.2.2 DFCC Term Loan				
Balance as at 1st April	821,800,000	589,200,000	265,000,000	-
Loan Obtained During the Year	100,000,000	300,000,000	-	300,000,000
Repayments made during the Year	(119,333,333)	(67,400,000)	(60,000,000)	(35,000,000)
Balance as at 31st March	**802,466,667**	**821,800,000**	**205,000,000**	**265,000,000**
Amount Payable within One Year	138,500,000	111,000,000	60,000,000	60,000,000
Amount Payable after One Year	663,966,667	710,800,000	145,000,000	205,000,000
	802,466,667	**821,800,000**	**205,000,000**	**265,000,000**
23.2.3 BOC Term Loan				
Balance as at 1st April	12,111,852	84,842,748	6,051,276	42,418,524
Loan Obtained During the Year	-	-	-	-
Repayments made during the Year	(12,111,852)	(72,730,896)	(6,051,276)	(36,367,248)
Balance as at 31st March	**-**	**12,111,852**	**-**	**6,051,276**
Amount Payable within One Year	-	12,111,852	-	6,051,276
Amount Payable After One Year	-	-	-	-
	-	**12,111,852**	**-**	**6,051,276**

23.3 Assets pledged as collateral by the Group / Company

Name of the financial institution	Nature of the facility	Balance as at 31st March 2025 Rs.	Securities Pledged
Group			
DFCC Bank PLC	Term Loan 120 Months Facility Amount Rs. 600 Mn	505,800,000	1. Corporate Guarantee of Ceylon Tea Brokers PLC for Rs.600 Mn 2. Corporate Guarantee of Ceylon Tea Brokers PLC for Rs.150 Mn 3. Mortgage bond for Rs.600 Mn over commercial property (lease hold at Ela road Muthurajawela and everything standing thereon with all fixtures, fittings, services and such other rights attached or appertaining thereto.)
	Term Loan 60 Months Facility Amount Rs. 100 Mn	91,666,667	
	Permanent Overdraft Facility Amount Rs. 75 Mn	74,430,047	
Seylan Bank PLC	Permanent Overdraft Facility Amount Rs. 30 Mn	29,934,681	Corporate Guarantee of Ceylon Tea Brokers PLC for Rs.100 Mn

The Company does not have any other secured borrowing other than those disclosed above.

24. LEASE PAYABLE

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Lease Payable on ROU Assets (Note 24.1)	164,702,829	35,713,961	154,831,422	-
Lease Payable to HNB (Note 24.2)	-	1,149,521	-	-
	164,702,829	**36,863,482**	**154,831,422**	**-**
Amount Payable within One Year	14,431,437	30,591,296	4,560,030	-
Amount Payable after One Year	150,271,392	6,272,186	150,271,392	-
Lease Payable	**164,702,829**	**36,863,482**	**154,831,422**	**-**
24.1 Lease Payable on ROU Assets				
Balance B/F	35,713,961	12,438,343	-	5,804,376
Additions & Remeasurement	162,318,944	49,681,736	162,318,944	-
Accretion of Interest	20,035,224	4,320,305	16,680,478	55,447
Payments to lease creditor	(53,365,300)	(30,726,423)	(24,168,000)	(5,859,823)
Balance as at 31st March	**164,702,829**	**35,713,961**	**154,831,422**	**-**
Amount Payable within One Year	14,431,437	29,441,775	4,560,030	-
Amount Payable after One Year	150,271,392	6,272,186	150,271,392	-
Balance as at 31st March	**164,702,829**	**35,713,961**	**154,831,422**	**-**

Lease liability on ROU asset related to lease agreements entered in to by the group over Head Office, lands and warehouse premises as follows.

Company/Group	Type of Asset	Balance Term
Browns & Company PLC	Head Office	9 Years and 2 Months
Athukorala (Pvt) Ltd	Warehouse	4 Months
Sri Lanka Land Reclamation and Development Corporation	Land	30 Years

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
24.2 Lease Payable to HNB				
Balance as at 1st April	1,149,521	3,049,475	-	-
Payment during the Year	(1,273,706)	(2,183,496)	-	-
Interest for the year	124,185	283,542	-	-
Balance as at 31st March	**-**	**1,149,521**	**-**	**-**
Amount Payable within One Year	-	1,149,521	-	-
Amount Payable after One Year	-	-	-	-
Balance as at 31st March	**-**	**1,149,521**	**-**	**-**

Lease payable to HNB relates to motor vehicle obtained on lease for a term of 5 years by Logicare (Private) Limited.

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24. LEASE PAYABLE (CONTD.)

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Amount Recognized in Statement of Profit & Loss				
Leases Under SLFRS 16				
Amortization of Right of Use Assets	47,187,022	35,906,238	14,128,843	4,811,908
Interest Expense on Lease Liabilities	20,159,409	4,603,847	16,680,478	55,447
Short Term Lease Rentals				
AECP Warehouse	27,734,349	26,627,082	5,370,355	10,682,146
Enderamulla Warehouse	37,023,966	48,230,853	5,846,000	24,375,600
Previous Head Office	13,003,508	20,294,492	13,003,508	20,294,492
Elakanda Warehouse	-	3,876,738	-	-
	77,761,823	**99,029,165**	**24,219,863**	**55,352,238**
Amount Recognized in Statement of Cash Flows				
Total cash outflow for leases	54,639,006	32,909,919	24,168,000	5,859,823
24.3 Maturity Analysis-Contractual undiscounted cash flows				
Less than one year	34,226,400	30,591,297	24,168,000	-
One to five year	143,823,768	7,543,800	143,823,768	-
More than five year	102,936,344	-	102,936,344	-
Total undiscounted lease liabilities as at 31st March	280,986,512	38,135,097	270,928,112	-

25. RETIREMENT BENEFIT OBLIGATIONS

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Balance as at 1st April	63,092,215	52,697,754	42,803,582	42,824,227
Provision made during the Year (Note 25.2 & 25.3)	23,132,222	19,914,711	26,990,991	13,861,689
Employee Transfer In/(out) - Logicare (Pvt) Ltd	-	-	5,492,228	(4,686,084)
Payments Made During the Year	(7,737,400)	(9,520,250)	(1,525,000)	(9,196,250)
Balance as at 31st March	**78,487,037**	**63,092,215**	**73,761,801**	**42,803,582**
25.1 Movement of Retirement Benefit Obligations				
Balance as at 1st April	63,092,215	52,697,754	42,803,582	42,824,227
Current Service Cost	7,715,133	6,191,655	6,503,983	4,008,316
Interest Cost	7,368,180	9,749,084	5,237,121	7,055,556
Actuarial Loss	8,048,909	3,973,972	15,249,887	2,797,817
Employee Transfer In / (out)- Logicare (Pvt) Ltd	-	-	5,492,228	(4,686,084)
Payments Made During the Year	(7,737,400)	(9,520,250)	(1,525,000)	(9,196,250)
Balance as at 31st March	**78,487,037**	**63,092,215**	**73,761,801**	**42,803,582**

During the year ended 31st March 2025, Logicare (Private) Limited has transferred 09 employees to its Parent Ceylon Tea Brokers PLC. Consequent to this the related retirement benefit obligation was also transferred to the Parent.

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
25.2 Amount Recognised in Profit or Loss				
Current Service Cost	7,715,133	6,191,655	6,503,983	4,008,316
Interest Cost	7,368,180	9,749,084	5,237,121	7,055,556
	15,083,313	15,940,739	11,741,104	11,063,872
25.3 Amount Recognised in Other Comprehensive Income				
Actuarial Loss	8,048,909	3,973,972	15,249,887	2,797,817
	8,048,909	3,973,972	15,249,887	2,797,817

25.4 The actuarial valuations have been carried out by Actuarial and Management Consultants (Private) Limited for retiring gratuity for employees as at 31st March 2025. The valuation method used by the actuaries to value the benefits is the "Project Unit Credit (PUC)" method recommended by Sri Lanka Accounting Standard No. 19 (LKAS 19) - "Employee Benefits".

	GROUP		COMPANY	
	2025	2024	2025	2024
25.5 The Key Assumptions used by the actuary include the following;				
- Discount Rate	10.5%	11%- 12%	10.5%	12.0%
- Expected Annual Average Salary Increment	10%	10%	10%	10%
- Retiring Age	60 Years	60 Years	60 Years	60 Years
- Staff Turnover Ratio	9% & 25%	10% & 22%	9%	10%

At 31st March 2025, the weighted-average duration of the defined benefit obligation was 8 years (2024- 8.44 years)
A long - term treasury bond rate has been used to discount future liabilities taking into consideration remaining working life of eligible employees.

25.6 Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Discount Rate	Salary Escalation Rate	PV of Defined Benefit Obligation	
		Group Rs.	Company Rs.
1% Increase	As Given in the Report	(73,242,289)	(68,678,430)
1% Decrease	As Given in the Report	84,435,222	79,536,329
As Given in the Report	1% Increase	84,617,395	79,698,272
As Given in the Report	1% Decrease	(72,996,176)	(68,454,173)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25. RETIREMENT BENEFIT OBLIGATIONS (CONTD.)

