



RENUKA HOLDINGS PLC
Annual Report 2025

CONTENTS

Profile	1-6
At A Glance	7
Profile of Directors	8-9
Chairperson's Review	10
Management Discussion and Analysis	11-13
Statement by Senior Independent Director	14
Corporate Governance	15-22
Audit Committee Report	23-24
Related Party Transactions Review Committee Report	25
Remunerations Committee Report	26
Nominations & Governance Committee Report	27
Risk Management	28-31
Sustainability Report	32-33
Report of the Directors	34-38
Statement of Directors' Responsibility	39
FINANCIAL REPORTS	
Independent Auditor's Report	40-44
Statement of Financial Position	45
Statement of Profit or Loss and other Comprehensive Income	46
Statement of Changes in Equity	47
Statement of Cash Flows	48-49
Notes to the Financial Statements	50-110
Real Estate Portfolio	111
Five Year Summary	112
Shareholders' & Investors' Information	113-115
Notice of Meeting	116
Form of Proxy	117-118
Corporate Information	119

PROFILE

Renuka Holdings PLC is a diversified organization listed on the Colombo Stock Exchange and is the holding company for subsidiaries engaged in Agri Food Exports, Consumer Brands, Property & Investment tracing its roots to 1866.

It's subsidiary, **Renuka Foods PLC** is the holding company of the Agri Food Exports and the Consumer Brands sectors.

Today we are Sri Lanka's leading manufacturer and exporter of Coconut based food and beverage products with our own Organic certified plantations, in addition to a century of experience in the tea industry. We are one of the top 05 dairy manufacturers and a leading brand of snacks in the country.

VISION

To be a leading Sri Lankan conglomerate in pioneering ventures with a global presence, excelling through innovation and technology.

The Renuka family consists of over 1,330 individuals and a further 7,000 farmer families through our outgrower networks. It is their contribution and dedication which enables us to achieve world class possibilities.



**Total
Employees**
1,330
Nos.



**Plantations and
Outgrower Farms**
11,000
Acres



**Processing
Units**
7
Factories & Warehouses



**Outlets
Served**
70,000
in Sri Lanka



**Export
Markets**
43
Countries

ONE OF THE MOST RESPECTED ENTITIES IN SRI LANKA

We also have been awarded the "Best Under a Billion USD" title by Forbes Asia and we are also winners of numerous Presidential, National, and International awards for excellence in manufacturing, exports, brands and distribution.

WITHIN THE TOP 100 FIRMS IN SRI LANKA AS PER LMD

The Renuka family consists of over 1,330 individuals and a further 7,000 farmer families through our outgrower networks. It is their contribution and dedication which enables us to achieve world class possibilities.



ORIGINS

1975: Renuka Enterprises is established on 30th October by Mrs. I. Renuka Rajiyah and within the first three years of operations becomes one of the leading exporters of agriculture commodities – desiccated coconut and spices from Sri Lanka. The export business grows by 500% in the first 3 years, paving the way for investments in other areas.

1976: Renuka House, an office and warehouse building is constructed in Colombo 2.

1978: Dr. S. Ranjit Rajiyah, a medical doctor by profession, joins the business. Renuka Holdings Ltd is incorporated to act as a promoter for infrastructure development projects such as the construction of the Mahaweli dams, with foreign partners. The Kent warehouse complex is constructed in Colombo 09.

1982: Renuka Agro Exports (Pvt) Ltd pioneers the manufacture of creamed coconut in Sri Lanka.

1989: The Cargo Boat Investment Company Ltd is acquired engaged in investments.

History of The Cargo Boat Despatch

1866: The Cargo Boat Despatch Company is formed.

1936: Mr. A.L. Thambiayah acquires The Cargo Boat Despatch Company and grows it to the forefront of shipping, accounting for the bulk of the functions of the port of Colombo at the time of nationalization of cargo operations in 1958.

1960: Thambiayah whose companies were significant shareholders in Millers and Cargills Ceylon, is appointed chairman and managing director on the demise of Sir Chittampalam Gardiner, with whom he founded Ceylon Theaters Ltd in 1928.

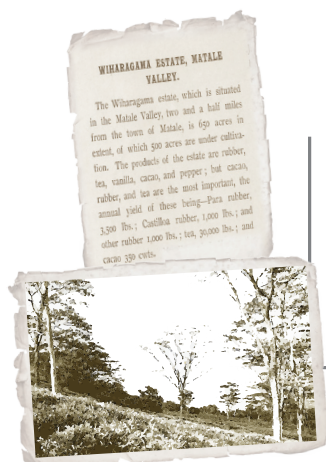
1969: Renuka Hotels is built, on a family property, named after his youngest daughter Indu Renuka.

1980: The Cargo Boat Development PLC constructs one of the first high rises in Colombo Fort.

1989: A restructure takes place, the companies and assets of The Cargo Boat Despatch Group being divided among the children of Mr. A L Thambiayah.



1989: Kandy Plantations Ltd (sucessor to Matale Valley Estates) is incorporated to venture into organic cultivation and processing; the company goes on to establish Sri Lanka's largest organic certified coconut farm.



History of Matale Valley Estates

1925: Matale Valley Estates traces its origins to Mrs. R. Ramasamy who ventures into the business of planting and managing Coconut, Spices and Tea in the central region. Her daughter and husband, the Rajiyah's continued to oversee this operation which grew to over 3500 acres of the finest crops; some of the estates were Selegama, Yatawatte, Uplands and Wiharagama.

1972: Nationalization of plantations takes places leaving only 100 acres of the original lands in family hands.

1990: Renuka Foods PLC (formerly known as Coco Lanka PLC) is established and becomes the leading manufacturer of value added coconut based food products.

1994: Renuka Foods PLC is listed on the Colombo Stock Exchange under the Food and Beverage sector.



2003: The business of Renuka Foods PLC is expanded by its subsidiary Renuka Agri Foods PLC, commissioning a state-of-the-art Coconut based food and coconut water beverage manufacturing facility.



2008: Renuka Holdings PLC is listed on the Colombo Stock Exchange and becomes the holding company.

2010: Renuka Agri Foods PLC is listed on the Colombo Stock Exchange.

2011: The Shaw Wallace & Hedges Group is acquired consisting of Shaw Wallace Ceylon Ltd, Shaw Wallace and Hedges Ltd and Shaw Wallace Properties Ltd. The companies purchased are integrated into the group.



History of Shaw Wallace & Hedges

1886: Shaw Wallace & Co is formed in India as agents, importers, exporters and plantation owners.

1909: Shaw Wallace is set up in Ceylon as the local arm of the international firm, to engage in imports and exports.

1954: Shaw Wallace and Lee Hedges (Est 1866) are amalgamated to form Shaw Wallace & Hedges Ltd, which subsequently merges with Bois Brothers (Est 1891).

2003: The company is restructured and separated to different entities, the Shaw Wallace & Hedges Group taking over business operations except Lee Hedges.

2012: The Baseline Business Center, a state-of-the-art 61000 Sq.ft. office building in Colombo 08, is constructed.

2012: Richlife Dairies Ltd, Sri Lanka's first UHT Dairy milk manufacturer and a leading brand of dairy products is acquired.

2013: Shaw Wallace Ceylon Ltd acquires a leading snacks brand & builds a state of art extruded, baked and fried snacks manufacturing facility.

2014: Renuka Agri Organics Ltd acquires Unagahadeniya Desiccated Coconut Mills (est. 1961) and opens an expanded Virgin Coconut Oil manufacturing facility.

2016: Coco Lanka (Pvt) Ltd commences establishment of a greenfield drip irrigation organic farm of Coconut & Cashew.

2016: Ceylon Land & Equity PLC, established in 1958, is acquired. The company is an investment holding company.

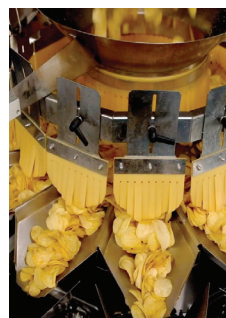
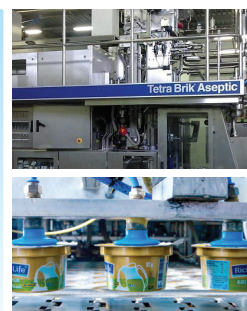
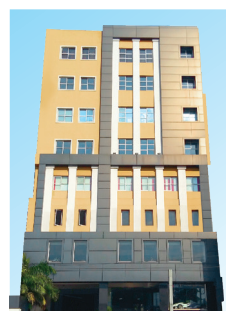
2018: Galle Face Properties Ltd commences construction of the "Galle Face Icon" a high rise office and leisure project in the Central Business District of Colombo.

2019: Shaw Wallace Ceylon Ltd which is already the market leader in the canned fish segment sets up a fish canning facility.

2019: Renuka Agri Foods PLC commissions new aseptic production lines significantly increasing the capacity of liquid coconut milk and water products.

2021: Renuka Agri Foods PLC commissions a fully integrated state of the art primary processing facility in the export processing zone.

2021: Galle Face Capital Partners PLC established in 1920 is acquired, The company is engaged in portfolio management.



SECTORS



AGRI FOOD EXPORTS

COCONUT BASED FOOD AND BEVERAGES

Renuka Agri Foods PLC & **Renuka Agri Organics Ltd**, are the leading manufacturers, marketers & exporters of Coconut based food and beverages from Sri Lanka to the retail, food service and ingredient sectors across 52 countries.

Our quality measures are of stringent standards and are not compromised at any point, right from the raw material purchases to delivery of goods.

Innovation has been a key strength of the company thus enabling entry into new markets and ensuring that we always remain as the Coconut Centre of Excellence.

ORGANIC PLANTATIONS

Kandy Plantations Ltd is the Group's foray into sustainable organic farming since the 1980s'. Today our farms are a model of a balanced eco-system, located in the heart of the famed Coconut Triangle.

INTERCROPPING

Our Coconut farms are rich in biodiversity and intercropped with both long crops such as Cashew, Pepper and Cinnamon and short term crops.

CATTLE BREEDING

Another important component in the farm eco-system is cattle breeding. At present around 430 cattle roam freely, providing cow dung which forms a part of the natural fertilizer mix, along with Coconut husks, Rice straw and *Gliricidia* leaves.

FORESTRY

Our forestry is mainly situated in the Wiharagama estate in the Matale district of Sri Lanka. The land comprises of Teak, Kaya and Mahagony trees.

CONSUMER BRANDS

DAIRY

Richlife Dairies Limited was incorporated in the year 1995. It was the first company in Sri Lanka to manufacture Ultra High Temperature (UHT) treated, shelf-stable "Tetra Pak" packaged food products. We also manufacture culture dairy products.

Our experienced, dynamic and qualified food technologists, laboratory and quality assurance personnel carry on continuous improvements to our recipes well supported by a group of expert consultants.

A fully fledged fleet of temperature controlled lorries cater to our delivery requirements thus ensuring that products and service continue uninterrupted.

FMCG

Shaw Wallace Ceylon Ltd is one of the leading FMCG brand owners and distributors in the country which sources, manufactures and markets a range of food and beverage products namely Fish, Soya, Cereals, Snacks, Fruit Beverages and Confectionery.

Our grocery network distributes directly to over 70,000 outlets and indirectly to over 100,000 across Sri Lanka assisted and monitored by over 160 company salesmen on a state-of -the-art Sales Force Automation system. The warehouse complex is a 80,000 sq.ft. facility on an area of land designed to cater to the company's needs over the years.

INVESTMENT



Ceylon Land & Equity PLC is an investment holding company listed on the Colombo Stock Exchange.

Galle Face Capital Partners PLC is one of the oldest companies listed on the Colombo Stock Exchange. The company actively manages a portfolio of listed equity, debt instruments, private equity and investments in alternate asset classes.

Galle Face Properties Ltd owns prime real estate in Colombo 03 where currently the flagship Galle Face Icon, a 30-storey building with grade A office space, amenities, service suits and recreational areas is under construction.

Shaw Wallace & Hedges Ltd is engaged in investments.

The Cargo Boat Investment Company Ltd is engaged in equity investments.

MANAGEMENT SERVICES

Renuka Enterprises (Pvt) Ltd is engaged in the provision of management services of corporate finance, Information technology, Human Resources, secretarial, legal and shipping to Group companies.

CORPORATE BRANDS



PRODUCT BRANDS

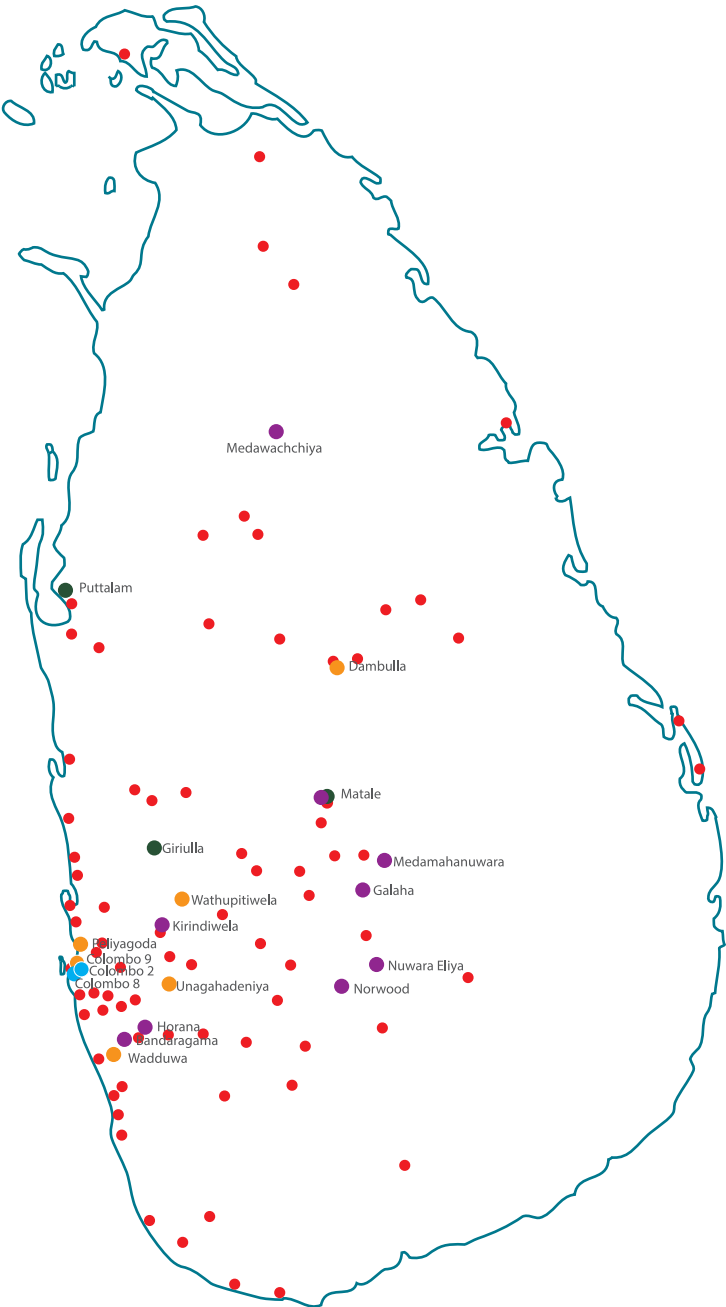


CERTIFICATIONS



LOCATIONS

- Offices
- Factories & Warehouses
- Collection & Processing Centres
- Plantations
- Stockists



REACH

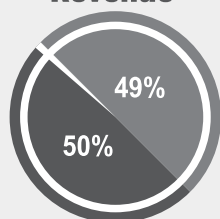
- Distributors
- Associates





Revenue
13,921
Million

Segmental
Revenue



Net Profit
306
Million

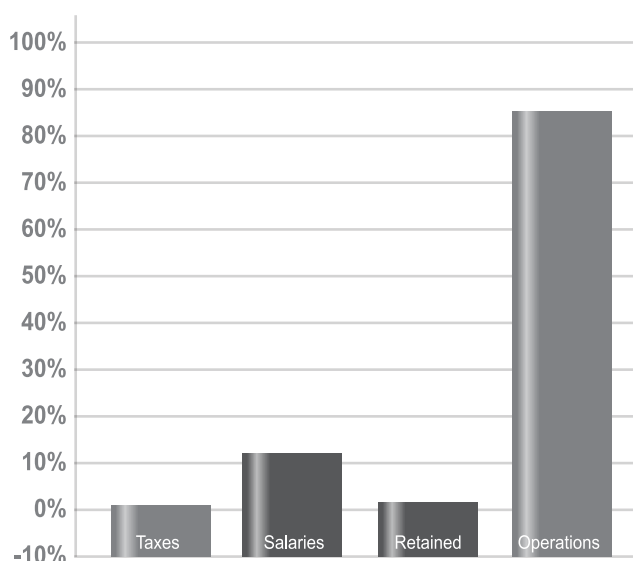


Total Assets
21,814
Million



Employees
1,330
Nos,

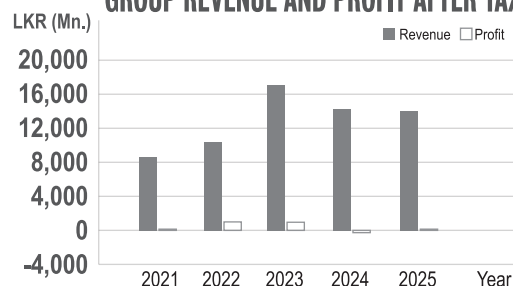
AT A GLANCE



VALUE ADDED DISTRIBUTION

01% Taxes
13% Salaries
02% Retained
84% Operations

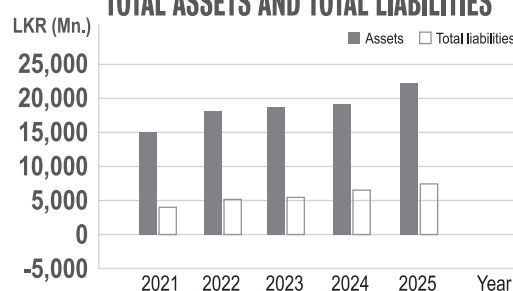
GROUP REVENUE AND PROFIT AFTER TAX



14,273 Mn
Revenue in Year 2024

411 Mn
Loss in Year 2024

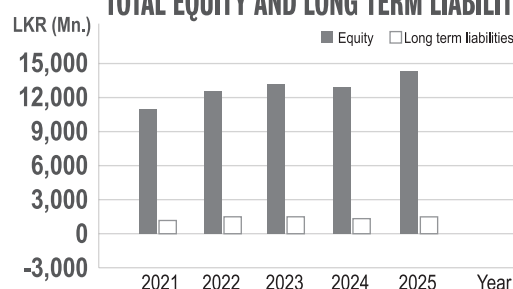
TOTAL ASSETS AND TOTAL LIABILITIES



19,131 Mn
Total Assets in Year 2024

6,415 Mn
Total Liabilities in Year 2024

TOTAL EQUITY AND LONG TERM LIABILITIES



12,716 Mn
Total Equity in Year 2024

1,455 Mn
Long Term Liabiliteis in Year 2024

PROFILE OF DIRECTORS

Mrs. I. R. Rajiyah

Mrs. I.R Rajiyah is the Executive Chairperson of the Company. She is qualified in Business Studies from the United Kingdom and is a fellow of the British Institute of Management. She counts over 50 years of corporate experience in founding and running businesses. She is also the Executive Chairperson of Renuka Holdings PLC and Deputy Executive Chairperson of Renuka Foods PLC, a Director of Shaw Wallace Ceylon Ltd, Richlife Dairies Ltd and Companies of the Renuka Group.

Dr. S. R. Rajiyah

Dr S.R.Rajiyah is the Executive Deputy Chairman of the Company and he is also the Group Managing Director of Renuka Holdings PLC and the Executive Chairman of Renuka Agri Foods PLC, Chairman of Shaw Wallace Ceylon Ltd, Director of Richlife Dairies Ltd and other companies of the Renuka Group. He is a medical doctor qualified in Sri Lanka and counts over 45 years of corporate experience in operations, quality management, research and development as well as in founding and running businesses.

Mr. S.V. Rajiyah

Mr. S.V. Rajiyah is the Managing Director of Company. He is also the Managing Director of Renuka Foods PLC and Renuka Agri Foods PLC, Shaw Wallace Ceylon Ltd, Richlife Dairies Ltd and Director of Companies of the Renuka Group. He is also the Executive Chairman of Ceylon Land & Equity PLC and Galle Face Capital Partners PLC. He is a graduate in Management from the Warwick Business School, University of Warwick, United Kingdom. He has over 20 years of experience in General Management.

Mr. V. Sanmugam

Mr V. Sanmugam is a Non Executive Director of the Company and he holds a Bachelor of Engineering Degree from the Mangalore University. He counts over 40 years of industrial work experience, out of which, 28 years have been with the Renuka Group Companies.

He has extensive experience in New Plant Establishment, Project Planning & Management, Supply Chain/ Inventory Management, Statutory & Regulatory Compliance, besides others. He is an Executive Director of Renuka Agri Foods PLC, Shaw Wallace Ceylon Ltd, Richlife Dairies Ltd and Non Executive Director of Renuka Foods PLC

Dr. J. M. Swaminathan

(Resigned w.e.f 12/11/2024)

Dr. J. M. Swaminathan was an Independent Non Executive Director and an Attorney-at-Law with over 60 years in practice and has been appointed as a Senior Instructing Attorney-at-Law by His Excellency the President. He was

the former Senior Partner of Messrs. Julius & Creasy. He was a Member of the Office for Reparations Sri Lanka. He has served as a Member of the Law Commission of Sri Lanka and Member of the Council of Legal Education and the Council of the University of Council. He is also a Member of the Company Law Advisory Commission and The Intellectual Property Law Advisory Commission. He is the Chairman of the Board of Studies of the Council of Legal Education and also a Consultant at the Institute of Advanced Legal Studies of the Council of Legal Education. He is a Member of the Visiting Faculty of the LLM Course of the University of Colombo and Member of the Board of Management of the Superior Court Complex. He also serves on the Boards of several public and private companies.

Mr. M. S. Dominic

Mr. M.S. Dominic is an Non-Executive Director and holds a BSc (Hons) degree in Computer Science from the University of South Bank, United Kingdom. He has over 38 years of experience in the Information Technology field. He is also Director of Galle Face Properties Ltd, Galle Face Capital Partners PLC and Sithijaya Fund. He is a trustee of the George Keyt Foundation.

Mr. T. K. Bandaranayake

(Resigned w.e.f 12/11/2024)

Mr. T.K. Bandaranayake was an Independent Non-Executive Director of the Company. He is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka. He was in public practice with Ernst & Young for 27 years since 1982. He was a Senior Partner managing a large portfolio of clients. He is also a Director of Nawaloka Hospitals PLC, Overseas Realty (Ceylon) PLC, Havelock City (Pvt) Ltd, Mireka Capital Land (Pvt) Ltd, Mireka Homes (Pvt) Ltd, Samson International PLC, Harischandra Mills PLC and Browns & Company PLC.

Mrs. J. J. B.A. Rajiyah

Mrs. J. J. B. A. Rajiyah is a Non - Executive Director of the Company. She has earned her B.Sc in Law with Management from the University of London and holds a MBA from the Postgraduate Institute of Management, University of Sri Jayawardenepura. She is an Executive Director on the Board of The Autodrome PLC since 2004 and serves in the capacity of the Marketing Director. She is also a Director of Renuka Group Limited, Renuka Enterprises (Pvt) Limited, Galle Face Properties Ltd and other Companies of the Renuka Group. She is the Chairperson of Tuckers (Pvt) Ltd.

Dr. J.A.S. Felix

(Independent Director)

Dr J. A. S. Felix, President's Counsel, is an Independent Non-Executive Director of the Company. He was awarded LLB (Honours) degrees by the University of Colombo and the University of London in 1994. He was admitted and

PROFILE OF DIRECTORS

enrolled as an Attorney-at-Law of the Supreme Court of Sri Lanka in 1996 and appointed a President's Counsel by His Excellency the President of Sri Lanka in 2023. He was awarded a PhD degree by the University of London in 2000. He is a Fellow of the Society for Advanced Legal Studies of the University of London, Fellow of the Chartered Institute of Taxation of Sri Lanka (FCIT) and a Fellow of the Royal Society of Arts, London (FRSA). He is a member of the Taxes Committee, the Human Rights Law Committee and the Public Law Committee of the International Bar Association. He is also a member of the Society of Legal Scholars of the United Kingdom and Ireland

Mr. Selvaskandan Rajaratnam (Independent Director)

Rajaratnam Selvaskandan is a Senior Partner at Varners. Raj, as he is known in the industry, was called to the Bar as an Attorney-at-Law of the Supreme Court of Sri Lanka in 1982. After a brief stint in private practice, he was invited to join the prestigious Attorney General's Department of Sri Lanka as a State Counsel. Raj is one of Sri Lanka's leading M&A lawyers with a wealth of experience and industry insight and is highly regarded for his strategic vision and multidimensional expertise.

Raj advises and assists both corporate and private clients alike in relation to a wide variety of corporate and commercial transactions, restructuring of corporate entities, mergers & acquisitions, corporate due diligence, corporate takeovers, investment structuring, banking & finance, large-scale project finance and construction.

He draws on his extensive experience in multiple jurisdictions to provide practical solutions to the intricate technical and legal issues, which arise at various stages of a transaction. In providing strategic advice on project development and management, his approach is focused on assisting clients in circumventing risks in a cost-effective manner. Where disputes are unavoidable, Raj has also been involved in the conduct of formal and informal dispute resolution proceedings.

Raj is acclaimed in the Sri Lankan business sector for his knack of bringing divisive business entities together and uses his negotiation skills for getting the best deals for his clients. He brings value to any transaction and strongly believes that for a transaction to be successful it should be equitable to all parties.

He provides legal advice to numerous large-scale developments and construction projects in Sri Lanka. Raj is currently engaged in advising and assisting in the development of a major Public Private Partnership land reclamation and development project adjacent to the Central Business District of Colombo.

He is also currently a key legal advisor to one of the largest foreign banks in the country and has substantial experience in a variety of financing including syndicated loans, leveraged finance, and acquisition finance.

Mrs. M. S. Theverapperuma (Independent Director)

Shiranthi is a Finance Professional and counts for over 29 years of experience in the field of Finance and Management. She holds a bachelor's degree in commerce (Special), from the University of Colombo in 1998 and is a member of the Chartered Institute of Management Accountants (CIMA) UK since 2000. She obtained her master's in business administration from the Postgraduate Institute of Management (PIM), University of Sri Jayawardenapura in 2012.

Shiranthi started her career in 1996 at John Keells Holdings as a Management Trainee and was promoted as an Accountant later. After a tenure of 6 years at the John Keells Group, she joined Ceylon Oxygen Ltd (a fully owned subsidiary of the Linde Group, global market leader in Gases and Engineering solutions), as Manager Finance. At Ceylon Oxygen Ltd, she has been instrumental in coordinating 3 successful management buy-outs (all MNCs), supporting the business in various strategic decisions in growth and investments over the years.

Shiranthi was promoted as Managing Director of Ceylon Oxygen in August 2022, making her the first female Country Managing Director in Linde - South Asia Region. Having taken over the new role and leading the company ensuring business continuity and patient safety during Sri Lanka's worst economic crisis, she was awarded with LINDE's Transformational Leadership Award 2022/23 in the Region of South-East Asia (RSE).

She has been a passionate toastmaster attached to the CIMA Toastmasters Club since 2018, serving in the executive committee in 2019 and 2020.

Shiranthi has been a member of the Executive Committee of the Alumni of Postgraduate Institute of Management (PIMA) University of Sri Jayawardenapura, since 2018 and has served in the capacities of Executive Committee member (2018/19), Treasurer (2019/20) and Vice President (2020/21 & 2021/22), President (2022/23) and Immediate Past President (2023/24).

Fit and Proper Assessment Criteria

To ensure compliance with listing rule

9.71 each member of the board has declared conformity with the Fit and Proper assessment criteria outline in listing rule number 9.7.3 by providing signed declaration for the year under review. Individuals who failed to comply with the criteria as per the above rule will no longer be eligible to serve as director of the company.

CHAIRPERSON'S REVIEW

CHAIRPERSON'S REVIEW – RENUKA HOLDINGS PLC

On behalf of the Board of Directors, it is my privilege to welcome you, our valued shareholders, to the 45th Annual General Meeting of Renuka Holdings PLC. I am pleased to present the Annual Report and the Audited Financial Statements for the year ended 31st March 2025.

Sri Lankan Economic Overview

The financial year 2024–25 marked a turning point for Sri Lanka, as the nation entered a new era of political and economic stability following two national elections held in quick succession. Emerging from the shadows of the most severe economic crisis in its post-independence history, the country now stands poised for a more transparent, accountable, and fiscally disciplined future.

The new administration's firm commitment to structural reform and continuity under the IMF-backed stabilization program helped ease market concerns and reinforce investor confidence. Inflation declined steadily, supported by a more stable exchange rate and lower interest rates, while improved forex liquidity—driven by a rebound in tourism and remittances—strengthened the Sri Lankan Rupee by approximately 6% over the year.

Real GDP growth reached 5% in 2024, with positive contributions across all key sectors: Industry (+11%), Services (+2%), and Agriculture (+1%). Although macroeconomic stability has begun to return, the country now faces the more complex task of ensuring this recovery translates into broad-based, inclusive growth that enhances livelihoods and preserves hard-earned fiscal discipline.

Group Performance

Despite a complex operating environment, the Group reported a turnover of Rs. 13.9 Bn, compared to Rs. 14.3 Bn in the previous financial year. The Group's gross profit increased from Rs. 1.8Bn to Rs. 1.9Bn, while the group recorded an operating Loss of Rs. 194Mn compared to an operating loss of Rs. 454Mn in the previous year. The group posted a profit for the period of Rs 306Mn.

Agri Food Exports Sector

The Agri Food Exports sector was significantly impacted by a national coconut production shortfall early in 2025. Between January and April, yields fell short by nearly 200 million nuts, reflecting a broader downward trend—from 3.35 billion nuts in 2022 to 2.68 billion in 2024. This sustained decline has been driven by a combination of factors: ageing plantations, insufficient replanting, high fertilizer costs, limited availability of inputs, damage caused by pests, and inconsistent past policies.

The resulting shortage led to a sharp surge in coconut prices, directly affecting our value proposition and competitiveness in international markets. In response, we undertook a strategic reassessment of our sourcing model and production capacity, focusing on operational efficiencies and cost mitigation.

The Agri Food exports sector achieved a significant increase in turnover from Rs 4.9Bn in 2024 to Rs 7.2Bn in 2025. The loss for the period decreased from Rs 766Mn in 2024 to Rs 732Mn in 2025.

Consumer Brands Sector

The restoration of political and economic stability contributed to a moderation in inflation and interest rates, setting the stage for a measured recovery in consumer sentiment and spending. This shift enabled us to refocus on core brand development, market expansion, and customer-centric strategies.

