Colombo Fort Investments PLC

Annual Report

2025/26

Contents

Chairman's Review

On behalf of the Board of Directors, I am pleased to welcome our valued shareholders to the Forty Second Annual General Meeting of the Company. It is my privilege to present the Annual Report and the Audited Financial Statements for the year ended 31st March 2026.

The Sri Lankan economy has demonstrated a notable recovery during the year, with GDP growth projected at approximately 5.0%. This resurgence has been supported by a revival in investment activity, a strong rebound in tourism, and improved domestic consumption, as the country continues its gradual recovery from the financial crisis of 2022. However, emerging geopolitical tensions, particularly the ongoing conflict in the Middle East, present significant downside risks. These include the potential for fuel price volatility, disruptions to key trade routes, adverse implications for tea exports, and a possible decline in remittance inflows, all of which could impact the sustainability of the current recovery trajectory.

During the period under review, the Colombo Stock Exchange experienced a broadly positive and sustained upward trend, underpinned by renewed investor confidence and improving macroeconomic stability. The All Share Price Index (ASPI) remained at elevated levels throughout much of the year, reflecting strong market sentiment, before exhibiting some volatility towards the latter part of the financial year in response to global uncertainties. The ASPI closed at 21,066.18 as of 31st March 2026, representing a significant increase of 33.2% over the previous year's level of 15,814.82. This positive market performance contributed to the appreciation of the Company's investment portfolio, although a moderation in valuations was observed towards year-end.

The Company recorded revenue of Rs. 110.2 Million for the year under review, representing an increase of 24.3% compared to Rs. 88.6 Million in the preceding year. This growth was primarily driven by a higher level of dividend income. Profit before fair value adjustments on financial assets amounted to Rs. 73.16 Million, compared to Rs. 41.54 Million in the previous year, reflecting the improved operating performance of the Company.

The Net Asset Value per share increased significantly to Rs. 537.52, compared to Rs. 376.69 as of 31st March 2025. The fair value of quoted investments also recorded substantial growth, reaching Rs. 4.83 Billion as of 31st March 2026, up from Rs. 3.29 Billion in the previous year.

In view of the performance the Company paid an Interim Dividend of Rs. 4.00 per share for the financial year ended 31st March, 2026 in the form of a scrip dividend.

I wish to extend my sincere appreciation to our shareholders for their continued confidence and support. I also take this opportunity to thank my colleagues on the Board for their invaluable guidance and stewardship during the year.

S.D.R. Arudpragasam
Chairman

18th June, 2026

Board of Directors

S.D.R.Arudpragasam - Chairman
FCMA (UK)

Mr.S.D.R.Arudpragasam is a Fellow member of the Chartered Institute of Management Accountants (UK). He was appointed to the Board and as Deputy Chairman on 12th August, 2011. Having held the position of Deputy Chairman until 31st August, 2023, he was appointed as Chairman of the Company on 1st September, 2023. Further he was appointed Chairman of The Colombo Fort Land & Building PLC (CFLB) with effect from 1st July, 2022. He also holds the position of Chairman of Lankem Ceylon PLC and Chairman / Managing Director of E. B. Creasy & Company PLC in addition to serving on the Boards of other Companies in the CFLB Group. He also functions as a member of several Board Sub-Committees of the CFLB Group.

S.Shanmugalingam - Director

Mr.S.Shanmugalingam was appointed to the Board on 01st January, 2004. He has over 29 years experience in Share Trading and the Capital Market and has worked for many years as a Senior Stock broker. He currently functions as an Adviser. He holds a Higher Diploma in Information Technology. He has also functioned as a member of a Board Sub-Committee of the Company.

S.Rajaratnam - Director
B.Sc., CA

Mr.S.Rajaratnam was appointed to the Board on 01st October, 2008. He holds a Bachelor of Science Degree in Business Administration from Boston College, USA and is a Member of the Institute of Chartered Accountants in Australia. He has been associated with overseas companies in the field of finance and currently holds the position of Joint Managing Director of E.B. Creasy & Company PLC amongst other Directorships in The Colombo Fort Land & Building Group and functions as a member of several Board Sub-Committees of the CFLB Group. He also functions as a member of several Board Sub-committees of the Company.

Amrit Rajaratnam – Director
LLB (Notts.), Barrister-at-Law

Mr. Amrit Rajaratnam was appointed to the Board on 25th March, 2022. He holds a Bachelor's Degree in Law from the University of Nottingham and is a Barrister-at-Law (Lincoln's Inn). He began his career at the Law Firm Julius & Creasy and later joined Lankem Ceylon PLC. He also serves as a Director of The Colombo Fort Land & Building PLC and some of it's subsidiaries amongst other Directorships in the CFLB Group, York Arcade Holdings PLC, Colombo Investment Trust PLC, Beruwala Resorts PLC, Marawila Resorts PLC and Sigiriya Village Hotels PLC.

Anushman Rajaratnam – Director
B.Sc. (Hons.), CPA, MBA

Mr. Anushman Rajaratnam was appointed to the Board of Directors of Colombo Fort Investments PLC on 09th June, 2022. He holds a Bachelor of Science degree in Economics from the University of Surrey UK, CPA Australia and MBA from the Massachuasetts Institute of Technology, USA. He is at present the Group Managing Director of The Colombo Fort Land & Building PLC (CFLB). In addition, he serves on the Board of several subsidiary companies of the CFLB Group and as a member of several Board Sub-committees. Prior to joining the CFLB Group, he worked overseas for a leading global Accountancy Firm.

L.L.S. Wickremasinghe – Director
FCA, FMAAT

Mr. L.L.S. Wickremasinghe is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and the Association of Accounting Technicians of Sri Lanka. He was a Past President of the Institute of Chartered Accountants of Sri Lanka.

He was appointed to the Board on 10th February 2025 and serves also as the Chairman of the Board Sub-Committees of the Company.

He is a Partner at B. R. De Silva & Co. Chartered Accountants, a member firm of Nexia International. He also holds several positions, including Senior Independent Director at Commercial Credit & Finance PLC, Independent Director at Maskeliya Plantations PLC, Independent Director at Harischandra Mills PLC and member of the Board of Management of the Api Wenuwen Api Fund.

M.G.S. Jayasundara – Director
ACMA (UK), MBA (USA)

Ms. M.G.S. Jayasundara was appointed to the Board on 10th February 2025. She holds a Masters in Business Administration in Accounting and Finance from University of St. Thomas, USA and is a member of the Chartered Institute of Management Accountants, UK. She has over 15 years of experience across multiple industries, both locally and internationally in the fields of finance and accounting. Ms. M.G.S. Jayasundara started her career with Messrs. Ernst & Young and progressed through to being Head of Finance and Operations at Third Space Global (Pvt) Ltd., and functioned as the CFO at RedBeryl IT (Pvt) Ltd. and Head of Finance at Steradian Capital Investment (Pvt)Ltd. She serves as a member of Board Sub-committees of the Company.

Corporate Governance

Corporate Governance is the process by which Company objectives are established, achieved and monitored. Corporate Governance is concerned with the responsibilities of the Board and its relationships with all relevant stakeholders within a legal and regulatory framework.

Colombo Fort Investments PLC is committed to a policy of maintaining the highest standard of accountability in all its business and other activities.

The Company firmly believes that good governance adopted and implemented will strengthen the confidence and trust of all stakeholders.

Board Composition

Currently the Board of Colombo Fort Investments PLC comprises of Seven Non-Executive Directors, of whom two are Independent.

The Directors are equipped with a balance of skills and experience and together they provide strategic directions to the Company.

Brief profiles of the Directors in office who are named below appear on page 02.

Mr.S.D.R.Arudpragasam	-	Chairman Non-Executive
Mr.S.Shanmugalingam	-	Non-Executive
Mr.S.Rajaratnam	-	Non-Executive
Mr.Amrit Rajaratnam	-	Non-Executive
Mr.Anushman Rajaratnam	-	Non-Executive
Mr. L.L.S. Wickremasinghe	-	Independent/Non-Executive
Ms. M.G.S. Jayasundara	-	Independent/Non-Executive

Board Balance

All Directors on the Board are Non-Executives of whom two are Independent. The Directors with a blend of expertise and possessing a high standing of integrity and business acumen, constitute a balanced Board.

The Independent Non-Executive Directors have submitted signed and dated declarations of their independence or non-independence to the Board.

The Board makes a determination annually as to the independence or non-independence of each Independent Non-Executive Director, based on such declarations made on the defined criteria and other information available to the Board. The names of Directors determined to be "Independent" are set out in the Annual Report.

Mr. L.L.S. Wickremasinghe and Ms. M.G.S. Jayasundara, Independent, Non-Executive Directors of the Company meet the criteria for defining Independence as set out in the Listing Rule 9.8.3 of the Colombo Stock Exchange and as determined by the Board of Directors.

Decision Making of the Board

The Board discusses matters relating to formulation and implementation of sound business strategies, ensuring an effective system to secure integrity of information, internal controls and risk management.

The Board is in complete control of the Company's affairs and is alert to its obligation to all shareholders and other stakeholders.

Name of the Director	15.05.2025	04.08.2025	07.08.2025	03.11.2025	09.02.2026	
Mr.S.D.R.Arudpragasam	1	1	1	1	1	5/5
Mr. S.Shanmugalingam	1	1	1	-	1	4/5
Mr. S. Rajaratnam	1	1	1	1	1	5/5
Mr. Amrit Rajaratnam	1	1	-	1	1	4/5
Mr. Anushman Rajaratnam	1	1	-	-	1	3/5
Mr. L.L.S. Wickremasinghe	1	1	1	1	1	5/5
Ms. M.G.S. Jayasundara	1	1	1	1	1	5/5

The Board has met on five occasions during the year under review. In addition to Board Meetings matters are referred to the Board and decided by Resolutions in writing. The individual attendance by members at Board Meetings is shown above.

Responsibilities of the Board

- Formulation of short and long term strategies towards sustainable growth.
- Enhancing shareholder value.
- Identifying principal risks of the business.
- Overseeing systems of internal control.
- Approval of interim and annual financial statements.
- Ensuring compliance with laws and regulations.
- Authorising all material contracts, and approving Investments.
- Ensure compliance with Company policies.

The Directors have made themselves aware of applicable laws, rules and regulations and are aware of changes particularly to the Listing Rules and applicable Capital Market provisions.

Fit & Proper Assessment

The Company's fit and proper assessment for Directors is in line with the guidelines set out in the Listing Rules and include criteria on honesty, integrity and reputation, competence and capability and financial soundness. The Chairman and Directors satisfy the fit and proper assessment criteria stipulated in the Listing Rules of the CSE.

Re-election and Reappointment of Directors

The Company's Articles of Association require one of the Directors in office to retire at each Annual General Meeting. The Director to retire is he/ she who has been longest in office since his/her last election. A retiring Director is eligible for re-election by the shareholders.

The Nominations & Governance Committee of the Company has duly recommended to the Board the re-election and reappointment of the Directors at the forthcoming Annual General Meeting and the Board of Directors have duly approved the said re-election and reappointment of the Directors. Further the Members have refrained from participating in decisions relating to his/her own re-election/reappointment.

Corporate Governance (*Contd.)*

Chairman's Role

The Chairman is a Non-Executive Director and is responsible for steering the Board to preserve order and to facilitate the effective discharge of Board functions. He conducts Board proceedings in a manner which always ensures the following:

- The effective participation of Directors.
- Encourages an effective contribution from Directors within their respective capabilities, for the benefit of the Company.
- Ascertains the views of Directors on issues under consideration.

Financial Acumen

The Directors are from varied business and professional backgrounds and have vast experience and proven ability in the field of investment, management and trading in securities. Their expertise enables them to exercise independent judgement and their views carry substantial weight in decision making. The Board includes five finance professionals who possess the necessary knowledge to offer guidance on matters of finance.

If necessary, professional advice is obtained from external independent parties.

The Board is responsible for the proper management of the Company along with monitoring an effective system of internal control covering the financial matters.

Directors - Other Directorships

The details pertaining to the names of the companies (in Sri Lanka) in which the Directors serve as a Director or Key Management Personnel are presented on pages 17 to 20.

Remuneration Committee

The Remuneration Committee comprises of Mr. L.L.S. Wickremasinghe (Independent/Non-Executive Director - Chairman), Ms. M.G.S. Jayasundara (Independent/Non-Executive Director) and Mr. S.D.R. Arudpragasam (Non-Executive Director). The Remuneration Committee Report is set out on page 29.

All Members of the Board are Non-Executives to whom Directors Fees are paid. Further all managerial, accounting and secretarial services are provided by Corporate Managers & Secretaries (Private) Ltd. to whom a fee is paid.

Disclosure of Remuneration

Aggregate remuneration paid to the Non- Executive Directors is disclosed in Note 05 to the Financial Statements on page 45 of this report.

Audit Committee

The Audit Committee comprises of Mr. L.L.S. Wickremasinghe (Independent/Non-Executive Director - Chairman), Ms. M.G.S. Jayasundara (Independent/Non-Executive Director) and Mr. S. Rajaratnam (Non-Executive Director). The Audit Committee Report is given on pages 26 and 27 of this Report.

Related Party Transactions Review Committee

The Related Party Transaction Review Committee comprises of Mr. L.L.S. Wickremasinghe (Independent/Non-Executive Director - Chairman), Ms. M.G.S. Jayasundara (Independent/Non-Executive Director) and Mr. S. Rajaratnam (Non-Executive Director). The Related Party Transactions Review Committee Report is given on page 28 of this report.

Nominations & Governance Committee and Appointments to the Board

There is a formal and transparent procedure for the appointment of new Directors to the Board, which is in accordance with the recommendations made by the Nominations & Governance Committee, in consultation with the Chairman and in compliance with the provisions of the Articles of Association of the Company, the policies adopted by the Company and the Rules on Corporate Governance.

The Board as a whole annually assesses the Board-composition to ascertain whether the combined knowledge and experience of the Board matches the strategic demands facing the Company. The findings of such assessments are taken into account when new Board appointments are considered and when incumbent Directors come up for re-election.

Upon the appointment of a new Director to the Board, the Company makes the required disclosures to the shareholders by making announcements to the Colombo Stock Exchange.

The Nominations & Governance Committee comprises of Mr. L.L.S. Wickremasinghe (Independent/Non Executive Director - Chairman), Ms. M.G.S. Jayasundara (Independent/Non Executive Director) and Mr. S.D.R. Arudpragasam (Non-Executive Director). The Report of the Nominations & Governance Committee is given on pages 30 and 31 of this Report.

Company Secretaries and Independent Professional Advice

The Company and all the Directors may seek advice from Corporate Managers & Secretaries (Private) Limited (CMSL) who are qualified to act as Secretaries as per the provisions of the Companies Act No.07 of 2007. CMSL assists the Board in ensuring that Board procedures are followed and that relevant rules and regulations are complied with. The Board in discharging its duties seeks independent professional advice from external parties when necessary.

Independent Judgement

The Board of Directors as a whole, and individually, are committed to exhibiting high standards of integrity and independence of judgment on various issues.

Relations with Shareholders

Constructive use of the Annual General Meeting (AGM) and Conduct of General Meetings

The Board considers the Annual General Meeting / General Meetings an opportunity to communicate with shareholders and encourage their participation.

The Board considers the AGM/General Meetings as an opportunity to maintain appropriate dialogue with shareholders and welcomes their suggestions. These meetings provide shareholders with the ability to engage with the Board and discuss matters concerning the Company.

The Policy on Relations with Shareholders and Investors is available on the company website www.colombofortinvestments.com where contact persons are also provided.

Major issues and concerns of shareholders are communicated to all Directors by Corporate Managers & Secretaries (Private) Ltd, Managers & Secretaries of the Company.

Corporate Governance (*Contd.)*

The Company's principal communicator with all its stakeholders are its Annual Report and Quarterly Financial Statements.

Major Transactions

There have been no transactions during the year under review which fall within the definition of "Major Transactions" under Section 185 of the Companies Act No. 07 of 2007.

Price Sensitive Information

Due care is exercised with respect to share price sensitive information.

Accountability, Audit and Financial Reporting

The Board undertakes the responsibility for the preparation and presentation of financial statements and ensures that they are prepared and presented in accordance with the Sri Lanka Accounting Standards adopted by The Institute of Chartered Accountants of Sri Lanka and the requirements of the Companies Act No. 07 of 2007.

The Board values the timely publication of annual and quarterly results and other price-sensitive information enabling shareholders to make effective economic decisions and strives to take all possible steps to comply with the statutory requirements and procedures laid down by the Colombo Stock Exchange and the Securities and Exchange Commission with regard to those publications.

The Annual Report of the Board of Directors presents a balanced and understandable assessment of the Company's financial position, performance and future prospects.

Disclosures

The Annual Report of the Board of Directors is given on pages 24 and 25 in this Report. The Auditor's Report on the Financial Statements is given on pages 33 to 35 of this Annual Report.

Going Concern

The Directors are of the belief that the Company is capable of operating in the foreseeable future after adequate assessment of the Company's financial position and resources. Therefore, the Going Concern principle has been adopted in the preparation of Financial Statements.

Compliance with Legal Requirements

The Board is conscious of its responsibility to the shareholders, the Government and the Society in which it operates and is unequivocally committed to upholding ethical behaviour in conducting its business. The Board strives to ensure that the Company complies with the laws and regulations of the Country. The Company obtains legal advice from appropriately qualified and experienced legal professionals on a timely basis.

Compliance Status with the Colombo Stock Exchange Listing Rules on Corporate Governance

The Company's Compliance status with the Colombo Stock Exchange Listing Rules on Corporate Governance is disclosed on pages 6 to 16.

Internal Control

The Board is satisfied with the effectiveness of the system of internal controls for the period up to the date of signing the Financial Statements.

Corporate Social Responsibility

Corporate decisions are made with due consideration taking into account the rights and claims of all Non-shareholder Groups.

Company Policies

Colombo Fort Investments PLC has established a comprehensive suite of corporate policies that align with the Listing Rules of the Colombo Stock Exchange (CSE) and reflect the company's commitment to ethical governance, transparency, and sustainable business practices. The said policies are available on the Company's website www.colombofortinvestments.com

These policies encompass key areas such as:

- Matters relating to the Board of Directors
- Board Committees
- Corporate Governance, Nominations, and Re-election
- Remuneration
- Internal Code of Business Conduct and Ethics
- Risk Management and Internal Controls
- Relations with Shareholders and Investors
- Environmental, Social, and Governance (ESG) Sustainability
- Control and Management of Company Assets and Shareholder Investments
- Corporate Disclosures
- Whistleblowing
- Anti-Bribery and Corruption

Corporate Governance (*Contd.)*

Adherence to the Corporate Governance Rules of the Colombo Stock Exchange

Rule	Adherence
9.2 POLICIES	
9.2.1 Establish and maintain the following policies	
a) Matters relating to the Board of Directors b) Board Committees c) Corporate Governance, Nominations and Re-election	Complied
d) Remuneration	Complied Committee established on 15th May 2025. Policy formulated and published on the Company website.
e) Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities f) Risk management and Internal controls g) Relations with Shareholders and Investors h) Environmental, Social and Governance Sustainability i) Control and Management of Company Assets and Shareholder Investments j) Corporate Disclosures k) Whistleblowing l) Anti-Bribery and Corruption	Complied
9.2.2. Any waivers from compliance with the Internal code of business conduct and ethics or exemptions granted by the Listed Entity shall be fully disclosed in the Annual Report	Not Applicabe
9.2.3. Listed entities shall disclose 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 Entites in compliance with Rule 9.2 above	Complied
9.2.4. Listed Entities shall make available all such policies to shareholders upon written request being made for any such Policy.	Will be made available when requests are received.
9.2.5 i. If a Listed Entity fails to comply with Rule 9.2.1, the Exchange will issue a Notice of Show Cause, granting seven (7) Market Days to provide reasons for the non-compliance. ii. If no response is received within the given time or if the explanation is deemed insufficient, enforcement measures will follow as outlined below: a. A letter of warning will be issued by the Exchange. b. If the Entity fails to rectify the non-compliance within three (3) months from the date of the warning letter, a penalty of Rs. 250,000 will be imposed. iii. The Exchange will make a Market Announcement regarding the non-compliance, enforcement action, and penalty. The penalty must be settled within seven (7) Market Days from notification. Failure to do so will result in referral to the SEC under Section 65 of the SEC Act.	Not Applicabe
9.3 BOARD COMMITTEES	
9.3.1 Establishment of Committees	
(a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee	Complied
9.3.2 Compliance with composition, responsibilities and disclosures required in respect of the above Board committees	Complied
9.3.3 The Chairperson of the Board of Directors of the Listed Entity shall not be the Chairperson of the Board Committees	Complied