25.7 Information of Maturity Profile of the Defined Benefit Obligation

Future Working Life Time	COMPANY Defined Benefit Obligation 2025 Rs.
Within the Next 12 Months	6,826,592
Between 1-2 Years	13,698,058
Between 2-5 Years	13,764,719
Between 5-10 Years	16,305,098
Beyond 10 Years	23,167,333
	73,761,800

26. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Trade Payables	545,690,028	542,169,175	508,306,176	492,695,968
Accrued Expenses	35,788,061	43,960,373	9,480,797	12,223,137
VAT Collected on behalf of Sellers	12,303,137	25,400,400	6,455,854	25,400,400
SVAT Payable	20,121,512	6,364,847	17,198,157	1,549,822
Provisions for Expenses	36,340,292	69,143,481	36,340,292	67,894,481
Other Payables	13,530,979	26,553,073	12,451,539	19,221,577
	663,774,009	713,591,349	590,232,815	618,985,385

27. AMOUNT DUE TO/ (FROM) RELATED PARTY

	COMPANY	
	2025 Rs.	2024 Rs.
Logicare (Private) Limited-100% owned subsidiary	(24,553,707)	7,557,430
Less - Provision for Impairment of Amount Due From Related Party (Note 27.1)	1,254,540	-
	(23,299,167)	7,557,430
27.1 Movement for Impairment on Amount Due From Related Party		
Balance as at 01st April	-	-
Provision made during the year	1,254,540	-
Balance as at 31st March	1,254,540	-

28. FINANCIAL INSTRUMENTS

28.1 Financial Instruments - Statement of Financial Position

The carring amount of Financial Instruments recognized in the Statement of Financial Position is as follows;

	GROUP		COMPANY	
As at 31st March	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Financial Assets				
Non Current Assets				
Loans & Advances given to Tea Suppliers	11,087,842	8,476,931	11,087,842	8,476,931
Refundable Deposit	1,956,405	12,159,786	1,956,405	-
	13,044,247	20,636,717	13,044,247	8,476,931
Current Assets				
Trade and Other Receivables	798,051,193	969,916,226	690,289,167	825,297,090
Amount Due From Related Party	-	-	23,299,167	-
Refundable Deposit	30,332,362	6,595,710	16,036,952	6,595,710
Loans & Advances given to Tea suppliers	1,399,139,880	1,287,679,377	1,399,139,880	1,287,679,377
	2,227,523,435	2,264,191,313	2,128,765,166	2,119,572,177
Cash and Cash Equivalents	149,363,937	75,033,361	148,383,398	67,830,948
Short Term Investments	23,567,980	21,617,028	23,567,980	21,617,028
	2,413,499,599	**2,381,478,419**	**2,313,760,791**	**2,217,497,084**
Financial Liabilities				
Non Current Liabilities				
Interest Bearing Borrowings	663,966,667	796,216,663	145,000,000	290,416,663
Lease Payable	150,271,392	6,272,186	150,271,392	-
	814,238,059	802,488,849	295,271,392	290,416,663
Current Liabilities				
Interest Bearing Borrowings	1,369,101,046	924,451,185	1,289,606,502	796,212,027
Lease Payable	14,431,437	30,591,296	4,560,030	-
Amount due to related party	-	-	-	7,557,430
Trade and Other Payable	595,561,299	637,865,729	557,098,007	579,812,026
	1,979,093,782	1,592,908,210	1,851,264,539	1,383,581,483
Bank Overdrafts	108,843,273	331,021,658	4,287,820	248,846,255
	2,902,175,114	**2,726,418,717**	**2,150,823,751**	**1,922,844,401**

28. FINANCIAL INSTRUMENTS (CONTD.)

28.2 Financial Risk Management

Overview

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

- Credit risk
- Liquidity risk
- Market risks

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

28.2.1 Risk Management Framework

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

28.2.1.1 Credit Risk

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

Group's credit exposure is closely monitored. Credit given is reviewed with the pre-determined approval procedures and contractual agreements made for every high value transaction.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at 31st March 2025:

	GROUP		COMPANY	
	Carrying Amounts		Carrying Amounts	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Trade and Other Receivables	798,051,193	969,916,227	690,289,167	825,297,090
Loans & Advances to Tea Suppliers	1,410,227,722	1,296,156,308	1,410,227,722	1,296,156,308
Refundable Deposit on Lease Premises	32,288,767	18,755,496	17,993,357	6,595,710
Amount Due From Related Party	-	-	23,299,167	-
Cash at Bank	149,181,937	74,880,861	148,271,398	67,783,448
Short Term Investments	23,567,980	21,617,028	23,567,980	21,617,028
	2,413,317,599	2,381,325,920	2,313,648,791	2,217,449,584

The aging of Trade and Other Receivables and Loans to Tea Suppliers at the reporting date was;

	2025		2024	
	Gross Rs.	Impairment Rs.	Gross Rs.	Impairment Rs.
GROUP				
Past due 0-365 days	2,240,097,227	42,906,154	2,307,934,153	50,338,549
More than one year	141,382,288	130,294,446	128,210,739	119,733,808
	2,381,479,515	173,200,600	2,436,144,892	170,072,357
COMPANY				
Past due 0-365 days	2,127,888,285	38,459,238	2,155,672,974	42,696,507
More than one year	141,382,288	130,294,446	128,210,739	119,733,808
	2,269,270,573	168,753,684	2,283,883,713	162,430,315

Expected credit assessment for customers

The Group has estimated provision for impairment based on the expected credit losses to be incurred, which is estimated by taking in to account the aging of overdue balances, the repayment history of the individual customers, current and future customer- specific conditions, all of which involves a significant degree of management judgment.

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Balance at 1st April	170,072,357	162,820,909	162,430,315	159,662,328
Provision made during the year	8,853,124	15,202,895	9,273,252	8,502,698
Write off during the year	(5,724,881)	(7,951,447)	(2,949,883)	(5,734,711)
Balance as at 31st March	173,200,600	170,072,357	168,753,684	162,430,315

Cash and Cash Equivalents

The Group had cash and cash equivalents of Rs. 149,181,937 as at 31st March 2025. (2024: Rs.74,880,861) which represents its maximum credit exposure on these assets.

The cash and cash equivalents are held at banks. Which are related "A (lka)" based on fitch rating sri lanka.

28. FINANCIAL INSTRUMENTS (CONTD.)

28.2.1.2 Liquidity Risk

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

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

Non Derivative Financial Liabilities	Carrying amount Rs.	Contractual cash flows Rs.	One Year or less Rs.	More than One Year Rs.
GROUP				
As at 31st March 2025				
Trade and Other Payables	595,561,299	595,561,299	595,561,299	-
Interest Bearing Borrowings	2,033,067,713	2,246,004,651	1,437,826,530	808,178,121
Bank Overdrafts	108,843,273	108,843,273	108,843,273	-
Lease Payable	164,702,829	280,986,512	34,226,400	246,760,112
	2,902,175,114	3,231,395,735	2,176,457,502	1,054,938,233
As at 31st March 2024				
Trade and Other Payables	637,865,729	637,865,729	637,865,729	-
Interest Bearing Borrowings	1,720,667,848	2,003,594,104	841,987,816	1,161,606,288
Bank Overdrafts	331,021,658	331,021,658	331,021,658	-
Lease Payable	36,863,482	38,135,097	30,591,297	7,543,800
	2,726,418,717	3,010,616,588	1,841,466,500	1,169,150,088
COMPANY				
As at 31st March 2025				
Trade and Other Payables	557,098,007	557,098,007	557,098,007	-
Interest Bearing Borrowings	1,434,606,502	1,474,274,406	1,312,255,031	162,019,375
Bank Overdrafts	4,287,820	4,287,820	4,287,820	-
Lease Payable	154,831,422	270,928,112	24,168,000	246,760,112
	2,150,823,751	2,306,588,345	1,897,808,858	408,779,487
As at 31st March 2024				
Trade and Other Payables	579,812,026	579,812,026	579,812,026	-
Amount Due to Related Party	7,557,430	7,557,430	7,557,430	-
Interest Bearing Borrowings	1,086,628,690	1,185,315,192	765,196,904	420,118,288
Bank Overdrafts	248,846,255	248,846,255	248,846,255	-
	1,922,844,401	2,021,530,903	1,601,412,615	420,118,288

28.2.1.3 Market Risk

Market Risk is the risk that changes in market prices, such as foreign exchange rates, interest rates etc. will affect the Company's income or the value of it's holding of Financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the returns.

28.2.1.3.1 Currency Risk

At the reporting date the Company has not exposed to currency risk.

28.2.1.3.2 Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument fluctuates because of changes in market interest rates. The exposure to the risk of changes in market interest rate relates primarily to the Company's long term debt obligations and investments with floating interest rates.