With renewed emphasis on sales execution, cost optimization, and supply chain efficiency, we were able to mitigate the impact of earlier headwinds and stabilize performance toward the latter part of the financial year. The Consumer Brands sector recorded a turnover of Rs. 7.3Bn, compared to Rs. 9.2Bn in the previous year, with a profit after tax of Rs. 488Mn with improved margins, we have laid the groundwork for renewed growth.

Investment Sector

The portfolio management companies performed exceptionally well benefiting from trading in equity and debt instruments as a result of the uncertainty that surrounded the financial markets.

The flagship project in Colombo 03 continued to experience delays due to the drastic increase in construction costs. However, as the construction industry costs are stabilizing, we anticipate a resumption of progress along with a joint venture partner. The sector recorded a profit after tax of Rs. 551Mn for 2025.

Looking Ahead

Sri Lanka's growth forecast by The World Bank also reflects a moderate growth rate of 3.5% for 2025 and 2026. A steady growth of tourist arrivals and worker remittances are positive indicators. However, we recognize that the global business environment remains uncertain with economic policy changes in the United States and political instability in the Middle East as I write this statement, the long-term effects of this yet to be felt to our nation. We can only approach the new financial year with cautious optimism

I extend my heartfelt thanks to the entire team and all our stakeholders for their unwavering support and trust in our vision. Your contributions have been invaluable in helping us achieve our goals and set the stage for future success. I also express my deepest gratitude to my esteemed colleagues on the Board for their wise counsel and steadfast assistance. Their expertise and dedication have been pivotal in steering our company through challenging times.

As a truly homegrown Sri Lankan company, we assure our nation of our support and dedication to rebuilding a stronger and more vibrant Sri Lanka. We are committed to contributing to the country's economic development and enhancing the quality of life for our fellow citizens. Together, we will continue to strive for excellence and create a lasting positive impact on our community and the nation as a whole

Sincerely,

Mrs. I. R. Rajiyah
Chairperson
Renuka Holdings PLC
29th August 2025

MANAGEMENT DISCUSSION AND ANALYSIS

Operating Environment

The global economy showed relative stability in 2024, reflecting a cautious return to normalcy after several years of economic shocks. While this marks a period of relative stability, growth remains lower than pre-pandemic levels. The slower-than expected global recovery was primarily driven by ongoing geopolitical tensions in various regions which disrupted global supply chains, contributing to heightened economic uncertainty. Global trade in goods and services also rebounded in 2024. Goods trade picked up pace in the second half of the year. This resurgence was partly supported by precautionary inventory build-ups in response to anticipated trade disruptions, and proposed tariff increases in the United States.

The Sri Lankan economy also continued to recover steadily in 2024/25 as post-crisis reforms continued to deliver positive outcomes. After two years of annual contraction, the Sri Lankan economy rebounded strongly in 2024/25 with a growth of 5% compared to the 2.3% contraction in 2023/24. Growth was mainly attributable to Industrial activities, driven by the revival

of manufacturing and construction activities. Services activities also contributed supported by the sustained growth in tourism and transport activities. Meanwhile, Agriculture activities also contributed positively to the growth.

Inflation in 2024/25 continued on a downward trend following the record highs in 2022 supported by corrective monetary policy measures and tighter fiscal policy measures. Inflation followed an overall decreasing trend during 2024 and reached deflationary levels. The increase in some of the taxes and notable food inflation led to an uptick in inflation. However the adjustment in administratively determined prices including electricity resulted in a downward trend in inflation with the country entering a period of deflation in latter part of 2024.

The following aspects were discussed pertaining to the primary macro - economic variables during the year under review and the resultant impacts on the performance of Renuka Holdings PLC.

Movement	Cause	Impact to Renuka Group
Economic Growth		
Sri Lankan economy recorded a growth of 5 percent in 2024, in real terms, compared to a negative of 2.3 percent recorded in the preceding year.	Agriculture sector of the economy registered a growth of 1.2 percent whilst Industrial sector grew by 11 percent and the Services sector grew by 2.4 The performance of the agriculture, forestry and fishing sectors were impacted due to the adverse weather conditions which resulted in challenging conditions for the recovery of the sector. The majority of subcategories within the industries sector registered varying growth rates. Most subcategories in the services sector also registered growths.	The growth in GDP during the period of the financial year had a impact to the Company by way of making available investment opportunities in sound economic sectors
Inflation		
Headline inflation, as measured by the year-on year change in the CCPI recorded a slower deflation of 2.6% in March 2025. Looking forward, deflationary conditions are expected to ease further in the coming months, with inflation projected to turn positive by mid-2025 and gradually converge to the targeted level of 5% over the medium term.	During the year inflation declined significantly mainly due to corrective action taken by Central Bank of Sri Lanka. Further the relative stability of the rupee parity maintained by the CBSL also contributed to the lower inflation. The decline in inflation reflected a complex interplay of multiple factors impacting the overall economy, requiring careful monitoring and potential policy interventions to manage the situation effectively.	The Group was significantly impacted by the high cost of manufacturing, which posed challenges to its operations. To mitigate the negative effects on the group, measures were taken to improve product margins and enhance manufacturing efficiency. These steps were necessary to offset the increased costs and maintain competitiveness in the markets. By implementing these strategies, the group aimed to safeguard its financial stability and maintain its position in the various industries amid the challenging cost environment.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Movement	Cause	Impact to Renuka Group
Domestic Interest Rates		
Due to the relaxing of the monetary policy stance by The Central Bank, overall interest rates have been decreased from a high of 27% to around 8%.	To preempt the build-up of excessive inflationary pressures over the medium term and to address imbalances in the external sector and financial markets, measures were taken to commence tightening the monetary policy stance from early 2022/23 onwards. The decline in interest rates in 2024 was driven by a combination of moderating inflation, moderate inflation expectations, and reduced risk premia following the near finalization of the debt restructuring process, a need to stimulate economic growth, external financial support, and evolving market conditions. The adjustment in interest rates was part of a broader strategy to balance economic stabilization with growth objectives.	The group successfully faced the high interest cost period and is now enjoying the fruit of the hardship in the past. These proactive measures enabled the group to mitigate the financial impact of borrowings. By optimizing product margins and streamlining manufacturing processes, the group demonstrated its resilience and ability to adapt to challenging market conditions.
Exchange Rates		
In 2024/25, the Sri Lanka rupee appreciated marginally against the US dollar by 3 percent from Rs. 302 as at end 2024 to Rs. 292 as at end 2025	The pressures that was witnessed on the exchange rate amidst dried up liquidity in the domestic foreign-exchange market in the past was reversed by the foreign exchange inflows from tourism and other services exports as well as workers' remittances.	Appreciation of the Rupee had negatively impacted on our export oriented businesses in the Group.
Share Market		
The Colombo Stock Exchange (CSE) recorded a growth of 33 percent in 2024/25, mainly responding to the general market sentiment and the interest rates prevailing in the market.	<p>During the year ended 31st March 2025 the Colombo Stock Exchange (CSE) performance showed mainly an upward trend. The overall trend of the market reflected the evolving economic and global conditions, as well as various internal and external factors that influenced investor sentiment. In the first quarter of the period, the market experienced some volatility, influenced by uncertainties. However, as the year progressed, the market showcased significant growth.</p> <p>The performance of individual sectors in the CSE varied, with some sectors experiencing significant growth and others facing challenges. Factors such as changes in interest rates, government policies, corporate earnings, and global market dynamics played a role in shaping the market performance. Additionally, investor sentiment was influenced by domestic economic conditions, political developments, and global events.</p>	Highest share price of the company Recorded at Rs. 22.70 & lowest at Rs. 12.30 during the year under review. It was closed at Rs18/- as at 31st March 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Capital Management Review

Managing our capital according to a structured process is key to our continued success. The capital reports below, gives a summary description of our capital resources.

Financial Capital

The Group achieved a revenue, with a total turnover of Rs. 13.9Bn compared to the previous year's revenue of Rs. 14.2 Bn. The Group reported a Pofit after tax 286 Mn.

Furthermore, the Group's gross profit reached Rs. 1.8Bn. reflecting a increase compared to the previous year. This increase in gross profit can largely be attributed to the challenging market conditions together with product margins.

The Group's financial results demonstrate its ability to effectively manage costs and optimize revenue streams. By focusing on enhancing product margins, the Group was able to drive profitability and achieve notable growth in revenue and gross profit. These outcomes highlight the Group's commitment to sustainable financial performance and its ability to adapt to market dynamics.

Manufactured Capital

Deriving 100% of our revenue from manufactured products we are conscious of the importance of ensuring that our manufacturing capabilities are expanded, upgraded and maintained according to carefully orchestrated plan to deliver growth and future sustainability. Our manufactured capital comprises of building, plant & machinery and other items including motor vehicles, furniture & fittings and tools and equipment.

Natural Capital

Environmental sustainability is highly regarded and embedded into the corporate governance framework of the Renuka Agri Sector whilst managing the natural resources and meeting corporate obligations towards protecting the environment around us. Through our organic certified plantation's and factories we ensure that our customers all around the world get organic coconut products which is sustainable in the long term as well. Focus on energy management, waste management, maintaining clean business environment, water management are a few initiatives taken by the Group during the year. We also embarked on "Net Plus" solar power project at our factory by installing roof top solar panels with a view to reducing electricity consumption within the Group. We also provide guidance to farmers on sustainable agricultural practices with the objective of preserving soil health, forestry and bio diversity. Management of natural capital is a critical imperative as it accounts for significant portion of our total assets. We are heavily dependent on natural resources, water, energy and are significantly impacted by climate change in our plantations

We also seek to manage our consumption of materials, water and energy to reduce cost of production and our impacts on the environment. Compliance with Central Environmental Authority License, which is obtained by all our factories, is strictly adhered to.

Human Capital

The Group strongly believes in people development and encourages knowledge sharing. As a result management launched its organization structures and strategy for 2024 to its senior management team and emphasized the roles that each one of our employee needs to play in the coming years. Having sought insights from internal and external stakeholders, some of the business processes, operations and departments reporting have been revisited and streamlined.

Social and Relationship Capital

In today's dynamic and competitive business environment, Corporate Sustainability links with the social responsibility and the strength of the stakeholder relationships. The companies in the Group mainly depend on the co-ordination of the society surrounding environment. In turn, it benefits all the companies in the Group in many ways.

Intellectual Capital

Intellectual Capital is the group of knowledge assets that are attributed to an organisation and most significantly contribute to an improved competitive position of an organisation by adding value to defined stakeholders (Marr & Schiuma, 2001). The Renuka Group which the Company belongs to, trace its roots to 1866 and gradually built its solid businesses pillars owning many brands striving in local and export markets. Such a built up knowledge is used in many aspects and able to invest in wider range of business operations while growing the Group as a whole. Our intellectual capital enables us to compete effectively in local and global markets shaping our brand equity.

Outlook

Given the prevailing economic conditions, the country is currently facing significant challenges. However, the company has proactively tackled these operational difficulties by implementing effective working capital and capital management strategies. By carefully managing various capitals, the company aims to maximize returns and mitigate the impact of the challenging economic environment.

Despite the external challenges, the company remains committed to optimizing its operational efficiency and financial performance. Through diligent management of working capital and other resources, the company strives to navigate through the prevailing economic conditions and achieve sustainable growth. By adapting to the changing landscape and making strategic decisions, the company aims to position itself for long-term success in the face of economic uncertainties.

STATEMENT BY THE SENIOR INDEPENDENT DIRECTOR

Profile of Dr. John Anthony Shivaji Felix is given on page 6 of this report.

In compliance with Section 9.6.3.2 of the Listing Rules of the Colombo Stock Exchange, the Board of Directors of the Company appointed me as the Senior Independent Director of the Company with effect from 12th November 2024. Section 9.6.3. 2 of the Listing Rules provided that in the event the Chairman is an Executive Director a Senior Independent Director shall be appointed.

At Renuka Holdings PLC Mrs. Indumathi Renuka Rajiyah remains as Chairperson and Executive Director, in the interest of the Company.

Role Of The Senior Independent Director (SID)

The Senior Independent Director provides guidance to the Chairman on matters of governance of the Company.

The Senior Independent Director makes himself available to any Director or any employee to have confidential discussions on the affairs of the Company should the need arise.

Activities During The Year

Meetings were held with the Non-Executive Directors without the presence of the Executive Directors. At these meetings the performance of the Chairman and the Executive Directors were appraised. The outcome of

these meetings together with recommendations were duly informed to the Chairman and the Board.

As we look to the future, company remain focused on navigating the challenges and opportunities that lie ahead. Renuka Holdings PLC's strategic priorities will continue to be underpinned by our commitment to sound corporate governance, effective risk management, and sustainable growth.

As the Senior Independent Director, I am confident that the process and practices established by Renuka Holdings PLC ensure that the role of the SID is effectively carried out contributing to the robust governance of the company. The independence and objectivity of the SID along with the regular engagement with both the Board and shareholders, help to maintain transparency, accountability and trust in our corporate governance framework.

I remain committed to upholding these standards and will continue to work closely with the Board to ensure that the company is aligned with the best practices in corporate governance.

Dr John Anthony Shivaji Felix
Senior Independent Director
29th August 2025
Colombo

CORPORATE GOVERNANCE

Having a diverse business portfolio, Renuka Holdings PLC has adopted a well sound corporate governance frame work that facilitates effective management of corporate relationship and deliver continuous value to its stakeholders. Core principle of accountability, participation and transparency has been in-built to the corporate governance system and manages the wider range of companies in the Group.

This is a robust framework of structures, principles, policies and procedures, codes and process to ensure that our group values and standards are maintained throughout the companies in the Group. Corporate Governance essentially involves balancing in the interest of the shareholders and many stakeholders of the Company- which extend to management, customers, suppliers, financiers, government and community. Since corporate governance also provides the framework for attaining the Company's objectives, it encompasses practically every sphere of management, form action plan and internal controls to performance measurement and corporate disclosures.

The Company holds itself accountable to the highest standards of Corporate Governance and provides public accessibility to the information of the Company. Corporate Governance has been institutionalized at all levels in the Group through a strong set of corporate values which have been adhered to by the senior management and Board of Directors in the performance of their official duties and in other situations which could affect the Group image.

The Group is committed to the highest standards of integrity, ethical values and professionalism in all its activities

At Renuka Holdings Group, we set our framework of Corporate Governance in line with Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and the rules set out in the Colombo Stock Exchange Listing Rules and also comply with the Country's Legislative and Regulatory requirement.

Corporate Governance System

The Board of Directors who were appointed by the shareholders are the ultimate governing body of the Company and the highest decision making authority and has overall responsibility for determining the strategic directions of the Company and the Group. In all actions taken, the Board of Directors are expected to exercise their business judgment considering the best interest of the Company. The Corporate Governance framework is subject to continues reviews, assessments and improvements to provide best interest to its stakeholders.

BOARD LEADERSHIP

Composition of the Board

The Board comprised of Nine Directors as at the date of Financial Statements are approved, of which three Directors are Executive and Six Directors are Non-Executive. Out of Six Non-Executive Directors there are Three independent Directors. The status of Directors as at 31st March 2025 are given below.

Executive Director	Non -Executive Director	Non - Executive and Independent
Mrs. I. R. Rajiyah – Executive Chairperson	Mr. M. S. Dominic Rajiyah	Mrs. M. S. Theverapperuma
Dr. S. R. Rajiyah	Mrs. J. J. B. A. Rajiyah	Dr. J.A.S. Felix
Mr. S. V. Rajiyah	Mr. V. Sanmugam	Mr. Selvaskandan Rajaratnam

BOARD RESPONSIBILITIES

The Board determined that the independence of the Directors are measured in accordance with the Colombo Stock Exchange Rules and the independent Non-Executive Directors have submitted signed confirmation of their independences. The profiles of the directors are given in page 08-09 of this Annual Report which states that all Directors are having diverse experience, eminent professionals and dynamic entrepreneurs in the corporate world.

Board Role and Responsibilities

The Board aims at fulfilling its responsibilities by creating values for all stakeholders that are sustainable and beneficial. Under the direction of Executive Directors and oversight of the Board, the business of the Company is conducted by its managers, officers and employees to enhance the long term value of the Company.

The Board gives leadership in setting the strategic direction and establishing a sound control framework for the successful functioning of the Company. The Boards composition reflects a sound balance of independence.

Whilst providing information to the Board on regular basis by the management which operates the individual business operations, Board meets quarterly and gives full consideration to the following:

- Review strategic and key business performance
- Approve interim and annual budgets
- Review profit and working capital forecasts and quarterly management accounts
- Provide advice and guidelines to senior Managers
- Approve major Investments
- Approve interim and annual reports
- Risk management and adequacy of internal controls of the Group
- Review reports of internal audits, Related Party Transactions, Compliance with legal and regulatory requirement

CORPORATE GOVERNANCE (CONTD.)

BOARD BALANCE

The balance of Executive, Non-Executive and Independent Non-Executive Directors on the Board who are professionals/ academics/business leaders holding senior positions in their respective fields ensures a right balance between executive expediency and independent judgment as no individual Director or small group of Directors dominate the Board discussion and decision making.

BOARD MEETINGS AND ATTENDANCE

There Were four Board Meetings for the year ended 31st March 2025 on a quarterly basis and attendance to meetings are as follows;

Name of Director	Eligible to attend	Attended
Mrs.I.R. Rajiyah (Chairperson)	4	4/4
Dr.S.R.Rajiyah	4	4/4
Mr.S.V.Rajiyah	4	4/4
Mrs.J.J.B.A.Rajiyah	4	4/4
Mr. M.S.Dominic***	4	4/4
Mr. T.K.Bandaranayake*	2	2/2
Mr.J.M.Swaminathan*	2	2/2
Mr. V.Sanmugam	4	4/4
Mrs. M. S. Theverapperuma**	3	3/3
Dr. J.A.S. Felix**	3	3/3
Mr. Selvaskandan Rajaratnam**	3	3/3

*Mr. T.K.Bandaranayake and Mr.J.M.Swaminathan resigned w.e.f 12/11/2024

**Mrs. M. S. Theverapperuma, Dr. J. A. S. Felix and Mr. R. Selvaskandan appointed w.e.f 30/09/2024

***Mr. M.S. Dominic ceased to be an independent director w.e.f 30/09/2024

Division of responsibilities between the Chairperson and Managing Director

There is a distinct and clear division of responsibilities between the Chairperson and the Managing Director together with management to ensure that there is a balance of power and authority. The roles of the Chairperson and the Managing Director are separated and clearly defined.

Chairperson's Role

The Chairperson is responsible for ensuring the effectiveness and conduct of the Board whilst the Management has overall responsibilities over the operating units, organizational effectiveness of the implementation of Board policies and decisions.

The Chairperson ensures that Board members have access to adequate information and are provided with sufficient opportunity to obtain clarifications on the matters before the meetings through presentations and documents prepared by the management and their teams. Board members also have access to key management personnel for any clarifications.

Access to Independent Professional Advice

In the process of preserving the independence of the Board and the effective decision making, the Directors obtain independent and professional advice where necessary.

Access to Advice and Services of the Company Secretaries

All the Directors have access to the advice and services of the Company Secretarial function provided by Renuka Enterprises (Pvt) Ltd., which is responsible for ensuring that Board procedures are followed, compliance with rules and regulation, directions and statutes, recording minutes and maintaining required records of the Group.

Independent Judgment

Directors bring independent judgment to bearing on issues of strategy, performance, resources and standards on business conduct. Composition of the Board ensures that there is a sufficient balance of power and contribution by all the Directors without any domination by one or few Directors in Board processes or decision making.

Dedication of Adequate Time and Effort to Matters of the Board and the Company

Directors ensure that they dedicate adequate time and effort to the matters of the Board and the Company and that the duties and responsibilities owed to the Company are satisfactorily discharged. Accordingly dates of quarterly Board meetings and Board Sub-Committee meetings are scheduled well in advance and the relevant papers and documents are circulated a week prior to each meeting giving sufficient time for review. There is provision to circulate papers closer to the meeting on an exceptional basis.

Disclosure of information on Directors to Shareholders

Information relating to each Director is disclosed with the profile given on pages 08 of this Annual Report. Director's profiles include name, qualifications, experience, material business interest.

Membership in sub-committees are given on pages 23 - 27 to this Annual Report together with attendance at such meetings. Attendance at Board meeting is given on page No. 16 to this Annual Report.

Remuneration paid to Directors is disclosed in the Note 34 to the Financial Statements. Related Party Transactions had with Directors are disclosed in the Note No. 41 to the Financial Statements. Further any Directorships in Listed Companies established in Sri Lanka are included in the profile of each Director on pages 08-09 to this Annual Report.

Directors' Remuneration Procedure

Remuneration Committee determines and sets out the guidelines for remuneration of the management staff in the Group. Scope of Remuneration Committee and its composition are included on page 26 to this Annual Report.

The Board determines the remuneration of Non-Executive Directors who are paid a Directors Fee for attending the Board

CORPORATE GOVERNANCE (CONTD.)

meetings and sub-committee meetings. However they are not paid a performance based incentive payment.

Stakeholder Management and Shareholder Relationship Communication with Shareholders

The Board considers the Annual General Meeting as a prime opportunity to communicate with the shareholders of the Company. The Shareholders are given the opportunity of exercising their rights at the Annual General Meeting. The notice of the Annual General Meeting and the relevant documents required are published and circulated to the shareholders within the statutory period.

The Company circulates the agenda of the meeting and shareholders' vote on each issue separately. All the shareholders are invited and encouraged to participate the Annual General Meeting. The Annual General Meeting provides an opportunity for the shareholders to seek and obtain clarifications and information on the performance of the Company and to informally meet the Directors. The External Auditors are also present at the Annual General Meeting to render any professional assistance that may be required. Shareholders who are not in a position to attend the Annual General Meeting in person are entitled to have their voting rights exercised by a proxy of their choice.

The Company published quarterly accounts and Annual Report in a timely manner as its principal mode of communication with shareholders and others. This enables stakeholders to make a rational judgment of the Company.

Disclosure of Material Proposed Transactions

During the year under review there were no material proposed transactions entered in to by Renuka Holdings PLC or the individual companies in the Group which would materially affect the Net Assets base of the Company and the Consolidated position as a whole.

Accountability and Audit

The Board through the Chief Financial Officer and the management is responsible for the preparation and presentation of Consolidated Financial Statements of the Company and the Group in accordance with the Sri Lanka Accounting Standards comprising SLFRS and LKAS. This responsibility is monitored by the completion of a check list before finalizing the Interim and full year Financial Statements from the respective sector Finance Manager and Chief Financial Officer.

The Directors' Responsibility Statement for Financial Reporting is included on pages 39 to this Annual Report.

Risk Management and Internal Controls

The Board is responsible for the Company's internal controls and their effectiveness. Internal controls are established with emphasis placed on safeguarding assets, making available accurate and timely information and imposing greater discipline on decision making. It covers all the controls, including financial, operational and compliance control and risk management. It is important to state, that any system can ensure only reasonable and not absolute assurance that

errors and irregularities are prevented or detected within a reasonable time.

The Group's internal audit function is headed by the Manager Internal Audit, and the reports of the Internal Audits together with the Management comments are discussed with Audit Committee. Further at each meeting follow up issues from previous meeting also are discussed in order to make sure implementation of appropriate policies and procedures as a prevention mechanism.

Board Sub Committees

To assist the Board in discharging its duties various Board Committees are established. The functions and terms of references of the Board Sub Committee are clearly defined and where applicable and comply with the recommendation of the Code of Best Practice on Corporate Governance.

The four Board Sub Committees are as follows,

- i. Audit Committee
- ii. Remuneration Committee
- iii. Related Party Transactions Review Committee
- iv. Nomination & governance Committee

Audit Committee

The Board has established an Audit Committee which has oversight responsibility for financial reporting system of the Company considering how they should select and apply accounting policies, financial reporting and established internal controls and maintaining an appropriate relationship with the external auditors.

All the members of Audit Committee consist of independent Non-executive Directors who are appointed by and responsible to the Board of Directors. The Executive Director and Chief Financial Officer attended the meetings by invitation. Other members of the Board, members of Management as well as External Auditors were present when required. The Company secretaries serve as Secretaries to the committee.

The Audit Committee reviews the accounting policies, review of external audit function and ensures that the objectives and professional relationships are maintained with the External Auditors. Also Audit Committee reviews and assists the Board in maintaining a sound system of internal control.

The Committee has full access to the External Auditors who, in turn, have access at all times to the Chairman of the Committee. The Committee meets with the External Auditors without any executive presence at least once a year, in line with good Corporate Governance Practice.

The Report of the Audit Committee is presented on pages 23 to 24 and the duties of the Audit Committee are included therein.

Related Party Transactions Review Committee

The objective of the Committee is to exercise oversight on behalf of Renuka Holdings PLC and its listed subsidiaries, to ensure compliance with the Code on Related Party

CORPORATE GOVERNANCE (CONTD.)

Transactions, as issued by the Securities and Exchange Commission of Sri Lanka ("The Code") and with the Listing Rules of Colombo Stock Exchange (CSE). The Committee has also adopted Best Practices as recommended by the Institute of Chartered Accountants of Sri Lanka and CSE.

The Related Party Transactions Review Committee consists of three Independent Non-executive Directors who are appointed by and responsible to the Board. The Executive Director and Chief Financial Officer attended the meetings by invitation and the Company secretaries serve as Secretaries to the committee.

The Report of the RPTR Committee is presented on page 25 and the duties of the committee are included therein.

Remuneration Committee

The Remuneration Committee determines the remuneration of the Chairperson and the Executive Directors and sets guidelines for the remuneration of the key management staff within the Group.

The Remuneration Committee consists of three Directors and all Directors are independent and all three

Directors are Non- executive Directors. The Chairman of Committee is an Independent Non-executive Director and the Company secretaries serve Secretaries to the committee

The Report of the Remuneration Committee is presented on page 26 and the duties of the committee are included therein.

Nomination & Governance Committee

The committee objective is to define and establish the nomination process for Non Executive Directors, lead the process of Board appointment and make recommendation to the Board. The Committee sets the scope and the task such as assessing of skills required to be on the Board, periodic review of the extent of skills required to represent the Board, review the clear description of role and capabilities required for a particular Board appointment and identify and recommend suitable candidates to the Board.

All three Directors in the Nomination Committee are Non-executive Directors of which two Directors are Independent.

The Report of the Nomination Committee is presented on page 27 and the duties of the committee are included therein.

Institutional Investors

Shareholders are provided with interim Financial Statements and Audited Financial Statement together with Annual report which contains the periodic / Annual performance of the

Company and its subsidiaries. This information is available in the website of Colombo Stock Exchange. Further Board of Directors ensure that Shareholders are given a fair chance to communicate at the Annual General Meeting and clarify any information relating to the Company and the Group. Further the Board disseminates any information which is price sensitive to the Shareholders by announcing to the Colombo Stock Exchange.

Other Investors

Board expects any other investor to carry out analysis on the information published in the Colombo Stock Exchange web site and to seek independent advice on their investment decisions to invest or divest the shares.

Information Technology Governance

The Board is vigilant on the impact of the technology to the business. The Board is concerned about the threat and the need for management of IT and Cyber security risk.

Chief Information Technology Officer is entrusted with the formation of the Group Information Technology policy and Information security policy.

Management of IT and Cyber security is reviewed at monthly meetings with Directors and informed of any risks, issues and precautionary measures.

Corporate Governance Compliance Statement

Renuka Holdings PLC is fully compliant with the Corporate Governance listing requirement of the Colombo Stock Exchange and adheres to the different regulating authorities including,

- Companies Act No.7 of 2007
- Code of Best Practices on Corporate Governance issued jointly by the CA Sri Lanka and the Securities & Exchange Commission of Sri Lanka
- Inland Revenue Act
- Foreign Exchange Act
- Board of Investment Regulations
- Customs Ordinance

CORPORATE GOVERNANCE (CONTD.)

Compliance Summary

Statement of compliance under Section 7.6 of the Listing Rules of Colombo Stock Exchange on Annual Report disclosures.

CSE Rule Reference	Corporate Governance Principles	Compliance Status	Company's Extent of Adoption
(i)	Names of persons who were Directors of the entity	Compliant	Refer Directors' Report on pages 34 to 38 of this Annual Report.
(ii)	Principal activities of the entity during the year and any changes therein	Compliant	Refer Note 1 to Financial Statements.
(iii)	The names and the no. of shares held by the 20 largest holders of voting shares and the percentage of such shares held	Compliant	Refer Shareholders and Investor information on page 114 to 116 of this Annual Report
(iv)	The public holding percentage	Compliant	Refer page No 114
(v)	A Statement of each Director's holding and Chief Executive Officer's holding in shares of the entity at the beginning and end of each Financial year	Compliant	Refer Directors' Report on pages 34 to 38 of this Annual Report
(vi)	Information pertaining to material foreseeable risk factors of the Entity	Compliant	Refer Risk management Report on pages 26 to 29 of this Annual Report.
(vii)	Details of material issues pertaining to employees and industrial relation of the Entity	Not Applicable	There are no employees in the Company.
(viii)	Extent, Locations, Valuations and the number of buildings of the Entity's land holding and investment properties	Not Applicable	-
(ix)	Number of shares representing the Entity's Stated Capital	Compliant	Refer Note 21 to Financial Statements
(x)	A distribution schedule of the number of holders in each class of equity securities and the percentage of their total holdings	Compliant	Refer Shareholders and Investor information on pages 114 to 116 of this Annual Report
(xi)	Financial ratios and market price information	Compliant	Refer Five years summary given on page no 113 to this Annual Report
(xii)	Significant change in the Company's fixed assets and market value of Land, if the value differs substantially from the book value as at the end of the year	Not Applicable	-
(xiii)	Details of funds raised through a public issue, rights issue and a private placement during the year	Not Applicable	-
(xiv)	Information in respect of Employee Share Ownership or Stock Option scheme	Not Applicable	-
(xv)	Disclosures pertaining to Corporate Governance practices in terms of Rules 7.10.3, 7.10.5 c. and 7.10.6.c. of Section 7 of the Listing Rules	Compliant	Refer Corporate Governance Report on page 15 to 22 of this Annual Report
(xvi)	Related Party Transactions exceeding 10 percent of the equity or 5 percent of the total assets of the entity as per Audited Financial Statements, whichever is lower.	Compliant	Refer Note 41 to Financial Statements

CORPORATE GOVERNANCE (CONTD.)

Compliance Summary CONTD...