Corporate Governance (*Contd.)*

Rule		Adherence
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	Maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting (a) The number of shares in respect of which proxy appointments have been validly made; (b) The number of votes in favour of the resolution; (c) The number of votes against the resolution; and (d) The number of shares in respect of which the vote was directed to be abstained.	Complied
9.4.2.	Communication and relations with shareholders and investors a) Have a policy on effective communication and relations with shareholders and investors b) Disclose the contact person for such communication. c) Policy on relations with shareholders and investors shall include a process to make all Directors aware of major issues and concerns of shareholders d) When conducting of any shareholder meetings through virtual or hybrid means, compliance with the Guidelines issued by the Exchange	Complied
9.5	**POLICY ON MATTERS RELATING TO THE BOARD OF DIRECTORS**	
9.5.1	Establish and maintain formal policy governing matters relating to the Board a) Composition and Board Balance (Executive and Non-Executive), Role and function of Chairman and CEO and Procedure for Appraisal of Board Performance and appraisal of CEO b) Where Role of Chairman and CEO are combined Appointment of SID-Establish Board Charter inclusive of functions and safeguards for SID (i - iii) c) Board diversity – experience, skills, competencies, age, gender, industry requirements d) Maximum number of Directors and rationale e) Frequency of Board meetings f) Mechanisms for ensuring that Directors are kept abreast of the Listing Rules and on-going compliance and/or non-compliance g) Specify the minimum number of meetings, in numbers and percentage, that a Director must attend, h) Requirements relating to trading in securities of the Listed Entity and its listed group Companies and disclosure of such requirements i) Specify the maximum number of directorships in Listed Entities that may be held by Directors. j) Participation at meeting of the Board and Board committees by audio visuals means and participation to be taken into account when deciding the quorum.	(a) Complied (b) Not Applicable (c)-(j) Complied
9.5.2	Confirm compliance of 9.5.1. in Annual Report – If non compliant provide explanations with reasons and proposed remedial action.	Complied
9.6	**CHAIRPERSON AND CEO**	
9.6.1	Chairperson shall be a Non-Executive Director Chairperson and CEO shall not be held by the same individual, unless otherwise a SID is appointed	Complied Not Applicable
9.6.2	Market Announcement in the event Chairperson is an Executive Director and / or the positions of Chairman and CEO are held by the same individual.	Not Applicable
9.6.3	**The Requirement for a SID**	
	(a) Appoint of an Independent Director as the SID in the following instances: i. The positions of the Chairperson and CEO are held by the same individual. ii. The Chairperson is an Executive Director. iii. The Chairperson and CEO are Close Family Members or Related Parties (b)-(e) Responsibilities and duties of SID	Not Applicable
9.6.4	Set out the rationale for appointment of SID in the Annual Report	Not Applicable
9.7	**FITNESS OF DIRECTORS AND CEOS**	
9.7.1	a) Listed Entities shall ensure that the Directors and CEO are at all times fit and proper persons as required in terms of these Rules. b) In evaluating fitness and propriety of the persons referred in these Rules. Listed Entities shall utilize the Fit and Proper Assessment Criteria set out in Rule 9.7.3 below.	Complied
9.7.2	Listed Entities shall ensure that the persons recommended by the Nominations and Governance Committee as Directors are fit and proper before such nominations are placed before Shareholders' meeting or appointments.	Complied

Corporate Governance (*Contd.)*

Rule	Adherence
9.7.3 **'Fit and Proper Assessment Criteria' set out in Rule 9.7.3** a) Honesty, Integrity and Reputation – (i)-(vii) b) Competence and Capability –(i)-(ii) c) Financial Soundness –(i)-(iii)	Complied
9.7.4 Declarations to be obtained from Directors and CEO on an annual basis confirming that each of them have continuously satisfied the Fit and Proper Assessment Criteria set out in the Rules during the financial year concerned and satisfies the said criteria as at the date of such confirmation.	Complied
9.7.5 Disclosures in the Annual Report (a) Statement on Directors and CEO satisfying Fit and Proper Assessment Criteria (b) Any non-compliance/s and remedial action taken to rectify non compliance	Complied Not Applicable
9.8 **BOARD COMPOSITION**	
9.8.1 The Board of Directors of a Listed Entity shall, at a minimum, consist of five (05) Directors.	Complied
9.8.2 Minimum Number of Independent Directors: (a) At least two (2) Independent Directors or such number equivalent to one third (1/3) of the total number of Directors at any given time, whichever is higher. (b) Any change occurring to this ratio shall be rectified within ninety (90) days from the date of the change.	Complied
9.8.3 **Criteria for determining independence:**	
A Director shall not be considered independent if he/she: (i) Has been employed by the Listed Entity during the period of three (3) years immediately preceding appointment as Director (ii) Currently has/had during the period of three (3) years immediately preceding appointment as a Director, a Material Business Relationship with the Listed Entity, whether directly or indirectly. (iii) Currently has/had during the preceding financial year a close Family Member who is a Director and/or CEO in the Listed Entity. (iv) Has a Significant Shareholding in the Listed Entity. (v) Has served an aggregate period of nine (9) years on the Board of the Listed Entity from the date of the first appointment. (vi) Is employed in another Company or business; a) In which a majority of the other directors of the Listed Entity are employed or are directors; or b) In which a majority of the other directors of the Listed Entity have a Significant Shareholding or Material Business Relationship; or c) That has a Significant Shareholding in the Listed Entity or with which the Listed Entity has a Business Connection. (vii) Is a director of another Company; a) In which a majority of the other Directors of the Listed Entity are employed or are Directors; or b) That has a Business Connection in the Listed Entity or a Significant Shareholding. (viii) Has a Material Business Relationship or a Significant Shareholding in another company or business; a) In which a majority of the other Directors of the Listed Entity are employed or are Directors; and/or b) Which has a Business Connection with the Listed Entity or Significant Shareholding in the same; and/or c) Where the core line of business of such Company is in direct conflict with the line of business of the Listed Entity. (ix) Is above the age of seventy (70) years. Provided that a person above the age of seventy (70) years may nevertheless be considered independent if compliant with Rule 9.8.3 (ix) (a) to (d) and The requirements of sub clauses (a), (b) and (c) shall be repeated at each Annual General Meeting of the Listed Entity in respect of any director over the age of seventy years whom the Listed Entity wishes to continue to treat as independent.	Complied

Corporate Governance (*Contd.)*

Rule	Adherence
9.8.5 The Board of Directors of Listed Entities shall require:	
(a) Each Independent Director to submit a signed and dated declaration annually	Complied
(b) Make an annual determination as to the "independence" of Independent Director and set out the names of Directors determined to be 'independent' in the Annual Report.	Complied
(c) If independence is impaired against any of the criteria set out in Rule 9.8.3, an immediate Market Announcement is required	Not applicable
9.8.6 Enforcement Actions for Non-Compliance with Rules 9.8.1 and 9.8.2	Complied with Rule 9.8.1 and 9.8.2 9.8.6 A and B Not Applicable
A. In the event a Listed Entity fails to comply with Rules 9.8.1 and/or 9.8.2 of these Rules B. Where a Listed Entity has failed to comply with Rules 9.8.1 or 9.8.2 and has not disclosed of such noncompliance to the Exchange or the market	
9.9 ALTERNATE DIRECTORS	
Compliance with the following requirements and such requirements shall also be incorporated into the Articles of Association a) Alternate Directors shall only be appointed in exceptional circumstances and for a maximum period of one (1) year from the date of appointment. b) If an Alternate Director is appointed for a Non-Executive Director such alternate should not be an executive Director. c) If an Alternate Director is appointed by an Independent Director, the person so appointed should meet the criteria of independence The Nominations and Governance Committee shall review and determine that the person nominated as the alternate would qualify as an Independent Director before such appointment is made. d) Immediate Market Announcement regarding the appointment of an Alternate Director e) Attendance of Alternate Director to be counted for the purpose of quorum at Board and Board Committee meetings.	Articles of Association amended to incorporate provisions. No Alternate Director has been appointed.
9.10. DISCLOSURES RELATING TO DIRECTORS	
9.10.1 Disclose its policy on the maximum number of directorships in Listed Entities Board members shall be permitted to hold as per Rule 9.5.1. Non compliance to be reported in the Annual Report. (maximum number of Listed Company Directorships – 25)	Complied
9.10.2 Market announcement on appointment of new Director (i - iii)	Not Applicable
9.10.3 Immediate Market Announcement regarding any changes to the composition of the Board Committees (i - ii)	Not Applicable
9.10.4 Disclosure in Annual Report - Directors details - Name, qualifications and brief profile - Nature of his/her expertise in relevant functional areas - Whether either the Director or Close Family Members has any material business relationships with other Directors - Whether Executive, Non-Executive and/or independent Director - Total number and names of Companies in Sri Lanka in which the Director concerned serves as a Director and/or KMP stating whether listed or unlisted, whether functions as executive or non-executive (If the directorships are within the Group names need not be disclosed) - Number of Board meetings attended - Names of Board Committees in which the Director serves as Chairperson or a member - Attendance of committee meetings - TOR and powers of SID	Complied Not Applicable
9.10.5 Non-Disclosure of Changes to Board and Committees	
A. Failure to disclose new appointments or changes to the Board of Directors	Not Applicable
B. Failure to disclose changes to the composition of Board Committees in terms of Rule 9.10.3 (ii)	

Corporate Governance (*Contd.)*

Rule	Adherence
9.11 NOMINATIONS AND GOVERNANCE COMMITTEE	Complied
9.11.1 Establishment of Nominations and Governance Committee	
9.11.2 Maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Nominations and Governance Committee.	
9.11.3 Written terms of reference	
9.11.4 Composition	
(1) The members of the Nominations and Governance Committee shall; (a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors. (b) Not comprise of Executive Directors of the Listed Entity (2) An Independent Director shall be appointed as the Chairperson (3) Identify Members in the Annual Report	
9.11.5 Functions	
(i) Evaluate the appointment of Directors to the Board of Directors and Board Committees (ii) Recommend (or not recommend) the re-appointment/re-election of current Directors (iii) Establish and Maintain a formal and transparent procedure to evaluate, select and appoint/re-appoint Directors (iv) Establish and maintain a set of criteria for selection of Directors (v) Establish and maintain a suitable process for the periodic evaluation of the performance of the Board of Directors and the CEO of the Entity to ensure that their responsibilities are satisfactorily discharged. (vi) Develop a succession plan for the Board of Directors and Key Management Personnel (vii) Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities (viii) Review and recommend the overall corporate governance framework of the Listed Entity taking into account the Listing Rules of the Exchange, other applicable regulatory requirements and industry/international best practices. (ix) Periodically review and update the Corporate Governance Policies / Framework of the Entity in line with the regulatory and legal developments relating to same, as a best practice. (x) Receive reports from the Management on compliance with the corporate governance framework of the Entity including the Entity's compliance with provisions of the SEC Act, Listing Rules of the Exchange and other applicable laws, together with any deviations/non-compliances and the rational for same.	Complied
9.11.6 Disclosures in Annual Report	
Nomination & Governance Committee Report and contents to be incorporated -Sections (a)-(m)	

Corporate Governance (*Contd.)*

Rule	Adherence
9.12 REMUNERATION COMMITTEE	Refer Remuneration Committee Report on page 29.
9.12.1 The term "remuneration" shall make reference to cash and all non-cash benefits whatsoever received	
9.12.2 Establishment of Remuneration Committee	
9.12.3 Establish and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneration and for fixing the remuneration packages of individual Directors. No Director shall be involved in fixing his/her own remuneration.	
9.12.4 Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of non-discriminatory pay practices among them to ensure that their independence is not impaired.	
9.12.5 Written terms of reference	
9.12.6 Composition	
(1) The members of the Remuneration Committee shall; (a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors. (b) Not comprise of Executive Directors of the Listed Entity (2) An Independent Director shall be appointed as the Chairperson.	
9.12.7 Functions	
(1) Recommend the remuneration payable to the Executive Directors and CEO of the Listed Entity and/or equivalent position thereof to the Board of the Listed Entity which will make the final determination upon consideration of such recommendations. (2) Engage any external Consultant or expertise that may be considered necessary to ascertain or assess the relevance of the remuneration levels applicable to Directors and CEO.	
9.12.8 Disclosure in Annual Report	
a) Names of the Chairperson and members of the Remuneration Committee and the nature of directorships held by such members (or persons in the parent Company's Remuneration Committee in the case of a group Company); (b) A statement regarding the remuneration policy; and, (c) The aggregate remuneration of the Executive and Non-Executive Directors	Complied
9.13 AUDIT COMMITTEE	Refer Audit Committee Report
9.13.1 Where Listed Entities do not maintain separate Committees to perform the Audit and Risk Functions, the Audit Committee of such Listed Entities shall additionally perform the Risk Functions	Complied
9.13.2 Written terms of reference	Complied

Corporate Governance (*Contd.)*

Rule	Adherence
9.13.3 Composition	
(1) The members of the Audit Committee shall; (a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors. (b) Not comprise of Executive Directors of the Listed Entity	Complied
(2) Quorum - requires that the majority of those in attendance to be independent directors.	Complied
(3) Compulsorily to meet on a quarterly basis prior to recommending the financials to be released to the market.	Complied
(4) An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors.	Complied
(5) Unless otherwise determined by the Audit Committee, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the Audit Committee meetings by invitation. Provided however where the Listed Entity maintains a separate Risk Committee, the CEO shall attend the Risk Committee meetings by invitation.	Representatives of the Managers & Secretaries were in attendance by invitation.
(6) The Chairperson of the Audit Committee shall be a Member of a recognized professional accounting body. Provided however, this Rule shall not be applicable in respect of Risk Committees where a Listed Entity maintains a separate Risk Committee and Audit Committee.	Complied
9.13.4 Functions Detailed in Rule (1) (i) –(xiii) and (2)	Complied
9.13.5 Disclosures in Annual Report Audit Committee Report - Names of chairperson and members with nature of directorship - Status of risk management and internal control – Company and group - Statement on CEO and CFO assurance on operations and finances - Opinion on compliance with Financial reporting requirements, information requirements Listing Rules, Companies Act, SEC Act and any other requirements. - Availability of formal Audit Charter - Internal audit assurance and summary of the work internal audit function - Details demonstrating effective discharge of functions and duties - Statement on external auditors' assurance on their independence - Confirmation on determining auditor's independence	Refer Audit Committee Report
9.14 RELATED PARTY TRANSACTIONS REVIEW COMMITTEE	Refer Related Party Transactions Review Committee Report
9.14.1. Establishment of Committee Listed Entities shall have a Related Party Transactions Review Committee that conforms to the requirements set out in Rule 9.14 of these Rules	Complied
9.14.2 Composition (1) The Related Party Transactions Review Committee shall comprise of; - Minimum three (03) Directors out of which a minimum of two (02) members shall be Independent Directors - May comprise of Executive Directors - An Independent Director shall be appointed as the Chairperson	Complied

Corporate Governance (*Contd.)*

Rule	Adherence
9.14.3 Functions (1) Committee shall be responsible for reviewing the Related Party Transactions (2) Objective - ensure that the interests of shareholders as a whole are taken into account when entering into Related Party Transactions. (3) The objective and the economic and commercial substance of the Related Party Transactions should take precedence over the legal form and technicality. (4) Establish and maintain a clear policy, procedure and process in place for the identification, clarification and reporting the Related Party Transactions on an end-to-end basis across the Entity's operations	Complied
9.14.4 General Requirements (1) The Related Party Transactions Review Committee shall meet at least once a calender quarter. It shall ensure that the minutes of all meetings are properly documented and communicated to the Board of Directors. (2) Should ensure having access to, enough knowledge or expertise to assess or aspects of proposed Related Party Transactions, and where necessary obtain appropriate professional and expert advice from appropriately qualified person when necessary. (3) Board of Directors to approve RPT when required by the committee	Complied
(4) If a Director has a material personal interest in a matter being considered at a Board Meeting to approve a Related Party Transaction as required in Rule 9.14.4(3), such Director shall not: (a) Be present while the matter is being considered at the meeting; and, (b) Vote on the matter.	Not Applicable
9.14.5 Review of Related Party Transactions by the Related Party Transactions Review Committee	Complied
9.14.6 Shareholder Approval 1. Listed Entities shall obtain shareholder approval by way of a Special Resolution for the following Related Party Transaction. A) <u>Non-recurrent transaction</u> i) a) Transactions exceeding one third (1/3) of the Total Assets as per the latest Audited Financial Statements b) Transactions exceeding one third (1/3) of the Total Assets as per the latest Audited Financial Statements when aggregated with other non- recurrent transactions entered into with the same Related Party during the same financial year ii) Acquisition of substantial asset from, or disposal of a substantial asset to, any Related Party of the Entity or its associates B) <u>Recurrent transaction</u> (i) One third (1/3) of the gross revenue (or equivalent term for revenue in the Income Statement) and in the case of group entity consolidated group revenue of the Entity as per the latest Audited Financial Statements; or (ii) One third (1/3) of the gross revenue (or equivalent term for revenue in the Income Statement) and in the case of group entity consolidated group revenue of the Entity as per the latest Audited Financial Statements of the Entity, when aggregated with other recurrent transactions entered into with the same Related Party during the same Financial year; and; (iii) The transactions are not in the ordinary course of business and in the opinion of the Related Party Transactions Review Committee, are on terms favorable to the Related Party than those generally available to the public.	Not Applicable
2 In relation to Rules 9.14.6 (1) (A) (i) (b) and 9.14.6 (1)(B) (ii) above, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.	Not Applicable
3 If a transaction requires shareholder approval as set out in the Rules above, it must be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.	Not Applicable

Corporate Governance (*Contd.)*

Rule	Adherence
9.14.7 Disclosures	
(1) Immediate Disclosures	
A Listed Entity shall make an immediate Market Announcement to the Exchange (a) Any non-recurrent Related Party Transaction with a value exceeding 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements; or (b) Of the latest transaction, if the aggregate value of all non-recurrent Related Party Transactions entered into with the same Related Party during the same Financial year amounts to 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements. Subsequent non-recurrent transactions which exceed 5% of the Equity of the Entity, entered into with the same Related Party during the Financial year.	Not applicable There were no non-recurrent transactions.
9.14.8 Disclosures in the Annual Report	
1) In the case of Non-recurrent Related Party Transactions: if the aggregate value of the non-recurrent Related Party Transactions exceeds 10% of the Equity or 5% of the Total Assets of the Listed Entity	Not Applicable
2) In the case of Recurrent Related Party Transactions: if the aggregate value of the recurrent Related Party Transactions exceeds 10% of the gross revenue/income	Complied Refer Annual Report Note No 16 (f).
3) The Annual Report shall contain a report by the Related Party Transactions Review Committee	Complied
4) An affirmative declaration by the Board of Directors in the Annual Report that the Rules pertaining to Related Party Transactions have been complied	Complied
9.14.9 Acquisition and Disposal of Assets From/to Related Parties	Not Applicable
1) Shareholder approval is required by Special Resolution for the acquisition from or disposal of substantial assets to Related Companies. [Subject to exemptions as per Rule 9.14.9 (3)] 2) Substantial value of the asset or the value of the consideration relating to such asset exceeds 1/3 of the Total Assets. (3) Rule 9.14.9(1) does not apply to: a) Transactions between the Listed entity and a wholly owned subsidiary. b) Transaction between wholly owned subsidiaries of the Listed Entity. c) Takeover offer made by the Listed Entity in accordance with Takeovers and Mergers Code 1995 (as amended). d) Any transaction entered into by the Listed Entity with a bank as principal, on arm's length terms and in the ordinary course of it's banking business. (4) The Related Party Transactions Review Committee should obtain competent independent advice from independent professional experts with regard to the value of the substantial assets of the Related Party Transaction under the consideration. A person who is in the same group of the Listed Entity or the relevant Related Party shall not be eligible to give such advice. (5) Independent advice obtained should be circulated with the notice of meeting to obtain the shareholder approval (6) The competent independent advice required in terms of Rule 9.14.9 (4) shall include: a) Key assumptions, conditions or restrictions that impact the estimate value. b) The different valuation methodologies considered in valuing the subject asset/s and justification for adopting one or more of them in the valuation. c) Sources of information relied upon for the valuation. d) Identity of individuals participating in the valuation assignment and their qualifications. e) Confirmation of the independence of the parties participating in the advice. f) A statement as to whether the transaction is on usual commercial terms, in ordianary and usual course of business, fair and reasonable and in the interests of the Listed Entity and its shareholders.	

Corporate Governance (*Contd.)*

Rule	Adherence
9.14.10 Exempted Related Party Transactions	Complied
(a) Subject to Rule 9.14.8 (2), transactions with Related Parties which are recurrent, of revenue or trading nature and which is necessary for day-to-day operations of a Listed Entity or its subsidiaries and, in the opinion of the Related Party Transactions Review Committee, terms are not favorable to the Related Party than those generally available to the public. (b) The payment of dividend, issue of Securities by the Listed Entity by way of a capitalization of reserves, the exercise of Rights, options or warrants (subject to Rules contained in Section 5 and 7 of these Rules), sub-division of shares or consolidation of shares. (c) The grant of options, and the issue of Securities pursuant to the exercise of options, under an employee share option scheme/employees share purchase scheme (subject to Rule 5.6 of these Rules). (d) A transaction in marketable securities carried out in the open market where the counterparty's identity is unknown to the Listed Entity at the time of the transaction. (e) The provision or receipt of financial assistance or services, upon usual commercial terms and in the ordinary course of business, from a Company whose activities are regulated by any written law relating to licensed banks, Finance Companies or insurance Companies or are subject to supervision by the Central Bank of Sri Lanka or Insurance Board of Sri Lanka. (f) Directors' fees and remuneration, and employment remuneration	
9.15 PENALTIES FOR NON-COMPLIANCE WITH BOARD COMMITTEE COMPOSITION REQUIREMENTS	
A. When a Listed Entity fails to comply with Rules 9.11.4(1), 9.11.4(2), 9.12.6, 9.13.3(1), 9.13.3(4),9.13.3(6), or 9.14.2 of these Rules, the Exchange shall (i) - (vi) B. Where a Listed Entity has failed to comply with Rules 9.11.4(1), 9.11.4(2), 9.12.6, 9.13.3(1), 9.13.3(4), 9.13.3(6) or 9.14.2 and has not disclosed of such non-compliance to the Exchange or the market: - If non-compliance is rectified: (a) - (b) - If non-compliance is not rectified: (c) - (e)	Not Applicable
9.17 ADDITIONAL DISCLOSURES BY BOARD OF DIRECTORS	Complied Refer Annual Report of the Board of Directors and Corporate Governance Report
- Declared all material interests in contracts involving the entity and that they have refrained from voting on matters in which they were materially interested - Conducted a review of the internal controls covering Financial, operational and compliance controls and risk management and obtained reasonable assurance of their effectiveness and successful adherence, and, if unable to make any of these declarations an explanation on why it is unable to do so; - Made arrangement to make themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions; - Disclosure of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Entity has operations.	