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Financial Liabilities				
Bank Overdraft	108,843,273	331,021,658	4,287,820	248,846,255
Interest Bearing Borrowings	2,033,067,713	1,720,667,848	1,434,606,502	1,086,628,690
	2,141,910,986	**2,051,689,506**	**1,438,894,322**	**1,335,474,945**
Financial Assets				
Loans & Advances to Tea Suppliers	1,410,227,722	1,296,156,308	1,410,227,722	1,296,156,308
	1,410,227,722	**1,296,156,308**	**1,410,227,722**	**1,296,156,308**

Following details demonstrate the sensitivity to a reasonably possible change in interest rates on that portion of the long term and short-term borrowings at floating rate. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings as follows:

	GROUP		COMPANY	
Sensitivity Analysis	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Total Borrowing under variable rates	1,434,606,502	1,091,155,484	1,434,606,502	941,489,801
Change if 100 basis point increases	(14,346,065)	(10,911,555)	(14,346,065)	(9,414,898)
Change if 100 basis point decreases	14,346,065	10,911,555	14,346,065	9,414,898

The sensitivity analysis as at the reporting date may not be representative for the changes during the year. The level of utilization of available financial facilities will affect to the above sensitivity analysis.

28.2.1.4 Capital Management

The Board's policy is to maintain a strong capital base so as to maintain shareholder, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital and level of dividends to ordinary shareholders.

The Group's debt to adjusted capital ratio at the end of the reporting period was as follows:

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Total Liabilities	3,220,469,444	2,979,722,823	2,295,441,629	2,035,226,415
Less: Cash and Cash Equivalents	(149,363,937)	(75,033,361)	(148,383,398)	(67,830,948)
Net Debt	**3,071,105,507**	**2,904,689,462**	**2,147,058,231**	**1,967,395,467**
Total Equity	550,105,377	654,286,489	896,274,637	866,008,992
Net Debt to Equity Ratio	5.58	4.44	2.4	2.27

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29. FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair values versus the Carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Statement of Financial Position, are as follow;

	GROUP			
	2025		2024	
	Carrying Value Rs.	Fair Value Rs.	Carrying Value Rs.	Fair Value Rs.
Assets carried at amortised cost				
Loans & Advances to Tea Suppliers	1,410,227,722	1,410,227,722	1,296,156,308	1,296,156,308
Trade and other receivables	798,051,193	798,051,193	969,916,226	969,916,226
Refundable Deposit	32,288,767	32,288,767	18,755,496	18,755,496
Short Term Investments	23,567,980	23,567,980	21,617,028	21,617,028
Cash and cash equivalents	149,363,937	149,363,937	75,033,361	75,033,361
	2,413,499,599	**2,413,499,599**	**2,381,478,419**	**2,381,478,419**
Liabilities carried at amortised cost				
Interest Bearing Borrowing	2,033,067,713	2,033,067,713	1,720,667,848	1,720,667,848
Lease Payables	164,702,829	164,702,829	36,863,482	36,863,482
Trade and other payables	595,561,298	595,561,298	637,865,729	637,865,729
Bank overdrafts	108,843,273	108,843,273	331,021,658	331,021,658
	2,902,175,113	**2,902,175,113**	**2,726,418,717**	**2,726,418,717**

	Company			
	2025		2024	
	Carrying Value Rs.	Fair Value Rs.	Carrying Value Rs.	Fair Value Rs.
Assets carried at amortised cost				
Loans & Advances to Tea Suppliers	1,410,227,722	1,410,227,722	1,296,156,308	1,296,156,308
Trade and other receivables	690,289,167	690,289,167	825,297,090	825,297,090
Refundable Deposit	17,993,357	17,993,357	6,595,710	6,595,710
Amount Due From Related Party	23,299,167	23,299,167	-	-
Short Term Investments	23,567,980	23,567,980	21,617,028	21,617,028
Cash and cash equivalents	148,383,398	148,383,398	67,830,948	67,830,948
	2,313,760,791	**2,313,760,791**	**2,217,497,084**	**2,217,497,084**
Liabilities carried at amortised cost				
Interest Bearing Borrowing	1,434,606,502	1,434,606,502	1,086,628,690	1,086,628,690
Lease Payables	154,831,422	154,831,422	-	-
Amount Due To Related Party	-	-	7,557,430	7,557,430
Trade and other payables	557,098,007	557,098,007	579,812,026	579,812,026
Bank overdrafts	4,287,820	4,287,820	248,846,255	248,846,255
	2,150,823,751	**2,150,823,751**	**1,922,844,401**	**1,922,844,401**

Financial instruments not carried at fair value

The table below analyse financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

Group	Level I Rs.	Level II Rs.	Level III Rs.	Total Rs.
As at 31st March 2025				
Assets carried at amortised cost				
Loans & Advances to Tea Suppliers	-	-	1,410,227,722	1,410,227,722
Trade and other receivables	-	-	798,051,193	798,051,193
Refundable Deposit			32,288,767	32,288,767
Short Term Investments		23,567,980		23,567,980
Cash & cash Equivalents		149,363,937	-	149,363,937
	-	172,931,917	2,240,567,682	2,413,499,599
Liabilities carried at amortised cost				
Interest Bearing Borrowing	-	-	2,033,067,713	2,033,067,713
Lease Payables	-	-	164,702,829	164,702,829
Trade and other payables	-	-	595,561,298	595,561,298
Bank overdrafts	-	108,843,273	-	108,843,273
	-	108,843,273	2,793,331,840	2,902,175,113
As at 31st March 2024				
Assets carried at amortised cost				
Loans & Advances to Tea Suppliers	-	-	1,296,156,308	1,296,156,308
Trade and other receivables	-	-	969,916,226	969,916,226
Refundable Deposit	-	-	18,755,496	18,755,496
Short Term Investments		21,617,028		21,617,028
Cash & cash Equivalents	-	75,033,361	-	75,033,361
	-	96,650,389	2,284,828,030	2,381,478,419
Liabilities carried at amortised cost				
Interest Bearing Borrowing	-	-	1,720,667,848	1,720,667,848
Lease Payables	-	-	36,863,482	36,863,482
Trade and other payables	-	-	637,865,729	637,865,729
Bank overdraft	-	331,021,658	-	331,021,658
	-	331,021,658	2,395,397,059	2,726,418,717

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTD)

Financial instruments not carried at fair value

The table below analyse financial instruments measured at fairvalue at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised.

Company	Level I Rs.	Level II Rs.	Level III Rs.	Total Rs.
As at 31st March 2025				
Assets carried at amortised cost				
Loans & Advances to Tea Suppliers	-	-	1,410,227,722	1,410,227,722
Trade and other receivables	-	-	690,289,167	690,289,167
Refundable Deposit	-	-	17,993,357	17,993,357
Amount Due From Related Party	-	-	23,299,167	23,299,167
Short Term Investments		23,567,980	-	23,567,980
Cash and cash euuivalents	-	148,383,398	-	148,383,398
	-	**171,951,378**	**2,141,809,413**	**2,313,760,791**
Liabilities carried at amortised cost				
Interest Bearing Borrowing	-	-	1,434,606,502	1,434,606,502
Lease Payables	-	-	154,831,422	154,831,422
Trade and other payables	-	-	557,098,007	557,098,007
Bank Overdraft	-	4,287,820	-	4,287,820
	-	**4,287,820**	**2,146,535,931**	**2,150,823,751**
As at 31st March 2024				
Assets carried at amortised cost				
Loans & Advances to Tea Suppliers	-	-	1,296,156,308	1,296,156,308
Trade and other receivables	-	-	825,297,090	825,297,090
Refundable Deposit	-	-	6,595,710	6,595,710
Short Term Investments		21,617,028	-	21,617,028
Cash & cash Equivalents		67,830,948	-	67,830,948
	-	**89,447,976**	**2,128,049,108**	**2,217,497,084**
Liabilities carried at amortised cost				
Interest Bearing Borrowing	-	-	1,086,628,690	1,086,628,690
Amount due to related party			7,557,430	7,557,430
Trade and other payables	-	-	579,812,026	579,812,026
Bank overdraft	-	248,846,255	-	248,846,255
	-	**248,846,255**	**1,673,998,146**	**1,922,844,401**

Cash and cash equivalents / Bank overdraffts
The carrying amount of the cash and cash equivalents and balances and bank overdrafts approximate the fair value as they are short term in nature.

Trade and other receivables / Amount due from related companies
Trade and other receivables / Amount due from related companies are expected to be settled within one year from the reporting date, hence the discounting impact would be immaterial. Therefore, carrying amount approximates the fair value as at the reporting date.

Trade and other payable
Trade and other payables are expected to be settled within one year from the reporting date hence the discounting impact would be immaterial. Therefore, carrying amount approximate the fair value as at the reporting date.