Extract of Compliance with the Listing Rules set out in section 9 of the Colombo Stock Exchange's Corporate Governance are Summarized below (Mandatory provisions fully complied and subject to transitional provision which will be complied in line with effective date as at 01.10.2024)

CSE Rule Reference	Corporate Governance Principles	Compliance Status	Company's Extent of Adoption
9.1/9.1.1 /9.1.2	COMPLIANCE		
	Compliance with Corporate Governance Rules	Compliant	This report declares the confirmation on compliance and refer Page 39 for "CORPORATE GOVERNANCE COMPLIANCE STATEMENT"
9.8.1	NON-EXECUTIVE DIRECTORS (NED)		
a.	At least 2 members or 1/3 of the Board, whichever is higher should be NEDs	Compliant	Five out of Eight Directors are Non-Executive Directors
	The Total number of Directors are to be calculated based on the number as at the conclusion of the immediately preceding Annual General Meeting	Compliant	Calculation is based on number as at the conclusion of the immediately preceding Annual General Meeting
b.	Any change occurring to this ratio shall be rectified within ninety (90) days from the date of the change	Not Applicable	-
9.8.2	INDEPENDENT DIRECTORS		
	2 or 1/3 of NEDs, whichever is higher shall be 'independent'	Compliant	Three out of Five Non Executive Directors are Independent Directors
9.8.3	Each NED to submit a signed and dated declaration annually of his/her independence or non-independence	Compliant	All Non-Executive Independent Directors have submitted their confirmation on independence
9.10	DISCLOSURES RELATING TO DIRECTORS		
	Board shall annually determine the independence or otherwise of NEDs	Compliant	The Board assessed the independence declared by Directors and determined the Directors who are independent.
9.10.4	A brief resume of each Director should be included in the annual report including the directors' experience	Compliant	Refer page 08-09 for a brief resume of each Director
	Provide a resume of new Directors appointed to the Board along with details	Compliant	N/A
9.8.3	CRITERIA FOR DEFINING INDEPENDENCE		
	Requirements for meeting the criteria to be an Independent Director	Compliant	As per 9.8.3 i to viii in determining of the independence or otherwise of NEDs, board reviewed the criteria for defining independence as per 7.10.4 a to also subject to transitional provisional which will be complied in line with the effective date as at 01.10.2024
9.12	REMUNERATION COMMITTEE		
	Remuneration Committee shall comprise of NEDs, a majority of whom will be independent	Compliant	The remuneration Committee comprises of 3 Non-Executive Directors of all are independent.
9.12.6	One Non-Executive Director shall be appointed as Chairman of the Committee by the board of directors	Compliant	Mr. Selvaskandan is chairman of the committee who is an independent/ non-executive Director.
	Remuneration Committee shall recommend the remuneration of the CEO and the Executive Directors	Compliant	Refer Page 26 for Remuneration Committee scope

CORPORATE GOVERNANCE (CONTD.)

Compliance Summary CONTD...			
CSE Rule Reference	Corporate Governance Principles	Compliance Status	Company's Extent of Adoption
	Names of Remuneration Committee members	Compliant	Refer page 26 for names of the Committee members
	Statement of Remuneration policy	Compliant	Refer page 26
	Aggregate remuneration paid to EDs and NEDs	Compliant	Refer to Note 41.1.2 of Financial Statements
9.13	AUDIT COMMITTEE		
1	Audit Committee shall comprise of NEDs, or a majority of whom should be independent	Compliant	The Audit Committee comprises of three Independent Non-Executive Directors
3	A NED shall be the Chairman of the committee	Compliant	The Chairman of the Committee is an Independent Non-Executive Director
	CEO and CFO should attend Audit Committee meetings	Compliant	Refer to page 23 - 24 for Audit Committee
6	The Chairman of the Audit Committee or one member should be a member of a professional accounting body	Compliant	The Chairman of the Audit Committee is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka
9.13.4	Functions of the Audit Committee		
1	Overseeing of the preparation, presentation and adequacy of disclosure in the financial statements	Compliant	Refer page No. 23 - 24 of Audit Committee Report
	Overseeing the compliance with financial reporting requirements, information requirements as per the laws and regulations	Compliant	Refer page No. 23 - 24 of Audit Committee Report
	Ensuring the internal controls and risk management, are adequate, to meet the requirements of the SLFRS/LKAS	Compliant	Refer page No. 23 - 24 of Audit Committee Report
	Assessment of the independence and performance of the Entity's external auditors	Compliant	Refer page No. 23 - 24 of Audit Committee Report
	Make recommendations to the Board pertaining to appointment, re-appointment and removal of external auditors and to approve the remuneration and terms of engagement of the external auditors.	Compliant	Refer page No. 23 - 24 of Audit Committee Report
	Names of the Audit Committee members shall be disclosed	Compliant	Refer page No. 23 - 24 of Audit Committee Report
	Audit Committee shall make a determination of the independence of the external auditors	Compliant	Refer page No. 23 - 24 of Audit Committee Report
	Report on the manner in which Audit Committee carried out its functions	Compliant	Refer page No. 23 - 24 of Audit Committee Report
9.14	RELATED PARTY TRANSACTIONS REVIEW COMMITTEE (RPTR)		
	Reviewing of Related Party Transactions except the transactions mentioned under rule no. 9 should be carried out by the Committee prior to entering or completion of the transaction	Compliant	Refer Related Party Transactions Review Committee Report on page 25-26 this Annual Report.
9.14.2	The Committee should comprise a combination of non-executive directors and independent non-executive directors. The composition of the Committee may also include executive directors, at the option of the Listed Entity. One independent non-executive director shall be appointed as Chairman of the Committee.	Compliant	Refer Related Party Transactions Review Committee Report on page 25-26 of this Annual Report.
9.2.3	Holding Company RPT Committee to function as the RPT Committee of subsidiaries	Compliant	Renuka Holdings PLC is the ultimate holding company
9.14.4	Frequency of Meetings	Compliant	Refer Related Party Transactions Review Committee Report on page 25-26 of this Annual Report.

CORPORATE GOVERNANCE (CONTD.)

Compliance Summary CONTD...

CSE Rule Reference	Corporate Governance Principles	Compliance Status	Company's Extent of Adoption
9.14.7	Immediate Disclosures a) Any non-recurrent related Party transaction with a value exceeding 10 percent of the Equity or 5 percent of Total Assets which ever is lower, OR if the aggregate value of all non-recurrent Related Party Transactions entered in to with the same Related Party during the same Financial year amounts to 10 percent of the equity or 5 percent of the Total assets of the Entity as per the latest Audited Financial Statements	Compliant	There were no related party transactions with a value more than the criteria
9.14.8	b) Any subsequent Non-Recurrent Transaction after it exceeds 5 percent of Equity entered with the same related party		
RPTR COMMITTEE DISCLOSURE IN THE ANNUAL REPORT			
	Details pertaining to Non-Recurrent Related Party Transactions	Compliant	Refer Note No. 41 to the Financial Statements
	Details pertaining to Recurrent Related Party Transactions	Compliant	Refer Note No. 41 to the Financial Statements
	Report of the Related Party Transactions Review Committee	Compliant	Refer page 25-26 for Report of the Related Party Transactions Review Committee
9.14.8(3)	Declaration by the Board of Directors as an affirmative statement of compliance with the rules pertaining to Related Party Transactions, or a negative statement otherwise	Compliant	Refer page 25-26 for Report of the Related Party Transactions Review Committee.

Below summary list Company compliance with Companies Act No 7 of 2007

Section		Compliance status	Reference
168 (1) (a)	The state of the Company's affairs and nature of the business of the Company together with any change thereof during the accounting period	Compliant	Refer Note 01 of the Financial Statements
168 (1) (b)	Signed Financial Statement of the Company for the accounting period completed	Compliant	Refer pages 45 to 49 of this Annual Report
168 (1) (c)	Auditors Report on Financial Statements of the Company	Compliant	Refer pages 40 to 44 of this Annual Report
168 (1) (d)	Accounting Policies and any changes therein	Compliant	Refer Note No. 2 of the Financial Statement
168 (1) (e)	Particulars of the entries made in the interests Register during the accounting period	Compliant	Refer page No. 33 of the This Report
168 (1) (f)	Remuneration and other benefits paid to Directors of the Company during the accounting period	Compliant	Refer Note No. 41 of the Financial Statements
168 (1) (g)	Corporate donations made by the Company during the accounting period	Compliant	Refer page No. 39 of the Annual Report
168 (1) (h)	Names of the Directors of the Company at the end of the accounting period and name of Directors who ceased to hold office during the accounting period	Compliant	Refer page No. 35 of this Annual Report
168 (1) (i)	Amounts paid/payable to the External Auditor as audit fees and fees for other services rendered during the accounting period	Compliant	Refer Note No. 34.1of the Financial Statement
168 (1) (j)	Other relationships or any interest of Auditors with the Company	Compliant	Refer pages 23-24 of the Annual Report, Audit Committee Report
168 (1) (k)	Acknowledgment of the content of this report and signature on behalf of the Board	Compliant	Refer page 39 of the Annual Report for the Report of the Directors

AUDIT COMMITTEE REPORT

The Board has established the Audit Committee which has full responsibility pertaining to the Group. However when discharging its responsibilities, Audit Committee places reliance on work of other Audit Committees established for other Companies in the Group.

Role of the Audit Committee

The main role and the responsibilities of the Audit Committee include;

Assisting the Board in accomplishing oversight responsibilities in relation to quality and integrity of the Financial Statements of the Company and the Group. This includes preparation, presentation and adequacy of disclosures in the Financial Statements in accordance with Sri Lanka Accounting Standards.

Responsibility in ensuring that the Internal controls systems and risk management systems of the Company and the Group are adequate and are complied with legal and regulatory requirements.

Oversight responsibility in overseeing the compliance in relation to financial reporting requirement and the information requirement as required by Companies Act No. 07 of 2007 and other relevant financial reporting related regulations and requirements.

Assessing the independence, qualifications and performance of External Auditors.

Making recommendations to the Board pertaining to appointment, re-appointment and removal of external auditors and approval of the remuneration and terms of engagement of the external auditors.

Discussion of the audit plan, key audit issues and their resolution and management responses.

Discussion of the Company's Annual Audited Financial Statements and Interim Financial Statements with the Management and/or the Auditors as appropriately.

Ensuring that a process of sound system of internal control is in place in the Company and in the Group.

The Audit Committee reviews the scope and results of the audit and its effectiveness, the independence and objectivity of the external auditors. They also review the nature and extent of non audit services provided by the auditors to ensure that auditors are able to maintain objectivity and independence.

The proceedings of the Audit Committee are regularly reported to the Board of Directors.

Composition of The Audit Committee

The composition of Audit Committee changed as follows during the financial year. The Audit Committee consist of 4 Independent Non-Executive Directors who are appointed by and responsible to the Board of Directors.

Audit Committee Members as at 31st March 2025

Mr. T. K. Bandaranaike - Chairman (IND/NED) – Committee dissolved w.e.f 30/09/2024

Mr. M. S. Dominic (IND/NED) – Committee dissolved w.e.f 30/09/2024

Mrs. J. J. B. A. Rajiyah (NED)- Committee dissolved w.e.f 30/09/2024

Mrs. M. S. Theverapperuma (IND/NED) - appointed Member and Chariman w.e.f 31/03/2025

Dr. J. A. S. Felix (IND/NED) - appointed Member w.e.f 31/03/2025

Mr. R. Selvaskandan (IND/NED) - appointed member w.e.f 31/03/2025

Brief profiles of each member are given on page 08-09 to this Annual Report. Their individual and collective financial knowledge and business acumen and the independence of the Committee are brought to bear on their deliberations and judgments on the matters that come within the Committee's purview.

Audit Committee Meetings

The Committee has met four times on a quarterly basis during the year under review. The attendance of the members of Audit Committee meeting is stated in the table below.

Name of Director	Eligible to Attend	Attended
Mr. T.K. Bandaranayake (Chairman)	2	2/2
Dr. J.M. Swaminathan	2	2/2
Mr. M.S. Dominic	2	2/2
Mrs. M. S. Theverapperuma (Chairman)	2	2/2
Mr. R. Selvaskandan	2	2/2
Dr. J. A. S. Felix	2	2/2

Company Secretary acts as the Secretary to the Audit Committee. The Executive Director and Chief Financial Officer attended the meetings by invitation. Other members of the Board, members of the Management as well as External Auditors were present at the discussions when required.

Charter of the Audit Committee

"Rules on Corporate Governance" under the listing rules of Colombo Stock Exchange and "Code of Best Practice on Corporate Governance" issued jointly by Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka further regulate the composition, role and functions of the Board Audit Committee.

AUDIT COMMITTEE REPORT (CONTD.)

Internal Audit

Internal Audits are carried out internally in line with an agreed audit plan. Follow-up reviews are scheduled to ascertain that audit recommendations are being acted upon.

Controls and Risks

The Committee reviewed the process to assess the effectiveness and coverage of the internal financial controls that have been designed to provide reasonable assurance to the Directors that assets are safeguarded and that the financial reporting system can be relied upon in preparation and presentation of Financial Statements. Also evaluates compliance with laws, regulations and established policies and procedures of the Company.

The Audit Committee is satisfied that the Group's accounting policies and operational controls provide reasonable assurance that affairs of the Group are managed in accordance with Group policies and that Group assets are properly accounted for and adequately safeguarded.

External Auditors

The Audit Committee evaluated the independence of the External Auditors and the effectiveness of the audit process. The Committee met with the External Auditors in relation to the scope of the audit and also to discuss the Management letter at the conclusion of the Audit.

The Committee also met with the External Auditors without the presence of the Management to discuss any sensitive aspects which arose during the audit and any other relevant matters.

The Committee reviewed the Audited Financial Statements with the External Auditors who are responsible to express an opinion on its conformity with the Sri Lanka Accounting Standards, and also the External Auditor's kept the Audit Committee advised on an on-going basis regarding any unresolved matters of significance.

The Audit Committee undertook the evaluation of the independence and objectivity of the external auditor and the effectiveness of the audit process. As far as the Audit Committee is aware, Auditors do not have any relationship (other than as of Auditors) with the Company. In addition, as required by the Companies Act No.07 of 2007, the Committee has received a declaration from Messrs. KPMG confirming that they do not have any relationship with the Company, which may have a bearing on their independence.

The Audit Committee recommended to the Board of Directors that Messrs. KPMG be appointed as Auditors for the financial year ending 31st March 2026 subject to the approval of the shareholders at the Annual General Meeting at a fee to be determined by the Management.

Conclusion

The Audit Committee is satisfied that the internal controls and procedures in place for assessing and managing risks are adequately designed and operate effectively and is of the view that they provide reasonable assurance that the Company's assets are safeguarded and that the financial statements of the Company are reliable. The Company's External Auditors have been effective and independent throughout the year.

Sgd.

Mrs. M. S. Thevarapperuma
Chairperson
29th August 2025

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

The Related Party Transactions Review Committee (RPTRC) was constituted with an objective of keeping in line with the Code of Best Practice on Corporate Governance and the requirements of the Securities and Exchange Commission with a view to ensure that the interests of shareholders as a whole are taken into account by Renuka Holdings PLC and are consistent with the Code when entering into Related Party Transactions and made required disclosures in a timely manner. The Committee has also adopted the Best Practices as recommended by the Institute of Chartered Accountants of Sri Lanka and CSE.

Composition of the Related Party Transactions Review Committee (RPTR)

The committee comprises three Independent Non-executive Directors who are appointed by and responsible to the Board of Directors.

The Committee comprised of following members as at 31st March 2025.

Mr. T. K. Bandaranaike - Chairman (IND/NED) – Committee dissolved w.e.f 30/09/2024

Mr. M. S. Dominic (IND/NED) – Committee dissolved w.e.f 30/09/2024

Mrs. J. J. B. A. Rajiyah (NED)- Committee dissolved w.e.f 30/09/2024

Mrs. M. S. Theverapperuma (IND/NED) - appointed Member and Chariman w.e.f 30/09/2024

Dr. J. A. S. Felix (IND/NED) - appointed Member w.e.f 30/09/2024

Mr. R. Selvaskandan (IND/NED) - appointed member w.e.f 30/09/2024

Brief profiles of each member are given on pages 06 of this Annual Report.

Their individual and collective financial knowledge and business acumen and the independence of the Committee are brought to bear on their deliberations and judgments on the matters that are placed within the Committee's purview.

Related Party Transactions Review Committee Meetings

The Committee has met four times during the period under review. The attendance of the members of Committee meeting is stated in the table below.

Name of Director	Eligible to Attend	Attended
Mr. T.K. Bandaranayake	2	2/2
Dr. J.M. Swaminathan	2	2/2
Mr. M.S. Dominic	2	2/2
Mrs. M. S. Theverapperuma	2	2/2
Mr. R. Selvaskandan	2	2/2
Dr. J. A. S. Felix	2	2/2

Further, RPTRC has reviewed and recommended Related Party Transactions by Resolution in Writings which the Committee for purposes hereof construe as equivalent to meetings being held.

Company Secretary acts as the Secretaries to the Related Party Transactions Review Committee. The Executive Director and Chief Financial Officer attended the meetings by invitation.

Policies and procedures of Related Party Transactions Review Committee

- Establishing and defining the threshold values of each listed related party transaction as per the Code which require discussion in detail and disclose.
- Identifying related party transactions that need pre-approval from the Board of Directors and need immediate market disclosure. And identify transactions that need shareholder approval and disclosure in the Annual Report.
- Formulating a standard template to implement to all listed subsidiaries in the Group to follow when documenting RPT when presenting to RPTR Committee.
- Establishing proper guide lines to identify recurrent & non-recurrent Related party transactions to review economic and commercial substance of the related party transaction.
- Establishing a method of having access to adequate knowledge or expertise to assess all aspects of proposed related party transactions where necessary and procedure for obtaining professional and expert advice from appropriately qualified persons.
- Providing guidelines which senior management must follow in dealing with related parties.
- Quarterly reviewing to ensure that adequate disclosures have been done in the market or Annual Report as required by the Code.
- The Committee communicates its comments/ observations to the Board of Directors after each review of related party transactions.

Task of the Committee

The Committee reviewed the related party transactions presented to them by the Management and their compliance by Renuka Holdings PLC and communicated its findings to the Board of Directors.

The Committee declared that no RPT falling within the scope of the Code was entered into by the Company during the financial year 2024/25 other than those reflected in Note No. 41 to the Annual Report.

Sgd.
M. S. Theverapperuma
 Chairperson
 29st August 2025

REMUNERATION COMMITTEE REPORT

Composition of the Committee

The Committee consists of three non-executive / Independent directors. The members of the Committee have wide experience and knowledge of the business / industry that we are engaged in.

Members of Remuneration Committee at 31st March 2025

Mr. M. S. Dominic - Chairman (IND/NED) - Committee dissolved w.e.f 30/09/2024

Mr. T. K. Bandaranayake (IND/NED) - Committee dissolved w.e.f 30/09/2024

Mrs. J. J. B. A. Rajiyah (NED)- Committee dissolved w.e.f 30/09/2024

Mr. R. Selvaskandan - Chairman (IND/NED) - appointed Member and Chariman w.e.f 30/09/2024

Dr. J. A. S. Felix (IND/NED) - appointed Member w.e.f 30/09/2024

Mrs. M. S. Theverapperuma (IND/NED) - appointed member w.e.f 30/09/2024

The brief profile of the directors are given on page 06 of this Annual Report.

Remuneration Committee Meeting Attendance

The Committee met once during the financial year under review. Attendances of the directors in such meetings are given below.

Attendance of the committee

Name of Director	Eligible to Attend	Attended
Mr.M.S. Dominic (Chairman)	1	1/1
Mrs J J B A Rajiyah	1	1/1
Mr.T.K.Bandaranayake	1	1/1
Mr. R. Selvaskandan (Chairman)	0	-
Dr. J. A. S. Felix	0	-
Mrs. M. S. Theverapperuma	0	-

The Managing Director may attend the committee meetings on invitation and consult on the performance and remuneration of the Key management staff to make recommendations.

Independence of the Committee

The Committee is independent from the Management of the business and does not involve any business operations.

The scope of the Committee

- The Committee studies and recommends the remuneration policy of Directors & Key Management Personnel.
- Reviews the performance evaluation done by the Management of Key Management Personnel on a periodic basis.
- The Committee recommends the remuneration based on the prevailing market rates and perquisites applicable to the Key Management Personnel of the Company and makes appropriate recommendations to the Board of Directors for Approval.
- The Committee also carries out when deemed necessary reviews to ensure that the remunerations are in line with market conditions.

The Remuneration Policy is to attract and retain best professional managerial talent within the Renuka Group and also to motivate and encourage them to perform at the highest possible level. The Group has a structure and professional methodology to evaluate the performance of employees. The policy ensures that equality and fairness among the various categories of employees is maintained.

Sgd.
R. Selvaskandan
Chairman
29th August 2025

NOMINATION & GOVERNANCE COMMITTEE REPORT

The Nomination & Governance Committee of Renuka Holdings PLC as at 31st March 2025 consisted of three Non-Executive / Independent Directors .

Composition of Nomination Committee

as at 31st March 2025

Mr. M. S. Dominic - Chairman (IND/NED) - Committee dissolved w.e.f 30/09/2024

Mr. T. K. Bandaranayake (IND/NED) - Committee dissolved w.e.f 30/09/2024

Mrs. J. J. B. A. Rajiyah (NED)- Committee dissolved w.e.f 30/09/2024

Mr. R. Selvaskandan - Chairman (IND/NED) - appointed Member and Chariman w.e.f 30/09/2024

Dr. J. A. S. Felix (IND/NED) - appointed Member w.e.f 30/09/2024

Mrs. M. S. Theverapperuma (IND/NED) - appointed member w.e.f 30/09/2024

Brief profiles of each member are given on page 06 of this Annual Report.

Attendance at Nomination Committee Meetings

During the financial year under review, the Committee had met once, with all members in attendance as given below.

Name of Directors	Eligible to Attend	Attended
Mr.M.S. Dominic (Chairman)	1	1/1
Mrs J J B A Rajiyah	1	1/1
Mr.T.K.Bandaranayake	1	1/1
Mr. R. Selvaskandan (Chairman)	0	-
Dr. J. A. S. Felix	0	-
Mrs. M. S. Theverapperuma	0	-

The Company Secretaries act as the Secretaries to the Committee.

The responsibilities of the Committee are,

- To identify suitable persons who could be considered to become Board members as Non-Executive Directors.
- To recommend to the Board the process of selection of Chairman and Deputy Chairman.
- Make necessary recommendation to the board as and when needed by the Board.

The Scope of the Committee is,

- To define and establish the nomination process for Non-Executive Directors;
- Lead the process of Board appointments and make recommendations to the Board;
- The Committee sets the scope comprising tasks such as assessing the skills required to be on the Board;
- Periodic review of the extent of skills required to represent the Board;
- Review description of role and capabilities required for a particular Board appointment and Identify and recommend suitable candidate to the Board.

Sgd.

Mr. R. Selvaskandan
Chairman
29th August 2025

RISK MANAGEMENT

Enterprise Risk Management (ERM)

At Renuka Holdings PLC, Enterprise Risk Management (ERM) is an integral part of our group-wide governance and value-creation process. As the ultimate parent company of a diversified portfolio of subsidiaries across agri-food, FMCG, plantations, financial services, and real estate sectors, we recognize that a holistic and proactive approach to risk is essential to achieving our long-term strategic objectives and protecting stakeholder value.

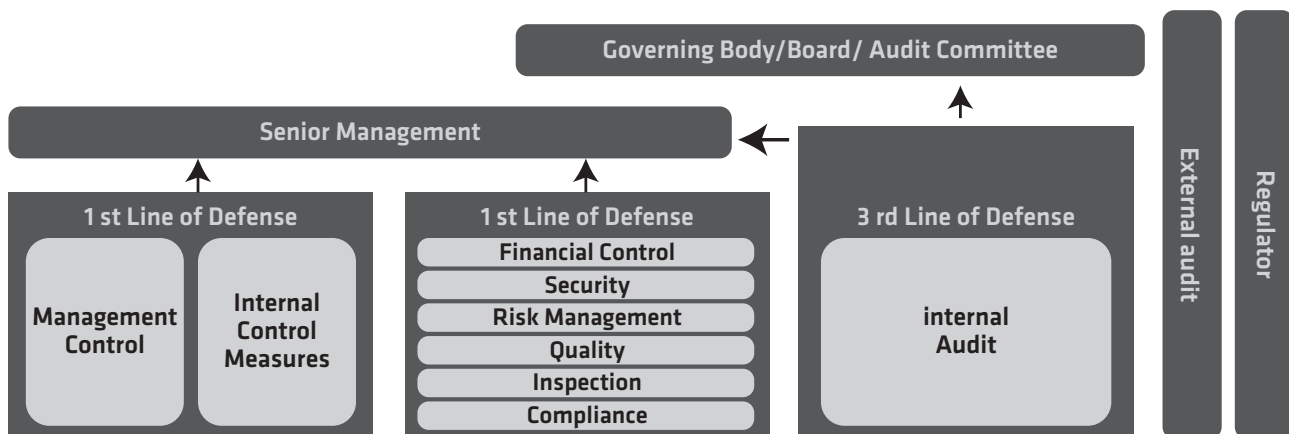
Our ERM framework supports the identification, assessment, mitigation, and continuous monitoring of risks across the Group's operations and investments. Through this, we ensure a consistent and resilient risk posture that enhances our agility in navigating a dynamic business environment.

Our Risk Management Philosophy

We promote a risk-conscious and accountable culture across the Group, founded on the principles of transparency, governance, and integrity. Risk management is embedded into strategic decision-making at both the Holding Company and subsidiary levels, ensuring alignment between corporate oversight and operational execution.

Risk Governance Structure

Renuka Holdings PLC adopts the Three Lines of Defence model, ensuring clarity of roles in risk identification, management, and assurance:



Line of Defence	Responsibility
First Line	Operational and Investment Management – own and manage risks at the business unit level through controls, compliance, and reporting.
Second Line	Risk, Compliance, Legal, and Corporate Secretariat – set policies, monitor group-wide risks, and provide independent oversight.
Third Line	Group Internal Audit – provides independent assurance to the Board and the Audit Committee on risk control effectiveness and governance.

The Board of Directors of Renuka Holdings PLC holds ultimate responsibility for risk oversight. The Audit Committee plays a key role in reviewing the ERM framework, internal controls, and the risk exposure of both the holding entity and its subsidiaries.

Risk Management Process

Our ERM approach is standardized across the Group, with oversight at both holding and subsidiary levels:

- Risk Identification – Based on internal insights, board-level reviews, and macroeconomic/environmental scanning.
- Risk Assessment – Evaluated using a group-wide matrix based on likelihood and impact.
- Risk Mitigation Planning – Strategies are developed with designated owners, KPIs, and accountability structures.
- Monitoring and Reporting – Periodic reporting to senior management and the Board via risk dashboards and reviews.
- Continuous Improvement – Feedback loops, audit findings, and lessons learned are used to refine controls.

RISK MANAGEMENT (CONTD.)

Risk Appetite and Tolerance

Renuka Holdings PLC maintains a conservative yet strategic risk appetite, reflective of its responsibilities as a publicly listed parent company. While allowing subsidiaries the flexibility to pursue sector-specific opportunities, we maintain a low tolerance for risks that could compromise financial stability, regulatory compliance, or group reputation.

The risk appetite is reviewed annually by the Board in alignment with macroeconomic conditions, stakeholder interests, and evolving business priorities.

Risk Assessment Matrix

As part of our Group-wide risk framework, Renuka Holdings PLC utilizes a standardized Risk Matrix that classifies risks based on impact and likelihood. This structured approach ensures that the most material risks receive executive attention and informs internal audit priorities and capital allocation decisions.

IMPACT	Impact	Plan for action (Mitigate or transfer)	Plan for action (Mitigate or transfer)	Immediate action (Mitigate or share)
	Moderate	No action (Accept or avoid)	No action (Accept or avoid)	Immediate action (Mitigate or share)
	Minor	No action (Accept)	No action (Accept)	plan or action (Mitigate or transfer)
		Low	Medium	High
	LIKELIHOOD			

This heat map supports prioritization and resource allocation in the Group's ERM process and also informs risk prioritization for internal audit planning and strategic decision-making.

Key Risk Categories and Mitigation Strategies

The following risk areas are monitored across Renuka Holdings PLC and its subsidiaries:

1. Strategic Risk		
Risk	Potential Impact	Mitigation Strategies
Investment Portfolio Risk	Concentration in underperforming sectors or ventures.	Portfolio diversification; regular performance reviews; divestment policies.
Economic & Political Volatility	Impact on market confidence, cost structures, or investor sentiment.	Scenario planning; holding company liquidity buffers; exposure hedging.
Group Reputational Risk	Reputational damage at a subsidiary level affecting the overall brand.	Group-wide ESG policy; stakeholder engagement; board-level crisis communication planning.

RISK MANAGEMENT (CONTD.)

2. Operational Risks

Risk	Potential Impact	Mitigation Strategies
Business Unit Execution Failures	Financial underperformance due to process or control breakdowns.	Performance KPIs; independent board representation; operational reviews.
Talent and Leadership Risk	Loss of key personnel or gaps in succession planning.	Talent development strategy; succession planning framework; leadership pipeline monitoring.
Information Flow Risk	Inaccurate or delayed reporting from subsidiaries.	Group MIS protocols; board pack standardization; regular performance dashboards.

3. Financial Risks

Risk	Potential Impact	Mitigation Strategies
Market Volatility	Impact on investment valuations or share price.	Diversified asset base; conservative capital structure; fair value monitoring.
Cash Flow and Liquidity Risk	Inability to meet short-term obligations or fund investments.	Centralized treasury management; working capital monitoring; contingency reserves.
Intercompany Exposure Risk	Accumulated risk from intra-group lending or guarantees.	Board-approved lending limits; intercompany risk tracking.

4. Regulatory and Compliance Risks

Risk	Potential Impact	Mitigation Strategies
CSE Listing Compliance	Risk of penalties, reputational damage, or delisting.	Continuous secretarial compliance reviews; engagement with legal advisors.
Group Tax and Regulatory Compliance	Fines or back taxes due to non-compliance across entities.	Group tax planning; legal audits; harmonized compliance calendars.

5. ESG and Sustainability Risks

Risk	Potential Impact	Mitigation Strategies
Climate-related Business Impact	Disruption to agri/plantation sectors.	ESG risk assessments; sustainability investments.
Social and Community Relations	Resistance to operations or reputational backlash.	CSR and stakeholder engagement strategy; grievance mechanisms.

RISK MANAGEMENT (CONTD.)

6. Technology & Cybersecurity Risks		
Risk	Potential Impact	Mitigation Strategies
IT System Failures & Cyber Threats	Financial loss or data breaches.	Group IT governance; subsidiary compliance with data protection frameworks.
1. Strategic Risks		
Risk	Potential Impact	Mitigation Strategies

Internal Controls and Assurance

Renuka Holdings PLC upholds strong internal controls at the Group level, working closely with Internal Audit to conduct cross-subsidiary audits, policy harmonization, and fraud risk assessments. Whistleblower mechanisms and board-level ethics oversight further strengthen integrity and accountability.

Future Outlook and Risk Management Priorities

Our key ERM priorities for the year ahead include:

- Enhancing Group-wide risk integration into capital allocation and investment decision-making.
- Expanding cybersecurity reviews across subsidiaries.
- Conducting specialized risk workshops at the Board and EXCO levels.
- Aligning ERM with ESG and sustainability reporting frameworks.

By continuously evolving our risk management systems, Renuka Holdings PLC aims to build a resilient and future-ready business group that safeguards stakeholder trust and drives long-term performance.