Corporate Governance (*Contd.)*

Rule		Adherence
9.18	**ENFORCEMENT PROCEDURE FOR NON-COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS (a) -(i)**	
	a) Immediate Market Announcement on non compliance in the event of failure to comply with any of the requirements contained in Rules 9.3.1, 9.8.1, 9.8.2(a), 9.11.4(1), 9.11.4(2), 9.12.6, 9.13.3(1), 9.13.3(4), 9.13.3(6) or 9.14.2 about such non-compliance within one (1) Market Day from the date of the non-compliance. Announcement shall be repeated on the first (1st) Market Day of each calendar month until the Entity becomes compliant with these Rules. b) The non-compliance must be rectified within three (03) months from the date of non-compliance. c) If not rectified within three months, the Entity's Securities shall be transferred to the Watch List immediately upon the expiration of the said period. d) While the Securities are on the Watch List, Directors, CEO, their Close Family Members, parent Entity, and entities where they hold 50% or more voting rights, cannot transact in the Entity's Securities without prior SEC approval. This restriction continues for three (03) months after resignation or until compliance is restored—whichever is earlier. e) Upon being placed on the Watch List, the Entity must make a Market Announcement including: -The remedial action proposed within six (06) months. -The following statements: i) Any change in the plan will be announced within 1 Market Day after Board approval. ii) If the plan is not implemented within 6 months, trading will be suspended. iii) If suspension lasts more than 6 months, delisting will follow. f) At the first General Meeting following the transfer to the Watch List, shareholders must be informed of the non-compliance, remedial actions, and that continued failure will result in suspension and potential delisting. g) The outcome of the above General Meeting must be announced to the Market by the next Market Day, including any decisions made. h) The Entity must rectify non-compliance within six (06) months from the date of Watch List transfer. i) Failure to comply within six months will result in trading suspension. The Exchange will also announce the enforcement action and any penalties imposed. j) In addition to actions under 9.18(c) and 9.18(i), the Exchange shall impose penalties on the Listed Entity and/or its Directors as of the date of non-compliance. k) If suspension exceeds six (06) months, the Securities shall be delisted under Rule 11.3. l) The Exchange's decision to delist the Securities and any attached conditions shall be communicated to the SEC.	Not Applicable

Corporate Governance (*Contd.)*

DETAILS IN RESPECT OF DIRECTORS

The following table illustrates the total number of Board seats held by each Director of the Company.

Abbreviations:

C	-	Chairman	**NE**	-	Non-Executive Director	**JMD**	-	Joint Managing Director
DC	-	Deputy Chairman	**INE**	-	Independent Non-Executive Director	**CEO**	-	Chief Executive Officer
EC	-	Executive Chairman	**GMD**	-	Group Managing Director	**D**	-	Director
EX	-	Executive Director	**MD**	-	Managing Director	**Alt**	-	Alternate Director
SID	-	Senior Independent Director						

PUBLIC QUOTED COMPANIES	**Mr. S.D.R. Arudpragasam**		**Mr. S. Shanmugalingam**		**Mr. S. Rajaratnam**		**Mr.Amrit Rajaratnam**		**Mr. Anushman Rajaratnam**		**Mr. L.L.S. Wickremasinghe**		**Ms. M.G.S. Jayasundara**	
The Colombo Fort Land and Building PLC	✓	C/NE	–	–	✓	NE	✓	NE	✓	GMD/EX	–	–	–	–
Colombo Fort Investments PLC*	✓	C/NE	✓	NE	✓	NE	✓	NE	✓	NE	✓	INE	✓	INE
Colombo Investment Trust PLC*	✓	C/NE	✓	NE	✓	NE	✓	NE	✓	NE	–	–	–	–
C M Holdings PLC*	✓	C/NE	–	–	✓	NE	✓	NE	✓	NE	–	–	–	–
York Arcade Holdings PLC*	✓	C/NE	✓	NE	✓	NE	✓	NE	✓	NE	–	–	–	–
Lankem Ceylon PLC*	✓	C/NE	–	–	–	–	–	–	✓	EX	–	–	–	–
Lankem Developments PLC*	✓	C/NE	–	–	–	–	–	–	✓	NE	–	–	–	–
Kotagala Plantations PLC*	✓	C/NE	–	–	–	–	–	–	✓	NE	–	–	–	–
Agarapatana Plantations PLC*	✓	C/NE	–	–	–	–	–	–	✓	NE	–	–	–	–
E.B. Creasy & Company PLC*	✓	C/MD/EX	–	–	✓	JMD/EX	–	–	–	–	–	–	–	–
Muller & Phipps (Ceylon) PLC*	✓	C/NE	–	–	✓	NE	–	–	–	–	–	–	–	–
Laxapana PLC*	✓	C/NE	–	–	✓	NE	–	–	–	–	–	–	–	–
Beruwala Resorts PLC*	✓	C/NE	–	–	✓	NE	✓	NE	✓	NE	–	–	–	–
Marawila Resorts PLC*	✓	C/NE	–	–	✓	NE	✓	NE	✓	NE	–	–	–	–
Sigiriya Village Hotels PLC*	✓	C/NE	–	–	✓	NE	✓	NE	✓	NE	–	–	–	–
J.F.Packaging PLC (Consequent to the Initial Public Offering of the Company, the Company's name was changed from J.F. Packaging Limited to J.F. Packaging PLC effective from 09.01.2026)	✓	C /NE	–	–	–	–	–	–	✓	NE	–	–	–	–
C W Mackie PLC*	✓	C/NE	–	–	–	–	–	–	✓	NE	–	–	–	–
ACME Printing & Packaging PLC*	✓	NE	–	–	–	–	–	–	✓	NE	–	–	–	–
ACME Packaging Solutions (Private) Limited*	✓	D	–	–	–	–	–	–	✓	D	–	–	–	–
Alliance Five (Private) Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
American Lloyd Travels Limited*	✓	D	✓	D	✓	D	✓	D	✓	D	–	–	–	–
Associated Farms (Private) Limited*	✓	C	–	–	–	–	–	–	–	–	–	–	–	–
BOT Hotel Services (Private) Limited*	✓	C	–	–	✓	D	✓	D	_	_	–	–	–	–
C. F. Travels Limited	–	–	–	–	✓	D	✓	D	_	_	–	–	–	–
C. W. M. Hotels Holdings Limited	✓	D	–	–	–	–	–	–	✓	D	–	–	–	–
Candy Delights Limited*	✓	C/MD	–	–	✓	JMD	–	–	–	–	–	–	–	–
Capital Finance Limited*	–	–	–	–	✓	D	–	–	–	D	–	–	–	–

Corporate Governance (*Contd.)*

PUBLIC QUOTED COMPANIES	Mr. S.D.R. Arudpragasam		Mr. S. Shanmugalingam		Mr. S. Rajaratnam		Mr.Amrit Rajaratnam		Mr. Anushman Rajaratnam		Mr. L.L.S. Wickremasinghe		Ms. M.G.S. Jayasundara	
Capital Investments Limited*	✓	D	✓	D	–	–	–	–	–	–	–	–	–	–
Capital Leasing Company Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Century Equity Trust Limited	✓	D	–	–	–	–	–	–	–	–	–	–	–	–
Ceyflex Rubber Limited*	✓	C	–	–	✓	D	–	–	–	–	–	–	–	–
Ceylon Tapes (Private) Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Ceytape (Private) Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
City Investment Services (Private) Limited	–	–	✓	D	–	–	–	–	–	–	–	–	–	–
Colombo Fort Group Services (Private) Limited*	✓	D	–	–	–	D	–	–	✓	D	–	–	–	–
Colombo Fort Holdings Limited*	✓	D	–	–	✓	D	–	–	–	–	–	–	–	–
Colombo Fort Hotels Limited*	✓	C	–	–	✓	D	✓	D	✓	D	–	–	–	–
Colombo Fort Properties (Private) Limited*	–	–	✓	D	–	–	–	–	✓	D	–	–	–	–
Colombo Fort Travels Limited*	✓	D	–	–	✓	D	✓	D	–	–	–	–	–	–
Colombo Residencies (Private) Limited	✓	D	–	–	–	–	–	–	–	–	–	–	–	–
Colonial Motors (Ceylon) Limited*	✓	C/NE	–	–	✓	D	–	–	✓	D	–	–	–	–
Company Holdings (Private) Limited	✓	D	–	–	✓	D	–	–	–	–	–	–	–	–
Consolidated Commercial Investments (Private) Limited	–	–	–	–	✓	D	✓	D	✓	D	–	–	–	–
Consolidated Holdings (Private) Limited	✓	D	✓	D	–	–	–	–	✓	D	–	–	–	–
Consolidated Tea Plantaions Limited*	✓	D	–	–	–	–	–	–	✓	D	–	–	–	–
Consolidated Trust (Private) Limited	–	–	✓	D/Alt	–	–	–	–	–	D	–	–	–	–
Corporate Holdings (Private) Limited	–	–	✓	D	–	–	–	–	–	–	–	–	–	–
Corporate Strategic Services (Private) Limited	–	–	✓	D	–	–	–	–	–	–	–	–	–	–
Corporate Systems Limited*	✓	C	–	–	✓	D	–	–	–	–	–	–	–	–
Creasy Plantation Management Limited*	✓	D	–	–	–	–	–	–	–	–	–	–	–	–
Darley Butler & Company Limited*	✓	C/MD	–	–	✓	JMD	–	–	–	–	–	–	–	–
E B Creasy Ceylon (Private) Limited*	✓	C	–	–	✓	D	–	–	–	–	–	–	–	–
E. B. Creasy Logistics Limited*	✓	C	–	–	✓	D	–	–	–	–	–	–	–	–
E.B. Creasy Trading Limited*	✓	D	–	–	✓	D	–	–	–	–	–	–	–	–
E.B. Creasy Milk Foods Limited* (Striking Off in progress)	✓	C	–	–	✓	D	–	–	–	–	–	–	–	–
Equity Holdings (Pvt) Ltd	–	–	✓	Alt	–	–	–	–	–	–	–	–	–	–
Far Eastern Exports (Colombo) Limited*	✓	D	–	–	–	–	✓	D	✓	D	–	–	–	–
Financial Trust Limited	–	–	–	–	✓	D	✓	D	✓	D	–	–	–	–
Fortland Finance Limited	✓	C	–	–	✓	D	–	–	–	–	–	–	–	–
Galle Fort Hotel (Private) Limited*	✓	D	–	–	✓	D	✓	D	✓	D	–	–	–	–
Guardian Asset Management Limited*	✓	D	✓	D	✓	D	–	–	–	–	–	–	–	–
Guardian Trustees Ltd* (Striking Off in progress)	–	–	✓	D	–	–	–	–	–	–	–	–	–	–
Glenford Investments (Pvt) Ltd	–	–	✓	D/Alt	–	–	–	–	–	–	–	–	–	–
Great Eastern Resorts Ltd	–	–	–	–	✓	D	✓	D	✓	D	–	–	–	–
Group Three Associate (Private) Limited*	✓	C	–	–	✓	D	–	–	–	–	–	–	–	–
Horton Plains Resorts and Spa Limited	–	–	–	–	–	–	✓	D	✓	D	–	–	–	–
Imperial Hotels Limited*	✓	C	–	–	✓	D	✓	D	✓	D	–	–	–	–

Corporate Governance (*Contd.)*

PUBLIC QUOTED COMPANIES	Mr. S.D.R. Arudpragasam		Mr. S. Shanmugalingam		Mr. S. Rajaratnam		Mr.Amrit Rajaratnam		Mr. Anushman Rajaratnam		Mr. L.L.S. Wickremasinghe		Ms. M.G.S. Jayasundara	
JF Ventures Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Kiffs (Private) Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Lake Investments (Private) Limited	–	–	–	–	–	–	✓	D	–	–	–	–	–	–
Lanka Special Steel Limited*	✓	C	–	–	✓	D	–	–	–	–	–	–	–	–
Lankem Agrochemicals Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Lankem Cargo Storage Limited*	✓	D	–	–	–	–	–	–	✓	D	–	–	–	–
Lankem Chemicals Limited* (Striking Off in progress)	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Lankem Consumer Products Limited* (Striking Off in progress)	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Lankem Exports (Private) Limited*	✓	C	–	–	–	–	–	–	–	–	–	–	–	–
Lankem Minerals Limited*	✓	D	–	–	–	–	–	–	✓	D	–	–	–	–
Lankem Paints Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Lankem Plantation Services Limited*	✓	D	–	–	–	–	–	–	–	–	–	–	–	–
Lankem Research Limited* (Striking Off in progress)	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Lankem Tea & Rubber Plantations (Private) Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Lankem Technology Services Limited* (Striking Off in progress)	✓	C	–	–	–	–	–	–	–	–	–	–	–	–
Maitland & Knox (Private) Limited	✓	D	–	–	✓	D	✓	D	✓	D	–	–	–	–
Mayfield Investments (Private) Limited	–	–	–	–	–	–	–	–	✓	D	–	–	–	–
Motor Mart Ceylon (Private) Limited* (Striking Off in progress)	✓	D	–	–	✓	D	–	–	✓	D	–	–	–	–
Muller & Phipps (Health Care) Limited*	✓	C	✓	D	✓	D	–	–	–	–	–	–	–	–
Nature's Link Limited*	✓	C	–	–	–	–	–	–	–	–	–	–	–	–
Nutriklim (Ceylon) Limited	✓	D	–	–	✓	D	–	–	–	–	–	–	–	–
Oakley Investments (Private) Limited	✓	D	–	–	✓	D	✓	D	✓	D	–	–	–	–
Property and Investment Holdings (Private) Limited	✓	D	–	–	✓	D	✓	D	✓	D	–	–	–	–
Rubber & Allied Products (Colombo) Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Sherwood Holidays Limited*	✓	C	–	–	✓	D	✓	D	–	–	–	–	–	–
Sigiriya Resorts Limited*	–	–	–	–	✓	D	✓	D	✓	D	–	–	–	–
Sterling Steels (Private) Limited*	✓	C	–	–	✓	D	–	–	–	–	–	–	–	–
Sunagro Farms Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Sunagro Lifescience Limited*	✓	C	–	–	–	–	–	–	✓	D	–	–	–	–
Sunrise Resorts Limited	–	–	–	–	✓	D	✓	D	✓	D	–	–	–	–
Teacom (Private) Limited*	✓	C	–	–	–	–	✓	D	✓	D	–	–	–	–
Transways (Private) Limited*	–	–	–	D	✓	D	✓	D	✓	D	–	–	–	–
Tropical Beach Resorts Limited	–	–	–	–	✓	D	✓	D	✓	D	–	–	–	–
Trust Holdings & Investments (Private) Limited	–	–	–	D/Alt	–	–	–				–	–	–	–
Udaveriya Plantations Limited	✓	D	–	–	–	–	–	–	✓	D	–	–	–	–
Unicom Clearing and Forwarding (Private) Limited*	✓	C	–	–	–	–	✓	D	✓	D	–	–	–	–
Union Commodities (Private) Limited*	✓	C	–	–	–	–	✓	D	✓	MD	–	–	–	–
Union Commodities Exports (Private) Limited*	✓	C	–	–	–	–	✓	D	✓	D	–	–	–	–
Union Commodities Teas (Private) Limited*	✓	C	–	–	–	–	✓	D	✓	D	–	–	–	–
Union Group (Private) Limited*	✓	D	–	–	–	–	–	–	✓	D	–	–	–	–

Corporate Governance (*Contd.)*

PUBLIC QUOTED COMPANIES	Mr. S.D.R. Arudpragasam		Mr. S. Shanmugalingam		Mr. S. Rajaratnam		Mr.Amrit Rajaratnam		Mr. Anushman Rajaratnam		Mr. L.L.S. Wickremasinghe		Ms. M.G.S. Jayasundara	
Union Investments (Private) Limited*	✓	D	✓	D	✓	D	–	–	✓	D	–	–	–	–
Union Travels Limited*	–	–	✓	D	–	–	–	–	–	–	–	–	–	–
Vanya Safaris (Private) Limited	–	–	–	–	–	–	✓	D	–	–	–	–	–	–
Villa Investments (Private) Limited	–	–	–	–	✓	D	–	–	–	–	–	–	–	–
Voyages Ceylan (Private) Limited*	–	–	–	–	✓	D	✓	D	✓	D	–	–	–	–
Waverly Power (Private) Limited*	✓	C			✓	D	✓	D	✓	D	–	–	–	–
Weligama Hills Limited	✓	D	–	–	–	–	–	–	✓	D	–	–	–	–
York Conventions (Private) Limited*	–	–	–	–	✓	D	✓	D	✓	D	–	–	–	–
York Hotel Management Services Limited*	✓	C	✓	D	✓	D	✓	MD	✓	D	–	–	–	–
York Tours Limited*	–	–	–	–	✓	D	✓	D	✓	D	–	–	–	–
Harischandra Mills PLC	–	–	–	–	–	–	–	–	–	–	✓	INE	–	–
Maskeliya Plantations PLC	–	–	–	–	–	–	–	–	–	–	✓	INE	–	–
Commercial Credit & Finance PLC	–	–	–	–	–	–	–	–	–	–	✓	SID	–	–
Kelani Valley Canneries Ltd	–	–	–	–	–	–	–	–	✓	D	–	–	–	–
Sunquick Lanka (Pvt) Ltd	–	–	–	–	–	–	–	–	✓	D	–	–	–	–
Sunquick Lanka Properties (Pvt) Ltd	–	–	–	–	–	–	–	–	✓	D	–	–	–	–
Lanka Agro Plantations Limited	–	–	–	–	–	–	✓	D	✓	D	–	–	–	–
Cambodian Rubber Plantation Industries PTE Ltd	–	–	–	–	–	–	✓	D	✓	D	–	–	–	–
Consolidated Rubber Plantations PTE Ltd	–	–	–	–	–	–	✓	D	✓	D	–	–	–	–

The Companies marked * are Subsidiaries or Associates of The Colombo Fort Land & Building Group.

Mr. S.D.R. Arudpragasam was appointed as the Non-Executive Chairman of C.W.Mackie PLC with effect from 01.04.2026. Further, Mr. S.D.R. Arudpragasam was appointed as the Non-Executive Chairman of Colonial Motors (Ceylon) Limited with effect from 02.04.2026.

Mr. Amrit Rajaratnam resigned from the Board of Union Commodities (Pvt) Ltd with effect from 16th January 2026 and from the Boards of Union Commodities Exports (Private) Limited, Union Commodities Teas (Private) Limited, Unicom Clearing and Forwarding (Private) Limited and Teacom (Private) Limited with effect from 30th April 2026.

Mr. Anushman Rajaratnam was appointed to the Boards of Capital Finance Limited and Consolidated Trust (Private) Limited with effect from 31st March 2026 and 23rd March 2026 respectively. Further, Mr. Anushman Rajaratnam was appointed as the Managing Director of Union Commodities (Pvt) Ltd with effect from 16th May 2026.

Risk Management Report

Colombo Fort Investments PLC is exposed to a variety of risks in the course of its operations. Being an investment Company, our success depends on achieving an acceptable balance between the risks we take and the returns we earn. The Company's risk management framework has been developed to identify and manage risks in a systematic and professional manner. The Board of Directors of the Company is responsible for the management of risks.

The key risks faced by the Company are categorized into four; being market risk, portfolio risk, regulatory risk and operational risk.

Market Risk

Market risk is caused by changes in the macroeconomic environment which has an impact on the financial markets as a whole. Changes in borrowing costs, foreign exchange rates, inflation, and government policies are some of the causes of this form of risk. Market risk cannot be eliminated. It is an ever present factor in the management of equity Portfolios.

At Colombo Fort Investments PLC, market risks and the potential implications of those risks are factored into all asset allocation and investment decisions.

Portfolio Risk

Portfolio risk arises from the unique risks associated with each security that the Company invests. In our equity portfolio the value of shares we invest will fluctuate with the fortunes of the Company issuing those shares. We adopt a disciplined process of evaluating investments in order to ensure that our portfolio risk is within acceptable limits given our strategy of growth in value of our investments in a sustainable manner over the long term. As part of the process of monitoring the performance of our investments, the Board periodically reviews the Company's investments in related Companies as well.

Regulatory Risk

Regulatory risk refers to the risk taken if the Company does not comply with all legal and regulatory provisions applicable to it. Internal systems and processes are structured to ensure that the Company complies with all legal and regulatory provisions.

All investments are made and trades executed in compliance with the Companies Act No. 07 of 2007, CSE/SEC regulations, tax regulations and other applicable regulatory provisions.

Operational Risk

Operational risk is the risk of loss resulting from failed or inadequate internal processes, people and systems or from external events. Operational risk management is an integral part of the overall responsibility resting with the Board and they strive to maintain an appropriate internal control environment to commensurate with the nature of the operations within the framework of the Company's policies and procedures. The Board, in consultation with the Audit Committee, assesses the effectiveness of internal control systems and monitors the compliance with them on a regular basis. The observations of the above review process are used by the Board to improve those controls further and to update them in response to changing conditions associated with the business.