Categorization of financial assets and liabilities as at the reporting date as per SLFRS 9 - Financial instruments

As at 31st March 2025	Group	
	Financial Asset at Amortised cost Rs.	Other Financial Liabilities Rs.
Financial assets		
Loans & Advances to Tea Suppliers	1,410,227,722	-
Trade and other receivables	798,051,193	-
Refundable Deposit	32,288,767	-
Short Term Investments	23,567,980	
Cash and cash equivalents	149,363,937	-
	2,413,499,599	**-**
Financial liabilities		
Interest Bearing Borrowing	-	2,033,067,713
Lease Payables	-	164,702,829
Trade and other payables	-	595,561,298
Bank overdrafts	-	108,843,273
	-	**2,902,175,113**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTD)

As at 31st March 2025	Company	
	Financial Asset at Amortised cost Rs.	Other Financial Liabilities Rs.
Financial assets		
Loans & Advances to Tea Suppliers	1,410,227,722	-
Trade and other receivables	690,289,167	-
Refundable Deposit	17,993,357	-
Amount Due From Related Party	23,299,167	
Short Term Investments	23,567,980	
Cash and cash equivalents	148,383,398	-
	2,313,760,791	**-**
Financial liabilities		
Interest Bearing Borrowing	-	1,434,606,502
Lease Payables	-	154,831,422
Trade and other payables	-	557,098,007
Bank overdrafts	-	4,287,820
	-	**2,150,823,751**

Classification of financial assets and liabilities as at the reporting date as per SLFRS 09 - Financial instruments

As at 31st March 2024	Group	
	Financial Asset at Amortised cost Rs.	Other Financial Liabilities Rs.
Financial assets		
Loans & Advances to Tea Suppliers	1,296,156,308	-
Trade and other receivables	969,916,226	-
Refundable Deposit	18,755,496	
Short Term Investments	21,617,028	
Cash and cash equivalents	75,033,361	-
	2,381,478,419	**-**
Financial liabilities		
Interest Bearing Borrowing	-	1,720,667,848
Lease Payables	-	36,863,482
Trade and other payables	-	637,865,729
Bank overdrafts	-	331,021,658
	-	**2,726,418,717**

As at 31st March 2024	Company Financial Asset at Amortised cost Rs.	Other Financial Liabilities Rs.
Financial assets		
Loans & Advances to Tea Suppliers	1,296,156,308	-
Trade and other receivables	825,297,090	-
Refundable Deposit	6,595,710	-
Short Term Investments	21,617,028	
Cash and cash equivalents	67,830,948	-
	2,217,497,084	**-**
Financial liabilities		
Interest Bearing Borrowing		1,086,628,690
Lease Payables	-	-
Amount Due to Related Party	-	7,557,430
Trade and other payables	-	579,812,026
Bank overdrafts	-	248,846,255
	-	**1,922,844,401**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30. RELATED PARTY TRANSACTIONS

30.1 Related Party Transactions - Recurrent

Name of the Related Party	Names of Directors	Nature of Interest	Nature of Transaction	GROUP		
				Aggregate value of Related Party Transactions entered into during the financial year 2025	Aggregate value of Related Party Transactions as a % of Net Revenue	
				Rs.		
Agarapathana Plantations Limited	Mr. Chrisantha Perera	Director	Brokerage Income	5,738,390	0.42%	
			Handling Charges	1,363,609	0.10%	
			Interest Income	-	-	
Kotagala Plantations PLC	Mr. Chrisantha Perera	Director	Brokerage Income	9,779,277	0.71%	
			Handling Charges	2,700,312	0.20%	
			Interest Income	21,533,590	1.57%	
Insite Factories (Private) Limited	Mr. Chrisantha Perera	Chairman	Brokerage Income	2,755,345	0.20%	
			Handling Charges	163,413	0.01%	
			Interest Income	38,774	0.00%	
Capital Alliance Fixed Income Opportunity Fund	Dr. M. De Zoysa	Director	Investment in Unit Trusts	1,070,000,000	77.99%	
	Ms. H. M. S. Perera	Director	Interest Received	32,259,727	2.35%	
			Investment Redeemed	(1,102,259,727)	-80.35%	
Capital Alliance Investment Grade Fund	Ms. H. M. S. Perera	Director	Investment in Unit Trusts	450,000,000	32.80%	
	Dr. M. De Zoysa	Director	Interest Received	34,405,659	2.51%	
			Investment Redeemed	(484,405,659)	-35.31%	
Logicare (Pvt) Ltd	Mr. W. A. T. Fernando	Subsidiary Company	Loan Granted	160,000,000	11.66%	
	Mr. Chrisantha Perera		Loan Settlement	(125,000,000)	-9.11%	
	Dr. M. De Zoysa		Asset & Liability Transfer	(3,216,453)	-0.23%	
	Mr. W. De. Silva		Tea Storage Invoices	(145,660,226)	-10.62%	
	Ms. H. M. S Perera		Reimbursement of Expenses	4,610,324	0.34%	
			Settlements made	135,869,236	9.90%	
			Interest charged	5,508,255	0.40%	

Terms and Conditions of the Related Party Transactions
Transactions with related parties are carried out in the ordinary course of the business at commercial rates.
These transactions are need to be read in conjunction with Note 26.

			COMPANY			
	Aggregate value of Related Party Transactions entered into during the financial year 2024	Aggregate value of Related Party Transactions as a % of Net Revenue	Aggregate value of Related Party Transactions entered into during the financial year 2025	Aggregate value of Related Party Transactions as a % of Net Revenue	Aggregate value of Related Party Transactions entered into during the financial year 2024	
	Rs.		Rs.		Rs.	
	6,384,424	0.39%	5,738,390	0.57%	6,384,424	0.59%
	879,535	0.05%	1,363,609	0.14%	879,535	0.08%
	9,088,619	0.55%	-	-	9,088,619	0.84%
	10,654,058	0.65%	9,779,277	0.98%	10,654,058	0.98%
	2,171,187	0.13%	2,700,312	0.27%	2,171,187	0.20%
	33,346,676	2.02%	21,533,590	2.15%	33,346,676	3.08%
	2,980,641	0.18%	2,755,345	0.28%	2,980,641	0.28%
	209,309	0.01%	163,413	0.02%	209,309	0.02%
	-	-	38,774	0.00%	-	-
	150,000,000	9.10%	1,070,000,000	107%	150,000,000	14.00%
	18,775,018	1.14%	32,259,727	3%	18,775,018	2.00%
	(168,775,018)	-10.24%	(1,102,259,727)	-110%	(168,775,018)	-16.00%
	654,000,000	39.67%	450,000,000	44.93%	654,000,000	60.42%
	(694,307,091)	-42.11%	34,405,659	3.44%	(694,307,091)	-64.14%
	40,307,091	2.44%	(484,405,659)	-48.37%	40,307,091	3.72%
	72,500,000	4.40%	160,000,000	15.98%	72,500,000	6.70%
	(72,500,000)	-4.40%	(125,000,000)	-12.48%	(72,500,000)	-6.70%
	(1,920,372)	-0.12%	(3,216,453)	-0.32%	(1,920,372)	-0.18%
	88,200,000	5.35%	(145,660,226)	-14.54%	88,200,000	8.15%
	1,107,744	0.07%	4,610,324	0.46%	1,107,744	0.10%
	(76,679,697)	-4.65%	135,869,236	13.57%	(76,679,697)	-7.08%
	(3,118,889)	-0.19%	5,508,255	0.55%	(3,118,889)	-0.29%

30. RELATED PARTY TRANSACTIONS (CONTD.)

30.2 Related Party Transactions - Non Recurrent

Name of the Related Party	Names of Directors	Nature of Interest	Nature of Transaction	GROUP					
				Aggregate value of Related Party Transactions entered into during the financial year 2025 Rs.	Value of Related Party Transactions as a % of Equity	Value of Related Party Transactions as a % of Total Assets	Aggregate value of Related Party Transactions entered into during the financial year 2024 Rs.	Value of Related Party Transactions as a % of Equity	Value of Related Party Transactions as a % of Total Assets
Logicare (Pvt) Ltd	Mr. W.A.T. Fernando	Subsidiary Company	Corporate Guarantee	(150,000,000)	-27%	-4%	100,000,000	15%	3%
	Mr. Chrisantha Perera			-	-	-	-	-	-
	Dr .M. De .Zoysa								
	Mr. W. De.Silva								
	Ms. H.M.S Perera								

Company made an announcement to the Colombo Stock Exchange on 16th October 2024 regarding the above mentioned Corporate Guarantee given to DFCC Bank PLC on behalf of Logicare (Pvt) Ltd.

Terms and Conditions of the Related Party Transactions
Transactions with related parties are carried out in the ordinary course of the business at commercial rates.

The rationale for entering into the transaction
Non-recurrent transactions are entered with Related Parties to meet short term working capital requirements

30.3 Related Party Transactions - Non Recurrent

Name of the Related Party	Names of Directors	Nature of Interest	Nature of Transaction	COMPANY					
				Aggregate value of Related Party Transactions entered into during the financial year 2025 Rs.	Value of Related Party Transactions as a % of Equity	Value of Related Party Transactions as a % of Total Assets	Aggregate value of Related Party Transactions entered into during the financial year 2024 Rs.	Value of Related Party Transactions as a % of Equity	Value of Related Party Transactions as a % of Total Assets
Logicare (Pvt) Ltd	Mr. W.A.T.Fernando	Subsidiary Company	Corporate Guarantee	(150,000,000)	-16%	-5%	100,000,000	12%	3%
	Mr. Chrisantha Perera			-	-	-	-	-	-
	Mr. K.H.S.Deshapriya								
	Mr. W.De.Silva								
	Ms. H.M.S Perera								

Terms and Conditions of the Related Party Transactions
Transactions with related parties are carried out in the ordinary course of the business at commercial rates.