SUSTAINABILITY REPORT

We emphasize the importance of our stakeholders when developing our strategies through the competitiveness in order to achieve a common value.

Overview

Sustainability is the key element which is incorporated to Corporate Governance frame work where the utilization of resources would be achieved efficiently, though an environmentally responsible manufacturing of products and provision of services that deliver sustainability benefits which can leverage commercial advantage for the Group. Based on expectations of each stakeholder and Group desire to deliver sustainable stakeholder values over time, the Group designed appropriate strategies to face the challenge of fulfilling stakeholder expectations.

The key business drivers for sustainability are internal operations and stakeholder engagement. The former focuses on our internal operations and manufacturing our products and provision of our services more efficiently using limited resources. This approach helps us to reduce costs of goods manufactured and provision of services and at the same time reduces our impact on the environment. The later approach focuses on our partnerships with our stakeholders. Stakeholders are any individual or party that has an interest in our Group, and who are affected by or can affect our organizational activities. Partnerships help to builds trust among our key stakeholders and to reach better understanding on a variety of issues. It can also pave the way for more successful solutions to problems, concerns and challenges.

Impact on Economic Performance

In Economic Performance, Group focused on operational excellence across all its business divisions and subsidiaries and value addition to economic development. Operational excellence measured in terms of efficiency and effectiveness of manufacturing process, process improvement and reduction of waste. Further investment in IT/ ERP helps measurement of operational results on time with increase accuracy. Group has continued to make substantial investment during the year to improve value addition to economic development. These investments have helped to improve resources utilization as well as minimization of waste and pollution.

Sustainability Policy and Guidelines

Identify the stakeholders and rate them in line with the degree of influence and importance. Such stakeholders thus identified are,

- Investors
- Employees
- Customers
- Key suppliers and business partners
- The society
- Environment

Renuka Group has then formulated sustainability strategies to create value for those identified stakeholders. We have created formal and informal channels to develop effective communication systems and engagements programs to involve our stakeholders and implement continuous monitoring systems through the management team in order to gauge our impact on the stakeholders.

Environmental Impact

Renuka has strived to ensure that all our manufacturing and production processes will not knowingly harm people and will minimize the negative impact our businesses will have on human life as well as environment. In fact, we promote organic products to our customers due to health and other environmental benefits. This has created awareness among the farmer community of the long term benefits of sustainable farming.

Our Stakeholder Engagement Process Investors Support

Shareholder engagement is important to us to have access to capital growth and in the process we must make a sound return to them. In meeting global challenges and evolving consumer needs we must be geared to be proactive with new ideas and ready with the output as well. When we operate according to these principles, a fair return should be realized for the shareholders.

Method of Engagement

- We have open door policy which enables shareholders to keep in contact, visit and obtain information from the Company Secretaries and engage in dialogue.
- Further e-mail address is provided for comments and suggestions.
- Update with latest financial for shareholders/investors to take rational decisions which are very important.
- We produce company performance in timely and relevant manner through quarterly Financial reports and Annual Report published in the Colombo Stock Exchange web site.
- We hold Annual General meetings, Extra Ordinary meetings with a view for letting in the shareholders to express their voice.

Our Concern

Our concern is to increase the return on investment, sustainable profitability, good governance and transparency in carrying out group operations.

Employees Support

At Renuka we have created a work place policy and created employee awareness for the total group. With an employee base of over 1,300 creation of Group identity and belongings is priority. We care for our employees and health and safety is priority, keeping much attention at work place including factories and workplaces.

SUSTAINABILITY REPORT (CONTD.)

Method of Engagement

- We have an open communication policy and have implemented a process to identify and report corruption within the business units.
- We have adopted effective two way communication system with employees and management through human resources division which has created short and long term benefits to the Group.
- We also have adopted other communication methods like e-mails, presentations and team briefings on daily operations for betterment of the organization. Employees are also encouraged to access the corporate websites. Newly implemented quarterly News Letter communicate significant events occurred in the Group.
- We organize team building activities such as get-together, sports meets and CSR projects.
- Factories of the Group Companies are equipped with adequate safety measures and the employees are educated to minimize accidents.
- Awareness program are carried out for employees relating to health and safety measures, personal hygiene and precautions to be taken in an event of fire.

Our Concern

Our concern is to create a friendly environment to our employees who are motivated and talented in order to offer effective service.

Customers' Support

World class quality products and customer satisfaction is our key with our customers. The Group uses its competencies and decades of experiences to identify the needs and wants of our customers in order to provide quality product and services creating value-for-money.

Method of Engagement

- We engage our customers through regular meetings, visits and web portal.
- Ongoing participation for Industry exhibitions and trade fairs locally and internationally.
- We allow buyer inspections and audits to carry out to ensure compliance with global quality standards

Our Concern

We are concerned of the quality of our products manufactured in compliance with global standards and creation of innovative products to cater customer needs.

Support of the Suppliers and Business Partners

We have built lasting business relationships all over the world and not only centered in Sri Lanka. It is through our

business partners that we co-exist to full fill customer needs and wants.

Method of Engagement

- We look at our business partners as a resource base to develop business efficiency and innovative products.
- Develop long term purchase contracts with our business partners & suppliers to support responsible supply chain
- Participate for industry exhibitions and trade fairs

Our Concern

We maintain effective long term relationship with our business partners and suppliers who benefit from our growth, and share knowledge.

Environment Support

The Company continues to assess and monitor the consumption of natural resources such as electricity, water and environment around us. Generating solar energy within the Group would able to reduce the cost of electricity expense and could provide excess electricity to National Grid. Focus on waste management and water management are key elements included in staff training events to obtain collective support from staff to protect the natural resources.

Our Society Around

Renuka Group has been actively involved in supporting the rural farmer network for our coconut division as well as the dairy division. Renuka Group procures over Rs. 3 Bn worth of produce from our farmer network.

Method of Engagement

- We conduct farmer training programs, medical camps, veterinary services which assist in improving the livelihood and wellness of the communities within Sri Lanka.
- Local engagement through purchasing.

Our Concern

We take measure to carry out our operations minimizing carbon foot print and saving energy by effective utilization of limited resources while reducing wastage so as to have minimal negative impact on society to have safe environment.

Renuka Group considers engagement to be an increasingly important component of its corporate citizenship strategy. Our engagement efforts help Renuka Group identify those issues that are most material to our business operations and shape our approach to addressing a range of areas relating to the financial, Social and environmental performance of the organization.

REPORT OF THE DIRECTORS

1. Overview

The Board of Directors of Renuka Holdings PLC have pleasure in presenting the Annual Report and the Audited Financial Statements for the year ended 31st March 2025 which were approved on 30th August 2025. The details set out herein provide the pertinent information required under section 168 of Companies Act No. 07 of 2007, Colombo Stock Exchange Listing Rules and the recommended best practices on Corporate Governance.

Renuka Holdings PLC is a public limited liability company incorporated in Sri Lanka, quoted on the Colombo stock Exchange and re-registered as required under the provisions of the Companies Act No. 7 of 2007.

2. Review of Business

2.1. Principal Business Activities

Renuka Holdings PLC is a holding company that owns, directly and indirectly, investments in the numerous companies constituting the Renuka Holdings Group. The Group consists of a portfolio of diverse business operations that are engaged in Agri Food Exports, Consumer Brands and Investment Sector. The main subsidiaries and their principle activities of Renuka Holdings PLC are listed on note 13 to this Annual Report.

2.2. Review of operations of the Company and the Group

The Company's businesses and the performance during the year, with comments on financial results, as well as future business developments are presented in the Chairperson's message.

2.3 Future Developments

The Future developments of the Group are stated in the Chairperson's Report on page 10 to this Annual Report.

3. Associated Companies

Associated Companies belonging to the Renuka Group is listed on note 13 to this Annual Report.

4. Financial Statements of the Company and the Group

The Financial Statements of the Company and the Group are given on pages 45 to 110 of this Annual Report.

5. Directors' Responsibility for Financial Statements

The statement of Directors' responsibilities for the Financial Statements is given on page 39 to this Annual Report

6. Auditor's Report

The Auditors of the Company, Messrs KPMG performed the audit on the Financial Statements for the year ended 31st March 2025 and the Auditor's Report on the Financial Statements is

given on pages 40 to 44 of this Annual Report as required by section 168(1)(c) of the companies Act No. 07 of 2007.

7. Accounting Policies and Changes During the Year

The Financial Statements have been prepared in accordance with the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 which require compliance with Sri Lanka Accounting Standards (LKAS/SLFRS) that were in effect up to the year under review. The detailed of significant accounting policies adopted in the preparation of the Financial Statements are given on pages 50 to 62 as required by Section 168 (1) (d) of the Companies Act No 07 of 2007. Changes in accounting policies if any that are made during the accounting period are described under page No. 48 of the Accounting Policies. The Board confirms that there were no changes to the Accounting Policies used by the Company during the year other than those disclosed therein.

8. Financial Results and Appropriations of the year

The Group turnover for the year ended 31st March 2025 was Rs. 13.9 Bn, compared to Rs.14.3 Bn during the previous year. A detailed analysis of the Group turnover is given in Note No. 28 of the Financial Statements. Further Net profit of the Group was Rs. 306 Mn Compared with the net Loss of Rs. 411 Mn for the previous year.

9. Stated Capital

The Stated Capital of the Company as at 31st March 2025 was Rs. 2,368 Mn comprising 165,488,271 Voting shares and 24,201,719 Non voting shares.

10. Profit Appropriations

The Group's profit before income tax for the year was Rs.191 Mn (2024-Rs.(454) and profit after tax was Rs.306 Mn (2024- Rs.(411 Mn))

11. Reserves

The Group reserves as at 31st March 2025 amount to Rs 7.3 Bn (2024- Rs 6.6 Bn) representing Revaluation Reserve, Capital Reserve and Retained Earnings and the detailed movement of the reserves shown in the Statement of Changes in Equity in the Financial Statements.

12. Provision for Tax

The taxable income of the Company is taxed at 30% (2024- 30%). Taxable income is arising from the operations of the Company and has been disclosed in accordance with Sri Lanka Accounting Standards. The Group companies have provided deferred tax on all known temporary differences under the liability method, as permitted by the Sri Lanka Accounting Standard - LKAS 12 on "Income Taxes" Information on Income Tax Expenses & Deferred Taxes is given in Notes No. 22 & 35 to the Financial Statements respectively, to this Annual Report.

REPORT OF THE DIRECTORS (CONTD.)

13. Group Investments

The Group Companies have invested in quoted/unquoted shares of wider portfolio during the year. Detailed portfolio of the investments held by the Group is given in Note No. 13 to the Financial Statements.

14. Property, Plant & Equipment and Capital Expenditure

Group has incurred Capital Expenditure during the year on Property, Plant & Equipment (including capital work-in- progress), amounting to Rs. 246 Mn (2024 - Rs. 445 Mn).

Detailed information relating to capital expenditure on Property, Plant & Equipment (including capital work-in- progress), Biological assets, Investment Properties, Intangible assets are given in Note No. 8 to 12 to the Financial Statements.

15. Market Value of Investment in Land & Buildings and Investment Properties

Extent, locations, number of buildings and valuations of the properties of the Group are given under Real Estate Portfolio on Page 110 and the market values of the Land & Buildings owned by the Company and Group are included on the basis of valuation carries out by a professionally qualified valuer is given in Note No. 8 to the Financial Statement.

16. Share Information

16.1 Information on earnings, net assets and market values

Information relating to earnings and net assets are given with the Five Year Summary appearing on page 112 to this Annual Report. Market value details of the ordinary shares are appearing with Shareholder information on page No. 113 to 115 of this Annual Report.

16.2 Major Shareholdings

Details of the twenty largest shareholders with the percentage of their respective shareholdings as at 31st March 2025 are given on page 115 together with comparative shareholdings.

16.3 Public Holding

There were 2,289 (2024 - 2,547) registered voting shareholders as at 31st March 2025 with the percentage of shares held by the public, as per the Colombo Stock Exchange rules, being 29.61 % (2024 - 29.61 %) and Non Voting 55.48% (2024-63.70%)

16.4 Distribution of Shareholdings/ Share information

Shareholders distribution schedule is given on pages 113 to 115 of this Annual Report together with Shareholders and investor information.

16.5 Ratio and market price information

The ratios relating to equity as required by the listing requirement by the Colombo Stock Exchange are given on page 112 to this Annual Report.

16.6 Equitable treatment to all shareholders

The Company has made every endeavor to ensure the equitable treatment to all shareholders and adopted adequate measures to prevent information asymmetry.

16.7 Interests Register

The Interests Register is maintained by the Company Secretary, as per the Section 168(1) (e) of the Companies Act No 7 of 2007. All Directors have made their declarations as provided for in section 192(1) & (2) of the Companies Act No. 07 of 2007. The share ownership of Directors is disclosed on page 36 to this Annual Report, Entries were made in the Interests Register on share transaction and Directors' interest in contracts. The Interest Register is available for inspection by shareholders or their authorised representatives as required by the section 119 (1) (d) of the Companies Act No. 07 of 2007.

16.8 Information to Shareholders

The Board strives to be transparent and provide accurate information to shareholders in all public material. The quarterly financial information during the year has been sent to the Colombo Stock Exchange in a timely manner.

The company assigns a high priority to the communication of results and prospects for the future to its shareholders, as a responsible listed company on the colombo stock exchange. The Quarterly and annual reports are simultaneously updated on the company website at www.renukagroup.com If you have any questions on accessing of this report, please call 011-2314750

REPORT OF THE DIRECTORS (CONTD.)

17. Board of Directors

17.1 Composition of the Board of Directors

The names of the directors who held office during the period up to the Financial Statements are given below. The brief profile of the Board of directors appear on pages 08-09 this Annual Report.

Name of Directors	Executive	Non-Executive	Independent
Mrs. I. R. Rajiyah	X		
Dr. S. R. Rajiyah	X		
Mr. S. V. Rajiyah	X		
Mr. T. K. Bandaranayake**		X	X
Mr. J. M. Swaminathan**		X	X
Mr. M. S. Dominic		X	
Mr. V. Sanmugam		X	
Mrs. J. J. B. A. Rajiyah		X	
Mrs. M. S. Theverapperuma*		X	X
Dr. J. A. S. Felix*		X	X
Mr. R. Selvaskandan*		X	X

*Appointed to the Board of the Company w.e.f 30/09/2024

**Resigned from the Board of the Company w.e.f 12/11/2024

The basis on which Directors are classified as Independent and Non-Executive directors is discussed in the Corporate Governance Report.

17.2 New appointments and Resignations

There were new appointment and resignation of Directors during the year.

17.3 Recommendation for re-election

1. To re-elect Mrs. M. S. Theverapperuma as a Director as per the Article of 26(1) of Article of Association.
2. To re-elect Mr. M.S. Dominic as a Director who retires by rotation in terms of Article 28 (1).
3. To re-elect Dr. J. A. S. Felix as a Director Director of the Company, who retires by rotation in terms of Article 28 (1) and offers himself for re-election.
4. To re-elect Mr. S. Rajaratnam as a Director of the Company, who retires by rotation in terms of Article 28 (1) and offers himself for re-election.
5. To re-appoint Mrs. I.R. Rajiyah who is over 70 years of age, as a director in terms of Section 211 of the Companies Act No. 7 of 2007 and it is specifically declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Mrs. I.R. Rajiyah
6. To re-appoint Dr. S.R. Rajiyah who is over 70 years

of age, as a director in terms of Section 211 of the Companies Act No. 7 of 2007 and it is specifically declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Dr. S.R. Rajiyah.

17.4 Directors' Meetings

Details of the Board Meetings are presented on page 16 and details of the subcommittees are presented with related committee reports (Audit Committee report on page 23-24 Remuneration Committee on page 23 Related Party Transactions Review Committee on page 25 and Nomination & Governance Committee on page 27.)

17.5 Directors' Interest in transactions

The Company carried out transactions in the ordinary cause of business with the entities where a Director of the Company is a Director. The transactions with the entities where a Director of the Company either has control or exercises significant influence have been classified as related party transaction and disclosed in Note No.41 to Financial Statements. The Directors have no direct or indirect interest in any other contract or proposed contract with the Company.

17.6 Directors' Interest in Shares

Directors of the Company and its subsidiaries who have relevant interest in shares of their respective companies have disclosed their shareholdings and any acquisitions/ disposals to their Boards, in compliance with section 200 of the Companies Act. Directors holdings, in ordinary shares of the Company are given on below table.

As at 31st March	2025		2024	
NAME	VOTING	NON-VOTING	VOTING	NON-VOTING
DR. & MRS.I.R. RAJIYAH(JT)	-	-	-	-
Dr. & Mrs.I.R.Rajiyah& Ms.S.R.Rajiyah (JT)	16,598,427	-	16,598,427	-
Dr. & Mrs.I.R.Rajiyah& Mrs.A.L.Rajiyah (JT)	16,598,427	-	16,598,427	-
Mr. S. V. Rajiyah & Mrs. J. J. B. A. Rajiyah (JT)	5,250,900	-	5,250,900	-
Mr. V. Sanmugan	-	-	-	-
Mr.T.K.Bandaranaike	-	-	-	-
Mr. M. S. Dominic	-	-	-	-
Mr. J. M. Swaminathan	-	-	-	-
Mrs. M. S. Theverapperuma	-	-	-	-
Dr. J. A. S. Felix*	-	-	-	-
Mr. R. Selvaskandan	-	-	-	-
	38,447,754	-	38,447,754	-

Share dealings by Directors during the year were disclosed to Colombo Stock Exchange.

REPORT OF THE DIRECTORS (CONTD.)

17.7 Remuneration of Directors

The remuneration of Directors in respect of the Company for the year ended 31st March 2025 is given in Note No. 41 to Financial Statements.

17.8 Directors Responsibility for Financial Reporting

The Directors are responsible for the preparation of Financial Statements of the Company to reflect a true & fair view of the status of its affairs. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Sri Lanka Accounting Standards (SLFRS/LKAS) issued by the Institute of Chartered Accountants of Sri Lanka, Companies Act No. 7 of 2007, Sri Lanka Accounting and Auditing Standards Act No.15 of 1995 and the Listing Rules of Colombo Stock Exchange.

17.9 Board Committees

The Board has established committees for better monitoring and guidance of different aspects of operations and controls of the Company.

17.9.1 Audit Committee

The composition of Board Audit Committee comprising of Non-Executive Directors is provided on page 23-24 to this Annual Report. Detailed scope of the Audit Committee and its work during the year disclosed in Audit Committee Report given on pages 23-24 of this Annual Report.

17.9.2 Remuneration Committee

The composition of board Remuneration Committee and report is given on page 26 to this Annual Report.

17.9.3 Nomination and Governance Committee

The composition of Nomination Committee and its report is given on page 27 to this Annual Report.

17.9.4 Related Party Transactions Review Committee

The composition of Related Party Transactions Review Committee and its report is given on page 25 to this Annual Report.

18. Related Party Transactions

The Board of Directors has given the following statement in respect of the related party transactions. The related party transactions of the Company during the financial year have been reviewed by the Related Party Transactions Review Committee and are in compliance with the Section 09 of the CSE Listing Rules.

19. Statutory Payment

The directors, to the best of their knowledge and belief are satisfied that all statutory payments are due to the Government, other regulatory institutions and those related to employees (if any) have been made on time.

Declaration relating to statutory payments is made

in the statement of Directors' Responsibilities on the page 39 to this Annual Report.

20. Corporate Donations

No donations were made by the Group during the year (2024/2025). No donations were made for political purposes.

21. Environmental Protection

The Directors, to the best of their knowledge and belief are satisfied that the Company has not engaged in any activities, which have caused adverse effects on the environment and it has complied with the relevant environmental regulations.

22. Events Occurred After the Reporting Date

There are no events of material and significance nature that requires adjustment to the Financial Statements, occurred subsequent to the date of the reporting date, other than those disclosed in Note No. 37 to the Financial Statements.

23. Going Concern

The Directors, after considering the financial position, operating conditions, regulatory and other factors including matters addressed in the Corporate Governance Code, 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.

24. Capital Commitments

No significant capital commitments exist as at 31st March 2025 other than those disclosed in Note No. 39 to this Annual Report.

25. Risk Management and system of Internal Controls

25.1 Risk Management

The Company has a structured risk management process in place to support its operations. The Renuka Holdings PLC Board Audit Committee plays a major role in this process. The Risk Management Report elaborates these processes and the Company's risk factors.

25.2 Internal Controls

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

However, any system can only ensure reasonable and not absolute assurance that errors and irregularities are either prevented or detected within a reasonable time period.

REPORT OF THE DIRECTORS (CONTD.)

The Board, having reviewed the system of internal controls, is satisfied with the Group's adherence to and effectiveness of these controls for the year up to the date of signing the Financial Statements.

26. Compliance with Laws and Regulations

The Company has taken all reasonable measures to comply with all applicable laws and regulations. A compliance checklist is signed-off on a quarterly basis by responsible officers and any violations are reported to the Board Audit Committee. Detailed report of the Audit Committee is given on Pages 23-24 to this Annual Report.

27. Contingent Liabilities

There is no contingent liabilities existed as at the balance sheet date except what is disclosed in the Note No. 40 to the Financial Statements to this Annual Report.

28. Outstanding Litigation

There are no litigations pending against the Company as at the Balance Sheet date other than what is disclosed in the Note No. 38 to Financial Statements Annual Report.

29. Code of Conduct

The Company demands impeccable standards of conduct from its Directors and employees in the performance of their official duties and in situations that could affect the Company's image.

30. Corporate Governance

The Company has complied with the Corporate Governance rules that are laid down under the Listing Rules of the Colombo Stock Exchange. The Corporate Governance Report on pages 15 to 22 details this further.

31. Compliance with Transfer Pricing Regulations

All transactions are entered in to with associated persons during the period are on an arm's length basis, and are comparable with transactions carried out with non- associated parties.

32. Human Resources

As a policy the Company, it continues to regard communication with its employees as an integral part of the relationship. Information is effectively communicated to employees on the matters pertaining to the financial performance and economic factors affecting the Company's performance and other developments in the Group as a whole through its quarterly News Letter. Employees are encouraged to discuss operational and strategic issues with their line management and to make suggestions.

33. Employees and Industrial Relations

The Renuka Group has a structure to assess the competencies and commitments of its employees.

There are no employees attached to Renuka Holdings PLC as such no material issues pertaining to employees and industrial relations of the entity.

34. Appointment of Auditors

Messrs. KPMG, Chartered Accountants, who are the company auditors during the year, are deemed reappointed, in terms of Section 158 of the Companies Act No.7 of 2007 as auditors of the Company. The retired auditors have expressed their willingness to continue in office. A resolution to re-appoint them as auditors of the Company and authorizing directors to fix their remuneration will be proposed at the forthcoming Annual General Meeting.

35. Auditors' Remuneration and Interest in contracts

The amount of fees paid/payable for the services provided to the Company during the year with corresponding figures for the previous year is presented in Note No. 34.

36. Annual Report

The Board of Directors approved the Consolidated Financial Statements along with Company Financial Statements on 29th August 2025. The appropriate number of copies of this report will be submitted to Colombo Stock Exchange and to the Sri Lanka Accounting and Auditing Standards Monitoring Board.

37. Annual General Meeting

Following the issuance of guidelines by the Colombo Stock Exchange (CSE), the 46th Annual General Meeting of Renuka Holdings PLC will be held virtually on Friday, 26th September 2025 at 4.30PM.

The Notice of the Annual General Meeting appears on page 116.

38. Acknowledgment of the contents of the Report

As required by section 168(1)(k) of the Companies Act No 07 of 2007 the Board of Directors hereby acknowledge the contents of this Annual Report.

For and on behalf of the Board.

Sgd.
S. V. Rajiyah

Sgd.
Dr. S. R. Rajiyah

Sgd.
Renuka Enterprises (Pvt) Ltd
Secretaries
29th August 2025

STATEMENT OF DIRECTORS RESPONSIBILITY

The Board of Directors of the Company is responsible for preparation and presentation of financial statements for the year ended 31st March 2024 in accordance with the requirements of the Sri Lanka Accounting Standards, the Listing Rules of the Colombo Stock Exchange and the Companies Act No. 7 of 2007.

As per the provisions of the Companies Act No. 7 of 2007, the Directors are required to prepare Financial Statements, for each financial year and presented before a General Meeting comprising

- a. A statement of Profit or Loss and Other Comprehensive Income of the Company and its subsidiaries which present a true and fair view of the profit or loss of the Company and its subsidiaries for the financial year
- b. A Statement of Financial Position, which presents a true and fair view of the state of affairs of the Company and its subsidiaries as at the end of the financial year together with explanatory notes to the Financial Statements
- c. A statement of Changes in Equity which presents a true and fair view of the changes in the Company's and its Subsidiaries' retained earnings for the financial year
- d. A Cash Flow Statement which presents a true and fair view of the flow of cash in and out of the Company and its subsidiaries for the financial year; and notes to the Financial Statements and which comply with the requirements of the Act.

The Board of Directors are of the view that prevailing Corporate Governance frame, Internal Control systems, risk management policies established by the Company ensure that there are reasonable assurance that all assets are safeguard and all transactions are properly authorized by the management and recorded on time, hence any material misstatements or irregularities are prevented or bring to the notice of the management within a reasonable time.

The Directors are of the view that, in preparing these Financial Statements:

- a. The appropriate accounting policies have been selected and applied in a consistent manner, material deviations if any have been disclosed and explained;
- b. All applicable Accounting Standards, in accordance with the Sri Lanka Accounting Standards (SLFRS/ LKAS) as relevant have been applied
- c. reasonable and prudent judgments have been made so that the form and substance of transactions properly reflected

- d. It provide the information required by and otherwise complies with the Companies Act No. 7 of 2007, Listing Rules of Colombo Stock Exchange and requirement of any other regulatory authority as applicable to the Company.

Further the Directors have a responsibility to ensure that the Company maintains sufficient accounting records to disclose, with reasonable accuracy of the financial position of the Company and of the Group, also to reflect the transparency of transactions and to ensure that the Financial Statements presented comply with the requirements of the Companies Act. No. 07 of 2007.

The External Auditors, M/s KPMG were provided with every opportunity to undertake the inspections they considered appropriate to enable them to form their opinion on the Financial Statements. The Report of the Auditors, shown on page 37 to 45 set out their responsibilities in relation to the Financial Statements.

The Directors are also of the view that the Company and its subsidiaries have adequate resources to continue in operations and have applied the going concern basis in preparing these Financial Statements.

The Directors are also responsible for taking reasonable steps to safeguard the Assets of the Company and that of the Group and in this regard to give proper consideration to the establishment of appropriate internal control systems with a view to preventing and detecting fraud and other irregularities.

As required by Section 56 (2) of the Companies Act No. 7 of 2007, the Board of Directors have confirmed that the Company based on the information available, satisfies the solvency test immediately after the distribution in accordance with section 57 of the Companies Act No. 07 of 2007, and have obtained/ sought in respect of the dividend now proposed a certificate of solvency from the Audit.

COMPLIANCE REPORT

The Directors confirm that to the best of their knowledge, all taxes, duties and levies payable by the Company, all contributions, levies and taxes payable on behalf of and in respect of the employees of the Company and its Group and all other known statutory dues as were due and payable by the Company and its Group companies as at the reporting date have been paid or where relevant provided for.

By order of the Board Renuka Enterprises (Pvt.) Ltd

Sgd.
Company Secretaries
29th August 2025

INDEPENDENT AUDITOR'S REPORT



KPMG
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P. O. Box 186,
Colombo 00300, Sri Lanka.

Tel +94 - 11 542 6426
Fax +94 - 11 244 5872
+94 - 11 244 6058
Internet www.kpmg.com/lk

TO THE SHAREHOLDERS OF RENUKA HOLDINGS PLC

Opinion

We have audited the financial statements of Renuka Holdings PLC ("the Company"), and the consolidated financial statements of the Company and its subsidiaries ("the Group"), which comprise the statement of financial position as at 31 March 2025, 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 a summary of material accounting policies and other explanatory information, set out on pages 45 to 110.

In our opinion, the financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as at 31 March 2025, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for opinion

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

Key audit matters

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

KPMG, a Sri Lankan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

C.P. Jayatilake FCA
Ms. S. Joseph FCA
R.M.D.B. Rajapakse FCA
M.N.M. Shameel FCA
Ms. P.M.K. Sumanasekara FCA

T.J.S. Rajakarier FCA
W.K.D.C. Abeyrathne FCA
Ms. B.K.D.T.N. Rodrigo FCA
Ms. C.T.K.N. Perera ACA
R. G. H. Raddella ACA

W.W.J.C. Perera FCA
G.A.U. Karunaratne FCA
R.H. Rajan FCA
A.M.R.P. Alahakoon ACA

Principals: S.R.I. Perera FCMA (UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA, Ms. F.R. Ziyad FCMA (UK), FCIT, K. Somasundaram ACMA (UK), Ms. D Corea Dharmaratne

INDEPENDENT AUDITOR'S REPORT (CONTD.)



Key audit matters

01. Revenue Recognition	
Refer to the accounting policies in "Note 3.19 to the Financial Statements: Revenue", "Note 2.4 to the Financial Statements: Use of Estimates and Judgments" and "Note 29. To the Financial Statements: Revenue".	
Risk Description	Our responses
<p>The Group recorded revenue of Rs. 14 Bn for the year ended 31st March 2025.</p> <p>Whilst revenue recognition and measurement is not complex for the Company, the subsidiaries operates in a market which is affected by different customer behavior and the various discounts and locally imposed duties and fees in regard to revenue recognition introduce an inherent risk to the revenue recognition process. This, together with the focus on volumes and revenue as key performance measures resulted in revenue being selected as a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls in relation to revenue recognition from sales transactions. • Testing the operating effectiveness of key IT application controls over revenue, in addition to evaluating the integrity of the general IT control environment with the assistance of IT specialists. • Obtaining an understanding and testing design, implementation and operating effectiveness of controls over journal entries and post-closing adjustments. • Comparing revenue transactions recorded during the current year, on a sample basis, with invoices, sales contracts, underlying goods delivery and acceptance notes, where appropriate, to assess whether the related revenue was recognized in accordance with the Company's revenue recognition accounting policies. • Agreeing the monthly sales system reports to the general ledger to ensure that the revenue is accounted accurately and completely in the general ledger. • On a sample basis, testing that sales have been recognized in the correct accounting period and evaluating whether there are any significant product returns after the year end.
02. Accounting for Goodwill, and investments in subsidiaries	
Refer to the accounting policies in "Note 3.9.1: Goodwill, Note 3.1.2: Subsidiaries", "Note 2.4 to the Financial Statements: Use of Estimates and Judgments" and "Note 13.1 the Financial Statements: Investment in subsidiaries", "Note 9.1 to the Financial statements: Goodwill".	
Risk Description	Our responses
<p>The Company holds investments in subsidiaries amounting to Rs.2,527 Mn as at 31st March 2025. Further, the Group holds goodwill amounting to Rs. 120 Mn as at 31st March 2025.</p> <p>Management performed the impairment assessment for subsidiaries with indicators of impairment and determined their recoverable amounts based on value-in-use calculations. The identification of impairment events and the determination of the impairment charge require the application of significant judgment by management. Accordingly, the management performed an impairment assessment on the cash generating units ("CGUs") relating to the investment in subsidiaries, which had an indication of impairment as individual Cash Generating Units and management allocated goodwill to the respective CGU and the recoverable amounts of the identified CGUs have been determined based on value-in-use calculation.</p> <p>We considered the audit of management's impairment assessment of goodwill, and investment in subsidiaries to be a key audit matter due to the magnitude of the carrying value and use of significant judgments and estimates.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Assessing the impairment indication relates to this asset and obtaining the management's judgement and estimates assessment. and test if those assessment involve any management bias. • Obtaining an understanding of management's impairment assessment process. • Obtaining assessment from management and see whether it is comply with relevant standards. • Evaluating the reasonableness of the Group's key assumptions for its revised cash flow projections such as discount rates, cost inflation and business growth with reference to the internally and externally derived sources including the Group budgetary process and reasonableness of historical forecasts. • Reviewing of value in use computations for recoverable amounts with impairment indications and discussion with management of the Group. • Assessing adequacy of the disclosure in the financial statements in line with the requirements of relevant accounting standards.