The Company also maintains its policies with regard to access, control, and protection of data and ability to cope with unexpected contingencies. Necessary safeguards are constantly introduced and upgraded to ensure the integrity of the information and the continuity of business operations. Preventive and proactive measures such as firewalls, virus guards and regular backup systems are amongst other steps kept in place.

The Company does not employ any staff as all services are provided by Corporate Managers & Secretaries (Pvt) Ltd. Thereby, the Company does not face material issues pertaining to employees and industrial relations.

Management Discussion and Analysis

Economic Review

The Sri Lankan economy continued its recovery trajectory during the year under review, supported by improved macro-economic stability, easing inflationary pressures, and a gradual normalization of financial conditions. The moderation in interest rates and improved liquidity conditions played a pivotal role in reviving credit demand, while the recovery in tourism and worker remittances strengthened external buffers and supported domestic consumption.

However, this recovery was not without challenges. The second half of the year was marked by heightened external vulnerabilities, primarily arising from geopolitical tensions in the Middle East. Given Sri Lanka's reliance on energy imports, the resulting increase in global oil prices exerted upward pressure on domestic cost structures and inflation expectations. This, coupled with weather-related disruptions and concerns over the sustainability of foreign exchange inflows, introduced a degree of uncertainty into the otherwise improving macroeconomic outlook.

Reflecting these dynamics, the Colombo Stock Exchange exhibited a two-phased performance. The initial part of the year was characterized by strong upward momentum, driven by declining interest rates, improved risk appetite, and increased retail participation. However, as external risks intensified, the market entered a more volatile phase, with profit-taking and selective participation dominating trading activity.

Portfolio Performance & Investment Strategy

The Company's investment strategy remained focused on long-term value creation, emphasizing fundamentally strong counters while maintaining strategic exposure to investments leveraging synergies and long-term growth potential.

During the year, portfolio performance largely mirrored broader market trends. The Company recorded notable mark-to-market gains during the stronger phases of the market, particularly in the third quarter. However, the latter part of the year saw a moderation in valuations, driven by increased volatility, external uncertainties, and sector-specific profit-taking. The relatively concentrated exposure to group counters, while aligned with long-term strategic objectives, resulted in amplified sensitivity to market movements, thereby influencing short-term portfolio performance.

Assets Under Management increased by 47% year-on-year to LKR 4.83 billion, reflecting both market-driven appreciation and active portfolio positioning. The Strategic Portfolio, accounting for 73% of total assets, grew by 29%, underpinned by core holdings in Commercial Bank, CIC Holdings, E.B. Creasy and The Colombo Fort Land & Building PLC. Notably, CFLB represents a significant concentration within the portfolio, contributing over 50%, highlighting both the strategic alignment and concentration risk inherent in the current structure.

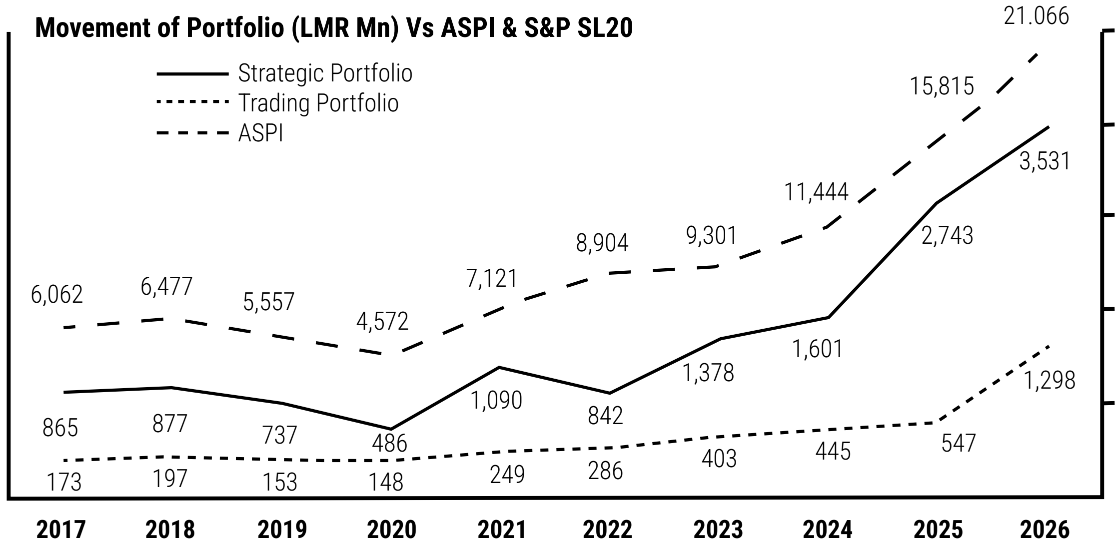
The Trading Portfolio expanded significantly by 138%, largely driven by the strong performance of Colombo Investment Trust PLC. This segment provided an important layer of tactical flexibility, allowing the Company to capitalize on short-term market opportunities and enhance overall returns.

The Company's investment discipline during the year was guided by:

- A continued focus on fundamentally strong counters with earnings visibility and balance sheet strength
- Active monitoring of concentrated exposures, particularly within group entities
- Opportunistic rebalancing to capture valuation gaps and market dislocations
- A medium to long-term investment horizon, with limited reliance on short-term market timing

Despite near-term volatility, the portfolio remains structurally aligned to benefit from a normalization in earnings and a gradual re-rating of equities as macroeconomic conditions stabilize.

Management Discussion and Analysis (*Contd.)*



Financial Performance & Shareholder Value

The underlying performance of key investments remained resilient during the year. Colombo Fort Investments PLC recorded a profit after tax of LKR 777.7 million, reflecting improved earnings momentum compared to the previous year.

Dividend income increased by 82% to LKR 82.3 million, indicating enhanced cash flow generation from portfolio companies and supporting the Company's income profile.

The Company's Net Asset Value (NAV) per share increased significantly by 43% to LKR 537.52, driven by portfolio appreciation. However, the prevailing market price of LKR 399.00 reflects a substantial discount to NAV. This gap highlights a potential valuation disconnect, which may be attributable to factors such as portfolio concentration, market liquidity constraints, and broader investor sentiment. From a long-term perspective, this discount presents a potential value realization opportunity, subject to improvements in market conditions and investor confidence.

Outlook

Looking ahead, the macroeconomic outlook remains cautiously optimistic, supported by continued policy consistency, improving liquidity conditions, and progress under the IMF-supported reform program. However, external developments particularly geopolitical risks and energy price volatility are expected to remain key determinants of market direction in the near term.

The equity market is likely to remain event-driven, with intermittent volatility driven by global and domestic developments. Nevertheless, the gradual recovery in credit growth, improving corporate earnings outlook, and increasing investor participation are expected to support a medium-term re-rating of equities.

In this context, the Company will continue to adopt a disciplined and selective investment approach, balancing strategic concentration with prudent risk management. While maintaining its core exposure to group entities, the Company will also seek to enhance diversification and capitalize on emerging opportunities.

Overall, the Company remains well-positioned to navigate short-term volatility while capturing long-term value creation opportunities, supported by an improving economic backdrop and strengthening market fundamentals.

Annual Report of the Board of Directors

The Board of Directors of Colombo Fort Investments PLC present their Report on the affairs of the Company together with the Audited Financial Statements for the year ended 31st March, 2026.

Principal Activities / Business Review
The principal activity of the Company is investing in the Stock Market and in other types of Securities.

The Chairman's Review, the Management Discussion Analysis together with the Financial Statements reflect the state of affairs of the Company.

The Directors, to the best of their knowledge and belief, confirm that the Company has not engaged in any activities that contravene laws, regulations and prudential requirements and that the Company has disclosed its non-compliances during the financial year which has been duly rectified other than the minimum public holding requirement.

Financial Statements
The Financial Statements of the Company are given on pages 36 to 60.

Auditors' Report
The Auditors' Report on the Financial Statements is given on pages 33 to 35.

Accounting Policies
The Accounting Policies adopted in the preparation of the Financial Statements are given on pages 40 to 44.

Interest Register

Directors' Interest in Transactions
The Directors have made general disclosures as provided for in Section 192(2) of the Companies Act No. 07 of 2007. These have been entered in the Interest Register which is maintained by the Company. Arising from this, details of contracts in which they have an interest are disclosed in Note 16 to the Financial Statements.

The Directors confirm that they have no direct or indirect interest in any other contract or proposed contract with the Company. During the financial year ended 31st March 2026, the Company has not entered into any contracts in which the Directors have had a material interest, nor have the Directors or their close family members have any material business relationships with other Directors.

Directors' Interest in Shares
Directors of the Company who have an interest in the shares of the Company are required to disclose their shareholdings and any acquisitions/disposals to the Board in compliance with Section 200 of the Companies Act No. 07 of 2007.

Details pertaining to Directors direct Shareholdings are set out below.

Name of Director	No. of Shares As at 31.03.2026	No. of Shares As at 31.03.2025
Mr.S.D.R.Arudpragasam	NIL	NIL
Mr.S.Shanmugalingam	*138	673
Mr.S.Rajaratnam	NIL	32,000
Mr. Amrit Rajaratnam	NIL	NIL
Mr. Anushman Rajaratnam	01	01
Mr. L. L. S. Wickremasinghe	NIL	NIL
Ms. M.G.S. Jayasundara	NIL	NIL

* (Aggregate of 53 fractional shares held in trust consequent to the Scrip Dividends.)

Directors' Fees
Directors' fees in respect of the Company for the financial year 2025/2026 is given in Note 05 to the Financial Statements on page 45.

Corporate Donations
No donations were made during the year.

Directorate
The names of the Directors who held office during the financial year are given below. Brief profiles of the Directors are given on page 02.

Mr.S.D.R.Arudpragasam	-	Chairman / Non-Executive
Mr.S.Shanmugalingam	-	Director / Non-Executive
Mr.S.Rajaratnam	-	Director / Non-Executive
Mr.Amrit Rajaratnam	-	Director / Non-Executive
Mr.Anushman Rajaratnam	-	Director / Non-Executive
Mr. L.L.S.Wickremasinghe	-	Director/Independent/Non-Executive
Ms. M.G.S. Jayasundara	-	Director/Independent/Non-Executive

In terms of Articles 85 and 86 of the Articles of Association, Mr. Anushman Rajaratnam retires by rotation and being eligible offers himself for re- election.

Mr. S. D. R. Arudpragasam who is over 70 years of age retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company, which is referred to in the Notice of Meeting.

Mr. S. Shanmugalingam, who is over 70 years of age, retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Corporate Governance
The Corporate Governance Principles adhered to by the Company are given on pages 03 to 20.

Auditors
The Financial Statements for the year have been audited by Messrs. MOORE Aiyar, Chartered Accountants, the retiring Auditors who have expressed their willingness to continue as Auditors of the Company and are recommended for reappointment. A resolution to reappoint them and to authorise the Directors to determine their remuneration will be proposed at the Annual General Meeting.

The amount payable to Messrs. MOORE Aiyar as audit fee and fees for audit related services by the Company was Rs. 388,500/- (2024/2025 - Rs. 370,000/-). In addition, they were paid Rs. 46,200/- (2024/25 - Rs. 42,000/-) by the Company for non-audit related work, which consisted mainly of fees for tax compliance services. Further, Rs. 10,000/- was paid to obtain the Solvency Certificate required under the Companies Act No. 07 of 2007.

As far as the Directors are aware the Auditors do not have any relationship (other than that of an Auditor) with the Company and do not have any interest in the Company.

Revenue
The revenue of the Company for the year was Rs. 110.2 Million (2024/2025 - Rs. 88.6 Million).

Results
The Company made a Net Profit before tax of Rs. 777.70 Million, as against a Net Profit of Rs. 159.94 Million in the previous year. The detailed results are given in the Statement of Profit or Loss and Other Comprehensive Income on page 36.

Annual Report of the Board of Directors (*Contd.)*

Dividends

The Company paid an Interim Dividend of Rs. 4.00 per share by way of a Scrip dividend for the year ended 31st March, 2026 to the registered shareholders of the Company as at the end of trading on 04th June, 2026 (Record Date/Date of Entitlement) in the proportion of 01 new ordinary share for every 103.0002210382 existing ordinary shares.

The Directors confirmed that the Company satisfied the Solvency test requirement under section 56 of the Companies Act No. 07 of 2007 and obtained a Solvency Certificate from the Auditors in respect of the above Scrip Dividend.

Taxation

In terms of the Inland Revenue Act No. 24 of 2017 and the subsequent amendments thereto the Company is liable to pay income tax at the rate of 30% on the profits. The Company does not have a liability towards income tax during the year. The detailed income tax computation is given in Note 07 to the Financial Statements on pages 45 and 46.

Investments

The Fair Value of Quoted Securities held as at 31st March, 2026 was Rs. 4.83 Billion (2024/25 - Rs. 3.29 Billion).

The detailed investment portfolio is given in Note 10 to the Financial Statements on pages 47 to 53.

Property, Plant and Equipment

The Company does not own any property, plant and equipment.

Stated Capital

As at 31st March 2026 the Stated Capital of the Company was Rs. 326,889,429.50 represented by 8,853,693 Ordinary shares.

Consequent to the Scrip Dividend, the Stated Capital of the Company as at 04th June, 2026 (Record Date) is Rs. 362,304,201.50 represented by 8,939,651 Ordinary Shares.

Reserves

The total reserves of the Company as at 31st March, 2026 amounted to Rs. 4,432.17 Million comprising General Reserves of Rs. 16.50 Million (2024/25 - Rs. 16.50 Million), Fair Value Reserve of Financial Assets at FVOCI of Rs. 3,037.60 Million (2024/25- Rs. 2,382.43 Million) and Retained Earnings of Rs. 1,378.07 Million (2024/25- Rs. 622.42 Million). The movements are shown in the Statement of Changes in Equity in the Financial Statements.

Related Party Transactions

During the financial year there were recurrent related party transactions which exceeded the disclosure threshold. These transactions are disclosed in Note 16 (f) to the Financial Statements. There were no non-recurrent related party transactions which exceeded the disclosure threshold. The Directors declare that the Company has complied with the requirements of Section 9.14 of Colombo Stock Exchange Listing Rules on Related Party Transactions.

The Related Party Transactions presented in the Financial Statements are disclosed in Note 16 on pages 55 and 56.

Capital Expenditure Commitments and Contingent Liabilities

Capital Expenditure Commitments and Contingent Liabilities as at the reporting date are disclosed in Notes 18 and 19 to the Financial Statements on page 57.

Events after the Reporting Period

No circumstances have arisen since the reporting date that would require adjustments to or disclosures in the Financial Statements as at 31st March, 2026 other than those disclosed in Note 21 to the Financial Statements on page 57.

Share Information

Information relating to earnings, dividends, net assets, market value per share and share trading is given on pages 62 and 63.

Employment Policy

The Company does not employ any staff. All operational services are provided by Corporate Managers & Secretaries (Private) Limited, to whom a fee is paid.

Shareholders

It is the Company's policy to endeavour to ensure equitable treatment to its shareholders.

Statutory Payments

The Directors to the best of their knowledge and belief, are satisfied that all statutory payments due to the Government have been paid or where relevant, provided for.

Internal Control

The Directors acknowledge their responsibility for the Company's system of internal controls. The system is designed to give assurance regarding the safeguarding of investments, the maintenance of proper accounting records and the reliability of financial information generated.

The Directors have reviewed the internal controls covering financial, operational and compliance controls and risk management and have obtained reasonable assurance of their effectiveness and successful adherence.

Going Concern

The Directors, after making necessary inquiries and reviews of the Company's future prospects and risks, cash flows and borrowing facilities, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the going concern basis has been adopted in the preparation of the Financial Statements.

For and on behalf of the Board

S.D.R.Arudpragasam	**S.Shanmugaligam**
Chairman	Director

By Order of the Board

Corporate Managers & Secretaries (Private) Limited
Secretaries

Colombo
18th June, 2026

Audit Committee Report

The Audit Committee assists the Board in fulfilling its overall responsibility to the shareholders in relation to the integrity of the Company's financial reporting process in accordance with the Companies Act and other legislative reporting requirements including the adequacy of disclosures in the financial statements in accordance with the Sri Lanka Accounting Standards. The Terms of References of the Audit Committee define the authority of the Committee and are periodically reviewed and revised with the concurrence of the Board.

Composition
The Audit Committee of Colombo Fort Investments PLC comprises of three Non- Executive Directors, of whom two are Independent.

The Committee is chaired by a Chartered Accountant.

Mr. L. L. S. Wickremasinghe	-	Chairman Independent Non-Executive Director
Ms. M. G. S. Jayasundara	-	Independent Non-Executive Director
Mr. S. Rajaratnam	-	Non-Executive Director

The members have varied experience, financial knowledge and business acumen to carry out their role effectively and efficiently. Two of the Committee members including the Chairman are finance professionals.

The Company's Secretaries, Corporate Managers & Secretaries (Private) Limited function as the Secretaries to the Audit Committee.

Meetings of the Committee
The Committee met on four occasions during the year under review and the attendance was as follows:

Name of the Director	15.05.2025	04.08.2025	03.11.2025	09.02.2026	
Mr. L.L.S. Wickremasinghe	1	1	1	1	4/4
Ms. M.G.S. Jayasundara	1	1	1	1	4/4
Mr. S. Rajaratnam	1	1	1	-	3/4

The meetings of the Audit Committee had been held in each quarter of the financial year.

Other members of the Board and representatives from Corporate Managers & Secretaries (Private) Limited attended these meetings on the invitation of the Audit Committee.

The activities and suggestions of the Committee have been communicated to the Board of Directors by tabling the minutes of the Committee meetings.

Terms of Reference
The powers and responsibilities of the Committee are governed by specific Terms of Reference of the Audit Committee.

The Committee focuses on the following objectives in discharging its responsibilities, taking into consideration the Terms of Reference together with the requirements of the Listing Rules of the Colombo Stock Exchange.

a) Risk Management
b) Efficiency of the system of internal controls
c) Independence and objectivity of the External Statutory Auditors.
d) Appropriateness of the principal accounting policies used.
e) Financial Statement integrity.

Role of the Audit Committee
The Audit Committee principally performs an advisory role to the Board and its main objective is to assist the Board of Directors by advising the management in ensuring that the Company follows best practices of sound financial reporting and adhering to the relevant accounting standards and principles, adequacy of internal controls and risk control measures, efficient management reporting system and adherence to other statutory requirements. In fulfilling this role, the Audit Committee is empowered to examine the financial records of the Company and other communications as necessary in order to ensure that the Company adheres to accepted norms of ethical guidelines, rules and regulations.

The Audit Committee recommends to the Board the appointment or re-appointment of external Auditors ensuring independence and maintains a close professional relationship with them. The Committee also recommends to the Board the fees payable to external Auditors.

Financial Reporting
The Committee, as part of its responsibility to oversee the Company's financial reporting process, has reviewed and discussed with the Management, the quarterly and annual Financial Statements prior to their release including the extent of compliance with the Companies Act No. 07 of 2007 and the adequacy of disclosures required by other applicable laws, rules and guidelines.

Audit Committee Report (*Contd.)*

The Committee has discussed the operations of the Company and its future prospects with Management and is satisfied that all relevant matters have been taken into consideration in the preparation of the Financial Statements and that the financial position of the Company is secure.

Risks and Controls
The Committee reviewed the Statements from the Managers confirming that adequate internal control measures are in place and implemented in the Company including but not limited to a statement of assurance from the Managers, Corporate Managers & Secretaries (Private) Ltd. on the Company's operations and finances. The Committee has suggested, where necessary, appropriate remedial measures.

The Committee recommended the appointment of Jayaweera & Company as Internal Auditors of the Company. The said Appointment would take effect from 1st April, 2025.

The Committee reviews and assesses the Company's risk management processes and request management to take corrective action to mitigate the effects of specific risks.

External Audit
The Committee undertook the annual evaluation of the independence and objectivity of the External Auditor and the effectiveness of the audit process.

The Committee is satisfied that the independence of the External Auditors has not been impaired by any event or service that gives rise to conflict of interest. Due consideration has been given to the level of audit and non-audit related fees received by the External Auditors' from the Company. A written confirmation has been obtained in this regard. The Audit partner of the external Auditors has been auditing the Company's accounts for the past 2 Years and has vast experience.

The Audit Committee has recommended to the Board of Directors the reappointment of the External Auditor Messrs. MOORE Aiyar, Chartered Accountants, for the financial year ending 31st March, 2027 subject to the approval by the shareholders at the forthcoming Annual General Meeting.

Regulatory Compliance
The Committee reviewed the procedures established by the Management of the Company for compliance with the requirements of regulatory bodies.

Conclusion
Based on the assurances and certifications provided by the Board of Directors, and the discussions with Management and the Auditors both at formal meetings and informally, the Committee is of the view that the control environment within the Company is satisfactory and provides reasonable assurance that the financial position of the Company is adequately monitored and safeguarded.

L.L.S. Wickremasinghe
Chairman
Audit Committee

Colombo
18th June, 2026

Related Party Transactions Review Committee Report

The Related Party Transactions Review Committee Report focuses on the related party transactions of the Company during the financial year, which the Committee has reviewed as to provide compliance with the regulations governing listed entities, through a process of independent views.

Composition
The Related Party Transactions Review Committee (RPTRC) of Colombo Fort Investments PLC comprises of the following members.