The rationale for entering into the transaction
Non-recurrent transactions are entered with Related Parties to meet short term working capital requirements

30.4 Transactions with Key Management Personnel (KMP)

According to Sri Lanka Accounting Standard 24 (LKAS 24) "Related Party Disclosure", Key Management Personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Company has identified Directors as KMP and following have been paid to KMP's of the Company.

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Director Fees & Consultancy Fees Paid	17,866,667	14,600,445	16,611,667	12,945,000
Salaries, Bonus, Allowances Paid	124,973,305	102,663,081	98,396,185	87,576,184
	142,839,972	117,263,526	115,007,852	100,521,184

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31. CAPITAL COMMITMENTS

There are no material commitments as at the reporting date.

32. CONTINGENT LIABILITIES

The Company has provided corporate guarantee worth Rs. 750 Mn & Rs. 100 Mn to DFCC Bank PLC & Seylan Bank PLC respectively onbehalf of the Logicare (Pvt) Ltd to obtain a Loan Facilities.

There are no material contingent liabilities as at the reporting date that require adjustment or disclosure in the financial statements other than disclosed above.

33. EVENTS OCCURRING AFTER THE REPORTING DATE

There have been no material events occurring after the Balance Sheet date except for the following that would require adjustments to or disclosure in the Financial Statements.

33.1 The Board of Directors of the Company approved the payment of the first and final dividend of Rs.0.60 (60 Cents) per share on 24th October 2025 for the year ended 31st March 2025.

34. RECLASSIFICATION OF PRIOR PERIOD BALANCE

Reclassifications mentioned below were made to the amounts reported previously as at 31st March 2024 in order to achieve better presentation. These reclassifications have not resulted in any changes to the net assets reprted previously.

34.1 Statement of profit or loss and other comprehensive income

Statement of profit or loss and other comprehensive income	Current Year Presentation		As reported Previously
	2025 Rs.	2024 Rs.	2024 Rs.
Company			
Revenue	1,001,493,729	1,072,116,679	1,082,426,650
Other Income	1,111,592	10,309,971	-
Group			
Revenue	1,370,435,890	1,638,346,007	1,648,655,978
Other Income	2,446,447	10,309,971	-

The company has reclassified an amount of Rs. 10,309,971 from Revenue to Other Income.

34.1.1 Consolidated Statement of profit or loss and other comprehensive income

Consolidated Statement of profit or loss and other comprehensive income	Current Year Presentation		As reported Previously
	2025 Rs.	2024 Rs.	2024 Rs.
Company			
Marketing Expense	25,444,966	24,236,757	32,739,455
Other Expense	9,273,252	8,502,698	-
Group			
Marketing Expense	29,803,238	34,987,601	50,190,496
Other Expense	8,853,124	15,202,895	-

The company has reclassified an amount of Rs. 8,502,698 from Marketing expense to other expense.

34.2 Consolidated Statement of Financial Position

Consolidated Statement of Financial Position	Current Year Presentation		As reported Previously
	2025 Rs.	2024 Rs.	2024 Rs.
Company			
Short Term Investments	23,567,980	21,617,028	-
Cash & Cash Equivalents	148,383,398	67,830,948	89,447,976
Group			
Short Term Investments	23,567,980	21,617,028	-
Cash & Cash Equivalents	149,363,937	75,033,361	96,650,389

The company has reclassified an amount of Rs. 21,617,028 from Cash & Cash Equivalents to Short Term Investments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

35. SEGMENTAL INFORMATION

The Group has identified two operatin segments under business segment reporting as follows,
Tea Brokering - Ceylon Tea Brokers PLC
Warehousing - Logicare Private Limited

Information related to each reportable segment is set out below

	SEGMENTS					
	Tea Brokering		Warehousing		Total	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Total Segment Revenue	1,001,493,729	1,072,116,679	502,972,543	655,441,753	1,504,466,272	1,727,558,432
Inter Segment Revenue	-	(1,012,425)	(134,030,382)	(88,200,000)	(134,030,382)	(89,212,425)
Total External Sales	**1,001,493,729**	**1,071,104,254**	**368,942,161**	**567,241,753**	**1,370,435,890**	**1,638,346,007**
Segment Profit/ (Loss) Before Tax	191,510,653	211,378,625	(104,632,721)	(58,523,935)	109,528,002	152,854,690
Depreciation and Amortization	24,303,118	12,644,543	95,922,250	89,666,775	120,225,368	102,311,318
Finance Income	90,650,742	79,880,995	2,974,414	3,596,813	93,625,156	83,477,808
Finance Cost	215,674,962	295,193,653	71,235,238	71,864,723	286,910,200	367,058,376
Impairment Expense on Financial Assets	9,273,252	8,502,698	(420,128)	6,700,197	8,853,124	15,202,895
Impairment of Investment in Subsidiary	21,395,530	-	-	-	21,395,530	-
Impairment of Related Party Receivable	1,254,540	-	-	-	1,254,540	-
Segmental Assets	2,528,461,250	2,249,756,996	1,198,580,216	1,340,718,961	3,727,041,466	3,590,475,957
Goodwill	-	-	-	-	43,533,355	43,533,355
					3,770,574,821	**3,634,009,312**
Segmental Liabilities	2,295,441,629	2,009,190,576	925,027,815	970,532,247	3,220,469,444	2,979,722,823

SUPPLEMENTARY INFORMATION

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INVESTOR RELATIONS

Share Price Trend Over the Last Five Years

Share price Rs.	2025	2024	2023	2022	2021
Highest Price	8.00	6.00	6.30	4.81	5.30
Lowest Price	4.30	3.90	2.80	3.00	2.10
Last traded Price	6.40	5.00	4.10	3.20	3.10

Equity Information

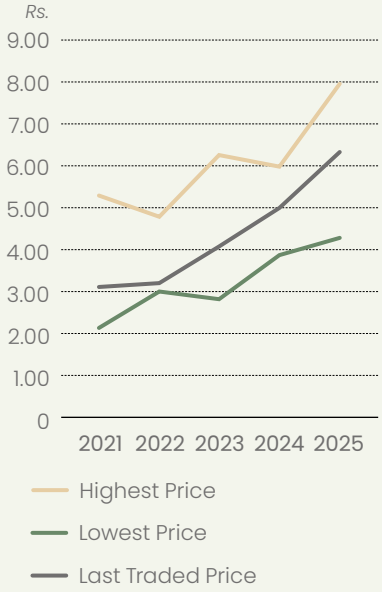
	2025	2024	2023	2022	2021
Shareholder funds (Rs. Mn.)	550.11	654.29	620.11	511.8	431.02
Net Asset Value per share (Rs.)	3.02	3.6	3.4	2.81	2.36
Earnings per share (Rs.)	(0.10)	0.38	1.01	0.11	0.01

Directors' and CEO's Shareholding as at 31st March 2025

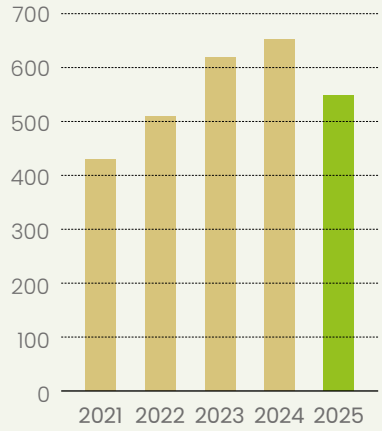
Individual Ordinary voting shareholdings of persons who are Directors of the Company at 31st March 2025 are given below with last years' comparatives.

Name of the Director	2025	2024
Mr R J N De Mel (Chairman)	80,000	80,000
Mr D G W De Silva (Managing Director)	Nil	Nil
Mr K A D Fernando (Chief Executive Officer)	Nil	Nil
Mr H T D Nonis	10,000	10,000
Mr Z Mohamed	Nil	Nil
Mr W A T Fernando	48,837,837	48,837,837
Mr C P R Perera	3,500,000	3,500,000
Ms N T M S Cooray	10,908,751	10,908,751
Ms H M S Perera	1,390,492	1,390,492
Dr. M De Zoysa	Nil	Nil
Dr. K B G B R Kulapala	Nil	Nil
Mrs. Amrah Akbar	Nil	Nil

Share Price Trend Over the Last Five Years



Shareholder's Funds *(Rs. Mn)*



Shareholding as at 31st March 2025

As at 31st March 2025, the Company had 2,743 shareholders of ordinary shares.

Their shareholdings are analysed and categorised based on the number of shares held as at 31st March 2025 which is set out below.