INDEPENDENT AUDITOR'S REPORT (CONTD.)



03. Recoverability of Trade Receivables	
Refer to the accounting policies in "Note 3.4 to the Financial Statements: Financial Instruments", "Note 2.4 to the Financial Statements: Use of Estimates and Judgments" and "Note 16 to the Financial Statements: trade receivables".	
Risk Description	Our responses
<p>The Group has recognised trade receivables amounting to Rs. 2,250 Mn net of impairment provision of Rs. 32 Mn as at 31 March 2025. Any impairment of significant trade receivable could have material impact on the Group's profitability.</p> <p>Recoverability of trade receivables remains one of the most significant judgment made by the management particularly in light of the prevailing uncertain and volatile macro-economic environment as at the reporting date.</p> <p>We identified assessing the recoverability of trade receivables as a key audit matter because of the significance of trade debtors to the financial statements and the assessment of the recoverability of trade debtors is inherently subjective and requires significant management judgement, such as length of relationship with the customer, customer's repayment history and known market factors, which increases the risk of error or potential management bias.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Involving the component auditors of the subsidiary Companies' and reviewing the work carried out by the component auditors where necessary. • Testing the aging of the trade receivables and evaluated management's assumptions used to estimate the trade receivables provision amount, through specific review of significant overdue individual trade receivables, reviewing payment history of debtors, checking the bank receipts for the payment received subsequent to the year end and calling debtor confirmations. • Assessing the adequacy of the disclosures related to trade receivables and the related credit risk in the consolidated financial statements.
04. Valuation of investment property and Land Building	
Refer to the accounting policies in "Note 3.8 to the Financial Statements: investment property", "Note 3.7 to the Financial Statement : Property Plant Equipment" "Note 2.4 to the Financial Statements: Use of Estimates and Judgments", "Note 10. To the Financial Statements: investment property". "Note 8 to the Financial Statement : Property Plant Equipment".	
Risk Description	Our responses
<p>The Fair value of the Group's investment properties and the land and buildings as at 31 March 2025 was Rs. 5,745 Mn and 3,679 Mn respectively and fair value gain derived from investment properties and the land and building for the year ended 31 March 2025 was Rs. 61 Mn and 835 Mn respectively.</p> <p>The fair value of the Group's investment properties and the Land and Buildings was determined by independent external valuer engaged by the Group.</p> <p>We identified assessing the valuation of investment properties and the Land and Buildings as a key audit matter because of the significance of investment properties and the Land and Buildings to the Group and because the valuation of investment properties and Land and Buildings can be inherently subjective and requires the exercise of significant judgement and estimation, in particular in determining the appropriate valuation methodology, capitalisation and discount rates and market rents, which increases the risk of error or management bias.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Assessing the objectivity, independence, competency, and qualifications of the external Valuers engaged by the Group. • Obtaining and inspecting the valuation report prepared by the Valuer engaged by the management. • Assessment of key assumptions applied by the external Valuers in deriving the fair value of properties and comparing the same with evidence of current market values. • Assessing the adequacy of disclosures made in relation to the fair value of properties in the financial statements, including the description and appropriateness of the inherent degree of subjectivity and key assumptions used in the estimates.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

05. Carrying Value of Inventories	
Refer to the accounting policies in "Note 3.13 to the Financial Statements: Inventories", "Note 2.4 to the Financial Statements: Use of Estimates and Judgments" and "Note 15 to the Financial Statements: Inventories"	
Risk Description	Our responses
<p>The Group has recognized a total inventory provision of Rs. 43 Mn in arriving at carrying value of inventory balance of Rs. 2,558 Mn.</p> <p>Therefore, judgement is involved with regard to categorization of inventories in to obsolete and/or slow moving and which should therefore be considered for provision.</p> <p>As a result of the prevailing uncertain and volatile macro-economic environment resulted in interruption in business activities and resulted in loss of income for some of the individuals/industries which would adversely affect the ability to sell its inventories with a reasonable margin which would potentially impact on the net realizable value adjustments.</p> <p>We identified assessing the carrying value of inventories as a key audit matter because of the inherent risk that the Group's inventories may become obsolete or may be sold at prices below their carrying values and because the judgment exercised by management in determining the appropriate provision for inventories involves management's bias.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Involving the component auditors of the subsidiary Companies' and reviewing the work carried out by the component auditors where necessary. • Testing the adequacy of the Group's provision against inventory by assessing the assumptions applied by the Group in providing against aged/obsolete items. We did this by assessing the historical accuracy of the Group provisioning policy. • As part of our attendance at the year-end inventory counts, we challenged the inventory provisioning in line with our observations of potentially obsolete inventory. We tested a sample of inventory, comparing the carrying value to recent sales invoices to ensure provisions were appropriately applied. • On a sample basis, testing of inventory items sales subsequent to the year end and assessed if they were sold at higher than the cost.

Other Information

Management is responsible for the other information. The other information comprises all the information included in the annual report, other than the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as the 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, the management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

INDEPENDENT AUDITOR'S REPORT (CONTD.)



conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charge 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 3707.

KPMG
Chartered Accountants
29th August 2025

STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH	Note	Group		Company	
		2025	2024	2025	2024
		Rs.	Rs.	Rs.	Rs.
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	8	5,480,129,558	4,706,288,417	-	-
Intangible Assets	9	124,682,801	248,508,276	-	-
Investment Property	10	5,744,862,723	5,668,867,529	-	-
Right to use Assets	11	285,540,389	295,260,372	-	-
Biological Assets	12	244,171,903	160,986,808	-	-
Investment in Subsidiaries	13.1	-	-	2,526,518,283	2,705,111,665
Investment in Equity Accounted Investees	13.2	-	-	-	-
Deferred Tax Asset	22	33,478,631	5,762,423	-	-
Total Non Current Assets		11,912,866,005	11,085,673,825	2,526,518,283	2,705,111,665
Current Assets					
Inventories	15	2,558,409,584	2,421,218,977	-	-
Trade and Other Receivables	16	3,523,843,202	2,328,713,902	152,762,500	1,075
Other Current Assets	17	5,823,724	6,148,892	-	12,500
Income Tax Refund Due	28	15,492,462	8,841,875	7,035	-
Amounts due from Related Companies	18	28,519	10,015	-	-
Investment - Measured at Fair Through Profit / Loss	14	2,882,619,286	2,089,731,540	-	-
Short Term Investments in Deposits	19	8,160,166	810,210,585	7,740,466	-
Cash and cash equivalents	20	906,631,209	380,620,984	4,898,130	3,072,604
Total Current Assets		9,901,008,152	8,045,496,770	165,408,131	3,086,179
Total Assets		21,813,874,157	19,131,170,595	2,691,926,414	2,708,197,844
EQUITY AND LIABILITIES					
Equity					
Capital and Reserves					
Stated Capital	21	2,368,479,709	2,368,479,709	2,368,479,709	2,368,479,709
Revaluation Reserve	21.2	820,145,008	412,212,779	-	-
Capital Reserve	21.3	313,818,029	313,818,029	-	-
Retained Earnings		6,199,373,582	6,059,330,145	318,616,280	327,433,546
Equity Attributable to Owners of the Company		9,701,816,328	9,153,840,662	2,687,095,989	2,695,913,255
Non Controlling Interest	13.4	4,672,680,102	3,562,550,027	-	-
Total Equity		14,374,496,430	12,716,390,689	2,687,095,989	2,695,913,255
Non Current Liabilities					
Deferred Tax Liability	22	1,027,791,180	931,668,543	-	-
Interest Bearing Borrowings due after one year	23.1.1	143,054,600	251,388,200	-	-
Non current portion of Lease obligation	23.2	127,248,568	142,001,549	-	-
Retirement Benefit Obligation	24	135,395,630	129,724,009	-	-
Total Non Current Liabilities		1,433,489,978	1,454,782,301	-	-
Current Liabilities					
Trade and Other Payables	25	1,525,540,170	1,732,751,128	1,372,570	1,060,865
Other Current Liabilities	26	15,942,242	9,162,377	2,317,454	2,317,454
Amount due to Related Companies	27	-	-	-	8,310,752
Interest Bearing Borrowings due within one year	23.1.2	4,304,138,698	2,823,785,546	-	-
Current portion of Lease obligation	23.2	12,712,006	11,299,375	-	-
Income Tax Payable	28	6,289,417	69,174,200	560,396	-
Bank Overdraft	20	141,265,216	313,824,979	580,005	595,518
Total Current Liabilities		6,005,887,749	4,959,997,605	4,830,425	12,284,589
Total Liabilities		7,439,377,727	6,414,779,906	4,830,425	12,284,589
Total Equity and Liabilities		21,813,874,157	19,131,170,595	2,691,926,414	2,708,197,844

The Notes to the Financial Statements on pages 50 to 110 form an integral part of these Financial Statements.
I certify that the above Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgt.
A.R.D. Perera
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Approved and Signed on behalf of the Board of Directors.

Sgt.
S.R.Rajiyah
Director
29th August 2025
Colombo

Sgt.
S.V. Rajiyah
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST MARCH	Note	Group		Company	
		2025	2024	2025	2024
		Rs.	Rs.	Rs.	Rs.
Revenue	29	13,921,433,095	14,273,289,738	-	74,033,165
Cost of Sales		(11,971,865,614)	(12,466,415,754)	-	-
Gross Profit		1,949,567,481	1,806,873,984	-	74,033,165
Other Operating Income	30	285,304,191	61,134,765	-	-
Administrative Expenses		(1,290,959,600)	(1,077,506,615)	(4,671,974)	(3,848,915)
Distribution Expenses		(1,027,621,961)	(1,121,879,830)	-	-
Other Operating Expenses		-	(362,688)	-	-
Profit/(Loss) from Operations		(83,709,889)	(331,740,384)	(4,671,974)	70,184,250
Finance Income	31	57,684,890	239,270,150	1,867,987	12,353
Finance Cost	32	(390,595,849)	(633,769,823)	(5,449,416)	(926,705)
Other Financial Items	33	(19,276,835)	(124,440,111)	-	-
Fair Value Gain on Investments - Measured at Fair Through Profit / Loss	14	626,769,397	396,013,735	-	-
Share of Profit of Equity Accounted Investee		-	334,345	-	-
Profit/(Loss) before Taxation	34	190,871,714	(454,332,088)	(8,253,403)	69,269,898
Taxation	35	115,512,537	43,686,390	(563,863)	-
Profit/(Loss) for the year		306,384,251	(410,645,698)	(8,817,266)	69,269,898
Other Comprehensive Income					
Items that will not be reclassified to Profit or Loss					
Defined benefits plan actuarial gains / (Loss)	24	1,907,866	8,605,859	-	-
Revaluation reserve on Land & Buildings		834,867,692	-	-	-
Deferred Tax on Defined benefits plan	22	(77,939)	(2,531,552)	-	-
Deferred Tax on Revaluation of Land and Buildings	22	(187,933,242)	2,513,359	-	-
Actuarial Gain from discontinued operations		-	-	-	-
Other Comprehensive Income / (Expenses) to be reclassified to Profit or Loss in subsequent periods					
Other Comprehensive Income for the year		648,764,377	8,587,666	-	-
Total Comprehensive Income / (Expenses) for the year		955,148,628	(402,058,032)	(8,817,266)	69,269,898
Attributable to :					
Equity Holder of the Parent		69,184,885	(204,091,231)	(8,817,266)	69,269,898
Non Controlling Interest		237,199,366	(206,554,467)	-	-
		306,384,251	(410,645,698)	(8,817,266)	69,269,898
Total Comprehensive Income Attributable to:					
Equity Holder of the Parent		385,159,561	(197,212,078)	(8,817,266)	69,269,898
Non Controlling Interest		569,989,067	(204,845,954)	-	-
Total Comprehensive Income / (Expenses) for the year		955,148,628	(402,058,032)	(8,817,266)	69,269,898
Earnings Per Share (Rs.)	36.1	0.36	(1.08)	(0.05)	0.37
Diluted Earnings/(Loss) Per Share (Rs.)	36.2	0.36	(1.08)	(0.05)	0.37
Dividend per Share (Rs.)	36.3	-	0.39	-	0.39

Figures in brackets indicate deductions.

The Notes to the Financial Statements on pages 50 to 110 form an integral part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

Group	Stated Capital	Revaluation Reserve	Capital	Retained Earnings	Total	Non Controlling Interest	Total
	Rs.	Rs	Rs	Rs.	Rs.	Rs.	Rs.
Balance as at 1st April 2023	2,294,518,229	391,802,044	313,893,541	6,196,336,342	9,196,550,156	4,036,962,962	13,233,513,118
Profit for the year	-	-	-	(204,091,231)	(204,091,231)	(206,554,467)	(410,645,698)
Other Comprehensive Income for the period	-	2,628,808	-	4,250,345	6,879,153	1,708,513	8,587,666
Total Comprehensive Income for the period (restated)	-	2,628,808	-	(199,840,886)	(197,212,078)	(204,845,954)	(402,058,032)
Acquisition of NCI without a change in control	-	4,924	-	(368,503,030)	(368,498,106)	(64,383,350)	(432,881,456)
Changes in ownership interest that do not result in loss of control	-	17,777,003	(75,512)	504,852,370	522,553,861	(522,553,861)	-
Amalgamation reserve created based on business combination	-	-	-	446,829	446,829	-	446,829
Acquisition of Subsidiary with NCI	-	-	-	-	-	317,370,230	317,370,230
Dividend Paid (Note 35.3)	73,961,480	-	-	(73,961,480)	-	-	-
Balance as at 31st March 2024	2,368,479,709	412,212,779	313,818,029	6,059,330,145	9,153,840,662	3,562,550,027	12,716,390,689
Balance as at 1st April 2024	2,368,479,709	412,212,779	313,818,029	6,059,330,145	9,153,840,662	3,562,550,027	12,716,390,689
Loss for the year	-	-	-	69,184,885	69,184,885	237,199,366	306,384,251
Other Comprehensive Income	-	332,702,651	-	(16,727,975)	315,974,676	332,789,701	648,764,377
Total Comprehensive Income	-	332,702,651	-	52,456,910	385,159,561	569,989,067	955,148,628
Changes in ownership interest that do not result in loss of control	-	75,229,578	-	87,586,527	162,816,105	350,073,041	512,889,146
Acquisition of Subsidiary with NCI (Note 13.4)	-	-	-	-	-	190,067,967	190,067,967
Balance as at 31st March 2025	2,368,479,709	820,145,008	313,818,029	6,199,373,582	9,701,816,328	4,672,680,102	14,374,496,430

Company	Stated Capital	Retained	Total
	Rs.	Earnings Rs.	Rs.
Balance as at 1st April 2023	2,294,518,229	332,125,128	2,626,643,357
Profit for the year	-	69,269,898	69,269,898
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	-	69,269,898	69,269,898
Expense incurred in respect of right issue (Note 20.1)	-	-	-
Dividends paid	73,961,480	(73,961,480)	-
Balance as at 31st March 2024	2,368,479,709	327,433,546	2,695,913,255
Balance as at 1st April 2024	2,368,479,709	327,433,546	2,695,913,255
Loss for the year	-	(8,817,266)	(8,817,266)
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	-	(8,817,266)	(8,817,266)
Balance as at 31st March 2025	2,368,479,709	318,616,280	2,687,095,989

The Notes to the Financial Statements on pages 50-110 form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS

CASH FLOW STATEMENT FOR THE YEAR ENDED	Note	Group		Company	
		2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
CASH FLOW FROM OPERATING ACTIVITIES					
Profit before Taxation		190,871,714	(454,332,088)	(8,253,403)	69,269,898
Adjustments :					
Share of Profit of Equity Accounted Investee		-	(334,345)	-	-
Fair Value (Gain) / Loss from Investment - Measured at FVTP&L	14.1	(626,769,397)	(396,013,735)	-	-
Provision for impairment of Investment Property		-	13,500,000	-	-
Impairment of Goodwill		122,224,114	139,962,644	-	-
Provision for Retiring Gratuity	24	29,082,446	35,896,215	-	-
Depreciation on Property, plant and equipment	8	307,089,626	326,910,452	-	-
Amortization of Intangible Assets	9	1,601,361	1,743,900	-	-
Interest Income	31	(57,684,890)	(239,270,150)	(1,867,987)	(12,353)
Interest Expense	32	378,227,210	614,461,310	5,449,417	926,705
Lease Interest and others	32	12,368,639	14,722,775	-	-
Amortisation of Right to use Assets	11	9,719,983	18,955,302	-	-
Profit on Disposal of Property Plant & Equipment	30	-	(21,322,077)	-	-
Change in fair value of Investment Property	30	(60,727,427)	(700,000)	-	-
Fair value adjustment of biological assets	30	(66,022,635)	(13,254,207)	-	-
Provision for impairment of debtors	16.2	(4,067,450)	(2,329,820)	-	-
(Gain) / Loss on Disposal of Equity Accounted Investees		-	2,379,295	-	-
Gain on Disposal of Equity Shares	30	(72,795,245)	(15,009,194)	-	-
Gain/Loss of Units Trust Redemption	30	(3,881,907)	(37,892)	-	-
Gain on bargain purchase in acquisition of subsidiaries	30	(805,033)	-	-	-
Revaluation losses recognized in previous year		(308,000)	-	-	-
Exchange Loss on lease liability	23.2	(9,595,381)	(3,926,203)	-	-
Scrip Dividend Received		-	-	-	(74,033,165)
Provision/(Reversal) on Obsolete Inventories	15.1	(42,099,102)	(92,425,799)	-	-
Operating Profit / (Loss) before changes in Working Capital		106,428,626	(70,423,617)	(4,671,973)	(3,848,915)
(Increase) / Decrease in :					
Inventories		(95,091,505)	794,860,292	-	-
Trade & Other Receivables		(1,191,061,848)	(133,813,181)	(5,961)	(618)
Amounts due from Related parties		289,496	(10,015)	-	-
Other Current Assets		325,168	35,446,931	-	-
Trade & Other Payables		(207,518,961)	174,691,844	311,705	(141,643)
Other Current Liabilities		6,779,865	(21,644,251)	-	-
Amount due to Related Companies		-	(99,996)	(8,310,752)	2,680,340
Cash Generated from Operations		(1,379,849,159)	779,008,007	(12,676,981)	(1,310,836)
Gratuity Paid	24	(21,502,960)	(15,954,450)	-	-
Income Tax / WHT Paid		(73,627,585)	(163,433,384)	(3,467)	-
Interest Received	31	57,684,890	239,270,150	1,867,987	12,353
Interest Paid		(390,595,849)	(614,461,311)	(5,449,417)	(926,705)
Net Cash from / (used in) Operating Activities		(1,807,890,662)	224,429,012	(16,261,878)	(2,225,188)

STATEMENT OF CASH FLOWS (CONTD)

CASH FLOW STATEMENT FOR THE YEAR ENDED	Note	Group		Company	
		2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
CASH FLOW FROM INVESTING ACTIVITIES				-	-
Purchase of Intangible Assets	9	-	(120,460)	-	-
Investment in Biological assets	12	(17,162,460)	(19,631,494)	-	-
Purchase of Property Plant & Equipment	8	(245,755,073)	(322,584,531)	-	-
Addition to Investment Property	10	(15,267,767)	(143,293,598)	-	-
Proceed from Disposal of Property Plant & Equipment		-	34,201,770	-	-
Proceeds from disposal of equity accounted investees		-	392,928,624	-	-
(Purchase) / Disposal of Shares in Existing Subsidiaries		512,889,146	(432,881,456)	25,843,383	-
Acquisition of subsidiary, net of cash acquired	13.1	190,873,000	(681,966,701)	-	-
Impact of Amalgamation, net of Cash		-	7,991,729	-	-
Net withdrawal / (investment) in Short Term Investments in Deposits		805,932,326	(207,192,350)	(7,740,466)	-
Net Investment in Fair Through Profit / Loss investments		(93,323,104)	(87,819,039)	-	-
Net Cash (used in) / from Investing Activities		1,138,186,068	(1,460,367,506)	18,102,917	-
CASH FLOW FROM FINANCING ACTIVITIES				-	-
Payment of Lease Liabilities		(3,744,970)	(27,523,913)	-	-
Net Short Term Borrowings	23	746,760,000	877,044,780	-	-
Long Term Loans obtained during the year	23.1.3	10,798,559,040	7,212,995,000	-	-
Long Term Loan repayments during the year	23.1.3	(10,173,299,488)	(7,507,291,301)	-	-
Net Cash from / (used in) Financing Activities		1,368,274,582	555,224,566	-	-
Net Increase / (Decrease) in Cash and Cash Equivalents		698,569,988	(680,713,928)	1,841,039	(2,225,188)
Cash and Cash Equivalents at the Beginning of the year		66,796,005	747,509,933	2,477,086	4,702,274
Cash and Cash Equivalents at the End of the year		765,365,993	66,796,005	4,318,125	2,477,086
ANALYSIS OF CASH AND CASH EQUIVALENTS					
Cash at Bank and Cash in Hand net of Bank Overdraft	20	765,365,993	66,796,005	4,318,125	2,477,086
		765,365,993	66,796,005	4,318,125	2,477,086

The Notes to the Financial Statements on pages 50-110 form an integral part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 REPORTING ENTITY

Renuka Holdings PLC is a Public Quoted Limited Liability Company, incorporated in Sri Lanka on 08.02.1979 and re-registered under the Companies Act No. 07 of 2007 (PQ 227) and domiciled in Sri Lanka. The shares were listed in the Colombo stock exchange on 10th March 2008.

The registered office of the Company is located at No. 69, Sri Jinaratana Road, Colombo 02.

The consolidated financial statements of the Group as at and for the year ended 31st March 2025 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

1.2 PRINCIPAL ACTIVITIES

During the year, the principal activities of the Company, and Subsidiaries below.

- Renuka Holdings PLC
Investment and holding Company
- Renuka Foods PLC
Fast moving consumer goods
- Ceylon Land & Equity PLC
Investing
- Gall Face Capital Partners PLC
Investing
- Renuka Agri Foods PLC
Manufacture & export coconut based products
- Renuka Developments (Pvt) Ltd.
Organic certification licence holder and investment in plantation/farm and vertical integration projects
- Kandy Plantations Ltd
Engaged in Organic Certified Cultivation of Agriculture Produce
- Ceylon Forestry (Pvt) Ltd
Planting and Managing Forestry.
- Richlife Dairies Ltd
Manufacturing of dairy & fruit juice based products.
- Shaw Wallace Ceylon Ltd
Manufacturing & distribution of Fast Moving Consumer Goods.
- Shaw Wallace Properties (Pvt) Ltd
Providing warehousing facilities.
- Renuka Agri Organics Ltd
Manufacture & export of coconut based products.
- Coco Lanka (Pvt) Ltd
Plantation.
- Gall Face Properties Ltd
Property and Leisure Development

- Renuka Enterprises (Private) Limited
To provide Secretarial, Legal, Accounting & Treasury, Information Technology, Consultancy, HR related services Shipping, Clearing and Wharf services to Group Companies. The Company is also acting as the Company Secretary to all Group Companies.
- Renuka Agro Exports (Pvt) Ltd
Principal activities of the Company are sourcing, manufacturing, and exporting ethnic foods products.
- Renuka Trading (Pvt) Ltd
To hold investment properties for rental income
- Shaw Wallace & Hedges Limited
The company operates as the holding company of property development companies.
- Campbell Place Properties (Private) Limited
The Company is in the Business of Property Development.
- The Cargo Boat Investment Company Limited
Investment in Shares of Companies for dividend income.

1.3. PARENT ENTERPRISE AND ULTIMATE PARENT ENTERPRISE

The Company does not have an identifiable parent on its own.

1.4. FINANCIAL YEAR

Financial Statements of the Company and Group entities ends on 31st March 2025.

1.5 AUTHORIZATION OF FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Group for the year ended 31st March 2025 were authorized for issue in accordance with a resolution of the Directors on 29th of August 2025.

2. BASIS OF PREPARATION

2.1. STATEMENT OF COMPLIANCE

The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows, together with Notes to the Financial Statements ("Financial Statements") of the Group & Company as at 31st March 2025 and for the year then ended, comply with the Sri Lanka Accounting Standards (SLFRSs/ LKASs) as laid down by the Institute of Chartered Accountants of Sri Lanka.

2.2. FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The Consolidated Financial Statements are presented in Sri Lankan Rupees (Rs.) which is the group's functional & presentation currency. All financial information presented at the nearest Rupee unless otherwise indicated.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

2.3. BASIS OF MEASUREMENT

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of Financial Position:

- Biological assets are measured at fair value less costs to sell
- Investment property is measured at fair value
- Liability for Defined Benefit Obligations is recognized as the present value of the defined benefit obligation.
- Land and Buildings are carried at fair value
- Financial Instruments at Fair Value Through Profit or Loss (FVTPL) are measured at fair value

2.4. USE OF ESTIMATES AND JUDGMENTS

The preparation of the consolidated financial statements in conformity with SLFRSs requires management to make judgments, 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 these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about critical judgments in applying accounting policies that have significant effect on the amounts recognized in the Financial Statements is included in the following respective notes to the Financial Statements.

- Note No. 3.19 - Revenue Recognition
- Note No. 12 - deferring the Fair Value of Biological Assets on the basis of significant unobservable inputs.
- Note No. 9.1 - Impairment test of Goodwill
- Note No. 24 - Measurement of Defined Benefit Obligations: key actuarial assumptions
- Note No. 22 - Recognition of Deferred Tax Assets and Liabilities
- Note No. 15.1 - Provision for Inventories
- Note No. 16.2 - Provision for Impairment of Trade Receivables
- Note No. 8 - Property Plant and Equipments
- Note No. 10 - Investment Property
- Note No. 14 - Investment Measured at FVTPL (quoted and unquoted shares)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the respective notes to the Financial Statements.

2.4.1. TRANSFER PRICING REGULATION

The Group is subject to income taxes and other taxes including transfer pricing regulations. Prevailing uncertainties with respect to the interpretation of respective transfer pricing regulations, necessitated using management judgment to determine the impact of transfer pricing regulations. Accordingly critical judgments and estimates were used in applying the regulations in aspects including but not limited to identifying associated undertakings, estimation of the respective prices and selection of appropriate pricing mechanism. The current tax charge is subject to such judgments. Differences between estimated income tax charge and actual payable may arise as a result of management's interpretation and application of transfer pricing regulation.

2.5. GOING CONCERN

The Board of Directors has made an assessment on the Company's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, Board of Directors is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern.

3. MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following material accounting policies to all periods presented in the Financial Statements by the Group, except as mentioned otherwise.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated Financial Statements, and have been applied consistently by Group entities.

3.1. BASIS OF CONSOLIDATION

The consolidated Financial Statements include the Financial Statements of the Company, its subsidiaries and other companies over which it has control. The Group's Financial Statements comprise of the consolidated Financial Statements of the Company and the Group which have been prepared in compliance with the group's accounting policies.

3.1.1. BUSINESS COMBINATIONS

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

3.1.2. SUBSIDIARIES

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

3.1.3. NON-CONTROLLING INTERESTS

Non-controlling interests (NCI) are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners.

3.1.4 LOSS OF CONTROL

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

3.1.5 INVESTMENT IN EQUITY-ACCOUNTED INVESTEEES

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control over the financial and operating policies.

Interests in associate is accounted for using the equity method. It is initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

3.1.6 TRANSACTIONS ELIMINATED ON CONSOLIDATION

Intra-group balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated Financial Statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3.2 FOREIGN CURRENCY

3.2.1. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate at the date that the fair value was determined.

Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3.3. CURRENT VERSUS NON CURRENT CLASSIFICATION

The Group presents assets & liabilities in the Statement of Financial Position based on current / non-current classification. An asset is current when it is:

- Expected to be realized or intended to sold or consumed in a normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period or
- 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 a normal operating cycle.
- It is held primarily for the purpose of trading.
- It 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.

The Group classifies all other liabilities as non-current.

3.4 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity. Receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

3.4.1 RECOGNITION AND INITIAL MEASUREMENT

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

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.4.2. CLASSIFICATION AND SUBSEQUENT MEASUREMENT

3.4.2.1 Financial assets – On initial recognition

On initial recognition, a financial asset is classified as measured at:

- As measured at amortised cost;
- Fair Value Through Profit or Loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

AS MEASURED AT AMORTISED COST	<p>A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:</p> <ul style="list-style-type: none"> it is held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. <p>The Group financial assets classified and measured at amortized cost are limited to its other receivables, short term investments, amounts due from related party and cash & cash equivalent.</p>
FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)	<p>The financial assets are measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:</p> <ul style="list-style-type: none"> it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
	<p>On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.</p> <p>FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income and impairment losses in the statement of profit and loss.</p>

FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)	<p>All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.</p> <p>Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.</p>
---	---

3.4.2.2 Financial assets – Subsequent measurement and gains and losses

FINANCIAL ASSETS AT AMORTISED COST	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
DEBT INVESTMENTS AT FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
EQUITY INVESTMENTS AT FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.
FINANCIAL ASSETS AT FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3.4.3 DERECOGNITION

3.4.3.2 Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when

NON-DERIVATIVE FINANCIAL LIABILITIES MEASUREMENT

A financial liability is classified as at Fair Value through Profit or Loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognized in profit or loss. The Group classifies non derivative financial liabilities in to other financial liability category. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. The Group has the following non-derivative financial liabilities: trade and other payables, bank overdrafts, loans and borrowings and financial guarantees. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

3.5 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

3.5.1 LEVEL 1

When available, the Group measures the fair value of an instrument using active quoted prices or dealer price quotations (assets and long positions are measured at a bid price; liabilities and short positions are measured at an asking price), without any deduction for transaction costs. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions.