Mr. L.L.S. Wickremasinghe - Chairman Independent Non-Executive Director
Ms. M.G.S. Jayasundara - Independent Non-Executive Director
Mr. S. Rajaratnam - Non-Executive Director

The members have varied experience, financial knowledge and business acumen to carry out their role efficiently. All three members are finance professionals.

Brief profiles of the current members of the Committee are given on page 02 of the Annual Report.

The Company's Secretaries Corporate Managers & Secretaries (Private) Limited function as the Secretaries to the Related Party Transactions Review Committee.

Meetings of the Committee
The Related Party Transactions Review Committee met on four occasions during the financial year under review and the attendance was as follows;

Name of the Director	15.05.2025	04.08.2025	03.11.2025	09.02.2026	
Mr. L.L.S. Wickremasinghe	1	1	1	1	4/4
Ms. M.G.S. Jayasundara	1	1	1	1	4/4
Mr. S. Rajaratnam	1	1	1	1	4/4

The meetings of the Related Party Transactions Review Committee had been held in each quarter of the financial year.

The representatives of the Managers and Secretaries, Corporate Managers & Secretaries (Private) Limited attended these meetings on the invitation of the Committee. The activities and views of the Committee have been communicated to the Board of Directors by tabling the minutes of the Committee Meetings at Meetings of the Board.

Policies and Procedures
The Committee as part of its responsibility to review the related party transactions, has identified the persons considered as "Related Parties". Declarations are obtained from each Director of the Company to identify such "Related Parties". Managers are requested to inform and obtain the approval prior to transactions being entered into with such "Related Parties".

The Committee ensures that they have access to the terms and conditions of the proposed transactions and reviews all aspects and where necessary, would obtain professional and expert advice from an appropriately qualified person and request the Board of Directors to approve the proposed transaction, where necessary. The Committee would further ensure that adequate and appropriate disclosures are made to the stakeholders.

Conclusion
The Related Party Transactions Review Committee has reviewed the Related Party transactions entered into during the financial year under review and has communicated its comments and observations to the Board of Directors.

The Board of Directors declares that the Company has complied with the requirements of Section 9 of the Colombo Stock Exchange Listing Rules in relation to Related Party Transactions and the provisions of the Companies Act No. 07 of 2007. The Board of Directors has also declared in the Annual Report that there were no non-recurrent related party transactions which exceeded the respective thresholds mentioned in Section 9.14 of Colombo Stock Exchange Listing Rules. The Board further declares that recurrent related party transactions which have exceeded the respective threshold (if any) are disclosed in Note 16 (f) of the Financial Statements and the Company has complied with the requirements of Section 9.14 of the Colombo Stock Exchange Listing Rules on Related Party Transactions.

L.L.S. Wickremasinghe
Chairman
Related Party Transactions Review Committee

Colombo
18th June, 2026

Remuneration Committee Report

In compliance with Rule 9.3 of the Listing rules of the Colombo Stock Exchange the Remuneration Committee was constituted with effect from 15th May 2025 .

The main function of the Remuneration Committee is to assist the Board in developing and administering an equitable and transparent method for setting policy on the overall human resources strategy of the Company and the remuneration of Executive Directors, if any and senior management of the Company. There is a Board approved non-discriminatory remuneration policy for all Non-Executive Directors to ensure that their Independence is not impaired.

Composition
The Remuneration Committee comprises of the following members: -

Mr. L. L. S. Wickremasinghe	-	Chairman Independent Non-Executive Director
Ms. M. G. S. Jayasundara	-	Independent Non-Executive Director
Mr. S. D. R. Arudpragasam	-	Non-Executive Director

Brief Profiles of the Members are given on page 02 of the Annual Report.

The Company's Secretaries, Corporate Managers & Secretaries (Private) Limited functions as the Secretaries to the Remuneration Committee. All managerial and secretarial services are provided by Corporate Managers & Secretaries (Private) Limited to whom a fee is paid.

Meetings and Attendance
The Committee met on one occasion during the financial year at which all members were present.

Other members of the Board and the Director and senior management personnel of Corporate Managers & Secretaries (Private) Limited are invited to attend meetings as and when required. The proceedings of the Remuneration Committee are reported to the Board.

The details of the aggregate remuneration of the Non-Executive Directors and fees paid to Managers & Secretaries for the financial year ended 31st March, 2026 are given in Note 05 and Note 17 to the financial statements.

L. L. S. Wickremasinghe
Chairman
Remuneration Committee

Colombo
18th June, 2026

Nominations & Governance Committee Report

The Nominations & Governance Committee ensures that the governance framework of the Company aligns with the requirements of the Colombo Stock Exchange (CSE), and the Securities and Exchange Commission of Sri Lanka (SEC).

The Committee supports the Board in fulfilling its statutory and fiduciary responsibilities relating to corporate governance and selection/ appointment of new Directors and re-election and re-appointment of current Directors to ensure the highest levels of Corporate Governance is exercised in the Company and among members of the Board of Directors.

There is a formal and transparent procedure for the appointment of new Directors to the Board, and the re-election and reappointment of current Directors which is in accordance with the recommendations made by the Nominations & Governance Committee, in consultation with the Chairman and in compliance with the provisions of the Articles of Association of the Company, the Policies adopted by the Company and the Rules on Corporate Governance.

The composition and the scope of work of the Committee are in line with the Terms of Reference of the Committee which will be periodically reviewed and revised with the concurrence of the Board.

Composition
The Nominations & Governance Committee of the Company comprises the following members:

Mr. L.L.S. Wickremasinghe	-	Chairman - Independent Non-Executive
Ms. M.G.S. Jayasundara	-	Member - Independent-Non-Executive
Mr. S.D.R. Arudpragasam	-	Member - Non-Executive

Brief profiles of the Members are given on page 02 of the Annual Report.

Meeting Attendance
The number of meetings held by the Nominations & Governance Committee during the financial year were three and the individual attendance by members is shown below:

Mr. L.L.S.Wickremasinghe	-	2/3
Ms. M.G.S. Jayasundara	-	3/3
Mr. S.D.R. Arudpragasam	-	3/3

Other members of the Board and senior management from Corporate Managers & Secretaries (Private) Limited, Managers & Secretaries, are invited to attend meetings as and when required. The proceedings of the Nominations and Governance Committee are reported to the Board.

The Committee
The Committee oversees the corporate governance structure of the organization, providing an overview of the principles, policies, and practices of the Board of Directors. This framework enables the Company to meet the governance requirements of the Colombo Stock Exchange (CSE), and the Securities and Exchange Commission of Sri Lanka (SEC).

Furthermore, the Committee is responsible for reviewing and recommending improvements to the Company's governance policies and practices.

The Committee monitors the effectiveness of compliance with the relevant regulatory and legal requirements and makes recommendations to the Board on such matters and any corrective action to be taken, as the Committee may deem appropriate.

Whilst exercising the oversight with respect to the corporate governance by the Board of Directors, the Committee also considers and recommends succession arrangements from time to time for the retiring Directors, taking into account the additional/new expertise required. The Committee regularly reviewed the structure, size, composition including gender representation and competencies (including the skills, knowledge and experience) of the Board members and made recommendations to the Board with regard to any changes.

The fitness and propriety of the Directors were considered during the year as and when required to ensure compliance with the requirements of the Corporate Governance Rules of the CSE.

The Annual Performance evaluations of the Board were conducted, reviewed by the Committee and discussed at Board meeting.

The policies have been documented and recommendations have been made to the Board of Directors by the Committee when nominating Directors for re-election/reappointment at the forthcoming Annual General Meeting.

The Directors were briefed on the structure, processes and resources of the Company and the applicable corporate governance framework, Listing Rules, securities market regulations and other applicable laws and regulations. Further an annual update was given to existing Directors on Corporate Governance, Listing Rules, securities market regulation and other applicable laws and regulations. Any major issues relating to the Company are communicated to the Independent Directors and special meetings of the Board are held when the need arises to address such matters.

Mr. L.L.S. Wickremasinghe and Ms. M.G.S. Jayasundara,the independent Directors of the Listed Entity have submitted their declarations and the said Independent Directors meet and continue to meet the criteria for determining independence as set out in Listing Rule 9.8.3 of the Colombo Stock Exchange and were determined to be independent by the Board.

Nominations & Governance Committee Report (*Contd.)*

Re-Appointments/Re-Elections
In terms of the Articles of Association any Director appointed by the Board holds office until the next Annual General Meeting at which he seeks re-election by the Shareholders.

The Articles of Association require one of the Directors in office to retire at each Annual General Meeting. The Director to retire in each year is who has been longest in office since his/her last election or appointment. The retiring Director is eligible for re-election by the Shareholders.

Accordingly, respective members of the Committee whilst refraining from participating in recommending their own re-election or reappointment, in terms of the Articles of Association of the Company, recommended the re-election of Mr. Anushman Rajaratnam and to re-appoint Mr. S.D.R. Arudpragasam and Mr. S. Shanmugalingam in terms of Section 211 of the Companies Act No. 7 of 2007 who are over seventy years of age to the Board at the forthcoming Annual General Meeting to be held on 21st July, 2026, based on their performance and the contribution made to achieve the objectives of the Board.

In view of the pivotal leadership role played by Mr. S.D.R. Arudpragasam, Chairman, his management oversight skills, integrity, expertise, extensive experience and business acumen, the Committee has recommended to the shareholders to reappoint Mr. S.D.R. Arudpragasam who is over seventy years and who retires in terms of Section 210 of the Companies Act No. 7 of 2007.

The Committee has also recommended to the shareholders the re-appointment of Mr.S. Shanmugalingam who is over seventy years of age and who retires in terms of Section 210 of the Companies Act No. 7 of 2007 in view of the extensive experience .The Directors coming up for re-election or reappointment do not have any close family relationship with the Directors, the listed entity nor do they have any relationship with shareholders holding over 10% of shares, other than those disclosed hereunder.

Information pertaining to the Directors who are to be re-elected/reappointed at the AGM are as follows:

Board Member	Date first appointed as a Director	Date last reappointed / re-elected as a Director	Board Committees served on	Any relationships including close family relationships between the member and the directors of Colombo Fort Investments PLC (CFI), the Company or its shareholders holding more than ten per-centum (10%) of the shares of CFI
Mr. S. D. R. Arudpragasam - Chairman (Non-Executive)	12.08.2011	07.08.2025	Nominations & Governance Committee and Remuneration Committee (Appointed w.e.f. 15.05.2025)	Mr. S. D. R. Arudpragasam is a Director of Colombo Investment Trust PLC and The Colombo Fort Land & Building PLC which hold 35.32% and 10.76% respectively of equity in CFI as at 31.03.2026.
Mr.S. Shanmugalingam - Director (Non- Executive)	01.01.2004	07.08.2025	-	Mr.S. Shanmugalingam is a Director of Colombo Investment Trust PLC which holds 35.32% of equity in CFI as at 31.03.2026.
Mr. Anushman Rajaratnam - Director (Non- Executive)	09.06.2022	25.08.2022	-	Mr. Anushman Rajaratnam is a Director of Financial Trust Ltd., Colombo Investment Trust PLC and The Colombo Fort Land & Building PLC which hold 28.12%, 35.32% and 10.76% respectively of equity as at 31.03.2026.

The names, qualifications, principle commitments and other Directorships or Chairmanships of the aforesaid directors coming up for re-election or reappointment and of the rest of the Board members of Colombo Fort Investments PLC are given in their profiles on page 02 and under the caption "Details of Directors' other Directorships" appearing on pages 17 to 20.

The Corporate Governance requirements stipulated under the Listing Rules of the CSE have been met and where the Listed Entity failed to comply with any provisions of such Rules, a statement explaining the reason for such a non- compliance and the proposed remedial action taken for the rectification of such non-compliance has been made. The Company's compliance status with the Colombo Stock Exchange Listing Rules on Corporate Governance is disclosed on pages 06 to 16.

L.L.S. Wickremasinghe
Chairman
Nominations & Governance Committee

Colombo
18th June, 2026

Financial Statements

Independent Auditors' Report

MOORE Aiyar

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TO THE SHAREHOLDERS OF COLOMBO FORT INVESTMENTS PLC

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Valuation of Financial Assets classified as Fair Value through Other Comprehensive Income (FVOCI) and Fair Value through Profit or Loss (FVTPL).

The Investments of the Company as at 31st March 2026 comprise fair value through other comprehensive income financial assets of Rs.3,531,074,654/- (in 2025 Rs. 2,742,509,974/-) and fair value through profit or loss financial assets of Rs.1,302,999,471/- (2025 - 547,396,742/-) and, represent 73.01% and 26.95% of total assets respectively. As at the reporting date, the Company's portfolio is made with;

Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

	2026 Rs.'000	2025 Rs.'000
Financial Assets in Related Companies - Quoted	**2,872,755**	2,247,466
Financial Assets in Quoted Companies	**656,941**	493,665
Financial Assets in Related Companies - Unquoted	**1,379**	1,379

Financial Assets at Fair Value through Profit or Loss (FVTPL)

	2026 Rs.'000	2025 Rs.'000
Financial Assets in Related Companies - Quoted	**1,030,937**	355,140
Financial Assets in Quoted Companies	**266,777**	192,250
Financial Assets in Unquoted Companies	**7**	7
Unit Trust	**5,278**	-

Independent Auditors' Report (*Contd.)*

MOORE Aiyar

Risks;

Quoted Financial Assets - due to materiality in the context of the financial statements as a whole and market volatility, this is considered to be an area which had the greatest effect on the financial statements;

Unquoted Financial Assets - due to subjective nature of the valuation methodology and management assumptions used.

Our audit procedures included;

- Documenting and testing the design, implementation and operating effectiveness of the investment valuation process and key controls in place;
- Recomputed the disposal gains & losses relating to investments by referring to underlying documents;
- Quoted Investments - Checking the CDS confirmation to verify the existence, completeness and accuracy of number of shares invested in each Company;
- Agreeing the valuation of quoted investments in portfolio to externally quoted prices as at 31.03.2026.
- Checked the individual and sector wise fair value changes of equity instruments after the reporting period in order to identify whether there is a necessity for further impairment.
- Assessing the investment realisations in the period, comparing with actual sales proceeds to prior year valuations to understand the reasons for significant variances and determining whether they are indicative of bias or error in the Company's approach;
- Assessing the adequacy of disclosures in the financial statements and inherent degree of subjectivity and key assumptions in the estimates as required by the relevant accounting standards.
- We further evaluated the adequacy of the related disclosures in the notes 2.2.1, 10 and 24.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be 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 (SLFRSs/LKASs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Company.

Independent Auditors' Report (*Contd.)*

MOORE Aiyar

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the 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 2892.

Moore Aiyar

MOORE Aiyar
Chartered Accountants

Colombo
18th June, 2026

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31st March	Notes	2026 Rs. '000	2025 Rs. '000
Revenue	03	110,160	88,649
Cost of Investment Disposed		(20,431)	(40,473)
Net change in Fair Value through Profit or Loss Financial Assets	04	704,536	118,406
Administrative Expenses	05	(13,788)	(6,639)
Operating Profit		780,477	159,943
Finance Income		-	-
Finance Expense		(2,782)	-
Net Finance Income / (Expenses)	06	(2,782)	-
Profit before Tax		777,695	159,943
Income Tax Expense	07	-	(2,535)
Profit for the Year		777,695	157,408
Other Comprehensive Income			
Items that will not to be Reclassified to Profit or Loss			
Financial Assets at Fair Value through Other Comprehensive Income			
- Net change in Fair Value		659,480	1,122,424
- Transfer of Realised Gains on Disposal of Financial Assets at FVOCI		361	17,917
Total Other Comprehensive Income		659,841	1,140,341
Total Comprehensive Income		1,437,536	1,297,749
Earnings per Share	08	87.84	17.78
Dividend per Share	09.1	4.00	1.50
Dividend Proposed per Share	09.2	-	1.50

Figures in brackets indicate deductions.

The Notes to these Financial Statements from pages 40 to 60 form an integral part of these Financial Statements.

Statement of Financial Position

As at 31st March	Notes	2026 Rs. '000	2025 Rs. '000 Restated
ASSETS			
Non - Current Assets			
Financial Assets at Fair Value through Other Comprehensive Income	10.1	3,531,075	2,742,510
Total Non-Current Assets		3,531,075	2,742,510
Current Assets			
Financial Assets at Fair Value through Profit or Loss	10.2	1,302,999	547,397
Receivables		82	3
Prepayments		157	154
Cash and Cash Equivalents	11	1,985	47,489
Total Current Assets		1,305,223	595,043
Total Assets		4,836,298	3,337,553
EQUITY AND LIABILITIES			
Equity			
Stated Capital	12	326,889	313,709
General Reserve	13	16,500	16,500
Fair Value Reserve of Financial Assets at FVOCI	13	3,037,600	2,382,435
Retained Earnings		1,378,070	622,417
Total Equity		4,759,059	3,335,061
Non - Current Liabilities		-	-
Total Non - Current Liabilities		-	-
Current Liabilities			
Trade and Other Payables	14	77,145	1,994
Dividends Payable		94	-
Income Tax Liability		-	498
Total Current Liabilities		77,239	2,492
Total Equity & Liabilities		4,836,298	3,337,553
Net Asset Per Share	15	537.52	376.69

Figures in brackets indicate deductions.
The Accounting Policies and Notes on pages 40 to 60 form an integral part of these Financial Statements.

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

B. D. S. Ravi
Directress
Corporate Managers & Secretaries (Private) Limited

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 by:

S.D.R. Arudpragasam
Chairman

S. Shanmugalingam
Director

Colombo
18th June, 2026

Statement of Changes in Equity

For the year ended 31st March, 2026	**Stated Capital**	**General Reserve**	**Fair Value Reserve of Financial Assets at FVOCI**	**Retained Earnings**	**Total Equity**
	Rs.'000	Rs.'000	Rs.'000 Restated	Rs.'000 Restated	Rs.'000
Balance as at 01st April, 2024	313,709	16,500	1,277,928	447,092	2,055,229
Profit for the year	-	-	-	157,408	157,408
Other Comprehensive Income	-	-	1,122,424	-	1,122,424
Transfer of Realised Gains on Disposal of Financial Assets at FVOCI	-	-	(17,917)	17,917	-
	313,709	16,500	2,382,435	622,417	3,335,061
Transactions with owners of the Company recognised directly in equity	-	-	-	-	-
Balance as at 31st March, 2025	**313,709**	**16,500**	**2,382,435**	**622,417**	**3,335,061**
Profit for the year	-	**-**	**-**	**777,695**	**777,695**
Other Comprehensive Income	-	**-**	**655,526**	**-**	**655,526**
Profit on disposal of FVOCI	**-**	**-**	**-**	**3,954**	**3,954**
Transfer of Realised Gains on Disposal of Financial Assets at FVOCI	**-**	**-**	**(361)**	**361**	**-**
	313,709	**16,500**	**3,037,600**	**1,404,427**	**4,772,236**
Transactions with owners of the Company recognised directly in equity					
Cash Dividend - Interim for the year ended 31st March 2025	**-**	**-**	**-**	**(13,181)**	**(13,181)**
Scrip Dividend - Final for the year ended 31st March 2025	**13,180**	**-**	**-**	**(13,180)**	**-**
Unclaimed Fractional Entitlement Written back	**-**	**-**	**-**	**4**	**4**
Balance as at 31st March, 2026	**326,889**	**16,500**	**3,037,600**	**1,378,070**	**4,759,059**

Refer Note No. 12 on page 53 for Stated Capital and Note No. 13 on page 54 for Fair Value Reserve of Financial Assets at FVOCI and General Reserve.

Refer Note No. 20 on page 57 for Restatement of Comparative Figures.

Figures in brackets indicate deductions.

The Notes to these Financial Statements from pages 40 to 60 form an integral part of these Financial Statements.

Statement of Cash Flows

For the year ended 31st March	Notes	2026 Rs. '000	2025 Rs. '000
Cash Flow from Operating Activities			
Profit before Interest and Tax		**780,477**	159,943
Adjustments for;			
Fair Value Changes on Financial Assets	**04**	**(704,536)**	(118,406)
(Profit)/ Loss on Disposal of Financial Assets		**(7,391)**	(2,960)
Unclaimed Fractional Entitlement Written back		**4**	-
Dividend received as Scrip Dividend		**(6,218)**	(2,447)
Profit before Working Capital Changes		**62,336**	36,130
Changes in Working Capital			
(Increase) / Decrease in Receivables		**(79)**	6,836
(Increase) / Decrease in Prepayments		**(2)**	(7)
Increase / (Decrease) in Trade and Other Payables	**14**	**75,150**	1,518
(Increase) / Decrease in Financial Assets at FVTPL	**10.2**	**(40,364)**	19,413
Cash generated from / (used in) Operating Activities		**97,041**	63,890
Tax paid		**(498)**	(2,355)
Interest Paid		**(2,782)**	-
Net Cash Flows from / (used in) Operating Activities		**93,761**	61,535
Cash Flow from Investing Activities			
Acquisition of Financial Assets at FVOCI		**(130,575)**	(35,255)
Proceeds from Disposal of Financial Assets at FVOCI		**4,396**	18,000
Net Cash Flows from / (used in) Investing Activities		**(126,179)**	(17,255)
Cash Flow from Financing Activities			
Dividend paid		**(13,086)**	-
Net Cash Flows from / (used in) Financing Activities		**(13,086)**	-
Net Increase / (Decrease) in Cash & Cash Equivalents		**(45,504)**	44,280
Cash and Cash Equivalents at the beginning of the year		**47,489**	3,209
Cash and Cash Equivalents at the end of the year [Note A]		**1,985**	47,489
Note A: Cash and Cash Equivalents at the end of the year			
Cash at bank	**11**	**1,985**	47,489
		1,985	47,489

Figures in brackets indicate deductions.