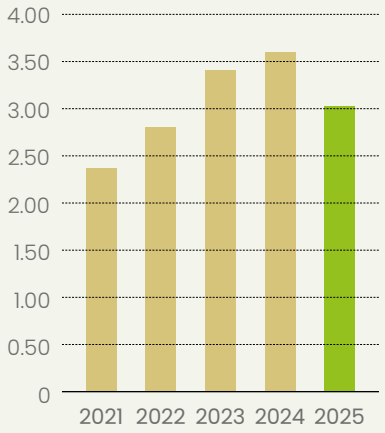
From	To	No of Holders	No of Shares	%
1	1,000	1,754	563,339	0.31
1,001	10,000	745	2,691,724	1.48
10,001	100,000	201	7,013,531	3.85
100,001	1,000,000	33	8,849,998	4.85
Over 1,000,000		10	163,281,408	89.52
		2,743	**182,400,000**	**100**

Categories of Shareholders

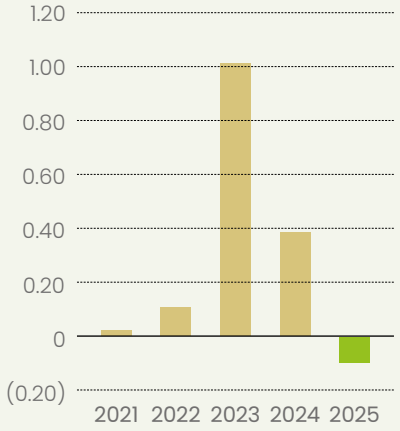
Majority of the shares are held by local individuals and institutions, and only a 0.08% out of the total shares issued are held by foreign individuals and institutions.

	No of Holders	No of Shares	%
Local Individuals	2,673	83,819,538	45.95
Local Institutions	60	98,428,638	53.96
Foreign Individuals	9	151,725	0.08
Foreign Institutions	1	99	0.00
	2,743	**182,400,000**	**100**

Net Assets Per Share *(Rs.)*



Earnings Per Share *(Rs.)*



INVESTOR RELATIONS

20 Major Shareholders and Public Holding

	Name	31st March 2025 No. of Shares	%	31st March 2024 No. of Shares	%
1	Ashthi Holdings (Private) Limited	55,434,267	30.392	55,434,267	30.392
2	Mr. W.A.T. Fernando	48,837,837	26.775	48,837,837	26.775
3	Jetwing Travels (Pvt) Ltd	34,080,571	18.685	34,080,571	18.685
4	Ms. N.T.M.S. Cooray	10,908,751	5.981	10,908,751	5.981
5	Mr. S. Yusoof	3,560,000	1.952	1,350,000	0.740
6	Mr. C.P.R. Perera & Mrs. D. Perera	3,500,000	1.919	3,500,000	1.919
7	Mr. A.D. Edussuriya	2,788,500	1.529	2,000,000	1.096
8	Hatton National Bank PLC/Kandaiah Kanapathipillai Shujeevan	1,560,166	0.855	1,560,166	0.855
9	Seylan Bank Plc/H.M.S. Perera	1,390,392	0.762	1,390,392	0.762
10	People's Leasing & Finance PLC/ Mr. R.R.S. Ananda	1,220,924	0.669	-	-
11	Merchant Bank of Sri Lanka & Finance PLC/ Nutri Plus (Pvt) Ltd	703,857	0.386	-	-
12	Mr. V.K.A.M. Karunarathne	579,571	0.318	-	-
13	Citizens Development Business Finance Account No. 02	560,611	0.307	-	-
14	Merchant Bank of Sri Lanka & Finance PLC/G.C.U. Kumara	468,903	0.257	-	-
15	Merchant Bank of Sri Lanka and Finance PLC/R.R.S. Ananda	435,580	0.239	-	-
16	Mr. Y.I. Nandasena	420,235	0.230	514,224	0.282
17	Merchant Bank of Sri Lanka and Finance PLC/ N.N. Dissanayaka	343,963	0.189	-	-
18	Mr. W.M.N.P. Rathnayaka	339,452	0.186	-	-
19	Mr. W.A.S Chathumadhura	327,634	0.180	212,518	0.117
20	Mr. M.H.A. Kamil	322,062	0.177	342,062	.188
		167,783,276	**91.988**	**160,130,788**	**87.792**
	Others	14,616,724	8.012	22,269,212	12.208
		182,400,000	**100.000**	**182,400,000**	**100.000**

As at 31st March 2025, the public holding percentage stands at 15.44%, with a total of 2,734 shareholders. The float adjusted market capitalization as at 31st March 2025 is Rs. 180,211,724.80 The float adjusted market capitalization of the company falls under option 2 of Rule 7.14.1 (b) of the Listing rules of the Colombo Stock Exchange and the company has complied with the minimum public holding requirement applicable under the said option.

Dividend

During the year under review, the Company paid a dividend to its shareholders. A dividend of Rs. 0.60 per share was paid out of the profits from the year ended 31st March 2025. Details of the dividend paid by Company for each financial year is given below.

	2025	2024	2023	2022	2021
Dividend per share (Paid for the year)	0.60	0.44	0.68	0.36	0.35
Dividend Pay-out Ratio (%)	90.30	56.55	51.75	59.80	59.40

The Company maintained its policy on distributing dividends of transferring 50% out of profits after tax as dividend. The Company directors distributed Rs. 109.44 million as Dividends to shareholders, which is around 90 percent of 2024/25 annual profit after tax.

GRI CONTENT INDEX

Statement of use	Ceylon Tea Brokers PLC has reported in accordance with the GRI Standards for the period 1st April 2024 to 31st March 2025
GRI 1 used	GRI 1: Foundation 2021

GRI Standard/ Other Source	Disclosure	Location (Page No.)	Omission		
			Requirement(s) Omitted	Reason	Explanation
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	8			
	2-2 Entities included in the organization's sustainability reporting	6			
	2-3 Reporting period, frequency and contact point	6, 7			
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	2-6 Activities, value chain and other business relationships	8, 60 - 61			
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	2-8 Workers who are not employees	-	2-8	Information unavailable/ incomplete	Data to be collected for future reporting periods
	2-9 Governance structure and composition	106 - 113			
	2-10 Nomination and selection of the highest governance body	122 - 123			
	2-11 Chair of the highest governance body	107, 110			
	2-12 Role of the highest governance body in overseeing the management of impacts	107, 110			
	2-13 Delegation of responsibility for managing impacts	110			
	2-14 Role of the highest governance body in sustainability reporting	67			
	2-15 Conflicts of interest	109, 110			
	2-16 Communication of critical concerns	86			
	2-17 Collective knowledge of the highest governance body	107			
	2-18 Evaluation of the performance of the highest governance body	122 - 123			

GRI Standard/ Other Source	Disclosure	Location (Page No.)	Omission		
			Requirement(s) Omitted	Reason	Explanation
GRI 2: General Disclosures 2021 (contd.)	2-19 Remuneration policies	120 - 121			
	2-20 Process to determine remuneration	120 - 121			
	2-21 Annual total compensation ratio	-	2-21	Confidentiality constraints	Group does not disclose this information due to confidentialty reasons
	2-22 Statement on sustainable development strategy	100 - 101			
	2-23 Policy commitments	129 - 149			
	2-24 Embedding policy commitments	107, 110, 129 - 149			
	2-25 Processes to remediate negative impacts	86, 109			
	2-26 Mechanisms for seeking advice and raising concerns	86			
	2-27 Compliance with laws and regulations	97, 109, 129 - 149			
	2-28 Membership associations	94, 97			
	2-29 Approach to stakeholder engagement	62 - 66			
	2-30 Collective bargaining agreements	87			
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	65 - 66			
	3-2 List of material topics	67			
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A	304-1	Not applicable	The group does not own, lease, manage, or operate any sites located within, adjacent to, or in close proximity to protected areas or regions of high biodiversity value outside protected areas.

GRI CONTENT INDEX

GRI Standard/ Other Source	Disclosure	Location (Page No.)	Omission		
			Requirement(s) Omitted	Reason	Explanation
GRI 304: Biodiversity 2016 (contd.)	304-2 Significant impacts of activities, products and services on biodiversity	93			
	304-3 Habitats protected or restored	N/A	304-3	Not applicable	The group has not engaged in activities to protect or restore habitats.
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A	304-4		The group does not operate in areas which affect any habitats of species listed on the IUCN Red List or national conservation lists.
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	74			
	201-2 Financial implications and other risks and opportunities due to climate change	93			
	201-3 Defined benefit plan obligations and other retirement plans	216 - 217			
	201-4 Financial assistance received from government	N/A	201-4	Not applicable	The Group does not receive any financial benefit from the Government
Market presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	-	202-1	Confidentiality constraints	Group does not disclose these ratios due to confidentialty reasons
	202-2 Proportion of senior management hired from the local community	87			

GRI Standard/ Other Source	Disclosure	Location (Page No.)	Omission		
			Requirement(s) Omitted	Reason	Explanation
Indirect economic impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	74 - 75, 97			
	203-2 Significant indirect economic impacts	74 - 75			
Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	87			
	205-2 Communication and training about anti-corruption policies and procedures	87			
	205-3 Confirmed incidents of corruption and actions taken	87			
Anti-competitive behavior					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	97			
Tax					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 207: Tax 2019	207-1 Approach to tax	197 - 198, 209 - 210			
	207-2 Tax governance, control, and risk management	197 - 198, 209 - 210			
	207-3 Stakeholder engagement and management of concerns related to tax	197 - 198, 209 - 210			
	207-4 Country-by-country reporting	N/A	207-4	Not applicable	The group conducts its operations only in Sri Lanka
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	92 - 93			