3.5.2 LEVEL 2

If a market for a financial instrument is not active, then the Group establishes fair value using a valuation technique. Valuation techniques include using recent transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses, credit models, option pricing models and other relevant valuation models. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Group calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data. The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument, i.e. without modification or repackaging, or based on a valuation technique whose variables include only data from observable markets. When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognized in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

3.5.3 LEVEL 3

Certain financial instruments are recorded at fair value using valuation techniques in which current market transactions or observable market data are not available. Their fair value is determined by using valuation models that have been tested against prices or inputs to actual market transactions and also using the best estimate of the most appropriate model assumptions. Models are adjusted to reflect the spread for bid and ask prices to reflect costs to close out positions, credit and debit valuation adjustments, liquidity spread and limitations in the models. Also, profit or loss calculated when such financial instruments are first recorded ('Day 1' profit

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

or loss) is deferred and recognized only when the inputs become observable or on derecognition of the instrument.

3.6 STATED CAPITAL

3.6.1 ORDINARY SHARES

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

3.7 PROPERTY, PLANT AND EQUIPMENT

3.7.1 RECOGNITION AND MEASUREMENT

Property, plant and equipment including land and buildings are initially measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

3.7.1.1 REVALUATION METHOD

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment charged subsequent to the date of the revaluation. Where land and buildings are subsequently revalued, the entire class of such assets is revalued at fair value on the date of revaluation. Valuations are performed every 3-5 years (or frequently enough) to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any revaluation surplus is recognized in other comprehensive income and accumulated in equity in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the income statement, in which case the increase is recognized in the income statement. A revaluation deficit is recognized in the income statement, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss. Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

3.7.2 SUBSEQUENT COSTS

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

3.7.3 DEPRECIATION

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using a straight-line basis over their estimated useful economic life. Depreciation is generally recognized in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

Capital expenditure incurred in relation to fixed assets which are not completed as at the reporting date are shown as capital work-in-progress and is stated at cost. On completion, the related assets are transferred to property, plant and equipment. Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

	Percentage
Buildings	2.5 – 5
Plant & Machinery	5 – 20
Motor Vehicles	20
Equipment & Tools	10 – 20
Furniture & Fittings	5 -15
Electrical Installation	10 – 20
Computers & Software	25
Waste Water Treatment Plant	5

3.7.4 RECLASSIFICATION TO INVESTMENT PROPERTY

When the use of a property changes from owner-occupied to investment property, the property is re-measured to fair value and reclassified accordingly. Any gain arising on this re-measurement is recognized in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognized in OCI and presented in the revaluation reserve. Any loss is recognized in profit or loss. However, to the extent that an amount is included in the revaluation surplus for that

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

property, the loss is recognized in OCI and reduces the revaluation surplus within equity.

3.8 INVESTMENT PROPERTY

Investment property is property held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is initially measured at cost and subsequently at fair value with any change therein recognized in profit or loss.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

3.9 INTANGIBLE ASSETS AND GOODWILL

3.9.1 GOODWILL

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. Goodwill is measured at initial recognition in accordance with Note 3.1.1. Any goodwill that arises is tested annually for impairment.

3.9.1.1 SUBSEQUENT MEASUREMENT

Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and any impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity accounted investee.

3.9.2 OTHER INTANGIBLE ASSETS

Other intangible assets, including customer relationships, patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

3.9.3 SUBSEQUENT EXPENDITURE

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

3.9.4 AMORTIZATION

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Goodwill is not amortized.

The estimated useful lives for the current and comparative years are as follows:

Class of Assets	Useful Lifetime (Years)
Computer Software	5 years
Trade Mark	10 years

Amortization methods, useful lives and residual value are reviewed at each reporting date and adjusted if appropriate.

3.10 BIOLOGICAL ASSETS

Biological assets are measured at fair value less costs to sell, with any change therein recognized in profit or loss. Costs to sell include all costs that would be necessary to sell the assets, including transportation costs. Biological assets are classified as mature biological assets and immature biological assets. Mature biological assets are those that have attained harvestable specifications or are able to sustain regular harvests. Immature biological assets are those that have not yet attained harvestable specifications. Managed Timber, Tea, rubber, other plantations and nurseries are classified as biological assets. Biological assets are further classified as bearer biological assets and consumable biological assets. Bearer biological asset includes tea and trees, those that are not intended to be sold or harvested, however used to grow for harvesting agricultural produce from such biological assets. Consumable biological assets includes managed timber those that are to be harvested as agricultural produce or sold as biological assets. The Group recognizes the biological assets when, and only when, the entity controls the assets as a result of past event, it is probable that future economic benefits associated with the assets will flow to the entity and the fair value or cost of the assets can be measured reliably.

The managed timber is measured on initial recognition and at the end of each reporting periods at its fair value less cost to sell in terms of LKAS 41. The cost is treated as approximation to fair value of young plants as the Impact on biological transformation of such plants to price during this period is immaterial. The fair value of timber trees are measured using DCF method taking in to consideration the current market prices of timber, applied to expected timber content of a tree at the maturity by an independence professional valuer. All other assumptions are given in Note 12 to the financial statements. The gain or loss arising on initial recognition of biological assets at fair value less cost to sell and from a change in fair value less cost to sell of biological assets are included in profit or loss for the period in which it arises.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3.11 LEASE

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.11.1 LESSEE

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in right of used assets in lease liabilities in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.12 PREMIUM PAID ON LEASEHOLD LAND

The premium paid by the subsidiary for leasehold land represents prepaid rental charges which are amortized over 50 years, commencing from the second year of operation.

3.13 INVENTORIES

Inventories are stated at the lower of cost or net realizable value. Cost is determined by the weighted average method. The cost of finished goods and work-in-progress comprises raw materials, direct labor, other direct costs and related production overheads, but excludes interest expense.

Net realizable value is the estimate of the selling price in the ordinary course of business less the costs of completion and selling expenses. Provision is made, where necessary, for obsolete, slow moving and defective inventories.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3.14 IMPAIRMENT

3.14.1 FINANCIAL ASSETS

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future Cash flows of that asset that can be estimated reliably. Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECLs) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

3.14.2 NON-FINANCIAL ASSETS

The carrying amounts of the Group's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments

of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets.

For the purposes of goodwill impairment testing, goodwill acquired in a business combination is allocated to the group of CGUs that is expected to benefit from the synergies of the combination. This allocation is subject to an operating segment ceiling test and reflects the lowest level at which that goodwill is monitored for internal reporting purposes. The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis. An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.15 EMPLOYEE BENEFITS

3.15.1 SHORT-TERM EMPLOYEE BENEFITS

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.15.2 DEFINED CONTRIBUTION PLANS

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior period; that benefit is discounted to determine its present value.

The retirement benefit obligation of the Group is based on the actuarial valuation using Projected Unit Credit (PUC) methods as recommended by Sri Lanka Accounting Standards (LKAS 19) Employee Benefits. The calculation is performed by individual actuary using the projected unit credit method. The assumptions based on which the

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

results of the actuarial valuation was determined, are included in Note 24 to the Financial Statements.

The Group recognizes all actuarial gains and losses arising from the defined benefit plans immediately in the statement of comprehensive income. The liability is disclosed under non – current liabilities in the statement of financial position and not externally funded. However, as per the Payment of Gratuity Act No. 12 of 1983 the liability to an employee arises only on completion of 5 years of continued services.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gain or losses on the settlement of a defined plan when the settlement occurs.

3.15.3 DEFINED BENEFIT PLANS

All employees who are eligible for Employees Provident Fund contribution and Employees Trust Fund contribution are covered by relevant contribution funds in line with respective statutes and regulations. The Group contributes 12 % and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

3.16 PROVISION

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

3.17 COMMITMENTS AND CONTINGENT LIABILITIES

Contingent Liabilities are possible obligations whose existence will be confirmed only by occurrence or nonoccurrence of uncertain future events not wholly within the control of the Group or present obligations where the transfer of economic benefits is not probable or cannot be reliably measured. Capital Commitment and Contingent Liabilities of the Company and the Group are disclosed in the respective notes to the Financial Statements.

3.18 EVENTS AFTER THE REPORTING PERIOD

The materiality of the events after the reporting period has been considered and appropriate adjustments and provisions have been made in the Financial Statements wherever necessary.

3.19 REVENUE

3.19.1 REVENUE RECOGNITION

SLFRS 15 “Revenue from Contracts with Customers” outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found across several Standards and Interpretations within SLFRS. It establishes a new five-step model that will apply to revenue arising from contracts with customers.

Step 1: Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that create enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

Step 2: Identify the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the customer that is distinct.

Step 3: Determine the transaction price: Transaction price is the amount of consideration to which the entity expects to be entitled to in exchange for transferring the promised goods and services to a customer, excluding amounts collected from third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the entity will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the entity expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

a) Dividend income

Dividend income is recognized when the Groups right to receive the dividend is established.

b) Provision of Accounting Services

Revenue from accounting services rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date.

3.20 FINANCE INCOME AND FINANCE COSTS

Finance Income comprises interest income on funds invested recognized in profit or loss using the effective interest method. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method. Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

3.21 INCOME TAX

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

3.21.1 CURRENT TAX

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

3.21.2 DEFERRED TAX

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

Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences,

are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

3.22 STATEMENT OF CASH FLOWS

The Statement of Cash Flows has been prepared using the "indirect method". Interest paid are classified as operating cash flows, interest received is classified as investing cash flows for the purpose of presenting Statement of Cash Flows.

3.23 EARNINGS PER SHARE

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

3.24 RELATED PARTY TRANSACTIONS

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is charged.

3.25 SEGMENT REPORTING

Segment results that are to the Group's CEO (the Chief Operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses and tax assets and liabilities.

3.26 COMPARATIVE INFORMATION

The comparative information is re-classified wherever necessary to conform with the current year's presentation in order to provide a better presentation.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

4. DISCONTINUED OPERATION

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

5. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and nonfinancial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

5.1. BIOLOGICAL ASSETS

The fair value of immature timber plantations is based on the present value of the net cash flows expected to be generated by the plantation at maturity.

5.2. INVENTORIES

The fair value of inventories acquired in a business combination is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

5.3. EQUITY AND DEBT SECURITIES

The fair value of equity and debt securities is determined by reference to their quoted closing bid price at the reporting date, or if unquoted, determined using a valuation technique. Valuation techniques employed include market multiples and discounted cash flow analysis using expected future cash flows and a market related discount rate. The fair value of held-to-maturity investment is determined for disclosure purposes only.

5.4. TRADE AND OTHER RECEIVABLES

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted

at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

5.5 Land and Building

An external, independent valuation company, having appropriate recognized professional qualifications and recent experience in the location and category of property being valued, values the Group's land and building portfolio every 3-5 years. The fair values are based on market values, being the estimated amount for which a land and building could be exchanged on the date of the valuation between a willing buyer and a willing seller in transaction after proper marketing where in the parties had each acted knowledgeably and willingly. The Market value has been used as the fair value of the property. In determining the revaluation, the current condition of the properties and future usability have been considered. Also Value has made reference to market evidence of transaction price for similar properties, with appropriate adjustment for size, usage and location. Accordingly, the land and buildings were valued on an open market value on existing use basis.

6. Effective of Accounting Standards Issued But Not Yet Effective

A number of new accounting standards are effective for annual reporting periods beginning after 01 st January 2025 and earlier application is permitted. However, the Group has not early adopted the the following new or amended accounting standards in preparing these consolidated financial statements.

The following amended standards and interpretations are not standards and interpretations are not expected to have a significant impact on the Group's Financial Statment.

SLFRS S1 General requirements for disclosure of sustainability related Financial information and SLFRS 52 Climate - related disclosures.

SLFRS S1 General requirements for disclosure of sustainability related Financial information requires an entity to disclose information about its Sustainability related risks and opportunities that is useful to primary users of general purpose financial reports in marketing decisions relate to providing resources to the entity.

SLFRS 2 Climate related disclosures is to requires an entity to disclosures Information about its climate -related risks and opportunities that is useful to primary users of general purpose financial reports in marketing decisions relating to providing resources to the entity.

These standards will become effective for the group from 01 January 2025.No financial impact is expected on the Group except for additional disclosures.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 7 - FINANCIAL INSTRUMENTS

NOTE 7.1 - Group

Financial assets and liabilities by categories

Financial assets and liabilities in the tables below are split into categories in accordance with SLFRS 09.

As at 31 March	Financial Assets				Financial Liabilities			
	Measured at amortised cost		Fair Value through Profit or loss		Fair Value through OCI		Measured at amortised cost	
	2025	2024	2025	2024	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Financial instruments in non current assets/ non current liabilities								
Interest-bearing loans and borrowings	-	-	-	-	-	-	143,054,600	251,388,200
Financial instruments in current assets/ current liabilities								
Trade & other receivables/Payables	13(d)	3,523,843,202	2,328,713,902	-	-	-	1,525,540,170	1,732,751,128
Investment - Measured at Fair Through Profit / Loss	14	-	2,882,619,286	2,089,731,540	-	-	-	-
Short term investment in deposits	16	8,160,166	810,210,585	-	-	-	-	-
Cash in hand and at Bank	19	906,631,209	380,620,984	-	-	-	-	-
Interest-bearing loans & borrowings	-	-	-	-	-	-	4,304,138,698	2,823,785,546
Bank overdraft	20	-	-	-	-	-	141,265,216	313,824,979
		4,438,634,577	3,519,545,471	2,882,619,286	2,089,731,540	-	6,113,998,684	5,121,749,853

NOTE 7.2 - COMPANY

The carrying amounts of Financial Assets and Financial Liabilities in each category are as follows.

As at 31 March	Financial Assets				Financial Liabilities			
	Measured at amortised cost		Fair Value through Profit or loss		Fair Value through OCI		Measured at amortised cost	
	2025	2024	2025	2024	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Financial instruments in current assets/ current liabilities								
Trade/Payables	-	-	-	-	-	-	1,372,570	1,060,865
Cash in hand and at Bank	4,898,130	3,072,604	-	-	-	-	580,005	595,518
Bank overdraft	-	-	-	-	-	-	1,952,575	1,656,383
	4,898,130	3,072,604	-	-	-	-		

Note 7.2.1 The fair value of loans and receivables is not significantly different from the value based on amortised cost methodology. The management assessed that, cash and short-term investments, trade receivables, trade payables, bank overdrafts, Short term borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 7.3 - FAIR VALUE HIERARCHY

NOTE 7.3.1 - NON FINANCIAL ASSETS - GROUP

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

Level 2 - Valuation technique for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The carrying amounts of Financial Assets and Financial Liabilities in each category are as follows.

Asset measured at Fair value	Level 1		Level 2		Level 3	
	2025	2024	2025	2024	2025	2024
Investment - Measured at Fair Value through Profit or Loss	2,088,951,386	1,296,063,640	-	-	793,667,900	793,667,900
Land & Buildings	-	-	-	-	2,353,624,673	3,414,294,349
Investment Property	-	-	-	-	5,744,862,723	5,668,867,529
Biological Assets	-	-	-	-	244,171,903	160,986,808

In determining the fair value, highest and best use of the property including the current condition of the properties, future usability and associated redevelopment requirements have been considered. Also, the values have made reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size and location. The appraised fair values are rounded within the range of values.

Investment - Measured at Fair Value through Profit or Loss was based on the net assets value adjusted for the effect of the non market ability of the investments, by discounting the net assets value of the Company.

NOTE 7.3.2 - NON FINANCIAL ASSETS - COMPANY

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

Level 2 - Valuation technique for which the lowest level input that is significant to the fair value measurement

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Asset measured at Fair value	LEVEL 1		LEVEL 2		LEVEL 3	
	2025	2024	2025	2024	2025	2024
	-	-	-	-	-	-

In determining the fair value, highest and best use of the property including the current condition of the properties, future usability and associated redevelopment requirements have been considered. Also, the values have made reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size and location. The appraised fair values are rounded within the range of values.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 8 - PROPERTY, PLANT & EQUIPMENT

Group	Freehold Land	Buildings	Leasehold Buildings	Plant & Machinery	Motor Vehicles	Furniture, Fittings and Equipment	Electrical Installation	Computer & Software	Milk Collection Centre	Calvet Renovation	WIP	Total
Cost / Valuation												
Opening Balance as at 1 April 2023	999,540,194	1,937,910,675	214,998,033	2,665,581,586	113,757,806	765,555,980	208,057,436	9,946,513	37,191,887	10,169,853	30,415,383	6,993,125,344
Additions	-	16,909,147	-	175,816,012	4,309,665	60,760,647	3,752,341	-	-	-	183,601,367	445,149,179
Transfers	-	-	-	-	-	-	-	-	-	-	(122,564,648)	(122,564,648)
Disposals	-	-	-	(29,394,531)	-	(190,271)	-	-	-	-	-	(29,584,802)
Additions due to amalgamations	167,200,000	-	-	-	-	-	-	-	-	-	-	167,200,000
Closing Balance as at 31 March 2024	1,166,740,194	1,954,819,822	214,998,033	2,812,003,067	118,067,471	826,126,356	211,809,777	9,946,513	37,191,887	10,169,853	91,452,102	7,453,325,073
Opening Balance as at 1 April 2024	1,166,740,194	1,954,819,822	214,998,033	2,812,003,067	118,067,471	826,126,356	211,809,777	9,946,513	37,191,887	10,169,853	91,452,102	7,453,325,073
Additions	-	6,583,879	-	74,430,936	-	55,704,174	27,072,240	-	-	-	81,963,844	245,755,073
Revaluation	376,038,500	177,466,578	-	-	-	-	-	-	-	-	-	553,505,078
Transfers	-	(243,639)	-	40,752,444	-	762,456	-	-	-	-	(44,022,504)	(2,751,243)
Closing Balance as at 31 March 2025	1,542,778,694	2,138,626,640	214,998,033	2,927,186,447	118,067,471	882,592,986	238,882,017	9,946,513	37,191,887	10,169,853	129,393,442	8,249,833,981
Accumulated Depreciation												
Opening Balance as at 1 April 2023	-	173,627,182	1,489,499	1,609,854,172	107,591,861	453,290,455	80,763,846	9,126,473	1,087,825	-	-	2,436,831,313
Charge For the year	-	55,127,447	-	188,556,664	913,757	60,813,628	19,263,241	93,025	108,718	2,033,972	-	326,910,452
Depreciation on Disposals	-	-	-	(16,514,838)	-	(190,271)	-	-	-	-	-	(16,705,109)
Closing Balance as at 31 March 2024	-	228,754,629	1,489,499	1,781,895,998	108,505,618	513,913,812	100,027,087	9,219,498	1,196,543	2,033,972	-	2,747,036,656
Opening Balance as at 1 April 2024	-	228,754,629	1,489,499	1,781,895,998	108,505,618	513,913,812	100,027,087	9,219,498	1,196,543	2,033,972	-	2,747,036,656
Charge For the year	-	57,589,072	-	155,877,727	991,232	68,843,870	21,552,191	92,847	108,717	2,033,970	-	307,089,626
Transfers	-	(2,751,245)	-	-	-	-	-	-	-	-	-	(2,751,245)
Revaluation	-	(281,670,614)	-	-	-	-	-	-	-	-	-	(281,670,614)
Closing Balance as at 31 March 2025	-	1,921,842	1,489,499	1,937,773,725	109,496,850	582,757,682	121,579,278	9,312,345	1,305,260	4,067,942	-	2,769,704,423
Net book value as at 31.03.2025	1,542,778,694	2,136,704,798	213,508,534	989,412,722	8,570,622	299,835,301	117,302,739	634,168	35,886,627	6,101,911	129,393,442	5,480,129,558
Net book value as at 31.03.2024	1,166,740,194	1,726,065,193	213,508,534	1,030,107,069	9,561,853	312,212,542	111,782,690	727,015	35,995,344	8,135,881	91,452,102	4,706,288,417

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 8.1

Based on the assessment carried out internally by the Board of Directors, no provision was required for the potential impairment of fixed assets as at 31 March 2025.

NOTE 8.2

Property, Plant and Equipment include fully depreciated assets having a gross amount of Rs. 1,457,024,342/- as at 31 March 2025. (Rs. 1,257,970,637 as at 31 March 2024)

NOTE 8.3

There were no restrictions on the title of the Property, Plant and Equipment as at 31 March 2025 other than those disclosed in Note 23.3

NOTE 8.4

There were no items of Property, Plant and Equipment Pledged as security as at 31 March 2025 other than those disclosed in Note 23.3

NOTE 8.5

The Capital Work in Progress represent the warehouse building project which is in progress.

NOTE 8.6

During the year under review the Group has not capitalized any borrowing cost.

NOTE 8.7

During the financial year, the Group has acquired property, plant & equipment to the aggregate value of Rs. 245,755,073 (2024 - Rs. 445,149,179) cash payments amounting to Rs. 245,755,073 (2024 - Rs. 445,149,179) were made during the year for purchase of property, plant & equipment.

NOTE 8.8 -The carried amount of the revalued assets that would have been included in the Financial Statements had the assets being carried at cost are as follows.

As at 31.03.2025	Group			Company		
	Cost	Accumulated Depreciation	Carrying Amount	Cost	Accumulated Depreciation	Carrying Amount
	Rs.	Rs.	Rs.	Rs.	Rs.	
Land	492,494,405	-	492,494,405	-	-	-
Building	1,368,913,081	234,098,986	1,134,814,095	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 8.10 - REVALUATION OF LAND & BUILDING - METHOD OF VALUATION

The Land and buildings of the companies were revalued as at 31st March 2025. The results of such revaluations were incorporated in these financial statements from its effective date, which is 31st March 2025. Fair value of the Land & Building was ascertained by an independent valuation carried out by Mr. A.A.M. Fathihu - FIV (Sri Lanka) as at 31st March 2025. Valuation was carried out in reference to Sri Lanka Accounting Standard LKAS 16 Property, Plant & Equipment and SLFRS -13 Fair Value Measurement.

All revaluations are based on market values and based on the aforesaid valuations. The Directors are of the view that the market values as at 31st March 2025 have not materially changed from the value of the Matale Lands owned by Kandy Plantations Ltd determined as at 31st March 2022.

Company	Location	Last Revaluation Date	Land Extent (Perches)	Fair Value as at 31.03.2025			
				Land	FreeHold Buildings	Number of Buildings	Level of Fair value Hierarchy
NOTE 8.10 - REVALUATION OF LAND & BUILDINGS							
Renuka Agri Foods PLC	Unagahadeniya	31st March 2025	70	30,000,000	1,800,000	1	Level 3
	Wathupitiwala	31st March 2025	150	60,000,000	621,200,000	11	Level 3
Renuka Developments (Pvt) Ltd	Unagahadeniya	31st March 2025	303	129,000,000	43,000,000	7	Level 3
Renuka Agri Organics Ltd	Wathupitiwala	31st March 2025	-	-	351,000,000	3	Level 3
Shaw Wallance Ceylon Ltd	Colombo - 8	31st March 2025	40	447,000,000	779,660,000	1	Level 3
	Colombo - 9	31st March 2025	5	18,800,000	-	-	Level 3
	Ekala	31st March 2025	45	179,000,000	90,000,000	2	Level 3
Shaw Wallace Properties (Pvt) Ltd	Peliyagoda	31st March 2025	216	496,000,000	246,000,000	3	Level 3
RichLife Daries Ltd	Wadduwa	31st March 2025	886	210,020,000	210,454,000	6	Level 3
Kandy Plantations Ltd	Diuldeniya	31st March 2025	-	-	6,000,000	4	Level 3
	Matale	31st March 2022	-	70,301,194	-	-	Level 3
	Matale	31st March 2025	10,840	183,000,000	-	-	Level 3
Coco Lanka (Pvt) Ltd	Puttalam	31st March 2025	26,445	236,000,000	9,000,000	5	Level 3

Kandy Plantations Ltd has revalued Matale Land (Value of Rs. 70,601,194) as at 31st March 2022 [valuation carried out by Mr. A. A. M. Fathihu - FIV(Sri Lanka)] and has revalue Matale Land (Value of Rs. 183,000,000) as at 31st March 2025 [valuation carried out by Mr. W.M. Chandrasena - FIV(Sri Lanka)]

Valuation technique and significant unobservable inputs

Valuation techniques	Significant unobservable inputs	Inter-relationship between Significant unobservable inputs and fair value measurement
Market comparable method ; this method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of the property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for differences in size, nature, location, condition of specific property in this process outlier transactions, indicative of particularly motivated buyers of sellers are too compensated for since the price may not adequately reflect the fair market value.	Price per perch for Land, Price per square foot Depreciation rate	Estimated fair value would Increase/(decrease) if Price per perch increases/(decreases) Price per square foot increases/(decreases) Depreciation rate for building increases/(decreases)
Investment method ; This method involves capitalisation of the expected rental income at an appropriate rate for years since purchased, currently characterised by the for rental property market.	Gross Monthly Rental Years Purchase (Present value of 1 unit per period void Period)	Estimated fair value would Increase/(decrease) if Gross annual rental increases/(decreases) Years Purchase increases/(decreases) void Period increase/(decrease)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

Company	Location	Land					Building		
		Market Value as at 31st March 2025	Extent	Per Perch Value (Rs.)	Increase +10%	Decrease -10%	Market Value as at 31st March 2025	Increase +10%	Decrease -10%
		Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Renuka Agri Foods PLC	Unagahadeniya	30,000,000	0A-1R-30.40P	425,000	3,000,000	(3,000,000)	1,800,000	180,000.00	(180,000)
	Wathupitiwala / Giriulla	60,000,000	0A-3R-30P	400,000	6,000,000	(6,000,000)	621,200,000	62,120,000.00	(62,120,000)
Renuka Developments (Pvt) Ltd	Unagahadeniya	129,000,000	1A-3R-23.30P	425,000	12,900,000	(12,900,000)	43,000,000	4,300,000.00	(4,300,000)
Kandy Plantations Ltd	Nalla, Diuldeniya	-	-	-	-	-	6,000,000	600,000.00	(600,000)
	Matale	70,301,194	20A-0R-18P	21,875	7,030,119	(7,030,119)	-	-	-
	Matale	183,000,000	67A-3R-2P	16,875	18,300,000	(18,300,000)	-	-	-
Coco Lanka (Pvt) Ltd	Cocowatte Estate, Puttalam	236,000,000	165A-1R-05.00P	9,375	23,600,000	(23,600,000)	9,000,000	900,000.00	(900,000)
Renuka Agri Organics Ltd	Wathupitiwala	-	-	-	-	-	351,000,000	35,100,000.00	(35,100,000)
Shaw Wallace Ceylon Ltd	Colombo - 8	447,000,000	0A-1R-0P	8,000,000	44,700,000	(44,700,000)	779,660,000	77,966,000	(77,966,000)
	Colombo - 9	18,800,000	0A-0R-4.7P	4,000,000	1,880,000	(1,880,000)	-	-	-
	Ekala	179,000,000	0A 1R 04.70P	650,000	17,900,000	(17,900,000)	90,000,000	9,000,000	(9,000,000)
Richlife Dairies Ltd	Molligoda, Wadduwa	210,020,000	5A-2R-06P	250,000	21,002,000	(21,002,000)	210,454,000	21,045,400	(21,045,400)
Shaw Wallace Properties (Pvt) Ltd	Peliyagoda	496,000,000	0A-0R-12.59P	2,700,000	49,600,000	(49,600,000)	246,000,000	24,600,000	(24,600,000)

NOTE 9 - INTANGIBLE ASSETS

	Goodwill	Trade Mark	Computer Software	Total
	Rs.	Rs.	Rs.	Rs.
Cost as at 1st April 2023	180,918,419	30,100,000	17,172,508	228,190,927
Impairment of Goodwill	(139,962,644)	-	-	(139,962,644)
Additions during the year	201,189,866	-	120,460	201,310,326
Balance as at 31st March 2024	242,145,641	30,100,000	17,292,968	289,538,609
Cost as at 1st April 2024	242,145,641	30,100,000	17,292,968	289,538,609
Additions during the year	-	-	-	-
Impairment of Goodwill	(122,224,114)	-	-	(122,224,114)
Balance at the End of the year	119,921,527	30,100,000	17,292,968	167,314,495
Accumulated Amortization/ Impairment as at 1st April 2023	-	22,357,047	16,929,386	39,286,433
Amortization during the year	-	1,510,000	233,900	1,743,900
Balance as at 31st March 2024	-	23,867,047	17,163,286	41,030,333
Accumulated Amortization/ Impairment as at 1st April 2024	-	23,867,047	17,163,286	41,030,333
Balance at the Beginning of the year	-	23,867,047	17,163,286	41,030,333
Amortization during the year	-	1,510,000	91,361	1,601,361
Balance at the End of the year	-	25,377,047	17,254,647	42,631,694
Written down value				
Balance as at 31st March 2024	242,145,641	6,232,953	129,682	248,508,276
Balance as at 31st March 2025	119,921,527	4,722,953	38,321	124,682,801

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 9.1 - GOODWILL

Goodwill represents the excess on acquisition over the Group interest in the net fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition, and is carried at cost less accumulated impairment losses. The Group goodwill has been allocated to the following cash generating units, for impairment testing.

IMPAIRMENT OF GOODWILL

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use (VIU). The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

The key assumptions used to determine the recoverable amount for the different cash generating units, are as follows;

Discount rates

This discount rate used is the risk free rate, adjusted by the addition of an appropriate risk premium, is 10%. (2024: 15%)

Volume growth

Volume growth has been budgeted on a reasonable and realistic basis by taking into account the industry growth rates of one to four years immediately subsequent to the budgeted year. Cash flows beyond the five year period are extrapolated using 3% growth rate.

AS AT 31ST MARCH	2025 Rs.	2024 Rs.
Name of the Subsidiaries		
Shaw Wallace Ceylon Ltd	53,489,916	53,489,916
Richlife Dairies Ltd	66,431,610	66,431,610
The Cargo Boat Investment Company Limited	-	122,224,114
	119,921,526	242,145,640

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 9.1.1 - SHAW WALLACE CEYLON LIMITED

The recoverable amount of this CGU was based on fair value less costs of disposal, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used. Estimated Recoverable value exceeded carrying value by Rs.198 Mn.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Discount rate	10%
Revenue growth rate	Year 2 to Year 5 - 15%
Terminal growth rate	3%

NOTE 9.1.2 - RICHLIFE DAIRIES LIMITED

The recoverable amount of this CGU was based on fair value less costs of disposal, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used. Estimated Recoverable value exceeded carrying value by Rs.959 Mn.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Discount rate	10%
Revenue growth rate	Year 2 to Year 5 - 15%
Terminal growth rate	3%

NOTE 9.1.3 - THE CARGO BOAT INVESTMENT COMPANY LIMITED

Based on the assesment made on goodwill on aquisation from the Cargo Boat Investment company Limited has fully impaired during the year

The following table shows the amount by which the key assumptions would need to change individually for the estimated recoverable amounts to be equal to the carrying value.