The Notes to these Financial Statements from pages 40 to 60 form an integral part of these Financial Statements.

Notes to the Financial Statements

1 Corporate Information

1.1 General

Colombo Fort Investments PLC is listed on the Colombo Stock Exchange with Limited Liability incorporated and domiciled in Sri Lanka. The registered office of the Company and the principal place of business is located at No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1.

1.2 Principal Activities and Nature of Operations

The principal activity of the Company, which is investing in securities, remained unchanged during the year.

1.3 Number of Employees

The Company did not employ any staff. All staff related services are provided by Corporate Managers & Secretaries (Private) Limited.

1.4 Approval of Financial Statements by the Board of Directors

The Financial Statements for the year ended 31st March, 2026 were authorised for issue by the Board of Directors in accordance with the resolution passed at the meeting held on 18th June, 2026.

1.5 Responsibility for Financial Statements

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

2 Basis of Preparation and Other Material Accounting Policies

2.1 Statement of Compliance

The Financial Statements of the Company have been prepared and presented in accordance with the Sri Lanka Accounting Standards (SLFRSs and LKASs) laid down by The Institute of Chartered Accountants of Sri Lanka and in compliance with the requirements of the Companies Act No. 07 of 2007 and provide appropriate disclosures as required by the Listing Rules of the CSE.

These Financial Statements include the following components:

- The Statement of Profit or Loss and Other Comprehensive Income providing the information on the financial performance of the Company for the year under review;
- The Statement of Financial Position providing the information on the financial position of the Company as at the year-end;
- The Statement of Changes in Equity depicting all changes in shareholder's equity of the Company during the year under review.
- The Statement of Cash Flows providing the information to the users, on the ability to generate cash and cash equivalents of the Company during the year under review; and
- Notes to the Financial Statements comprising Accounting Policies and other explanatory information.

2.1.1 Basis of Measurement

The Financial Statements have been prepared on the historical cost basis, except for the measurement of financial assets classified as;

- Fair value through other comprehensive income (FVOCI) Equity Instruments and fair value through profit or loss (FVTPL) - Equity Instruments in the statement of financial position which are measured at fair value.

2.1.2 Functional and Presentation Currency

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

All values are rounded to the nearest rupees thousand (Rs.'000) except when otherwise indicated.

2.1.3 Use of Estimates, Judgements and Assumptions

The presentation of the Financial Statements in conformity with SLFRS/ LKAS requires management to make judgements, estimates and assumptions that affect the application of Accounting Policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates and judgemental decisions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.1.4 Use of Materiality and Offsetting

Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial as permitted by the Sri Lanka Accounting Standard LKAS 1 on 'presentation of financial Statements'.

Notes to the Financial Statements are presented in a systematic manner which ensure the understand-ability and comparability of Financial Statements of the Company. Understandability of the Financial Statements is not compromised by observing material information or by aggregating material items that have different nature of functions.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities 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.

Notes to the Financial Statements (*Contd.)*

2.1.5 Comparative information

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

2.1.6 Material Accounting Policies

Summary of material accounting policies has 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 Company.

Other material accounting policies not disclosed with individual notes

Following accounting policies, which have been applied consistently by the Company, are considered to be material but not covered in any other sections.

2.1.7 Current Versus Non-Current Classification

The Company 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 realised or intended to be sold or consumed in the normal operating cycle and held primarily for the purpose of trading or expected to be realised within twelve months after the reporting period or is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non- current.

A liability is current 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 period.

All other liabilities are classified as non-current liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.1.8 Foreign currency translation, foreign currency transactions and balances

The financial statements are presented in Sri Lanka Rupees (Rs), which is the Company's functional and presentation currency. The functional currency is the currency of the primary economic environment in which the company operates.

All foreign exchange transactions are converted to functional currency, at the rates of exchange prevailing at the time the transactions are effected. There were no foreign currency transactions during the reporting period.

2.1.9 Going Concern

The Management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the Financial Statements of the Company continue to be prepared on a going concern basis.

In determining the above, significant management assessment, estimates and assumptions, the impact of the macroeconomic uncertainties and interest rate volatility have been considered as of the reporting date and specific considerations have been disclosed under the notes, as relevant.

2.2.1. Financial Instruments

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

2.2.1.1 Financial Assets

a) Initial Recognition and Measurement

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

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

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

Receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

b) Subsequent Measurement

Financial assets are not reclassified subsequent to their initial recognition unless the Company 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.

Financial Assets at Amortised Cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

Notes to the Financial Statements (*Contd.)*

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

The Company's financial assets at amortised cost include cash & cash equivalent and other receivables.

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI.

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, and interest income which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses).

Interest income from these financial assets is included in finance income using the effective interest rate method.

This category only includes the equity instruments, which the Company intends to hold for the foreseeable future.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised in the statement of profit or loss when the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category include investments in related, quoted and unquoted companies. Dividend on equity investments are also recognised as income in the statement of profit or loss when the right of payment has been established.

c) De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

d) Impairment of Financial Assets

SLFRS 09 establishes a new model for impairment which is a forward looking expected credit loss model.

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition.

The Company considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. If outstanding contractual amounts remains for more than three months, management will take necessary actions to recover the balances through negotiations. Based on the likelihood of recoverability, Company considers a financial asset to be in default.

A financial Asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Notes to the Financial Statements (*Contd.)*

2.2.2.2. Financial Liabilities

a) Initial Recognition and Measurement

Financial liabilities within the scope of SLFRS 9 remains broadly the same as LKAS 39 and are classified as financial liabilities at fair value through profit or loss, or at amortised cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Company's financial liabilities include other payables.

b) Subsequent Measurement of Financial Liabilities

The measurement of financial liabilities depends on their classification, as described below.

Financial liabilities at fair value through profit or loss

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

Gains or losses on liabilities held for trading are recognised in the Income statement.

Loans and Borrowings

This is the category most relevant to the Company. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

c) Derecognition

A Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. 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 as treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.2.3 Stated Capital

As per the Companies Act No. 07 of 2007, Section 58(1), Stated Capital in relation to a Company means the total of all amounts received by the Company or due and payable to the Company in respect of the issue of shares and in respect of calls in arrears.

2.2.4 Property, Plant & Equipment

Company did not own any Property, Plant & Equipment during the year.

2.2.5 Provisions

A provision is recognised in the Statement of Financial Position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the provision can be measured reliably in accordance with LKAS 37 - 'Provisions, Contingent Liabilities and Contingent Assets'. The amount recognised is the best estimate of the consideration required to settle the present obligation at the Reporting date, taking into account the risks and uncertainties surrounding the obligation at the date. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is determined based on the present value of those cash flows.

2.2.6 Commitments and Contingencies

Capital commitments and contingent liabilities of the Company are disclosed in respective notes to the Financial Statements.

2.2.7 Employee Benefits

2.2.7.1 Defined Benefit Plan-Retirement

Gratuity

Provision has not been made for gratuity in the accounts as per LKAS 19 - 'Employee Benefits', since the Company did not employ any staff. All staff related services are provided by Corporate Managers & Secretaries (Private) Limited.

2.2.7.2 Defined Contribution Plans- Employees' Provident Fund and Employees' Trust Fund

Contribution for Employees' Provident Fund and Employees' Trust Fund have not been made since the Company does not employ any staff.

2.2.8 Statement of Profit or Loss and Other Comprehensive Income

2.2.8.1 Revenue Recognition

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

Revenue represents dividend income, interest income and Proceeds from sale of shares.

Notes to the Financial Statements (*Contd.)*

The following specific criteria are used for the purpose of recognition of revenue.

a) Dividend Income

Dividend Income is recognised when the Shareholders right to receive such dividend is established.

b) Proceeds from Sale of Shares

Proceeds from sale of shares are recognized on an accrual basis.

2.2.8.2 Expenditure Recognition

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

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

Net Finance Costs

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in the Statement of Profit or Loss, using the effective interest method.

Finance costs comprises of interest expense on borrowings. Interest expenses are recognised using the effective interest method.

Income Tax Expense

Income tax expense comprises of tax for the current period. Income tax expense is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current Tax

The provision for taxation is based on the elements of Income & Expenditure as reported in the Financial Statements & computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and Inland Revenue (Amendment) Act, No. 10 of 2021, Inland revenue (Amendment) Act, No. 45 of 2022 and Inland Revenue (Amendment) Act, No. 04 of 2023.

Deferred Tax

Deferred tax is not applicable since the Company does not have temporary differences.

2.3 Segmental Reporting

A segment is a distinguishable component of the Company that is engaged in providing related products or services which is subject to different risks and rewards. However, there are no distinguishable components to be identified as segments of the Company (geographical segments) which is subject to different risks and rewards.

2.4 Statement of Cash Flows

The Statement of Cash Flows has been prepared using the "Indirect method".

2.5 Earnings per Share

The Company presents basic earnings per share (EPS) 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.

2.6 Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved by the Company's shareholders.

2.7 Transactions with Related Parties

Disclosures have been made in respect of the transactions between parties who are defined as related parties as per Sri Lanka Accounting Standard (LKAS) 24 - "Related Party Disclosures".

Related Party Receivables are treated as Current Assets as they are deemed to be of a temporary nature.

2.8 New Standards Issued But Not Yet Effective

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

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

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

Notes to the Financial Statements (*Contd.*)

For the year ended 31st March		2026 Rs.'000	2025 Rs. '000
03	**Revenue**		
	Dividend Income	**82,338**	45,216
	Proceeds from Disposal of Investments	**27,822**	43,433
		110,160	88,649
04	**Net Change in Fair Value through Profit or Loss Financial Assets**		
	Profit / (Loss) on Financial Assets at Fair Value through Profit or Loss	**704,536**	118,406
		704,536	118,406
05	**Administrative Expenses**		
	Include the following:		
	Auditors' Fees	**389**	370
	Directors' Fees	**7,447**	1,840
	Secretarial Fees	**581**	581
06	**Net Finance Income / (Expenses)**		
	Finance Income		
	Interest on Related Party Loan	**-**	-
	Finance Expense		
	Interest on Margin Trading	**(2,782)**	-
		(2,782)	-
07	**Income Tax Expense**		
	Current Income Tax		
	Tax Expense on Ordinary Activities for the Year (07.1)	**-**	2,535
		-	2,535
07.1	**Reconciliation of Accounting Profit and Taxable Income for the Year**		
	Accounting Profit before Tax	**777,695**	159,943
	Aggregate Disallowed Expenses	**37,001**	4,690
	Aggregate Allowable Expenses	**(814,696)**	(166,582)
	Gain on Disposal of Unquoted Shares	**-**	10,399
	Assessable Income/ (Expenses) from Business	**-**	8,450
	Assessable Income from Investment	**-**	-
	Total Taxable Income	**-**	-

	Statutory Tax Rate	2026 Rs.'000	2025 Rs. '000
Income Tax expense for the year is made up			
Dividend Income		**-**	-
Business Income	30%	**-**	2,535
Interest Income	30%	**-**	-
		-	2,535

Notes to the Financial Statements (*Contd.)*

In accordance with the provision of the Inland Revenue (Amendment) Act, No. 45 of 2022, as per para 4 (a) (ii) (c) of the first schedule, the Business Income is liable to income tax at 30% w.e.f from 01st October 2022.

As per the Inland Revenue (Amendment) Act, No. 45 of 2022, amendment of Third Schedule item (35) (4) (ooo) (ii) on or after 1st October 2022 a dividend paid by a resident company to a member to the extent that such dividend or another resident company which is subject to Advance Income Tax, payment is attributable to, or derived from, another dividend received by that resident company is exempt from income tax.

In accordance with the Inland Revenue (Amendment) Act, No. 45 of 2022, item (19) (aa) on or after 1st January 2023, dividends paid by a resident company shall be subject to a final withholding payment of 15% which is considered as a final tax.

In terms of item (h) of third schedule of the Inland Revenue Act ,No. 24 of 2017, gains made on the realisation of an asset consisting of shares quoted in any official list published by any stock exchange licensed by the Securities and Exchange Commission of Sri Lanka are exempt from income tax.

08 Earnings Per Share

Basic Earnings per Share is calculated by dividing the Net Profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

For the year ended 31st March	2026	2025
Amounts used as the Numerator		
Profit for the Year (Rs. '000)	**777,695**	157,408
Number of Ordinary Shares used as Denominator		
Weighted Average Number of Ordinary Shares (No.'000) (08.1)	**8,854**	8,854
Basic Earnings Per Share (Rs.)	**87.84**	17.78

Restatement of Comparative Earnings Per Share

Subsequent to the reporting period, the Company issued a scrip dividend which resulted in an increase in the number of ordinary shares in issue without a corresponding change in resources. In accordance with LKAS 33 – Earnings per Share, the weighted average number of ordinary shares used in the calculation of basic earnings per share has been adjusted retrospectively for all comparative periods presented.

Accordingly, the comparative basic earnings per share for the year ended 31 March, 2025 has been restated as follows:

	Previously Reported	Restated
Weighted Average Number of Ordinary Shares (‘000)	8,787	8,854
Basic Earnings per share (Rs.)	17.91	17.78

08.1 Weighted Average Number of Ordinary Shares for Basic Earnings Per Share

For the year ended 31st March	Outstanding No. of Shares 2026 ’000	2025 ‘000
Number of shares in issue as at 1st April	**8,787**	8,787
Number of shares issued due to scrip dividend on		
- 12th August, 2025	**67**	67
Number of shares in issue as at 31st March	**8,854**	8,854

There was no dilution of shares outstanding. Therefore, diluted earnings per share is the same as basic earnings per share.

Notes to the Financial Statements (*Contd.)*

For the year ended 31st March	2026	2025

09 Dividends

09.1 Dividend per Share

	2026	2025
Interim Dividend (Rs. '000)	**35,415**	13,181
No. of Ordinary Shares entitled for Dividend (No' 000)	**8,854**	8,787
Dividend per Share (Rs.)	**4.00**	1.50

09.2 Dividend Proposed per Share

	2026	2025
Final Proposed Dividend (Rs. '000)	**-**	13,180
No. of Ordinary Shares entitled for Dividend (No' 000)	**-**	8,787
Dividend Proposed per Share (Rs.)	**-**	1.50

As at 31st March	2026 Rs.'000	2025 Rs. '000

10 Financial Assets

10.1 Financial Assets at Fair Value through Other Comprehensive Income (Equity Instruments)

	2026 Rs.'000	2025 Rs. '000
Financial Assets in Related Companies - Quoted (Note 10.1.1)	**2,872,755**	2,247,466
Financial Assets in Non Related Quoted Companies (Note 10.1.2)	**656,941**	493,665
Financial Assets in Related Companies - Unquoted (Note 10.1.3)	**1,379**	1,379
	3,531,075	2,742,510

10.2 Financial Assets at Fair Value through Profit or Loss

	2026 Rs.'000	2025 Rs. '000
Financial Assets in Related Companies - Quoted (Note 10.2.1)	**1,030,937**	355,140
Financial Assets in Non Related Quoted Companies (Note 10.2.2)	**266,777**	192,250
Financial Assets in Unquoted Companies (Note 10.2.3)	**7**	7
Financial Assets in Unit Trust (Note 10.2.4)	**5,278**	-
	1,302,999	547,397
Total of Financial Assets	**4,834,074**	3,289,907

The fair value of the Company's listed equity portfolio is based on the volume weighted average price published by the Colombo Stock Exchange on the last day of trading for the financial year ended 31st March 2026 except where a value is not available as at the reporting date.

10.1 Financial Assets at Fair Value through Other Comprehensive Income (Equity Instruments)

10.1.1 Financial Assets in Related Companies - Quoted

As at 31st March	2026 No. of Shares	2026 Cost Rs.'000	2026 Fair Value Rs.'000	2025 No. of Shares	2025 Cost Rs.'000	2025 Fair Value Rs.'000
Agarapatana Plantations PLC	**364,600**	**1,532**	**5,469**	364,600	1,532	4,776
Beruwala Resorts PLC	**3,000,000**	**3,735**	**9,000**	3,000,000	3,735	11,100
C M Holdings PLC	**1,094,000**	**2,363**	**49,230**	109,400	2,363	18,051
E B Creasy & Company PLC	**17,558,200**	**103,437**	**851,573**	15,954,763	4,321	528,103
Lankem Ceylon PLC	**3,441,794**	**92,808**	**141,114**	1,290,673	62,692	112,160
Marawila Resorts PLC	**1,500,000**	**4,647**	**8,550**	1,500,000	4,647	10,200
Muller and Phipps (Ceylon) PLC	**90,000**	**58**	**180**	90,000	58	108
Sigiriya Village Hotels PLC	**53,000**	**306**	**705**	5,300	306	466
The Colombo Fort Land & Building PLC	**26,888,895**	**170,530**	**1,806,934**	26,888,895	170,530	1,562,245
York Arcade Holdings PLC	**-**	**-**	**-**	1,525	82	257
Total		**379,416**	**2,872,755**		250,266	2,247,466

Notes to the Financial Statements (*Contd.)*

10.1.2 Financial Assets in Non Related Quoted Companies

As at 31st March	2026 No. of Shares	2026 Cost Rs.'000	2026 Fair Value Rs.'000	2025 No. of Shares	2025 Cost Rs.'000	2025 Fair Value Rs.'000
BANKS						
Commercial Bank of Ceylon PLC-Voting	**1,636,471**	**93,898**	**334,249**	1,617,637	91,148	238,602
Commercial Bank of Ceylon PLC-Non-Voting	**13,811**	**773**	**2,721**	13,632	750	1,711
DFCC Bank	**30,934**	**3,083**	**4,261**	19,288	1,607	2,045
		97,754	**341,231**		93,505	242,358
CAPITAL GOODS						
Aitken Spence PLC	**60,360**	**215**	**8,390**	60,360	215	7,711
Hayleys PLC	**30,000**	**43**	**6,450**	30,000	43	4,110
John Keells Holdings PLC	**812,440**	**5,671**	**14,949**	812,440	5,671	16,411
		5,929	**29,789**		5,929	28,232
CONSUMER SERVICES						
Aitken Spence Hotel Holdings PLC	**24,633**	**270**	**2,256**	24,633	270	1,973
Asian Hotels & Properties PLC	**20,000**	**253**	**1,076**	20,000	253	1,060
		523	**3,332**		523	3,033
FOOD BEVERAGE & TOBACCO						
Ceylon Cold Stores PLC	**229,160**	**213**	**23,604**	229,160	213	18,791
Ceylon Tobacco Company PLC	**24,144**	**253**	**41,286**	24,144	253	32,601
		466	**64,890**		466	51,392
MATERIALS						
Chevron Lubricants Lanka PLC	**28,700**	**1,683**	**5,130**	28,700	1,683	3,946
CIC Holdings PLC	**6,425,000**	**4,594**	**192,108**	1,285,000	4,594	150,666
Union Chemicals Lanka PLC	**5,500**	**77**	**8,854**	5,500	77	4,269
		6,354	**206,092**		6,354	158,881
REAL ESTATE						
Overseas Realty (Ceylon) PLC	**60,000**	**996**	**2,448**	60,000	996	1,422
		996	**2,448**		996	1,422
RETAILING						
John Keells PLC	**112,800**	**90**	**9,159**	112,800	90	8,347
		90	**9,159**		90	8,347
Total		**112,112**	**656,941**		107,863	493,665

10.1.3 Financial Assets in Related Companies - Unquoted

	2026 No. of Shares	2026 Cost Rs.'000	2026 Fair Value Rs.'000	2025 No. of Shares	2025 Cost Rs.'000	2025 Fair Value Rs.'000
Capital Leasing Company Limited	**150,000**	**1,500**	**1,350**	150,000	1,500	1,350
Union Group (Private) Limited	**2,998**	**29**	**29**	2,998	29	29
Imperial Hotels Limited	**-**	**-**	**-**	625	125	-
		1,529	**1,379**		1,654	1,379
Diminution in value of Financial Assets		**(150)**	**-**		(275)	-
Total		**1,379**	**1,379**		1,379	1,379
Total Financial Assets at Fair Value through Other Comprehensive Income		**492,907**	**3,531,075**		359,508	2,742,510

Notes to the Financial Statements (*Contd.)*

10.1.3 Financial Assets in Related Companies - Unquoted (Contd.)

Investments in Unquoted Shares of Related Companies are recorded at cost less impairment in the financial statements of the Company. The net assets of the above Companies are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount of the investment is estimated and the impairment loss is recognised to the extent of its net assets loss.

The shares of York Arcade Holdings PLC were disposed to facilitate the restructuring of The Colombo Fort Land & Building PLC group.

The shares of Imperial Hotels Ltd were disposed, to facilitate the restructuring of The Colombo Fort Land & Building PLC group's leisure sector.