GRI CONTENT INDEX

GRI Standard/ Other Source	Disclosure	Location (Page No.)	Omission		
			Requirement(s) Omitted	Reason	Explanation
GRI 302: Energy 2016 (contd.)	302-2 Energy consumption outside of the organization	-	302-2	Information unavailable/ incomplete	This information is unavailable for disclosure as the energy consumption is measured to cover all operations within the Company, and does not cover any upstream or downstream activities that are outside the Organisation's scope of operations.
	302-3 Energy intensity	-	302-3		The Group currently does not monitor Energy intensity
	302-4 Reduction of energy consumption	92 - 93			
	302-5 Reductions in energy requirements of products and services	-	302-5	Information unavailable/ incomplete	There are no reductions in energy requirements of products and services to be disclosed
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	-	306-1	Information unavailable/ incomplete	Data to be collected for future reporting periods
	306-2 Management of significant waste-related impacts	93			
	306-3 Waste generated	-	306-3	Information unavailable/ incomplete	Data to be collected for future reporting periods
	306-4 Waste diverted from disposal	-	306-4		
	306-5 Waste directed to disposal	-	306-5		
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	84			

GRI Standard/ Other Source	Disclosure	Location (Page No.)	Omission		
			Requirement(s) Omitted	Reason	Explanation
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	-	401-2	Confidentiality constraints	Group does not disclose this information due to confidentialty reasons
	401-3 Parental leave	87			
Labor/management relations					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	87			
Occupational health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	87			
	403-2 Hazard identification, risk assessment, and incident investigation	-	403-2	Information unavailable/ incomplete	Data to be collected for future reporting periods
	403-3 Occupational health services	-	403-3		
	403-4 Worker participation, consultation, and communication on occupational health and safety	87			
	403-5 Worker training on occupational health and safety	87			
	403-6 Promotion of worker health	87			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	87			
	403-8 Workers covered by an occupational health and safety management system	-	403-8	Information unavailable/ incomplete	Data to be collected for future reporting periods
	403-9 Work-related injuries	87			
	403-10 Work-related ill health	87			
Training and education					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	85			

GRI CONTENT INDEX

GRI Standard/ Other Source	Disclosure	Location (Page No.)	Omission		
			Requirement(s) Omitted	Reason	Explanation
GRI 404: Training and Education 2016 (contd.)	404-2 Programs for upgrading employee skills and transition assistance programs	83 - 85			
	404-3 Percentage of employees receiving regular performance and career development reviews	-	404-3	Information unavailable/ incomplete	Data to be collected for future reporting periods
Diversity and equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	36 - 37, 79 - 87, 107			
GRI 405: Diversity and Equal Opportunity 2016 (contd.)	405-2 Ratio of basic salary and remuneration of women to men	-	405-2	Confidentiality constraints	Group does not disclose this information due to confidentialty reasons
Non-discrimination					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	97			
Freedom of association and collective bargaining					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	87, 96			
Child labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	96, 101			
Forced or compulsory labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	96, 101			
Security practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			

GRI Standard/ Other Source	Disclosure	Location (Page No.)	Omission		
			Requirement(s) Omitted	Reason	Explanation
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	97			
Local communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	97			
	413-2 Operations with significant actual and potential negative impacts on local communities	N/A	413-2	Not applicable	There is no data to disclose on significant negative impacts since our operations aim to minimise significant negative impacts on local communities.
Public policy					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 415: Public Policy 2016	415-1 Political contributions	N/A	415-1	Not applicable	The Group does not receive any financial benefit from political contributions
Customer health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	167			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	96			
Customer privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	161 - 167			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	96			

Ceylon Tea Brokers PLC is currently part of the value chain as a brokerage firm, on review of the requirements under GRI 13 Sector Standard: Agriculture, Aquaculture and Fishing Sectors 2022. However, the Group believes that all matters highlighted in the said standard would not be material for the current financial year.

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixteenth (16th) Annual General Meeting of Ceylon Tea Brokers PLC will be held by way of electronic means on 27th November 2025 at 2:00 p.m centered at the Boardroom of the Company, No.481, T.B Jayah Mawatha, Colombo 10 for the following purposes:

1. Ordinary Business

1.1 To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and its subsidiary and the Statement of Accounts for the year ended 31st March 2025 with the Report of the Auditors thereon.

1.2 To pass the ordinary resolution set out below to re-appoint Mr. C P R Perera who is 81 years of age as a Director of the Company:

"IT IS HEREBY RESOLVED THAT that Mr. C P R Perera who reached 70 years of age on 5th March 2014, be and is hereby re-appointed as a Director of the Company and it is hereby declared as provided for in Section 211 of the Companies Act No. 07 of 2007 that the age limit of 70 years referred to in Section 210 of the Companies Act shall not apply to Mr. C P R Perera."

1.3 To re-elect Ms. N T M S Cooray as a Director who retires by rotation in terms of Article 87(i) of the Articles of Association of the Company.

1.4 To re-elect Dr. K B G B R Kulapala as a Director who retire in terms of Article 94 of the Articles of Association of the Company.

1.5 To re-elect Ms. A Akbar and as a Director who retire in terms of Article 94 of the Articles of Association of the Company.

1.6 To re-elect Dr. M De Zoysa as a Director who retire in terms of Article 94 of the Articles of Association of the Company.

1.7 To re-appoint Messrs KPMG, Chartered Accountants, as the Auditors of the Company and to authorize the Directors to determine their remuneration.

1.8 To authorize the Directors to determine donations for the year ending 31st March 2026 and up to the date of the next Annual General Meeting.

2. Special Business

2.1 To consider and if thought fit, to pass the following resolution as a Special Resolution:

'IT IS HEREBY RESOLVED THAT the Articles of Association of the Company be amended:

(1) by the deletion of Article 58 under the heading "Resolution in lieu of Meeting" in its entirety and the substitution therefor of the following new Article 58 ;

"METHODS OF HOLDING GENERAL MEETINGS

58. (1) A General Meeting of shareholders may be held -

(i) by a number of shareholders who constitute a quorum, being assembled together at the place, date, and time appointed for the meeting; (hereinafter sometimes referred to as the Physical General Meeting); or

(ii) by means of audio, or audio and visual communication by which all shareholders participating and constituting a quorum can simultaneously hear each other throughout the meeting (hereinafter sometimes referred to as Electronic General Meeting); or

(iii) by a meeting held both physically and electronically (called Hybrid General Meeting); or

(iv) by means of a resolution in writing signed by not less than Eighty-Five per centum (85%) of the Shareholders who would be entitled to vote on a resolution at a meeting of Shareholders, who together hold not less than Eighty-Five per centum (85%) of the votes entitled to be cast on that resolution.

(2) The Board shall determine whether a General Meeting is to be held as a Physical General Meeting as referred to in 58(1)(i) or held as an Electronic General Meeting as referred to in 58(1)(ii) or held as a Hybrid General Meeting, both physically and electronically, as referred to in 58(1)(iii) or by a Resolution in writing as referred to in 58(1)(iv).

(3) The Board shall specify in the notice calling the General Meeting whether the meeting will be physical or electronic or hybrid or by a Resolution in writing. Such notice shall also specify (as applicable) the time, date, and place and/or electronic platform(s) of the General Meeting, as it is determined.

(4) (i) When conducting an Electronic General Meeting, the Board shall enable persons to simultaneously attend by electronic means, with no shareholder necessarily in physical attendance at the Electronic General Meeting. The shareholders or their proxies present shall be counted in the quorum for, and entitled to vote at, the General Meeting in question.

(ii) If it appears to the Chairman of the General Meeting that the electronic platform(s), facilities, or security at the Electronic General Meeting have become inadequate for the purposes referred to herein then the Chairman may, without the consent of the meeting, interrupt to resolve such inadequacy where possible or adjourn the General Meeting. All business conducted at that General Meeting up to the time of that adjournment shall be valid and the provisions of Article 62 shall apply to that adjournment.

(iii) In relation to an Electronic General Meeting, the right of a shareholder to participate in the business of any General Meeting shall include, without limitation, the right to speak, vote on a poll, be represented by a proxy, and have access (including electronic access) to all documents which are required by the Act or these Articles to be made available for/at the meeting."

(2) by the deletion of the word "two" and the substitution therefor of "five" in line 1 of the Article 80;

(3) by the deletion of the word "Ordinary" and the substitution therefor of "Special" in line 1 of the Article 81;

(4) by the deletion of Articles 120 under the existing heading, 'Alternate Directors' in its entirety and the substitution therefor of the following new Article 120;

ALTERNATE DIRECTORS

120. (i) Subject to the Statutes and other laws applicable in respect of the composition of the Board, a Director may, due to exceptional circumstances, by notice in writing under his hand delivered to the Secretary, nominate an individual to be appointed as an Alternate Director of the Company for a maximum period of one (1) year from the date of appointment to attend to the duties of the Director in his absence, and the following provisions of these Articles shall apply to any person so appointed.