	Shaw Wallace Ceylon Ltd	Richlife Dairies Ltd
Disocunt Rate	11%	14%
Revenue Growth Rate	9%	7%

NOTE 9.2 - TRADE MARK

a) Shaw Wallace Ceylon Limited has acquired the "Mr. POP", "Pic Nic", "Rockers", "Chatters" and associated Trade Mark for a sum of Rs. 15 Million during 2012/13. The Management is of the opinion that the trade mark has a usefull economic life of 10 years.

b) Mayfair Foods (Pvt) Ltd has acquired the " Mayfair" Trade Mark for a sum of Rs. 15 Million during 2016/17. The Management is of the opinion that the trade mark has a useful economic life of 10 years. With the amalgamation with Shaw Wallace Ceylon Limited, the said trademark reflected in Shaw Wallace Ceylon Limited.

NOTE 10 - INVESTMENT PROPERTY

AS AT 31ST MARCH	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
NOTE 10.1 - MOVEMENT OF INVESTMENT PROPERTY				
Balance at the beginning of the year	5,668,867,529	5,238,373,931	-	-
Additions during the year	15,267,767	143,293,598	-	-
Acquisition of Subsidiaries (Note 38(a))	-	300,000,000	-	-
Less : Provision for Impairment (Note 10.4)	-	(13,500,000)	-	-
Change in fair value of investment property	60,727,427	700,000	-	-
Balance at the end of the year	5,744,862,723	5,668,867,529	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 10.2 - Details of Investment Property as at 31.03.2025

	Name of the Company	Details of the Property	Fair Value as at 31.03.2025 Rs.	Director Valuation as at 31.03.2025 Rs.	Valuer's Valuation	
					Date	Value Rs.
(a)	Land					
	Galle Face Properties Limited	Colombo - 03	2,236,000,000	2,236,000,000	31st March 2025	2,215,000,000
	Campbell Place Properties (Pvt) Ltd	Colombo - 09	924,000,000	924,000,000	31st March 2025	920,300,000
(b)	Capital work-in progress					
	Galle Face Properties Limited	Colombo - 03	2,226,862,723	2,226,862,723	31st March 2025	--
c)	Land					
	Renuka Trading (Pvt) Ltd	Colombo -09	358,000,000	358,000,000	31st March 2025	358,000,000
			5,744,862,723	5,744,862,723		

NOTE 10.3 - Investment Property has been valued by,

Name of the Company	Name of the Valuer
Galle Face Properties Limited	Mr. A.A.M. Fathihu' F.I.V Government valuer (Ret'd)
Campbell Place Properties (Pvt) Ltd	M.C Abdul Malick Int.Sc.(London),D.I.V (SL),F.I.V (SL) Chartered valuer (Ret'd)State Value)
Shaw Wallace Properties Limited	Mr. A.A.M. Fathihu' F.I.V Government valuer (Ret'd)
Renuka Trading (Pvt) Ltd	Mr. A.A.M. Fathihu' F.I.V Government valuer (Ret'd)

The Market value has been used as the fair value in determining the fair value. The current condition of the properties and future usability have been considered. Also valuer has made reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size, usage and location.

Company	Location		Market Value as at 31st March 2025 (Rs.)	Extent	Per Perch Value (Rs.)	Increase +10% (Rs.)	Decrease -10% (Rs.)
Galle Face Properties Limited	Colombo - 03	Land	2,236,000,000	Perch	85.19	26,250,000	223,600,000 (223,600,000)
Campbell Place Properties (Pvt) Ltd	Colombo - 09	Land	924,000,000	Perch	184	5,000,000	92,400,000 (92,400,000)
Renuka Trading (Pvt) Ltd	Colombo - 09	Land	358,000,000	Perch	75	4,600,000	35,800,000 (35,800,000)

NOTE 10.4 - Provision for Impairment

Provision for impairment of Rs. 13,500,000/- has been made in relation to the cost of Rs. 13,500,000/- incurred under the Capital Work in Progress during the financial year ended 31st March 2024. The management is of the opinion that the recoverable value of the same is zero. Further the management of the company is of the opinion that there is no further impairment provision required for the same.

Note 10.5 - Rental income Earned and Direct Operating Expenses Incurred

Rent income earned from Investment Property by the Group amounted to Rs. 18,441,420 (2024 - Rs.20,257,080) and no Direct operating Expenses incurred in relation to the Investment Property.

NOTE 10.6 - Valuation technique and significant unobservable inputs

Valuation techniques	Significant unobservable inputs	Inter - relationship between Significant unobservable inputs and fair value measurement
Market comparable method ; this method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of the property being revalued. This involves evaluation of recent active market prices if similar assets, making appropriate adjustments for differences in size, nature, location, condition of specific property in this process outlier transactions, indicative of particularly motivated buyers of sellers are too compensated for since the price may not adequately reflect the fair market value.	Price per perch for Land Price per square feet Depreciation rate	Estimated fair value would Increase/(decrease) if Price per perch increases/(decreases) Price per square foot increases/(decreases) Depreciation rate for building increases (decreases)
Investment method ; This method involves capitalisation of the expected rental income at an appropriate rate for years since purchased, currently characterised by the for rental property market.	Gross Monthly Rental Years Purchase (Present value of 1 unit per period void Period)	Estimated fair value would Increase/ (decrease) if Gross annual rental increases/ (decreases) Years Purchase increases/ (decreases) Void Period increase/ (decrease)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 11.1 - RIGHT OF USE ASSETS

AS AT 31ST MARCH	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Balance as at 1st April	197,383,390	201,061,338	-	-
Amortization during the year	(3,677,948)	(3,677,948)	-	-
Balance as at 31st March (Note 11.1.1 and Note 11.1.2)	193,705,442	197,383,390	-	-
Kandy Plantations Limited (Note 11.1.1)				
Land, Building, Mature and Immature Plantations	4,668,134	5,186,816	-	-
Amortization during the year	(518,682)	(518,682)	-	-
Balance as at 31st March	4,149,452	4,668,134	-	-
Shaw Wallace Properties Limited (Note 11.1.2)				
Balance as at 1st April	192,715,256	195,874,522	-	-
Amortization during the year	(3,159,266)	(3,159,266)	-	-
Balance as at 31st March	189,555,990	192,715,256	-	-
Balance as at 31st March	193,705,442	197,383,390	-	-
Renuka Agri Foods PLC and Renuka Agri Organics Ltd				
Balance as at 1st April	197,293,654	197,293,654	-	-
Withdrawal during the year	-	-	-	-
Additions during the year	-	-	-	-
Balance as at 31st March	197,293,654	197,293,654	-	-
Amortization				
Balance as at 1st April	99,416,672	84,139,318	-	-
Charge for the year	6,042,035	15,277,354	-	-
Balance as at 31st March	105,458,707	99,416,672	-	-
Net Book Value	91,834,947	97,876,982	-	-
Grand Total	285,540,389	295,260,372	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 11(a) - KANDY PLANTATIONS LIMITED

Lease have been executed for 3 estates (Primarily coconut) comprising 33 contiguous allotments of Land called and known as "Giriulla Estate" in Giriulla situated in the Gampaha District, Western Province.

As per Survey Plan No. 45/27, prepared in May 1926 and April 1927 by Mr. L.H.Croos Dabrera, this contiguous allotments of Land comprise a total extent of 640A-3R-32P. This lease has been executed for a period of 30 years under 2 separate lease agreements. The first lease agreement relates to 10 years period from 1st April 2003 to 31st March 2013 and the second lease agreement relates to the next 20 years commencing from 1st April 2013 and ending on 31st March 2033.

A valuation report dated 11th October 2003 prepared by Leon M.P. Perera Dip.In.Val.F.I.V. indicates only the method of ascertaining the maximum amount payable to the owner of the Estate for the 30 years period which was Rs. 88,000,000/-. The agreed amount payable of Rs. 82.5Mn had been capitalized on the basis that it represents the value of immovable tassets ak oven byer K andy Plantations Ltd.

With the initial application of SLFRS 16-Leases this has been adjusted to reflect the application of SLFRS 16-Leases.

NOTE 11(b) - RENUKA AGRI FOODS PLC

This represents the premiums paid to the Board of Investment of Sri Lanka for the acquisition of leasehold land in 2001 and 2014. These premiums are amortized over the leasehold period of 50 years with effect from the years 2001 and 2014 respectively. With the initial application of SLFRS 16-Leases this has been adjusted to reflect the application of SLFRS 16-Leases.

NOTE 11(c) - SHAW WALLACE PROPERTIES LIMITED

The acquisition cost of the leasehold rights of the Land situated at No. 42/1, New Nuge Road, Peliyagoda is recognized under Right to use Land. This Land is on a ninety nine year lease from the Urban Development Authority. This lease, which was assigned by the previous lessee, to the Company on 12th June 2008, expires on 31st August 2085.

NOTE 11(d) - RENUKA AGRI ORGANICS LIMITED

The land is acquired under 50 years lease term from Board of Investment of Sri Lanka. The total lease rent is being amortised during lease term from 2014/15 at 2% per annum. Further during the year Company has made a payment of Rs.8,949,119/- to Board of Investment to obtain an approval to set up a research and development centre and a warehouse.

NOTE 12. BIOLOGICAL ASSETS

	GROUP		COMPANY	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
(a) Consumable Biological Assets - Timber Plantations				
Balance as at 1st April	160,986,808	128,101,107	-	-
Additions during the year	17,162,460	19,631,494	-	-
Gain / (Loss) arising from changes in fair value	66,022,635	13,254,207	-	-
Balance as at 31st March	244,171,903	160,986,808	-	-
Represented by				
Biological Assets at fair value	136,225,520	134,482,635	-	-
Biological Assets at cost less depreciation	105,314,819	23,927,807	-	-
Immature pepper plantation	2,631,564	2,576,366	-	-
	244,171,903	160,986,808	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

CEYLON FORESTRY (PRIVATE) LIMITED

The biological asset is on leased land owned by Kandy Plantation Limited for which rent has been paid by Ceylon Forestry (Private) Limited. The total extent of the land is 67A- 3R-03.00P. The timber planted area is 42 acres and pepper is 05 acres. Number of Timber Trees are 11,927 Last year and Pepper trees are 3,500.

Managed trees include commercial teak timber plantations and pepper plantation cultivated on the estates in Matale. The cost of immature trees up to 5 years from planting are treated as approximate fair value particularly on the grounds of little biological transformation has taken place and impact of the biological transformation on price is not material.

When such plantation become mature, the additional investment since taken over to bring them to maturity are transferred from immature to mature.

The fair value of managed Timber trees was ascertained in accordance with LKAS 41 - "Agriculture" which is applicable only for managed agricultural activity in terms of the ruling issued by the Institute of Chartered Accountants of Sri Lanka. The Valuation was carried out by an independent Chartered Valuation Surveyor Mr. W.M. Chandrasena FIV (SL) MRICS (UK) using discounted Cash Flows (DCF) method.

COCO LANKA (PRIVATE) LIMITED

Managed trees include commercial teak timber plantations, coconut and cashew nurseries on the estate in Ambalam village in Puttalam. The cost of immature trees up to 5 years from planting are treated as approximate fair value particularly on the grounds of little biological transformation has taken place and impact of the biological transformation on price is not material.

When such plantation become mature, the additional investment since taken over to bring them to maturity are transferred from immature to mature.

The fair value of managed trees (Timber) was ascertained in accordance with LKAS 41 - "Agriculture". The Valuation was carried out by an independent Chartered Valuation Surveyor Mr. W.M. Chandrasena FIV (SL) MRICS (UK), Chartered valuation surveyor using discounted Cash Flows (DCF) method.

NOTE 12.1.3 - KEY ASSUMPTIONS USED IN VALUATION ARE AS FOLLOWS

Variable	Comment
Growth Pattern	Corresponding to relevant height are based on published international growth patterns and adjusted to suit local conditions of the Company approved by the Forestry Department.
Time period of Maturity	Each variety is estimated based on current age of trees, existing diameter of the trees, soil condition, area, by using annual marginal increase of different species.
Selling Price	Estimated based on prevailing Sri Lankan market prices is Rs. 950/- to Rs. 3,000/- per cubic ft. (2024- Rs.950/- to Rs. 3,000/-) factoring all the conditions to be fulfilled in bringing the trees in to salable condition
Discount Rate	Future cash flows are discounted at the rate of 16% (2023 / 24 -18%)

The valuations, as presented in the external valuation models based on net present values, take into account the long-term exploitation of the timber plantation. Because of the inherent uncertainty associated with the valuation at fair value of the biological assets due to the volatility of the variables, their carrying value may differ from their realizable value. The Board of Directors retains their view that commodity markets are inherently volatile and that long-term price projections are highly unpredictable. Hence, the sensitivity analysis regarding selling price and discount rate variations as included in this note allows every investor to reasonably challenge the financial impact of the assumptions used in the LKAS 41 against his own assumptions.

Inter-relationship between key unobservable inputs and fair value measurement.	The estimated average future sales price of timber may increase or decrease within a +10% to -10% range.
	The risk-adjusted discount rate of 16% may stimulate an increase or a decrease between the ranges +0.5% to -0.5%

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 12.1.4 - SENSITIVITY ANALYSIS

Sensitivity variation on sales price

Values as appearing in the Statement of Financial Position are very sensitive to changes of the discount rate applied. Simulations made for timber, shows that an increase or a decrease by 1% of the estimated discount rate has the following effect on the net present value of biological assets:

Sales price fluctuation	+1%	0	-1%
	Rs.	Rs.	Rs.
Managed Timber			
As at 31st March 2025	145,390,744	132,173,440	118,956,096
As at 31st March 2024	72,444,625	65,858,750	59,272,875

Sensitivity Variation on Discount Rate

Values as appearing in the Statement of Financial Position are very sensitive to changes of the discount rate applied. Simulations made for timber, shows that an increase or a decrease by 1% of the estimated discount rate has the following effect on the net present value of biological assets:

Discount rate fluctuation	-1%	0	-1%
	Rs.	Rs.	Rs.
Managed Timber			
As at 31st March 2025	142,172,172	132,173,440	123,024,081
As at 31st March 2024	61,123,045	62,331,124	68,783,759

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 13 - INVESTMENTS

NOTE 13.1 - INVESTMENTS IN SUBSIDIARIES

AS AT 31ST MARCH	Effective Holding %		COMPANY	
	2025	2024	2025	2024
Direct-Subsidiaries				
Renuka Agro Exports Ltd	100.00%	100.00%	-	500,655,665
Shaw Wallace & Hedges Ltd	75.94%	81.26%	1,754,625,000	1,754,625,000
Renuka Enterprises (Pvt) Ltd	100.00%	100.00%	579,115,295	449,831,000
Galle Face Capital Partners PLC	42.53%	35.18%	192,777,988	-
Sub-Subsidiaries				
Ceylon Land & Equity PLC	38.64%	58.88%	-	-
Renuka Foods PLC	57.09%	48.36%	-	-
Renuka Agri Foods PLC	43.39%	37.24%	-	-
Renuka Agri Organics Ltd	43.89%	39.76%	-	-
Renuka Developments (Pvt) Ltd	44.98%	32.74%	-	-
Renuka Trading (Pvt) Ltd	51.35%	43%	-	-
Campbell Place Properties (Pvt) Ltd	73.65%	76.51%	-	-
Ceylon Forestry (Pvt) Ltd	25.89%	18.28%	-	-
Coco Lanka (Pvt) Ltd	43.42%	30.75%	-	-
Galle Face Properties Ltd	73.65%	76.51%	-	-
Kandy Plantations Ltd	43.15%	30.47%	-	-
The Cargo Boat Investment Company Ltd	47.42%	47.99%	-	-
Richlife Dairies Ltd	57.09%	50.28%	-	-
Shaw Wallace Ceylon Ltd	51.35%	42.75%	-	-
Shaw Wallace Properties Limited	51.35%	42.75%	-	-
Island Investments 1886 Ltd	38.64%	-	-	-
Brilliant Knight International Ltd	18.76%	-	-	-
(-) Impairment of Subsidiaries				
			2,526,518,283	2,705,111,665

NOTE 13.1.1- FOLLOWING ARE THE GROUP INVESTMENTS DURING THE YEAR 31 MARCH 2025

	Brilliant Knight International Limited (Rs.)	Island Investment 1886 Limited (Rs.)
A. Consideration transferred		
Cash consideration paid	146,375,000	146,650,000
Total Consideration	146,375,000	146,650,000
B. Identifiable assets acquired, and liabilities assumed		
The following information summarizes the recognized amount of assets acquired and liabilities assumed at the date of acquisition.		
Assets		
Cash and Cash Equivalents	337,248,000	146,650,000
Liabilities	-	-
Total identifiable net assets as at acquisition date	337,248,000	146,650,000

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 13.1.1- FOLLOWING ARE THE GROUP INVESTMENTS DURING THE YEAR 31 MARCH 2025 (CONTD.)

	Brilliant Knight International Limited (Rs.)	Island Investment 1886 Limited (Rs.)
C. Goodwill		
Goodwill arising from the acquisition has been recognized as follows;		
Total cash consideration transferred (A)	146,375,000	146,650,000
(-) Cash consideration attributable to NCI	(84,114,411)	-
Cash consideration attributable to Parent	62,260,589	146,650,000
NCI at acquisition, based on their proportionate net assets acquired	274,182,378	-
(-) Fair value of identifiable net assets acquired (B)	(337,248,000)	(146,650,000)
Gain on bargain purchase from the business combination	(805,033)	-

NOTE 13.1.2- Following are the Group investments during the year 31 March 2025

Renuka Foods PLC

On 06th June 2024, Renuka Foods PLC has conducted a Right issue of 62,437,372 shares in which Renuka Agro Exports (Pvt) Ltd, Shaw Wallace & Hedes Limited, The Cargo Boat investments Limited and Renuka Enterprises (Pvt.) Ltd subscribed for this share issue. from this transaction group has increased their effective holding in Renuka Foods PLC from 48% to 54%

Ceylon Land and Equity PLC

On 8th May 2024 and 21st May 2024. Renuka Enterprises (Pvt) Limited sold 9,554,188 shares of Ceylon Land and Equity (Pvt) Limited to outside party in which group effective holding in Ceylon Land and Equity from 58.88% to 58.39%

On 30th September 2024, Ceylon Land and Equity PLC issued a Scrip dividend of 4,206,551 shares and from this transaction group has acquired an additional interest from 58.39% to 59.32%

on 20th December 2024, Renuka Enterprises (pvt) Limited disposed 41,458,502 shares of Ceylon Land and Equity PLC to outside party and through this transaction group has effectively decreased their interest in Ceylon Land and Equity PLC, from 59.32% to 43.81%

on the Same day Renuka Enterprises along with the Cargo Boat Investments Company Limited, disposed 12,740,000 shares of Ceylon Land and Equity PLC, in which through this transaction group has effectively decreased their interest in Ceylon land & equity 43.81% to 38.64%

Galle Face Capital Partners PLC

on 30th September 2024, Galle Face Capital Partners PLC issued a Scrip Dividend amounting to 1,945,415 Shares to Ceylon Land and Equity PLC, Renuka Enterprises Limited, the Cargo Boat investment company Limited and Galle Face Properties Limited.

On 22nd January 2025, the Cargo Boat Investment company Limited Purchased 400,000 Shares of Galle Face Capital Partners PLC from Outside Party, in which groups Effective holding in Galle Face Capital Partners has been increased from 37.34% to 38.64%

On 11th March 2025, Ceylon Land and Equity PLC Sold 3,900,000 Shares of Galle Face Capital Partners PLC to Renuka Holding PLC For a consideration of Rs.189,422,012. through this transfer, group has effectively increased their interest in Galle Face Capital Partners PLC from 37.24% to 42.53%.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

Renka Agri Foods PLC

On 6th June 2024, Renuka Agri Foods PLC has conducted a new share issue to Renuka Foods PLC, Shaw Wallace Ceylon Limited and Galle Face Capital Partners PLC. From this transaction, groups Effective holding in Renuka Agri Foods PLC has been increased from 37.24% to 40%

On 30th August 2024, Renuka Foods PLC, Purchased 62,779,728 shares of Renuka Agri Foods PLC, for a consideration of Rs.175,783,238.40 from Shaw Wallace Ceylon Limited. From this investment, group's effective holding of Renuka Agri Foods PLC has been increased from 40.32% to 43.39%

Renuka Foods PLC

on 03rd July 2024, Shaw Wallace & Hedges Limited purchased 9,966,202 Shares of Renuka Foods PLC from Outside Party, which has increase groups Effective holding in Renuka Foods PLC from 48.36% to 58%

On 09th December 2024, Renuka Enterprises Limited Purchased 1,220,051 shares of Renka Foods PLC which has decreased groups Effective holding in Renuka Foods PLC from 58% to 57.09%

Coco Lanka (Pvt) Limited

On 31st December 2024, Coco Lanka (Pvt) Limited conducted a new share issue, and Kandy Plantations Limited acquired the entire 250,000 Shares of Coco Lanka (Pvt) Limited share issue at a consideration of Rs. 25,000,000. From this investment, the group effective holding has been decreased from 30.75% to 43.42%

Renuka Agri Organics (Pvt) Limited

On 31st December 2024, Renuka Agri Foods PLC purchased 799,950 Shares of Renuka Agri Organics Ltd from Renuka Foods PLC for a consideration of Rs. 152,499,000. from this transaction, group's effective holding in Renuka Agri Organics Ltd has been decreased from 39.76% to 43.89%.

Renuka Developments (Pvt) Limited

On 25th March 2025, Shaw Wallace Ceylon Limited invested in 3,101,932 shares of Renuka Development (Pvt) Limited. From this investment group's effective holding in Renuka Development (Pvt) Limited has been increased from 32.74% to 44.98%.

NOTE 13.2 - INVESTMENT IN EQUITY ACCOUNTED INVESTEEES

AS AT 31ST MARCH

(a) MOVEMENT IN INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES

	Renuka (Pvt) Ltd		Cargo Boat Despatch Company Investments (Pvt) Ltd		Total	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Opening Balance	-	181,195,918	-	394,973,575	-	576,169,493
Share of Comprehensive Income (Net of Tax)	-	-	-	334,344	-	334,344
Derecognition of EAI	-	(181,195,918)	-	(395,307,919)	-	(576,503,837)
Balance as at 31st March	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 13 - INVESTMENTS (CONTD.)

NOTE 13.3 - PRINCIPAL SUBSIDIARIES AND NON-CONTROLLING INTEREST

The following disclosure excerpt highlights the Group composition and the proportion of ownership interests held by NCI

Company and Country of Incorporation / Operation	Principal Activities	Class of Shares held	As at 31st March 2025			As at 31st March 2024		
			Proportion of class held	Group interest (%)	Non Controlling Effective Interest (%)	Proportion of class held	Group interest (%)	Non Controlling Effective Interest (%)
Renuka Food PLC	Fast Moving Consumer Goods	Ordinary	57.09%	57.1%	42.91%	48.36%	48.4%	51.64%
Renuka Agri Foods PLC	Manufacture & markets a range of coconut products	Ordinary	43.39%	43.4%	56.61%	37.24%	37.2%	62.76%
Ceylon Land & Equity PLC	Investing in debt, equity and other classes of instruments.	Ordinary	38.64%	38.6%	61.36%	58.88%	58.9%	41.12%
Renuka Agro Exports Ltd	Sourcing, manufacturing & exporting ethnic food products	Ordinary	100.00%	100.0%	0.00%	100.00%	100.0%	0.00%
Shaw Wallace & Hedges Ltd	The company operates as the holding company of property development Companies	Ordinary	75.94%	75.9%	24.06%	81.26%	81.3%	18.74%
Renuka Enterprises (Pvt) Ltd	Provide support services to Group companies	Ordinary	100.00%	100.0%	0.00%	100.00%	100.0%	0.00%
Renuka Agri Organics Ltd	Export coconut based products	Ordinary	43.89%	43.9%	56.11%	39.76%	39.8%	60.24%
Renuka Developments (Pvt) Ltd	Organic certification license holder and investment in plantation/farm & vertical intergration projects	Ordinary	44.98%	45.0%	55.02%	32.74%	32.7%	67.26%
Campbell Place Properties (Pvt) Ltd	The company is in the business of property development	Ordinary	73.65%	73.6%	26.35%	81.26%	81.3%	18.74%
Ceylon Forestry (Pvt) Ltd	Planting and managing forestry	Ordinary	25.89%	25.9%	74.11%	20.89%	20.9%	79.11%
Coco Lanka (Pvt) Ltd	Organic cultivation of agriculture produce	Ordinary	43.42%	43.4%	56.58%	33.64%	33.6%	66.36%
Galle Face Properties Ltd	The company is in the business of property development	Ordinary	73.65%	73.6%	26.35%	81.26%	81.3%	18.74%
Kandy Plantations Ltd	Engaged in organic certified cultivation of agriculture	Ordinary	43.15%	43.1%	56.85%	33.98%	34.0%	66.02%
Richlife Dairies Ltd	Manufacturing of dairy and fruit juice based products	Ordinary	57.09%	57.1%	42.91%	50.28%	50.3%	49.72%
Shaw Wallace Ceylon Ltd	Manufacturing and distribution of fast moving consumer goods	Ordinary	51.35%	51.4%	48.65%	42.75%	42.8%	57.25%
Shaw Wallace Properties Ltd	Providing warehousing facilities	Ordinary	51.35%	51.4%	48.65%	42.75%	42.8%	57.25%
Galle Face Capital Partners PLC	Investing in debt, equity instruments	Ordinary	42.53%	42.5%	57.47%	35.18%	35.20%	64.82%
Renuka Trading (Pvt) Ltd	Providing warehousing facilities	Ordinary	51.35%	51.4%	48.65%	57.25%	42.75%	57.25%
The Cargo Boat Investment Company Ltd	Investing in debt, equity instruments	Ordinary	47.42%	47.4%	52.58%	52.01%	47.99%	52.01%
Island Investments 1886 Ltd	Investment	Ordinary	38.64%	38.6%	61.36%	-	-	-
Brilliant Knight International Ltd	Investment	Ordinary	18.70%	18.7%	81.30%	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 13.4 - NON CONTROLLING INTERESTS (NCI)

The following table summarises the information relating to the Group's subsidiaries that have material NCI

NCI Percentage	Renuka Agri Foods PLC	Renuka Agri Organics Ltd	Shaw Wallace Ceylon Ltd
	Amount Rs.	Amount Rs.	Amount Rs.
NCI Percentage	56.61%	56.11%	48.65%
Non Current Assets	3,531,329,463	618,127,846	2,550,315,912
Current Assets	3,127,041,209	450,652,600	748,935,677
Non Current Liabilities	(384,745,715)	(81,203,724)	(259,667,339)
Current Liabilities	(3,007,474,192)	(270,570,955)	(872,538,534)
Net Assets	3,266,150,765	717,005,767	2,167,045,716
Net Assets attributable to NCI	1,849,049,860	402,317,731	1,054,236,325
Revenue	5,904,606,787	1,274,203,014	1,859,080,131
Profit for the year	(220,005,400)	(75,778,118)	(57,387,013)
Other Comprehensive Income/ (Expenses)	65,478,001	75,793,807	274,494,254
Total Comprehensive Income	(154,527,399)	15,689	217,107,241
Loss allocated to NCI	(124,550,574)	(42,519,714)	(27,917,950)
OCI allocated to NCI	37,068,738	42,528,518	133,537,475
Cash flows from / (used in) operating activities	(1,059,773,448)	(87,733,166)	(145,268,111)
Cash flows from / (used in) investment activities	702,494,418	(6,014,248)	(219,680,720)
Cash flows from / (used in) finance activities	609,237,998	(7,443,486)	338,737,700

Non- controlling interest represent the equity in subsidiaries that are not attributable, directly or indirectly to that parent company. Profit or loss and each component of other comprehensive income are attributed to the Company and non- controlling interests. Losses are attributable to non -controlling interest even if the non- controlling interests balance reported in the consolidated statement of financial position in negative.

Non-controlling interests are directly recognized as the difference between the proceeds received and the carrying amount of the acquired interests. The difference is recorded as a reduction or increase in equity under transactions with non-controlling interests. Upon disposal of rights in a subsidiary that does not result in loss of control, an increase or decrease in equity is recognized as the difference between the consideration received by the Group and the carrying amount of the non-controlling interests in the subsidiary adjusted for the disposal of goodwill in the subsidiary, if any, and amounts recognized in other comprehensive income, if any, Transaction costs in respect of transaction with non-controlling interests also recorded in equity.

Significant inter group balances and transaction and gain and losses resulting from intergroup transactions are eliminated in full in the consolidated financial statements.

The financial statement of the company and of the consolidated investees are prepared as of the same date and period. The accounting policies in the financial statements of those investees are applied consistently and uniformly with the policy applied in the financial statement of the company.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 13.5 - CHANGES IN INTEREST WITHOUT A CHANGE IN CONTROL

Due to the transaction relating to the below subsidiaries

	Renuka Foods PLC	Ceylon Land and Equity PLC	Galle Face Capital Partners PLC	Renuka Agri Foods PLC	Total
Change in effective interest of NCI (%)	-8.74%	20.24%	-7.36%	-6.14%	-
Consideration Paid / (Received) (Rs.)	108,596,335	(513,343,033)	17,958,910	(126,101,358)	(512,889,146)
Net carrying amount of NCI acquired (Rs.)	(127,082,791)	646,850,938	(34,782,807)	(71,301,113)	413,684,227
Increase in equity attributable to owners of the Company (Rs.)	(18,486,456)	133,507,905	(16,823,897)	(197,402,471)	(99,204,919)

As a result the effective interest of the subsidiaries changed the Group effective interest of the following subsidiaries.