10.2 Financial Assets at Fair Value through Profit or Loss

10.2.1 Financial Assets in Related Companies - Quoted

As at 31st March	**No. of Shares**	**2026 Cost Rs.'000**	**Fair Value Rs.'000**	No. of Shares	2025 Cost Rs.'000	Fair Value Rs.'000
Agarapatana Plantations PLC	**1,855,400**	**13,766**	**27,831**	3,085,400	22,991	40,419
C M Holdings PLC	**220,580**	**1,648**	**9,926**	22,058	1,648	3,640
Colombo Investment Trust PLC	**2,060,508**	**141,390**	**863,354**	2,055,169	139,282	245,593
C.W.Mackie PLC	**1,350,000**	**21,467**	**45,765**	270,000	21,467	29,362
J F Packaging PLC	**2,300**	**27**	**33**	-	-	-
Lankem Ceylon PLC	**890,000**	**38,590**	**36,490**	-	-	-
Lankem Developments PLC	**2,000,000**	**14,709**	**35,600**	1,500,000	7,209	26,550
Laxapana PLC	**315,000**	**2,225**	**11,938**	315,000	2,225	9,576
Total		**233,822**	**1,030,937**		194,822	355,140

Notes to the Financial Statements (*Contd.)*

10.2.2 Financial Assets in Non Related Quoted Companies

As at 31st March	**2026 No. of Shares**	**2026 Cost Rs.'000**	**2026 Fair Value Rs.'000**	2025 No. of Shares	2025 Cost Rs.'000	2025 Fair Value Rs.'000
AUTOMOBILES & COMPONENTS						
Kelani Tyres PLC	**1,920**	**21**	**155**	1,920	21	155
		21	**155**		21	155
BANKS						
Hatton National Bank PLC	**33,000**	**6,605**	**13,555**	30,000	5,719	9,150
National Development Bank PLC	**3,566**	**181**	**464**	3,566	181	382
Nations Trust Bank PLC	**76,496**	**2,528**	**22,126**	75,839	2,302	14,409
Sampath Bank PLC	**100,000**	**6,209**	**14,525**	100,000	6,209	12,250
Seylan Bank PLC-Voting	**169**	**6**	**18**	169	6	12
Seylan Bank PLC-Non-Voting	**100,192**	**7,404**	**7,074**	192	4	10
Union Bank of Colombo PLC	**200**	**5**	**3**	200	5	2
		22,938	**57,765**		14,426	36,215
CAPITAL GOODS						
Access Engineering PLC	**50,000**	**1,115**	**3,350**	50,000	1,115	1,925
ACL Cables PLC	**83,895**	**1,978**	**7,131**	27,965	1,978	3,412
Central Industries PLC	**16,524**	**326**	**3,387**	16,524	326	2,421
Hayleys PLC	**75,000**	**6,305**	**16,125**	75,000	6,305	10,275
Hemas Holdings PLC	**165,000**	**2,686**	**4,884**	30,750	2,374	3,690
John Keells Holdings PLC	**97,000**	**1,244**	**1,785**	97,000	1,244	1,959
Lanka Tiles PLC	**27,255**	**36**	**1,246**	27,255	36	1,382
Lanka Walltiles PLC	**2,100**	**10**	**97**	2,100	10	106
Royal Ceramics Lanka PLC	**70,000**	**1,976**	**3,010**	70,000	1,976	2,590
Sierra Cables PLC	**1,900**	**6**	**54**	1,900	6	30
Vallible One PLC	**1,677**	**43**	**154**	1,677	43	99
		15,725	**41,223**		15,413	27,889
COMMERCIAL & PROFESSIONAL SERVICES						
Gestetner of Ceylon PLC	**230**	**32**	**70**	230	32	30
		32	**70**		32	30
CONSUMER DURABLES & APPAREL						
Dankotuwa Porcelain PLC	**6,187**	**87**	**94**	6,187	87	143
Hayleys Fabric PLC	**12,000**	**263**	**366**	12,000	263	540
Hayleys Fibre PLC	**4,800**	**23**	**533**	4,800	23	221
Hela Apperal Holdings PLC	**39,900**	**416**	**112**	39,900	416	148
Teejay Lanka PLC	**85,000**	**2,564**	**2,380**	85,000	2,564	4,335
		3,353	**3,485**		3,353	5,387
CONSUMER SERVICES						
Eden Hotel Lanka PLC	**565**	**5**	**6**	565	5	8
John Keells Hotels PLC	**30,000**	**475**	**486**	30,000	475	606
Tal Lanka Hotels PLC	**3,000**	**14**	**103**	3,000	14	63
The Nuwara Eliya Hotels PLC	**29**	**39**	**130**	29	39	63
		533	**725**		533	740

Notes to the Financial Statements (*Contd.)*

10.2.2 Financial Assets in Non Related Quoted Companies (Contd.)

As at 31st March	2026 No. of Shares	2026 Cost Rs.'000	2026 Fair Value Rs.'000	2025 No. of Shares	2025 Cost Rs.'000	2025 Fair Value Rs.'000
DIVERSIFIED FINANCIALS						
Asia Capital PLC (Note 01)	**1,550**	**42**	**-**	1,550	42	6
Capital Alliance PLC	**2,600**	**26**	**134**	2,600	26	142
Capital Alliance Holdings PLC	**11,600**	**116**	**174**	-	-	-
Central Finance Company PLC	**20,000**	**4,018**	**4,560**	20,000	4,018	3,885
Lanka Ventures PLC	**18,000**	**155**	**1,080**	18,000	155	704
L B Finance PLC	**30,000**	**1,890**	**4,253**	30,000	1,890	2,574
LOLC Holdings PLC	**37,000**	**23**	**19,601**	37,000	23	22,006
Merchant Bank of Sri Lanka & Finance PLC	**9,000**	**108**	**97**	9,000	108	52
People's Leasing and Finance PLC	**29,370**	**478**	**658**	28,633	461	513
Singer Finance (Lanka) PLC	**3,957**	**71**	**182**	2,500	32	60
Vallible Finance PLC	**15,000**	**654**	**1,380**	15,000	654	812
		7,581	**32,119**		7,409	30,754
ENERGY						
Lanka IOC PLC	**31,000**	**2,342**	**4,340**	31,000	2,342	3,937
Laugfs Gas PLC	**1,000**	**23**	**54**	1,000	23	29
		2,365	**4,394**		2,365	3,966
FOOD & STAPLES RETAILING						
Cargills (Ceylon) PLC	**7,429**	**1,120**	**5,117**	7,429	1,120	3,239
C.T.Holdings PLC	**3,190**	**663**	**1,850**	3,190	663	1,250
		1,783	**6,967**		1,783	4,489
FOOD BEVERAGE & TOBACCO						
Agalawatte Plantations PLC	**30,500**	**1,339**	**1,440**	30,500	1,339	1,305
Browns Investments PLC	**22,000**	**55**	**134**	22,000	55	161
Carson Cumberbatch PLC	**3,000**	**489**	**1,982**	3,000	489	1,365
Ceylon Beverage Holdings PLC	**516**	**15**	**1,377**	516	15	1,347
Ceylon Grain Elevators PLC	**2,500**	**460**	**953**	2,500	460	470
Hapugastenne Plantations PLC	**100**	**1**	**5**	100	1	4
HVA Foods PLC	**1,800**	**29**	**13**	1,800	29	6
Kahawatte Plantations PLC	**165**	**2**	**3**	165	2	4
Lanka Milk Foods (CWE) PLC	**60,000**	**2,559**	**4,806**	16,450	82	714
Lion Brewery Ceylon PLC	**1,550**	**43**	**2,645**	1,550	43	1,971
Renuka Agri Foods PLC	**16,000**	**25**	**200**	16,000	25	54
Talawakelle Tea Estate PLC	**2,000**	**38**	**259**	2,000	38	278
Melstacrop PLC	**52,000**	**2,458**	**8,736**	52,000	2,458	6,604
		7,513	**22,553**		5,036	14,283
HEALTHCARE EQUIPMENT & SERVICES						
Asiri Hospitals Holdings PLC	**30,000**	**233**	**921**	30,000	233	774
Nawaloka Hospitals PLC	**20,000**	**37**	**212**	20,000	37	106
The Lanka Hospitals Corporation PLC	**500**	**8**	**50**	500	8	38
		278	**1,183**		278	918

Notes to the Financial Statements (*Contd.)*

10.2.2 Financial Assets in Non Related Quoted Companies (Contd.)

As at 31st March	2026 No. of Shares	2026 Cost Rs.'000	2026 Fair Value Rs.'000	2025 No. of Shares	2025 Cost Rs.'000	2025 Fair Value Rs.'000
INSURANCE						
Ceylinco Holdings PLC - Voting	**7,000**	**10,964**	**23,075**	6,000	7,864	18,229
Ceylinco Holdings PLC - Non Voting	**2,000**	**1,739**	**3,306**	2,000	1,739	2,681
HNB Assurance PLC	**51,000**	**249**	**6,133**	51,000	249	3,963
Janashakthi Insurance PLC (Note 02)	**4,000**	**48**	**156**	4,000	48	294
LOLC General Insurance PLC	**4,600**	**32**	**34**	4,600	32	35
People's Insurance PLC	**17,890**	**285**	**467**	17,890	285	510
Union Assurance PLC	**20,000**	**1,099**	**1,390**	20,000	1,099	1,082
		14,416	**34,561**		11,316	26,794
MATERIALS						
ACL Plastics PLC	**3,000**	**12**	**394**	300	12	185
Chevron Lubricants Lanka PLC	**16,300**	**1,894**	**2,914**	11,300	1,114	1,554
Dipped Products PLC	**25,000**	**967**	**1,235**	25,000	967	1,375
Haycarb PLC	**329,945**	**14,108**	**36,129**	329,945	14,108	27,088
PGP Glass Ceylon PLC	**100,000**	**795**	**5,210**	100,000	795	3,430
Richard Pieris Exports PLC	**100**	**5**	**36**	100	5	37
Swisstek (Ceylon) PLC	**3,000**	**24**	**238**	3,000	24	140
Tokyo Cement Company (Lanka) PLC - Voting	**50,993**	**1,695**	**4,533**	50,993	1,695	4,028
Tokyo Cement Company (Lanka) PLC - Non Voting	**50,000**	**3,075**	**3,645**	-	-	-
		22,575	**54,334**		18,720	37,837
REAL ESTATE						
C T Land Development PLC	**3,527**	**13**	**124**	3,527	13	89
Lee Hedges PLC	**1,375**	**12**	**289**	1,375	12	144
		25	**413**		25	233
RETAILING						
John Keells PLC	**1,200**	**79**	**97**	1,200	79	89
RIL Property PLC	**6,666**	**53**	**167**	6,666	53	101
Sathosa Motors PLC	**466**	**15**	**470**	466	15	204
Singer (Sri Lanka) PLC	**15,313**	**163**	**1,179**	15,313	163	508
United Motors Lanka PLC	**119,340**	**247**	**3,580**	11,934	247	1,017
		557	**5,493**		557	1,919
TELECOMMUNICATION SERVICES						
Dialog Axiata PLC	**11,830**	**156**	**358**	11,830	156	169
Sri Lanka Telecom PLC	**100**	**3**	**8**	100	3	6
		159	**366**		159	175
UTILITIES						
Laugfs Power PLC	**1,000**	**-**	**11**	1,000	-	11
Panasian Power PLC	**20,000**	**60**	**392**	20,000	60	138
Resus Energy PLC	**59,770**	**255**	**568**	11,954	255	317
		315	**971**		315	466
Total		**100,169**	**266,777**		81,741	192,250

Note 01
Asia Capital PLC
Trading of the shares of Asia Capital PLC was suspended by the Colombo Stock Exchange with effect from 17 January, 2026. Accordingly, no market price was available as at 31 March 2026. In the absence of an active market quotation at the reporting date, the investment has been valued based on the closing market price available immediately prior to the suspension of trading. Management has assessed that no reliable quoted market price was available as at the reporting date due to the suspension.

Notes to the Financial Statements (*Contd.)*

10.2.2 Financial Assets in Non Related Quoted Companies (Contd.)

Note 02

Janashakthi Insurance PLC

Janashakthi Insurance PLC announced a rights issue during the financial year, and trading of its shares was temporarily suspended as at 31 March 2026 in connection with the rights issue process. As no quoted market price was available on the reporting date, the closing market price as at 30 March 2026, being the last available traded market price prior to the suspension, has been used in determining the fair value of the investment as at 31 March 2026.

10.2.3 Financial Assets in Unquoted Companies

As at 31st March	2026 No. of Shares	2026 Cost Rs.'000	2026 Fair Value Rs.'000	2025 No. of Shares	2025 Cost Rs.'000	2025 Fair Value Rs.'000
Laugfs Eco Sri Limited	**1,000**	**-**	**1**	1,000	-	1
Laugfs Leisure Limited	**1,000**	**-**	**6**	1,000	-	6
Total		**-**	**7**		-	7

The Fair value of Laugfs Eco Sri Ltd and Laugfs Leisure Ltd are based on the Net Asset per share of each Company's audited financial statements for the Year ended 31st March 2025.

10.2.4 Financial Assets in Unit Trust

As at 31st March	2026 No. of Units	2026 Cost Rs.'000	2026 Fair Value Rs.'000	2025 No. of Units	2025 Cost Rs.'000	2025 Fair Value Rs.'000
CAL Fixed Income Opportunities Fund	**125,890**	**-**	**5,278**	-	-	-
Total		**-**	**5,278**		-	-
Total Financial Assets at Fair Value through Profit or Loss		**333,991**	**1,302,999**		276,563	547,397

10.3 Disclosure of Interest in Other Entities

The Company holds 28.82 % of the voting rights (in 2025 - 28.96%) of Colombo Investment Trust PLC (CIT). The Board of Directors of both Companies consists of common members who act independently. The Company does not participate in the financial and operating policy decisions of CIT and does not have significant influence even though it holds more than 20% of the voting rights of CIT. The investment in CIT is held under the trading portfolio and classified as financial assets at fair value through profit or loss.

As at 31st March	**2026 Rs.'000**	2025 Rs. '000
11 Cash and Cash Equivalents		
Cash at Banks	**1,985**	47,489
	1,985	47,489

As at 31st March	**2026**	2025
12 Stated Capital	**No of Shares**	
Ordinary Shares as at the beginning of the Year	**8,787,041**	8,787,041
Shares Issued during the Year due to Scrip Dividend	**66,652**	-
Ordinary Shares as at the end of the Year	**8,853,693**	8,787,041
Issued and Fully Paid		
	Rs.'000	Rs.'000
Balance as at the beginning of the Year	**313,709**	313,709
Shares issued during the year due to Scrip Dividend	**13,180**	-
Ordinary Shares as at the end of the Year	**326,889**	313,709

The holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at a meeting of the Company.

Notes to the Financial Statements (*Contd.)*

As at 31st March	**2026 Rs.'000**	2025 Rs. '000 Restated
13 Reserves		
General Reserve (Note 13.1)	**16,500**	16,500
Fair Value Reserve of Financial Assets at FVOCI (13.2)	**3,037,600**	2,382,435
	3,054,100	2,398,935

13.1 General Reserve

General Reserve is the Reserve set aside for General purposes.

13.2 Fair Value Reserve of Financial Assets at Fair Value through Other Comprehensive Income

Balance at the beginning of the Year	**2,382,435**	1,277,928
Fair Value changes in Financial Assets at Fair Value through Other Comprehensive Income	**655,526**	1,122,424
Transfer of Realised Gains on disposal of Financial Assets at FVOCI	**(361)**	(17,917)
Balance at the end of the Year	**3,037,600**	2,382,435

Fair Value reserve of financial assets at FVOCI includes changes in fair value of financial instruments designated as financial assets at FVOCI.

As at 31st March	**2026 Rs.'000**	2025 Rs. '000
14 Trade and Other Payables		
Trade Payable		
HNB Investment Bank (Pvt) Ltd	**76,537**	-
Other payables	**608**	1,994
	77,145	1,994

15 Net Asset Per Share

Net Asset per Share is calculated by dividing the Net Assets at the end of the financial year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

As at 31st March	**2026**	2025
Net Assets at the end of the Year (Rs. '000)	**4,759,059**	3,335,061
Weighted Average Number of Ordinary Shares in Issue ('000)	**8,854**	8,854
Net Asset per Share (Rs.)	**537.52**	376.69

Restatement of Comparative Net Asset Per Share

Subsequent to the reporting period, the Company issued a scrip dividend which increased the number of ordinary shares in issue. Accordingly, the comparative net asset per share for the year ended 31 March, 2025 has been restated to reflect the revised number of shares in issue.

The impact of the restatement is as follows:

	Previously Reported	**Restated**
Net asset per share (Rs.)	379.54	376.69

Notes to the Financial Statements (*Contd.)*

16 Related Party Disclosure

a) Parent and Ultimate Controlling Party
The Company does not have an identifiable parent on its own.

b) Identity of the Related Parties
The Company carried out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard (LKAS 24) - "Related Party Disclosures", the details of which are reported in Note 16 (c) below.

c) Transactions with Related Parties

Name of the Related Party	Nature of Transaction	Transaction Value	
		2026	2025
		Rs.'000	Rs.'000
Agarapatana Plantations PLC	Dividend Received	**1,110**	5,175
	Disposal of Financial Assets	**26,562**	877
Beruwala Resorts PLC	Dividend Received	**300**	-
Colombo Fort Group Services (Pvt) Ltd	Settlement of BoardPAC Service charges	**(276)**	-
Colombo Investment Trust PLC	Disposal of Financial Assets	**1,260**	87
	Dividend Received	**3,069**	-
	Dividend Paid	**(4,655)**	-
	Dividend Received - Form of Scrip	**3,068**	-
	Dividend Paid - Form of Scrip	**(4,655)**	-
C.W. Mackie PLC	Dividend Received	**2,160**	2,138
	Acquisition of Financial Assets	**-**	(262)
E.B. Creasy & Company PLC	Acquisition of Financial Assets	**(240)**	(727)
	Purchase of Rights Issue shares	**(98,876)**	-
	Dividend Received	**32,424**	23,915
Imperial Hotels Ltd	Disposal of Financial Assets	**30**	-
J F Packaging PLC	Purchase of IPO Shares	**(27)**	-
	Dividend Received	**1**	-
Lankem Ceylon PLC	Purchase of Rights Issue shares	**(30,116)**	-
	Acquisition of Financial Assets	**(39,022)**	-
Lankem Developments PLC	Purchase of Rights Issue shares	**(7,500)**	-
	Dividend Received	**2,700**	-
Laxapana PLC	Dividend Received	**472**	472
Marawila Resorts PLC	Dividend Received	**150**	-
Sigiriya Village Hotels PLC	Dividend Received	**16**	-
The Colombo Fort Land & Building PLC	Dividend Received	**6,722**	-
York Arcade Holdings PLC	Disposal of Financial Assets	**1,331**	-

The Related Party Transactions Review Committee has reviewed the transactions mentioned above.

Notes to the Financial Statements (*Contd.)*

d) Terms and Conditions of Transactions with Related Parties

Transactions with related parties are carried out in the ordinary course of business on an arm's length basis. Related party balances at the year end are unsecured and repayable on demand.

There were no Guarantees received from or given to Related Parties during the financial year.

e) Non-Recurrent Related Party Transactions

During the year there were no Non-Recurrent transactions which exceeded the disclosure threshold mentioned in Section 9 of the Colombo Stock Exchange Rules.

f) Recurrent Related Party Transactions

Recurrent related party transactions which in aggregate value exceeds 10% of the Company Revenue as per 31st March 2025 Audited Financial Statements, which required additional disclosures under Colombo Stock Exchange listing Rule 9.14.8 (2) is as follows.

Name of the Related Party	Relationship	Nature of Transaction	Aggregate value of Related Party Transactions entered into during the financial year	Aggregate value of Related Party Transactions as a % of Net Revenue/ Income	Terms and Conditions of the Related Party Transactions
Agarapatana Plantations PLC	Related	Disposal of Financial Assets	26,562	30%	Transactions are carried out in the normal course of business
E.B. Creasy & Company PLC	Related	Rights Entitlement acquired	98,876	112%	
Lankem Ceylon PLC	Related	Acquisition of Financial Assets	39,022	44%	
Lankem Ceylon PLC	Related	Rights Entitlement acquired	30,116	34%	

g) Transaction with Key Management Personnel (KMP)

According to Sri Lanka Accounting Standard (LKAS 24) - "Related Party Disclosures", Key Management Personnel (KMP) are those having authority and responsibility for planning and controlling the activities of the entity. Accordingly, the Directors of the Company (including executive and non-executive directors) and their immediate family members have been classified as Key Management Personnel of the Company.

h) Loans to Key Management Personnel

No Loans have been given to the Key management Personnel and their close family members during the year.

i) Key Management Personnel Compensation

Details of compensation are given in Note 05 to the Financial Statements.

j) The Directors of the Company for the year under review are also Directors of the following Companies.

		Name of the Common Director						
Name of the Company	Relationship	Mr. S.D.R. Arudpragasam	Mr. S. Shanmugalingam	Mr. S. Rajaratnam	Mr. Amrit Rajaratnam	Mr. Anushman Rajaratnam	Mr. L.L.S.Wickremasinghe	Ms. M.G.S. Jayasundara
Acme Printing & Packaging PLC	Related	✓	-	-	-	✓	-	-
Agarapatana Plantations PLC	Related	✓	-	-	-	✓	-	-
Beruwala Resorts PLC	Related	✓	-	✓	✓	✓	-	-
C.M. Holdings PLC	Related	✓	-	✓	✓	✓	-	-
C.W. Mackie PLC	Related	✓	-	-	-	✓	-	-
Colombo Investment Trust PLC	Related	✓	✓	✓	✓	✓	-	-
E.B. Creasy & Co. PLC	Related	✓	-	✓	-	-	-	-
Kotagala Plantations PLC	Related	✓	-	-	-	✓	-	-
Lankem Ceylon PLC	Related	✓	-	-	-	✓	-	-
Lankem Developments PLC	Related	✓	-	-	-	✓	-	-
Laxapana PLC	Related	✓	-	✓	-	-	-	-
Marawila Resorts PLC	Related	✓	-	✓	✓	✓	-	-
Muller and Phipps (Ceylon) PLC	Related	✓	-	✓	-	-	-	-
Sigiriya Village Hotels PLC	Related	✓	-	✓	✓	✓	-	-
The Colombo Fort Land & Building PLC	Related	✓	-	✓	✓	✓	-	-
York Arcade Holdings PLC	Related	✓	✓	✓	✓	✓	-	-

Notes to the Financial Statements (*Contd.)*

17 Transaction with Managers and Secretaries

The Company has made following transactions with Corporate Managers & Secretaries (Private) Limited during the year.