(ii) If an Alternate Director is appointed for a Non-Executive Director, such Alternate Director shall not be an executive of the Company.

(iii) If an Alternate Director is appointed to represent an Independent Non-Executive Director, such Alternate Director shall meet the criteria for independence specified in the Listing Rules of the Colombo Stock Exchange.

(iv) The appointment of an Alternate Director shall be subject to the approval of the Board.

(5) by the inclusion of the words and figures 'including the signing of resolutions in writing to be passed by circulation under Article 117 hereof.' at the end of Article 122(i);

(6) by the inclusion of the words "Subject to Article 120, an" at the beginning of the Article 123 in place of the word "An";

(7) by the deletion of the words "if the Directors resolve" in line 1 of Article 123(iv) and the substitution therefor of "If the Board resolves";

NOTICE OF THE ANNUAL GENERAL MEETING

(8) by the inclusion of following paragraph at the end of Article 156 ;

The Company may serve notice by electronic mail to an electronic mail account notified by a shareholder in writing or any other acceptable means, to the Company or to the Central Depository Systems (Pvt) Ltd. Where electronic mail is used, the document or notice shall be deemed to have been received by the shareholder upon the dispatch of same by the Company through electronic mail.

(9) by the deletion of Article 162 in its entirety and the substitution therefor of the following new Article 162;

162. Any notice required to be or which may be given by advertisement shall unless otherwise required by statute be published in Sinhala, Tamil and English national daily newspapers. The Company may if so permitted by statute, publish any notice required to be given to the shareholders on the official website of the Company and/or on the official website of the Colombo Stock Exchange (if the Company is listed on the Colombo Stock Exchange).

By Order of the Board
CEYLON TEA BROKERS PLC

P W Corporate Secretarial (Pvt) Ltd
Director / Secretaries

24th October 2025
Colombo

Notes:

1. A shareholder entitled to participate and vote at the above virtual meeting is entitled to appoint a proxy to participate and vote in his/her place by completing the Form of Proxy enclosed herewith.
2. A proxy need not be a shareholder of the Company.
3. Shareholders who are unable to participate in the above virtual meeting are also encouraged to submit a duly completed Form of Proxy appointing the Chairman or any other Member of the Board to participate and vote on their behalf.
4. For more information on how to participate by virtual means in the above virtual meeting, please refer Guidelines and Registration Process enclosed herewith.

NOTES

NOTES

FORM OF PROXY

I/We* ..... (NIC/Passport/Co. Reg. No. .....)
of ..... being a shareholder / shareholders of CEYLON TEA BROKERS PLC
hereby appoint ..... (NIC/Passport No. ..... of
..... or failing him/her,*

Mr. R J N de Mel	or failing him*
Mr. D G W De Silva	or failing him*
Mr. K A D Fernando	or failing him*
Mr. W A T Fernando	or failing him*
Mr. H T D Nonis	or failing him*
Mr. Z Mohamed	or failing him*
Ms. N T M S Cooray	or failing her*
Ms. H M S Perera	or failing her*
Mr. C P R Perera	or failing him*
Dr. K B G B R Kulapala	or failing him*
Ms. A Akbar	or failing her*
Dr. M De Zoysa	or failing her*

as my/our* proxy to represent and speak and vote for me/us* and on my/our* behalf at the Sixteenth Annual General Meeting of the Company to be held on 27th November 2025 at 2:00 p.m. and at any adjournment thereof and every poll which may be taken in consequence of the aforesaid meeting.

I/We,* the undersigned, hereby authorize my/our proxy to speak and vote for me/us* and on my /our* behalf in accordance with the preference as indicated below:

1.	Ordinary Business	For	Against
1.	To pass the ordinary resolution set out under item 2 of the Notice of Meeting for the re-appointment of Mr. C P R Perera		
2.	To re-elect Ms. N T M S Cooray who retires by rotation in terms of Article 87(i) of the Articles of Association of the Company as a Director.		
3.	To re-elect Dr. K B G B R Kulapala who retires in terms of Article 94 of the Articles of Association of the Company as a Director.		
4.	To re-elect Ms. A Akbar who retires in terms of Article 94 of the Articles of Association of the Company as a Director.		
5.	To re-elect Dr. M De Zoysa who retires in terms of Article 94 of the Articles of Association of the Company as a Director.		
6.	To appoint Messrs KPMG, Chartered Accountants, as the Auditors of the Company and to authorize the Directors to fix their remuneration.		
7.	To authorize the Directors to determine donations for the year ending 31st March 2026 and up to the date of the next Annual General Meeting.		

2.	Special Business	For	Against
	Resolution 1		
	To pass the Special Resolution as set out in item 2 of the Notice of Meeting		

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

.....
Signature of Shareholder/s

**Please delete what is inapplicable.*

Notes:
1. A proxy need not be a shareholder of the Company
2. Instructions as to completion appear overleaf.

Instructions for completion

1. The full name, National Identity Card number and the registered address of the shareholder appointing the Proxy and the relevant details of the Proxy should be legibly entered in the Form of Proxy which should be duly signed and dated.
2. The completed Proxy should be deposited at the Registered Office of the Company, No.481, T.B Jayah Mawatha, Colombo 10 by 2:00 p.m. on 25th November 2025.

   In forwarding the completed and duly signed Proxy to the Company, please follow the Guidelines and Registration Process for the Annual General Meeting attached to the Notice of Annual General Meeting.
3. The Proxy shall –

   (a) In the case of an individual be signed by the shareholder or by his attorney, and if signed by an attorney, a notarially certified copy of the Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.

   (b) In the case of a company or corporate / statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the Company or corporate / statutory body in accordance with its Articles of Association or the Constitution or the Statute. (as applicable)
4. If you wish to appoint a person other than the Chairman or a Director of the Company as your Proxy, please insert the relevant details in the space provided.
5. Please indicate with a 'X' in the space provided how your Proxy is to vote on each resolution. If no indication is given, the Proxy in his discretion will vote as he thinks fit.

CORPORATE INFORMATION

Name of the Company
Ceylon Tea Brokers PLC

Legal Form
The Company incorporated in Sri Lanka under the Companies Act No. 07 of 1982 which was re-registered under the provisions of the Companies Act No. 7 of 2007 on 20th January 2010 and quoted on the Diri Savi Board of the Colombo Stock Exchange on 16th March 2010.

Date of Incorporation
15th June 1999

Company Registration Number
PB 1280 PQ

Board of Directors
Mr. R. J. N. De Mel (Chairman)
Mr. D. G. W. De Silva (Managing Director)
Mr. K A D Fernando (Director/ Chief Executive Officer)
Mr. H. T. D. Nonis
Mr. Z. Mohamed
Mr. W. A. T. Fernando
Mr. C. P. R. Perera
Ms. N. T. M. S. Cooray
Ms. H. M. S. Perera
Ms. A Akbar
Dr. K B K B R Kulapala
Dr. M. De Zoysa

Registered Office/Head Office
No. 481, T.B Jayah Mawatha, Colombo 10.

VAT Registration No.
114238546 7000

Telephone
(+94) 11-4607777

Facsimile
(+94) 11-4607788

Website
www.ceylonteabrokers.com

Credit Ratings
The Company has been assigned an Issuer rating of [SL] BBB with stable outlook by Lanka Rating Agency Limited.

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Telephone: (+94) 11-4640360-3
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M & M Center
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Auditors
Messrs KPMG,
32A, Sir Mohomad Macan Markar Mawatha, Colombo 03.
Telephone: (+94) 11-2426426
Fax: (+94) 11-2445872
Email: frt@kpmg.lk

Subsidiary Company
Logicare (Pvt) Ltd – Fully Owned

Bankers
Bank of Ceylon
Metropolitan Branch, Bank of Ceylon building, York Street, Colombo 01.

Commercial Bank of Ceylon PLC
Foreign Branch,
Commercial House, No. 21,
Sir Razik Fareed Mawatha, Colombo 01.

DFCC Bank PLC
Head office Branch,
W. A. D. Ramanayake Mawatha,
Colombo 02.

Hatton National Bank PLC
No. 10, Sri Uttarananda Mawatha,
Colombo 03.

National Development Bank PLC
No. 42, DHPL Building,
Nawam Mawatha, Colombo 02.

Nations Trust Bank PLC
Corporate Branch,
No. 242, Union Place, Colombo 02.

People's Bank
First City Branch, York Street,
Colombo 01.

Sampath Bank PLC
No. 46/38, Nawam Mawatha,
Colombo 02.

Seylan Bank PLC
Millennium Branch, Seylan Tower,
No. 90, Galle Road, Colombo 03.

Union Bank of Colombo PLC
Head Office Branch,
No. 64, Galle Road, Colombo 03.

Standard Chartered Bank
No. 37, York Street, Colombo 01.

Cargills Bank Limited
No. 696, Galle Road, Colombo 03.

Pan Asia Banking Corporation PLC
450, Galle Road, Colombo 03

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Ceylon Tea Brokers PLC
Annual Report 2024/25