	2026 Rs.'000	2025 Rs.'000
Administration fees paid	**1,088**	1,088
Secretarial fees paid	**581**	581
Registrar's fees paid	**581**	581

All staff related services are provided by Corporate Managers & Secretaries (Private) Limited.

18 Capital Expenditure Commitments

There were no capital commitments outstanding as at 31st March, 2026.

19 Contingent Liabilities

There were no contingent liabilities as at 31st March, 2026.

20 Restatement of Comparative Figures

Comparative information has been restated where necessary for accurate presentation.

Line items in the Financial Statements	As per Audited Financial Statements 31.03. 2025 Rs'000	As per Restated Financial Statements 31.03. 2025 Rs'000	Restatement Rs'000
Fair Value Reserve of Financial Assets at FVOCI	2,418,269	2,382,435	35,834
Retained Earnings	586,583	622,417	(35,834)

Note 01

During the year, the Company identified a presentation error relating to the transfer of realised gains on the disposal of FVOCI financial assets amounting to Rs. 17,917,000/-. These gains had previously been presented in the Fair Value Reserve of Financial Assets instead of being transferred to Retained Earnings in accordance with the applicable accounting standards.

Accordingly, the comparative figures have been restated by reducing the Fair Value Reserve of Financial Assets and increasing Retained Earnings by Rs. 17,917,000/-. This restatement had no impact on the Company's total equity, profit for the year, net assets, or cash flows.

21 Events after the Reporting Period

Subsequent to the Reporting date no circumstances have arisen which would require adjustments to or disclosure in the Financial Statements except the following,

The Company paid an Interim Dividend of Rs. 4.00 per share by way of a Scrip dividend for the year ended 31st March, 2026 to the registered shareholders of the Company as at the end of trading on 04th June, 2026 (Record Date/Date of Entitlement) in the proportion of 01 new ordinary share for every 103.0002210382 existing ordinary shares.

Consequent to the Scrip Dividend, the Stated Capital of the Company is Rs. 362,304,201.50.

In accordance with Sri Lanka Accounting Standard (LKAS 10) - "Events after the Reporting Period", this proposed Interim Dividend has not been recognised as a liability in the Statement of Financial Position as at 31st March, 2026.

22 Assets Pledged

Margin Trading Facility

The Company has entered into a Margin Trading facility with HNB Investment Bank (Pvt) Ltd and during the current Financial Year, the Company enhanced the facility upto Rs. 115 Million. The interest rate is 11.32%.

The facility utilized as at 31st March, 2026 amounts to Rs. 76.5 million.

The following shares held by the Company have been pledged as security for the aforementioned facility.

Company	No. of Shares
Ceylon Cold Stores PLC	150,000
Ceylon Tobacco Company PLC	15,000
Chevron Lubricants Lanka PLC	10,000
CIC Holdings PLC	200,000
Commercial Bank of Ceylon PLC	879,335
C W Mackie PLC	75,000
E B Creasy & Company PLC	1,096,200
Haycarb PLC	80,000
Lankem Ceylon PLC	525,000
Lankem Developments PLC	1,840,000
Tokyo Cement Company (Lanka) PLC	11,000

23 Directors' Responsibility

The Board of Directors acknowledge the responsibility for the preparation and presentation of these Financial Statements.

Notes to the Financial Statements (*Contd.)*

24 Financial Instruments

24.1 Financial Instruments - Statement of Financial Position

As at 31st March	2026 Rs.'000	2025 Rs. '000
Financial Assets		
Non Current		
Financial Assets at Fair Value through OCI	**3,531,075**	2,742,510
Current		
Financial Assets at fair value through profit or loss	**1,302,999**	547,397
Total	**4,834,074**	3,289,907
Receivables	**82**	3
Prepayments	**157**	155
	239	158
Cash and cash equivalents	**1,985**	47,489
Total	**2,224**	47,647
Financial Liabilities		
Trade and Other Payables	**77,145**	1,994
Dividends Payable	**94**	-
Total	**77,239**	1,994

24.2 Financial Risk Management

Overview

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

a) Credit Risk
b) Liquidity Risk
c) Market Risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

Risk Management Framework

The Board of Directors have overall responsibility for the establishment and oversight of the risk management framework, including policies and procedures. In discharging its governance responsibility it operates through the Board of Directors and Audit Committee. Risk management framework is reviewed regularly to reflect changes.

a) Credit risk
Exposure to Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The exposure to credit risk at the reporting date was,

As at 31st March	2026 Rs.'000	2025 Rs. '000
Receivables	**82**	3
Prepayments	**157**	155
Cash and Cash Equivalents	**1,985**	47,489
	2,224	47,647

Notes to the Financial Statements (*Contd.)*

Impairment Losses

The aging of Receivables and Prepayments at the reporting date was as follows:

As at 31st March	Gross 2026 Rs.'000	Impairment 2026 Rs.'000	Gross 2025 Rs.'000	Impairment 2025 Rs.'000
Not Past Due	**239**	**-**	158	-
Past Due 0-31 days	**-**	**-**	-	-
Past Due 31-365 days	**-**	**-**	-	-
More than One Year	**-**	**-**	-	-
	239	**-**	158	-

Based on historic default rates, the Company believes that, no impairment allowance is needed in respect of Receivables.

b) Liquidity Risk

Liquidity Risk is the risk that an entity will encounter difficulty in meeting obligations associated with Financial Liabilities.

The following are the contractual maturities of Financial Liabilities, including estimated interest payments.

As at 31 March 2026	Carrying amount Rs.'000	Contractual cash flows Rs.'000	12 months or less Rs.'000	1-2 years Rs.'000	2-5 years Rs.'000
Financial Liabilities at Amortised Cost					
Trade and other Payables	**77,145**	**(77,145)**	**(77,116)**	**(17)**	**(12)**
Dividends Payable	**94**	**(94)**	**(94)**	**-**	**-**
	77,239	**(77,239)**	**(77,210)**	**(17)**	**(12)**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amount.

c) Market Risk

Market Risk is the risk that Fair Value of future Cash Flow of the Financial Instrument will fluctuate because of changes in market prices. Market Risk will have an implication on the value of the Company's Financial Assets.

A description of the valuation methods used is given below.

Fair Value Hierarchy

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

Level 2: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 for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Financial Statements (*Contd.)*

c) Market Risk (Contd.)

31st March 2026	Level 1 Rs.'000	Level 2 Rs.'000	Level 3 Rs.'000	Total Rs.'000
Financial assets at fair value through				
- Other Comprehensive Income	**3,529,696**	**-**	**1,379**	**3,531,075**
- Profit or Loss	**1,297,714**	**5,278**	**7**	**1,302,999**
	4,827,410	**5,278**	**1,386**	**4,834,074**
31st March 2025				
Financial assets at fair value through				
- Other Comprehensive Income	2,741,131	-	1,379	2,742,510
- Profit or Loss	547,390	-	7	547,397
	3,288,521	-	1,386	3,289,907

Currency Risk

Currency Risk is the risk that the Fair Value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As the Company did not have any Financial Assets designated in currency's other than Sri Lankan Rupees, the Company was not exposed to currency risk at the reporting year.

Interest Rate Risk

Interest Rate Risk is the risk that the Fair Value of future cash flows of a Financial Instrument will fluctuate because of changes in Market Interest Rate. At the reporting date Company's interest bearing financial instruments were not exposed to interest rate risk.

24.3 Fair values of Financial Assets and Liabilities not carried at Fair Value

The carrying amounts and fair values of the financial assets and liabilities of the Company which are not measured are fair value in the financial statements are given below.

As at 31st March	Explanatory Reference	2026 Fair Value Rs.'000	2026 Carrying Value Rs.'000	2025 Fair Value Rs.'000	2025 Carrying Value Rs.'000
Amortised Cost	**(a)**				
Receivables		**82**	**82**	3	3
Prepayments		**157**	**157**	154	154
Cash and Cash Equivalents		**1,985**	**1,985**	47,489	47,489
Financial Liabilities at Amortised Cost	**(b)**				
Trade and Other Payables		**77,145**	**77,145**	1,994	1,994
Dividends Payable		**94**	**94**	-	-

(a) The carrying values of Receivables has been considered as the fair value due to uncertainty of the timing of the cash flows.

The carrying value of cash and bank balances has been considered as the fair value due to the short maturity of the financial instruments.

(b) Carrying values of the financial liabilities have been considered as the fair value, due to uncertainty of the timing of the cash flow.

Financial Summary

Year ended 31st March	**2026 Rs.'000**	2025 Rs.'000 Restated	2024 Rs.'000	2023 Rs.'000	2022 Rs.'000
Trading Results					
Revenue	**110,160**	88,649	70,276	50,857	41,227
Other Income	**-**	-	369	-	1,024
Profit Before Income Tax Expense	**777,695**	159,943	50,804	85,034	54,531
Income Tax Expense	**-**	(2,535)	(318)	(1,753)	(3,675)
Profit for the year	**777,695**	157,408	50,486	83,281	50,856

Year ended 31st March	**2026 Rs.'000**	2025 Rs.'000 Restated	2024 Rs.'000	2023 Rs.'000	2022 Rs.'000
Equity					
Stated Capital	**326,889**	313,709	313,709	303,377	222,132
General Reserve	**16,500**	16,500	16,500	16,500	16,500
Fair Value Reserve of Financial Assets at OCI	**3,037,600**	2,382,435	1,277,928	1,063,507	550,151
Retained Earnings	**1,378,070**	622,417	447,092	406,938	334,587
	4,759,059	3,335,061	2,055,229	1,790,322	1,123,370
Assets Less Liabilities					
Current & Non-Current Assets	**4,836,298**	3,337,553	2,056,023	1,791,104	1,143,804
Current & Non-Current Liabilities	**(77,239)**	(2,492)	(794)	(782)	(20,434)
Net Assets	**4,759,059**	3,335,061	2,055,229	1,790,322	1,123,370
Financial Statistics					
Earnings Per Share	**87.84**	17.78	5.75	9.87	7.02
Net Asset Per Share	**537.52**	376.69	233.89	203.75	155.13
Market Price Per Share	**399.00**	109.00	65.00	67.50	70.50
Price Earnings Ratio	**4.54**	6.13	11.30	6.83	10.04
Dividend Per Share	**4.00**	1.50	-	1.20	1.20
Dividend Proposed per Share	**-**	1.50	-	-	-

Information to Shareholders and Investors

DISTRIBUTION OF SHAREHOLDINGS

Shareholdings			**31st March 2026**			31st March 2025		
			No.of ShareHolders	**Total ShareHoldings**	**%**	No.of ShareHolders	Total ShareHoldings	%
1	-	1,000	**938**	**114,414**	**1.29**	636	76,530	0.87
1,001	-	10,000	**116**	**307,272**	**3.47**	104	297,595	3.39
10,001	-	100,000	**17**	**336,699**	**3.81**	22	539,426	6.14
100,001	-	1,000,000	**8**	**2,478,483**	**27.99**	5	1,133,871	12.90
Over	-	1,000,000	**2**	**5,616,825**	**63.44**	3	6,739,619	76.70
Total			**1,081**	**8,853,693**	**100.00**	770	8,787,041	100.00

Categories of Shareholders	**31st March 2026**			31st March 2025		
	No.of ShareHolders	**Total ShareHoldings**	**%**	No.of ShareHolders	Total ShareHoldings	%
Individuals	**1,004**	**700,219**	**7.91**	708	664,180	7.56
Institutions	**77**	**8,153,474**	**92.09**	62	8,122,861	92.44
Total	**1,081**	**8,853,693**	**100.00**	770	8,787,041	100.00

Public Holding

The percentage of the Issued Share Capital held by the public as at 31st March, 2026 was 15.20%. (31.03.2025 - 14.70%).

The applicable option under Colombo Stock Exchange Rule 7.13.1 (i) (b) (1) on Minimum Public Holding is option 2 and the Float Adjusted Market Capitalisation as at 31st March, 2026 was Rs. 536,958,773.06 Million.

Public Shareholders

The number of Public Shareholders as at 31st March, 2026 was 1069.

Market Performance - Ordinary Shares

	2026 Rs.	2025 Rs.
Highest Price	**530.00**	123.50
Lowest Price	**102.00**	61.00
Market Value as at the year end	**399.00**	109.00

Information to Shareholders and Investors (*Contd.)*

TWENTY MAJOR SHAREHOLDERS OF THE COMPANY

	31st March 2026		31st March 2025	
	Shares	**%**	Shares	%
Colombo Investment Trust PLC	**3,127,118**	**35.32**	3,103,577	35.32
Financial Trust Ltd	**2,489,707**	**28.12**	2,470,965	28.12
The Colombo Fort Land & Building PLC	**952,572**	**10.76**	1,165,077	13.26
Property & Investment Holdings (Pvt) Ltd	**633,279**	**7.15**	628,512	7.15
Commercial Bank of Ceylon PLC / The Colombo Fort Land & Building PLC	**221,342**	**2.50**	-	-
Mr. G.M. Dhansingani	**151,797**	**1.71**	98,085	1.12
People's Leasing & Finance PLC / Mr. K.K.Shujeevan	**140,861**	**1.59**	115,869	1.32
Mrs. M.L.De Silva	**131,968**	**1.49**	130,975	1.49
People's Leasing & Finance PLC / Dr. H.S.D.Soysa & Mrs. G. Soysa	**130,792**	**1.48**	143,515	1.63
Tranz Dominion, L.L.C.	**115,872**	**1.31**	115,000	1.31
Capital Investments Ltd	**49,607**	**0.56**	49,234	0.56
Sampath Bank PLC / Ceylon Capital One Investment (Pvt) Ltd	**39,447**	**0.45**	34,848	0.40
Sampath Bank PLC / Mr. Abishek Sithampalam	**27,868**	**0.31**	18,778	0.21
Seylan Bank PLC / Mr. K.L.J.P. Liyanage	**27,600**	**0.31**	-	-
Trust Holdings & Investments (Pvt) Ltd	**23,112**	**0.26**	22,939	0.26
Mr. M.D.S. Goonatilleke	**19,383**	**0.22**	6,379	0.07
Spiceco Ltd	**16,784**	**0.19**	16,658	0.19
Mr. M.S.P. Medonsa	**15,324**	**0.17**	9,425	0.11
Mr. Arunasalam Sithampalam	**15,190**	**0.17**	2,260	0.03
Ceylon Galvanising Industries Ltd	**14,639**	**0.17**	26,930	0.31
Total	**8,344,262**	**94.24**	8,159,026	92.86

Financial Statistics	**2025/26 Rs.**	2024/25 Rs.
Earnings/(Loss) per share	**87.84**	17.78
Net Assets per share	**537.52**	376.69
Dividend per Share	**4.00**	1.50
Dividend Proposed per share	**-**	1.50
Dividend pay out ratio	**0.05**	0.17

Notice of Meeting

NOTICE IS HEREBY GIVEN that the Forty Second Annual General Meeting of Colombo Fort Investments PLC will be conducted as a virtual meeting from the Registered Office of the Company 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1 on 21st July, 2026 at 10.45 a.m. for the following purposes, namely;

1. To receive and consider the Annual Report of the Board of Directors and the Statement of Accounts for the year ended 31st March 2026 together with the Report of the Auditors thereon.

2. To re-elect Mr. Anushman Rajaratnam, who retires by rotation in terms of Articles 85 and 86 of the Articles of Association as a Director.

3. To reappoint Mr. S. D. R. Arudpragasam who is over seventy years of age as a Director.

   A Special Notice has been received by the Company from a shareholder of the intention to pass a Resolution which is set out in the notes in relation to his reappointment (see Note vi on Page 64).

4. To reappoint Mr. S. Shanmugalingam who is over seventy years of age as a Director.

   A Special Notice has been received by the Company from a shareholder of the intention to pass a Resolution which is set out in the notes in relation to his reappointment (see Note vii on Page 64).

5. To reappoint Messrs. MOORE Aiyar, Chartered Accountants as Auditors and to authorise the Directors to determine their remuneration.

By Order of the Board,
Corporate Managers & Secretaries (Pvt) Limited
Secretaries

Colombo
18th June, 2026

Notes : -

i. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote in his/her stead.

ii. A proxy need not be a Member of the Company. The Form of Proxy is attached hereto.

iii. The completed Form of Proxy should be deposited at the Registered Office of the Company at No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo1, not less than forty-eight hours before the time appointed for the holding of the Meeting.

iv. Members are encouraged to vote by Proxy through the appointment of a member of the Board of Directors to represent them and vote on their behalf. Members are advised to complete the Form of Proxy and their voting preferences on the specified resolutions to be taken up at the Meeting and submit the same to the Company in accordance with the instructions given on the reverse of the Form of Proxy.

v. Please refer the Circular to shareholders and CSE website for further instructions relating to the AGM and for joining the meeting virtually.

vi. A Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting.

   Resolved -

   "That Mr. S.D.R Arudpragasam who is seventy four years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Director, Mr. S. D. R. Arudpragasam".

vii. A Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting:

   Resolved -

   "That Mr. S. Shanmugalingam who is seventy-one years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Director, Mr. S. Shanmugalingam."

Notes

Notes

Form of Proxy

I/We the undersigned ....of ....

....being a member/members of

Colombo Fort Investments PLC, do hereby appoint : ....of...

.... whom failing

Sri Dhaman Rajendram Arudpragasam	of Colombo whom failing
Sriskandamoorthy Shanmugalingam	of Colombo whom failing
Sanjeev Rajaratnam	of Colombo whom failing
Amrit Rajaratnam	of Colombo whom failing
Anushman Rajaratnam	of Colombo whom failing
Liyanage Lasantha Sadananda Wickremasinghe	of Colombo whom failing
Minoli Geraldine Samanthi Jayasundara	of Colombo

as my/our Proxy to represent me/us to speak and to vote on my/our behalf at the Annual General Meeting of the Company to be held on 21st July, 2026 at 10.45 a.m. and at any adjournment thereof and at every poll which may be taken in consequence thereof. I/We the undersigned hereby authorise my/ our proxy to vote on my/our behalf in accordance with the preferences indicated below:

RESOLUTIONS					
Resolution Numbers as set out in the Notice convening the Meeting	1	2	3	4	5
For					
Against					

As witness, my / our * hands this..........................day of...2026.

....
Signature of Shareholder

Notes :
Please indicate with an X in the space provided how your proxy is to vote. If there is in the view of the Proxy Holder doubt (by reason of the way in which the instructions contained in the proxy have been completed) as to the way in which the Proxy holder should vote, the Proxy holder shall vote as he thinks fit.

A Proxy holder need not be a member of the Company.

Instructions as to completion appear on the reverse hereof.

Form of Proxy (Contd.)

1. To be valid the completed Form of Proxy must be deposited at the Registered Office of the Company at No 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01 not less than 48 hours before the time appointed for the holding of the Meeting.

2. The Instrument appointing a proxy shall in the case of an individual be signed by the appointor by his Attorney and in the case of a Company/Corporation the Proxy Form must be executed under its Common Seal, which should be affixed and attested in the manner prescribed by its Articles of Association or other constitutional document.

3. If the Proxy Form is signed by an Attorney, the relevant Power of Attorney or a notarially certified copy thereof, should also accompany the completed Form of Proxy if it has not already been registered with the Company.

4. The full name and address of the Proxy and of the shareholder appointing the Proxy should be entered legibly in the Form of Proxy. Please sign in the space provided and fill in the date of signature.

Corporate Information

Name of the Company
Colombo Fort Investments PLC

Legal Form
A Public Quoted Company with Limited Liability incorporated in Sri Lanka on 10th June, 1983 under the Companies Act No. 17 of 1982 and re-registered under the Companies Act No. 7 of 2007 on 13th December 2007.

Company No.
PQ 100

Stock Exchange Listing
The Ordinary Shares of the Company are listed with the Colombo Stock Exchange

Registered Office
8-5/2, Leyden Bastian Road,
York Arcade Building,
Colombo - 1.
☎ : 0112344485 - 9

Board of Directors
S.D.R.Arudpragasam FCMA (UK) (Chairman)
S.Shanmugalingam
S.Rajaratnam B.Sc., CA
Amrit Rajaratnam LLB (Notts.), Barrister-at-Law
Anushman Rajaratnam B.Sc. (Hon.), CPA, MBA
L.L.S. Wickremasinghe FCA, FMAAT
M.G.S. Jayasundara ACMA (UK), MBA (USA)

Secretaries
Corporate Managers & Secretaries (Pvt) Limited
8-5/2, Leyden Bastian Road,
York Arcade Building,
Colombo - 1.
☎ : 0112344485 - 9

Auditors
Messrs. MOORE Aiyar
Chartered Accountants
No. 98, Havelock Road,
Colombo - 5

Lawyers
Messrs. Julius & Creasy
Attorneys-at-Law,
Solicitors & Notaries Public,
P.O. Box 154,
Colombo.

Bankers
Commercial Bank of Ceylon PLC
Sampath Bank PLC

Website
www.colombofortinvestments.com

Colombo Fort Investments PLC
8-5/2, Leyden Bastian Road,
York Arcade Building,
Colombo 01.