	Change in NCI Effective Holding % Change	Change in NCI (Rs.)
Renuka Agri Foods PLC	-6.14%	16,917,914
Richlife Dairies Ltd	-6.82%	(48,608,748)
Shaw Wallace Ceylon Ltd	-8.60%	(169,067,503)
Shaw Wallace Properties Ltd	-8.60%	(52,698,280)
Renuka Trading (Pvt) Ltd	-8.60%	(25,943,591)
Galle Face Capital Partners PLC	-7.36%	(102,439,337)
Renuka Agri Organics (Pvt) Ltd	-4.13%	(30,167,688)
Kandy Plantations (Pvt) Ltd	-9.17%	(40,419,337)
Renuka Developments (Pvt) Ltd	-12.24%	(241,309,100)
Galle Face Properties Ltd	7.61%	443,168,497
COCO Lanka (Pvt) Ltd	-9.78%	(25,224,456)
Ceylon Forestry (Pvt) Ltd	-5.00%	(2,417,568)
Cargo Boat Investments (Pvt) Ltd	0.57%	(118,825,265)
Shaw Wallace & Hedges Ltd	5.31%	271,986,842
Campell Place Properties Ltd	7.61%	61,436,434
Increase in equity attributable to owners of the Company (Rs.)		(63,611,186)
Net increase in equity attributable to owners of the Company (Rs.)		350,073,041

The net increase in equity attributable to owners of the Company comprised of;

* a increase in the retained earnings of Rs.87,586,527/- and

* a increase in the revaluation reserves of Rs. 75,229,578/-.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 14 - INVESTMENTS - MEASURED AT FAIR THROUGH PROFIT OR LOSS

AS AT 31ST MARCH	2025 Rs.	2024 Rs.
Investment in quoted share (Note 14.1)	2,088,951,386	1,296,063,640
Investment in unquoted share (Note 14.2)	793,667,900	793,667,900
Total	2,882,619,286	2,089,731,540

NOTE 14.1 - INVESTMENTS IN QUOTED SHARES

AS AT 31ST MARCH	2025 Rs.	2024 Rs.
Balance as at 1st April	1,296,063,638	537,068,840
Acquisition of subsidiaries	-	27,749,434
Additions during the year	628,909,166	926,621,474
Disposals during the year	(462,790,815)	(591,389,843)
Fair Value Gain / (Loss) on Investment	626,769,397	396,013,735
	2,088,951,386	1,296,063,640
Balance as at 31st March	2,088,951,386	1,296,063,640

NOTE 14.1.1 - SHORT TERM INVESTMENT IN SHARES

Group	No. of Shares		Carrying Value of Shares / Market Value	
	2025	2024	2025 Rs.	2024 Rs.
Aitken Spense PLC	100	100	12,775	12,185
Access Engineering PLC	-	395,642	-	8,941,509
Agalawatte Plantation PLC	104,781	-	4,484,627	-
Asiri Hospitals Holdings PLC	824	824	21,259	19,831
Asiri Surgical Hospital PLC	11,000	11,000	126,500	140,152
Browns & Company PLC	100	100	15,825	10,092
Cargills Ceylon PLC	501,277	501,277	218,705,012	180,578,248
Cargo Boat Development Company PLC	-	1,167	92,076	63,252
Carsons Cumberbatch PLC	100	100	45,500	25,255
Central Finance Company PLC	215	215	41,764	22,393
Ceylon Tobacco PLC	105,000	105,000	141,776,250	128,966,250
Ceylon Cold Stores PLC	250,000	-	20,500,000	-
Chevron Lubricants Lanka PLC	175	175	24,063	16,227
CIC Holdings PLC	400	400	46,900	26,008
Commercial Bank of Ceylon PLC	19,360	15,837	260,663,180	1,494,141
Ceylon Hospitals PLC (Durdans)	518,791	447,774	66,145,852	53,620,937
DFCC Bank PLC	117	116	12,402	9,107
Dialog Axiata PLC	100	1,000,000	1,430	11,700,900
Diesal & Motor Engineering PLC	104	104	95,758	54,055
EXPO Lanka holdings PLC	-	100	-	14,233
The Colombo Fort Land & Building PLC	100	100	5,810	3,023
Hemas Holdings PLC	7,603	524,434	912,360	42,082,208
Hela Apparel Holdings PLC	-	134,500	-	820,450
Hatton National Bank PLC	3,500,000	3,520,359	1,067,500,000	633,674,022
John Keells Holdings PLC	837,100	-	16,909,420	-
Lankem Ceylon PLC	100	100	8,690	6,553
LB Finance PLC	720	720	61,776	45,722
Lee Hedges PLC	500	500	52,500	37,667
National Development Bank PLC	2,798	399,831	299,386	27,358,843
Nations Trust Bank PLC	119	116	22,800	12,258
Overseas Reality Ceylon PLC	10,140	10,140	240,318	155,854
Printcare PLC	100	100	5,810	4,743
Renuka City Hotel PLC	1,036	1,036	492,618	356,185
Renuka Hotels PLC	2,015,000	2,302,596	289,551,447	198,840,389
Richard Peiris & Company PLC	100	100	2,530	2,022
Sampath Bank PLC	-	11,875	-	950,000

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 14.1.1 - SHORT TERM INVESTMENT IN SHARES

Group	No. of Shares		Carrying Value of Shares / Market Value	
	2025	2024	2025 Rs.	2024 Rs.
Singer Srilanka PLC	900	900	29,880	10,839
Sri Lanka Telecom PLC	100	100	6,030	9,445
Softlogic Holdings PLC	-	100	-	3,624
Sunshine Holdings PLC	1,212	100,303	26,058	5,965,841
United Motors Lanka PLC	150	150	12,780	9,177
			2,088,951,386	1,296,063,640

NOTE 14 (B) - INVESTMENTS IN UNQUOTED SHARES

	No. of Shares		Value	
	2025	2024	2025	2024
Crescent Launderers & Dry Cleaners (Pvt) Ltd	285,000	285,000	407,779,500	407,779,500
Amalgamated Theaters (Pvt) Ltd	12,998	12,998	49,292,000	49,292,000
Lancaster Holdings Ltd	13,022	13,022	33,169,310	33,169,310
Renuka Consultants & Services Ltd	13,056	13,056	245,280,570	245,280,570
Renuka Properties Ltd	13,022	13,022	58,146,520	58,146,520
			793,667,900	793,667,900
Balance on 31st March			2,882,619,286	2,089,731,540

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 15 - INVENTORIES

AS AT 31ST MARCH	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Raw Materials	356,874,277	380,897,309	-	-
Finished Goods	967,187,796	1,172,734,233	-	-
Packing Material & Chemicals	601,536,047	451,257,464	-	-
Machinery Spare Parts & Consumables	590,312,534	418,893,177	-	-
Goods in Transit	65,147,600	13,773,364	-	-
Work in Progress	12,775,031	58,496,770	-	-
Harvested Crop	1,562,208	5,385,831	-	-
Others	6,231,267	5,123,232	-	-
Less: Provision for Obsolete Inventories (Note 15.1)	(43,217,176)	(85,342,403)	-	-
	2,558,409,584	2,421,218,977	-	-

NOTE 15.1- PROVISION FOR OBSOLETE INVENTORIES

Balance as at the Beginning	85,316,278	177,768,202	-	-
Provisions/(Reversal) made During the Year	(42,099,102)	(92,425,799)	-	-
Balance as at the End	43,217,176	85,342,403	-	-

NOTE 16 - TRADE AND OTHER RECEIVABLES

NOTE 16.1 - SUMMARY

Trade Debtors	2,282,709,250	1,848,250,120	-	-
Less : Provision for Impairment (16.2)	(32,339,202)	(36,406,652)	-	-
	2,250,370,048	1,811,843,468	-	-
Refundable Deposits	679,175,950	339,710,182	152,762,500	-
Other Debtors	599,471,043	177,160,252	-	1,075
Provision for impairment of Other receivables	(5,173,839)	-	-	-
	1,273,473,154	516,870,434	152,762,500	1,075
	3,523,843,202	2,328,713,902	152,762,500	1,075

NOTE 16.2 - Provision for Impairment

Balance at the beginning of the year	36,406,652	38,736,472	-	-
Provision/(Reversal) made during the year	(4,067,450)	(2,329,820)	-	-
Balance at the end of the year	32,339,202	36,406,652	-	-

NOTE 17 - OTHER CURRENT ASSETS

Advances & Prepayments	5,823,724	6,148,892	-	12,500
	5,823,724	6,148,892	-	12,500

NOTE 18 - AMOUNT DUE FROM RELATED COMPANIES

Renuka Teas Ceylon (PVT) LTD	28,519	10,015	-	-
	28,519	10,015	-	-

NOTE 19 - SHORT TERM INVESTMENTS IN DEPOSITS

AS AT 31ST MARCH	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Call Deposits				
Treasury Bills	-	782,631,899	-	-
NDB Wealth Management	253,439	-	-	-
Capital Alliance Investment	7,906,727	27,578,686	7,740,466	-
	8,160,166	810,210,585	7,740,466	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 20 - CASH AND CASH EQUIVALENTS

AS AT 31ST MARCH	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
NOTE 20.1- FAVORABLE CASH AND CASH EQUIVALENTS BALANCES				
Cash & Bank Balances	906,631,209	380,620,984	4,898,130	3,072,604
	906,631,209	380,620,984	4,898,130	3,072,604

NOTE 20.2 - Unfavorable Cash and Cash Equivalents Balances

Bank Overdrafts	(141,265,216)	(313,824,979)	(580,005)	(595,518)
	(141,265,216)	(313,824,979)	(580,005)	(595,518)
Cash and Cash Equivalents for the purpose of Statement of Cash Flows	765,365,993	66,796,005	4,318,125	2,477,086

Cash and cash equivalents include bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

NOTE 21 - STATED CAPITAL

AS AT 31ST MARCH	Group / Company	
	2025	2024
Number of Ordinary Shares Issued and Fully Paid		
Voting Shares	165,488,271	165,488,271
Non Voting Shares	24,201,719	24,201,719
Balance at the end of the year	189,689,990	189,689,990
Stated Capital		
Balance at the beginning of the year	2,368,479,709	2,294,518,229
Scrip dividend	-	73,961,480
Balance at the end of the year	2,368,479,709	2,368,479,709

The holders of ordinary shares are entitled to receive dividends as declared from time to time and only voting shareholders are entitled to one vote per individual present of meetings of the shareholders or one vote per share in the case of a poll.

NOTE 21.2 - REVALUATION RESERVE

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Balance as at beginning	412,212,779	391,802,044	-	-
Other Comprehensive Income	332,702,651	2,628,808	-	-
Realisation on Account of Depreciation on Revalued Assets	-	-	-	-
Acquisition of NCI without changes in control	-	4,924	-	-
Changes in ownership interest that do not result in loss of control	75,229,578	17,777,003	-	-
Balance at the end	820,145,008	412,212,779	-	-

Revaluation reserve relates to the revaluation of land and buildings.

NOTE 21.3 - CAPITAL RESERVE

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Balance as at beginning	313,818,029	313,893,541	-	-
Changes in ownership interest that do not result in loss of control	-	(75,512)	-	-
Balance at the end	313,818,029	313,818,029	-	-

Capital reserve represents the capital reserve resulted on consolidation.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 22 - DEFERRED TAXATION

AS AT 31ST MARCH	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
The gross movement of Deferred tax account				
Balance at the beginning of the year	925,906,120	959,427,639	-	-
Brought forward from amalgamation reserve	-	41,559,446	-	-
Provision/(Reversal) made during the year	68,406,428	(111,680,965)	-	-
Acquisition Of Subsidiary	-	36,600,000	-	-
Balance at the end of the year	994,312,548	925,906,120	-	-

NOTE 22.1

Deferred tax liabilities	1,027,791,180	931,668,543	-	-
Deferred tax assets	(33,478,631)	(5,762,423)	-	-
	994,312,548	925,906,120	-	-

	2025		2024	
	Temporary Differences Rs.	Tax Effects Rs.	Temporary Differences Rs.	Tax Effects Rs.

NOTE 22.2 - Provision for Deferred Tax is attributable to the followings.

Group				
On Property, Plant and Equipment	1,581,591,725	317,532,526	1,137,934,227	341,380,269
Fair Valuation of Investment Property	3,081,088,974	604,489,095	2,978,347,110	607,741,832
On Right of use asset	130,866,271	30,156,247	88,252,146	26,475,644
On Revaluation of Land and Building	1,619,222,313	465,433,508	854,437,242	256,331,173
On Retirement Benefit Obligation	(131,224,108)	(30,570,899)	(99,471,374)	(29,610,812)
On Provision for Bad Debts/Stocks	(89,477,866)	(23,469,866)	(82,065,789)	(24,619,737)
On Accumulated Tax Losses	(1,704,578,003)	(325,263,139)	(708,494,850)	(212,548,455)
On Obsolete inventory	(10,050,818)	(3,015,245)	(31,404,380)	(9,421,314)
On lease liability	(177,851,852)	(40,979,678)	(99,408,267)	(29,822,480)
	4,299,586,636	994,312,548	4,038,126,066	925,906,120

FOR THE YEAR ENDED	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.

NOTE 22.3 - RECONCILIATION OF DEFERRED TAX PROVISION

Recognized in Profit or Loss	119,604,752	111,699,158	-	-
Recognized in OCI	(188,011,180)	(18,193)	-	-
Total	(68,406,428)	111,680,965	-	-

NOTE 22.4

The Group has not recognized the deferred tax asset on tax losses arising from Richlife Diaries Ltd amounting to Rs. 198,914,055 and Rs 111,962,141 of Shaw Wallace Ceylon Ltd, Rs 16,152,305 of Ceylon Forestry (Pvt) Ltd, Rs. 27,451,969 of Renuka Development (Pvt) Ltd, Rs. 17,231,904 of Rs. Renuka Foods PLC, Rs. 2,842,538 of Renuka Agro Export (Pvt) Ltd, Rs. 8,245,687 of Galle Face Capital Partners PLC & Rs 2,826,542 of Campbell Place Properties (Pvt) Ltd. Further in relation to these companies related other temporary differences also not recognized, as the management is of the opinion that the realization of the same is remote.

NOTE 22.5

Effective tax rate of 30% was applied for the calculation of deferred tax as at the reporting date for all the entities of the group except Renuka Agri Foods PLC that has applied the effective tax rate of 15% (BOI Concessionary rate).

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

AS AT 31ST MARCH	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
NOTE 23 - INTEREST BEARING BORROWINGS & LEASE OBLIGATIONS				
Interest Bearing Borrowings (Note 23.1)	4,447,193,298	3,075,173,746	-	-
Lease Obligations (Note 23.2)	139,960,574	153,300,924	-	-
	4,587,153,872	3,228,474,670	-	-
NOTE 23.1 - INTEREST BEARING BORROWINGS				
NOTE 23.1.1 - INTEREST BEARING BORROWINGS DUE AFTER ONE YEAR				
Long Term Loan (Note 23.1.3)	143,054,600	251,388,200	-	-
Total Non-Current Portion of Interest Bearing Borrowings	143,054,600	251,388,200	-	-
NOTE 23.1.2 - INTEREST BEARING BORROWINGS DUE WITHIN ONE YEAR				
Long Term Loan (Note 23.1.3)	2,424,138,698	1,690,545,546	-	-
Project Loan (Note 23.1.4)	600,000,000	250,000,000	-	-
Other Loans	1,280,000,000	883,240,000	-	-
Total Current Portion of Interest Bearing Borrowings	4,304,138,698	2,823,785,546	-	-
NOTE 23.1.3 - LONG & SHORT TERM BORROWINGS				
Balance as at 1st April	1,941,933,746	2,102,430,047	-	-
Additions from amalgamation of subsidiaries	-	133,800,000	-	-
Loans Obtained During the year	10,798,559,040	7,212,995,000	-	-
Interest accrued	-	-	-	-
Payments made during the year	(10,173,299,488)	(7,507,291,301)	-	-
Balance as at 31st March	2,567,193,298	1,941,933,746	-	-
Payments due within one year	2,424,138,698	1,690,545,546	-	-
Payments due after one year	143,054,600	251,388,200	-	-
NOTE 23.1.4 - PROJECT LOAN DUE WITHIN ONE YEAR				
Balance as at 1st April	250,000,000	187,862,783	-	-
Loans obtained during the year	1,797,000,000	2,421,000,000	-	-
Payments made during the year	(1,447,000,000)	(2,358,862,783)	-	-
Balance as at 31st March	600,000,000	250,000,000	-	-
NOTE 23.2 - LIABILITIES TO MAKE LEASE PAYMENTS (TO THE OWNER OF THE ESTATE / LESSOR)				
Balance payable on lease as at 01st April	153,300,924	170,028,266	-	-
Interest for the year	12,368,638	14,722,774	-	-
Exchange (Gain) / Loss	(9,595,379)	(3,926,203)	-	-
Payments made during the year	(16,113,609)	(27,523,913)	-	-
Balance payable on lease as at 31st March	139,960,574	153,300,924	-	-
NOTE 23.2.1 - Non-Current Portion Of Lease Obligation				
Lease Installment payable	127,248,568	142,001,549	-	-
	127,248,568	142,001,549	-	-
NOTE 23.2.2 - Current portion of Lease obligation				
Lease Installment payable	12,712,006	11,299,375	-	-
	12,712,006	11,299,375	-	-
NOTE 23.2.3				
Amount recognized in Profit or Loss				
Interest on Lease Obligation	12,368,638	14,722,774	-	-
Amortization of Right of Used Assets	6,560,717	18,955,302	-	-
Amount recognized in Statement of Cash Flows				
Total Cash Outflow of Lease	16,113,609	27,523,913	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 23.3 - Details of loans obtained by the Group are set out below.

Financial Institution	Facility Obtained	Outstanding Balance		Repayment	Assets Pledged
		2025	2024		
Renuka Agri Foods PLC					
Sampath Bank PLC	Short Term Loan	409,000,000	320,000,000	Repayable on demand	Negative pledge over Coconut milk processing Plant for UHT
Hatton National Bank PLC	Short Term Loan	1,250,000,000	1,012,000,000	Repayable on demand	-
Hatton National Bank PLC	Term Loan	137,500,000	212,500,000	-	Negative pledge over Coconut milk processing Plant for UHT
Commercial Bank PLC	Term Loan	113,888,200	147,221,800	71 monthly installements of Rs. 2,777,800/- & Rs. 2,776,200 as final.	Rs. 200 mn. Corporate Guarantee from Renuka Foods PLC
National Development Bank PLC	Short Term Loan	501,805,098	100,211,946	Repayable on demand	Lodgment of confirmed orders
		2,412,193,298	1,791,933,746		
Shaw Wallace Ceylon Ltd					
Hatton National Bank PLC	Short term money market loan	520,000,000	100,000,000	Payable within 120 days from draw down date.	Board Resolution dated 4th January 2021
Commercial Bank PLC	Term Loan	80,000,000	150,000,000	Payable within 90 days from draw down date.	Board Resolution dated 21.07.2023
		600,000,000	250,000,000		
Renuka Agri Organics Ltd					
Hatton National Bank PLC	Short term loan	155,000,000	150,000,000	Repayable on Demand	
		155,000,000	150,000,000		
Richlife Dairies Ltd					
Commercial Bank	Term Loan	430,000,000	350,000,000	Payable within 90 days from draw down date.	-
Sampath Bank PLC	Term Loan	110,000,000	233,240,000		-
Hatton National Bank PLC	Term Loan	740,000,000	300,000,000		-
		1,280,000,000	883,240,000		
Total Term Loan - Group		4,447,193,298	3,075,173,746	-	

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 24 - RETIREMENT BENEFIT OBLIGATION

AS AT 31ST MARCH	Group		Company	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
Movement in the Present Value of the Defined Benefit Obligation is as follows;				
Balance at the beginning of the year	129,724,009	118,388,103	-	-
Current Service Cost	14,829,679	13,082,339	-	-
Interest Cost	14,252,767	22,813,876	-	-
Actuarial (gain) / loss - Recognised in OCI	(1,907,866)	(8,605,859)	-	-
Benefit Paid	(21,502,960)	(15,954,450)	-	-
Balance at the end of the year	135,395,630	129,724,009	-	-

NOTE 24.1 - Net Benefit Expenses Categorized Under Staff Expenses

Provision made during the year				
Current Service Cost	14,829,679	13,082,339	-	-
Interest Cost	14,252,767	22,813,876	-	-
	29,082,446	35,896,215	-	-

NOTE 24.2

An actuarial valuation of retirement benefit obligation was carried out as at 31st March 2025 by Mr. M. Poopalanathan, Actuarial and Management Consultants (Private) Limited. The valuation methods used by the actuary to value the benefit is the "Projected unit credit method", the method recommended by the Sri Lanka Accounting Standards No 19 (LKAS 19) "Employee Benefits". The Principal assumptions used were as follows and those had been uniformly applied to all the companies in the Group.

	31.03.2025	31.03.2024
Discount rate (p.a.)	10%	11%
Retirement age	60 years	60 years
Future salary increase (p.a.)	10%	10%

In addition to the above, demographic assumptions such as mortality, withdrawal and disability, and retirement age were considered for the actuarial valuation. "A67/07 mortality table" issued by the Institute of Actuaries, London was used to estimate the gratuity liability of the Group.

The above rates were changed to reflect the market rates.

The Future working life time of an individual, as per the assumptions made as at 31st March 2025 is 2.92 for the Group.

A long-term treasury bond rate of 10% (2024-11%) has been used to discount future liabilities taking in to consideration the remaining working life of the eligible employees. The effect of this change resulted in an actuarial loss as the liability was higher due to lower discounting of the liability to the valuation date.

Sensitivity Analysis

Values appearing in the Financial Statements are very sensitive to the changes in financial and non financial assumptions used. The sensitivity was carried out for both the salary escalation rate and discount rate. Simulations made for retirement benefit obligation show that an increase or decrease by 1% of salary escalation rate and discount rate has the following effect on the retirement benefit obligation.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

Salary Escalation Rate	DISCOUNT RATE	Group	
		2025 Rs.	2024 Rs.
One point increase	As given in Report	103,442,174	98,538,661
One point decrease	As given in Report	99,327,617	92,992,178
As given in Report	One point increase	100,041,614	93,688,207
As given in Report	One point decrease	102,736,882	97,550,062

Maturity Analysis

The following payments are expected on employee benefit plan - gratuity in future years

	2025 Rs.	2024 Rs.
Within the next 12 months	47,892,246	48,113,439
Between 1-2 years	40,775,261	37,194,243
Between 2-5 years	28,007,757	30,680,680
Between 5-10 years	16,764,049	12,387,153
Beyond 10 years	1,956,317	1,348,495
Total	135,395,630	129,724,010

NOTE 25 - TRADE & OTHER PAYABLES

AS AT 31ST MARCH	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Trade Creditors	510,615,352	720,389,246	-	-
Accrued Expenses & Other Payables	1,014,924,818	1,012,361,882	1,372,570	1,060,865
	1,525,540,170	1,732,751,128	1,372,570	1,060,865

NOTE 26 - OTHER CURRENT LIABILITIES

	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Other Payables	15,942,242	9,162,377	2,317,454	2,317,454
	15,942,242	9,162,377	2,317,454	2,317,454

NOTE 27 - AMOUNTS DUE TO RELATED COMPANIES

Renuka Developments (Pvt) Ltd	-	-	-	104,501
Galle Face Properties Ltd	-	-	-	6,437,515
Shaw Wallace & Hedges Limited	-	-	-	1,768,736
	-	-	-	8,310,752

NOTE 28 - INCOME TAX PAYABLE / (REFUND DUE)

Income Tax Payable	6,289,417	69,174,200	560,396	-
Income Tax Refund Due	(15,492,462)	(8,841,875)	7,035	-
	(9,203,045)	60,332,325	567,431	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 29 - REVENUE

FOR THE YEAR ENDED 31ST MARCH	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Exports	6,270,529,238	4,935,125,510	-	-
Local	7,528,435,443	9,279,525,118	-	-
Provision of services	27,467,042	-	-	-
Dividend Income	54,696,390	24,938,097	-	74,033,165
Rent Income	40,304,982	33,701,013	-	-
	13,921,433,095	14,273,289,738	-	74,033,165

NOTE 30 - OTHER OPERATING INCOME

FOR THE YEAR ENDED 31ST MARCH	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Other Income	3,234,685	5,325,218	-	-
Shared Service	56,279,261	-	-	-
Profit on Disposal of Property, Plant & Equipment	-	21,322,077	-	-
Profit on Sale of Investment in Shares	72,795,245	15,009,194	-	-
Sundry Income	21,530,866	7,082,565	-	-
Creditors and Payables Written Back	27,132	782,907	-	-
Gain/(Loss) on disposal of Investment in Associates	-	(2,379,295)	-	-
Change in fair value of Investment Properties	60,727,427	700,000	-	-
Gain on bargain purchase in acquisition of Subsidiaries	805,033	-	-	-
Gains on fair value change in Biological Assets	66,022,635	13,254,207	-	-
Gain/Loss of Units Trust Redemption	3,881,907	37,892	-	-
	285,304,191	61,134,765	-	-

NOTE 31 - FINANCE INCOME

FOR THE YEAR ENDED 31ST MARCH	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Interest Income on				
Call Deposits	2,879,495	7,407,647	127,521	12,353
Foreign Currency Account	43,906	164,368	-	-
Fixed Deposits	12,788,059	14,817,601	-	-
Unit Trust	32,694,697	4,600,052	1,740,466	-
Treasury Bills	1,408,414	29,482,558	-	-
Savings	927,027	180,220,429	-	-
Related companies	6,180,008	1,911,730	-	-
Others	763,284	665,765	-	-
	57,684,890	239,270,150	1,867,987	12,353

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 32 - FINANCE COST

FOR THE YEAR ENDED 31ST MARCH	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Interest on Loans & Bank Overdraft	385,315,123	611,225,087	5,449,416	926,705
Interest on Related Party Balances	(7,325,241)	3,236,223	-	-
Lease Interest	8,164,274	14,722,775	-	-
Others	4,441,693	4,585,738	-	-
	390,595,849	633,769,823	5,449,416	926,705

NOTE 33 - OTHER FINANCIAL ITEMS

Exchange Gain/ (Loss)	(19,276,835)	(124,440,111)	-	-
	(19,276,835)	(124,440,111)	-	-

NOTE 34 - PROFIT/(LOSS) BEFORE TAXATION

is stated after charging all expenses including the following :

Directors' Remuneration and fees	1,760,000	100,317,680	940,000	340,000
Auditors' Remuneration - (Note 34.1)	8,824,000	6,254,060	447,000	447,000
Depreciation on Property, Plant & Equipment	307,089,626	326,910,452	-	-
Revaluation Losses Recognised in Previous year	(308,000)	-	-	-
Staff Cost				
Defined Benefit Plan	31,590,258	35,896,215	-	-
Other Staff Cost (Including EPF & ETF)	1,048,003,960	934,202,013		
Amortization of Intangible assets	1,601,361	1,743,900	-	-
Amortisation of Right to use Land	9,719,983	18,955,302	-	-
Provision/(Reversal) for Impairment on obsolete stocks	(42,099,102)	(92,425,799)	-	-
Write off of Inventory	58,734,571	-	-	-
Provision/(Reversal) for Impairment on Trade and Other Receivables	11,065,388	(2,329,820)	-	-

NOTE 34.1 - AUDITOR'S REMUNERATION

KPMG

for the audit of annual accounts of Renuka Holdings PLC	447,000	406,000	447,000	406,000
for the audit of Group Financial Statements	580,000	527,000	-	-
for the audit of subsidiaries of Renuka Holdings PLC	2,781,000	3,803,062	-	-
Non Audit Fee	865,000	376,000	-	-

Fees Payable to Other Auditors

for the audit of subsidiaries of Renuka Holdings PLC	4,151,000	1,141,998	-	-
	8,824,000	6,254,060	447,000	406,000

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 35 - TAXATION

FOR THE YEAR ENDED 31ST MARCH	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Current year Income Tax (Note 3.5.1)	14,677,727	91,259,928	560,396	-
Tax on business profits 2019/2020	-	7,569,587	-	-
ESC & WHT write off	-	1,792,733	-	-
Capital Gain Tax on Disposal of Investment	-	4,983,312	-	-
WHT on Dividend received	1,493,678	17,532,216	-	-
Income tax under/(over) provision in respect of previous year	(12,079,190)	(55,125,008)	3,467	-
Transferred to / (from) Deferred Taxation (Note 22.3)	(119,604,752)	(111,699,158)	-	-
	(115,512,537)	(43,686,390)	563,863	-

NOTE 35.1 - RECONCILIATION BETWEEN TAXABLE PROFIT AND THE ACCOUNTING PROFIT

Profit before Taxation	190,871,714	(454,332,088)	(8,253,403)	69,269,898
Share of profit from equity accounted investee	(43,205,831)	50,499,054	-	-
Other consolidation adjustments	615,433,279	164,750,909	-	-
Profit Before Income Tax Before Adjustments				
Adjusted Profit before Taxation	763,099,162	(239,082,125)	(8,253,403)	69,269,898
Aggregate Disallowed Items	338,315,372	774,312,916	10,121,390	-
Aggregate Allowed Items	(593,278,788)	(988,446,843)	-	-
Tax Exempt Income	(1,139,851,780)	(70,850,837)	-	(74,033,165)
Aggregate other income	(685,873,713)	(677,769,113)	(1,867,987)	(12,353)
Exempt Business Profit	14,432,259	-	-	-
Adjusted Business Profit / (Loss)	(685,873,713)	(1,201,836,002)		(4,775,620)
Taxable Aggregate other Income	68,589,938	315,709,270	1,867,987	-
Total Statutory Income / (Loss)	(617,283,775)	(886,126,732)	1,867,987	(4,775,620)
Tax loss settled off during the year (Note 35.1.1)	(10,904,372)	(11,509,510)	-	-
Tax loss incurred during the year (Note 35.1.1)	677,113,905	1,201,836,002	-	-
Taxable Income	48,925,759	304,199,760	1,867,987	(4,775,620)
Income Tax @ 30%	14,677,727	91,259,928	560,396	-
Current Income Tax	14,677,727	91,259,928	560,396	-

NOTE 35.1.1 - TAX LOSSES

FOR THE YEAR ENDED 31ST MARCH	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Tax Losses Brought Forward	1,612,243,535	421,917,043	-	-
Adjustment over the brought forward loss	(188,247,924)	-	-	-
Tax Losses incurred/(reversal) during the year	677,113,905	1,201,836,002	-	-
Tax Losses Utilised	(10,904,372)	(11,509,510)	-	-
Tax Losses Carried Forward	2,090,205,145	1,612,243,535	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

35.2 INCOME TAX

Company

Income tax has been computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 – and amendments thereto.

According to Third Schedule –(Exempt Amounts) item (h) of the Income Tax Act No. 24 of 2017, profit earned on sale of shares on which share transaction levy under Section 7 of the Finance Act No.05 of 2005, is paid, exempt from income tax.

Interest and other Income are liable to Income Tax at 30% (2023-24% & 30%)

12.2 Subsidiary companies enjoying tax holidays at concessionary rates of tax

i. Renuka Holdings PLC

a. Profit on Sale of Quoted Shares

According to the 3rd schedule - (Exempt Amounts) item (h) of the Income Tax Act No.24 of 2017, profit earned on sale of shares on which share transaction levy under Section 7 of the Finance Act No.05 of 2005, is paid is exempt from income tax.

Interest and other Income are liable to Income Tax at 30% (2023-24% & 30%)

ii. Renuka Agro Exports (Pvt) Limited

The Company is liable to income tax on other income at 30% (2023-24% & 30%)

iii. Renuka Foods PLC

a. Profit on Sale of Shares

According to the 3rd schedule - (Exempt Amounts) item (h) of the Income Tax Act No. 24 of 2017, profit earned on sale of shares on which share transaction levy under Section 7 of the Finance Act No. 05 of 2005, is paid is exempt from income tax.

b. Interest Income

Interest income is liable to income tax at 30% (2023-24% & 30%)

iv. Renuka Agri Foods PLC

In terms of the agreement with the Board of Investment of Sri Lanka (BOI), business profit of the Company is exempted from income tax for a period of 12 years from the date of commencement of its business, which came to an end in the year of assessment 2011/12. Subsequently the said exemption period was extended for another 3 years of assessment ending 2014/15 by a supplementary agreement. After the expiration of said tax exemption period, the Company will be liable for taxation at the rate of 12%. In terms of section 59 L of the Inland Revenue Act No. 10 of 2006, the Renuka Agri Foods PLC was entitled to a 50% tax credit on the income tax liability of the business of food processing (both export and local sales).

v. Ceylon Land & Equity PLC

a. Profit on Sale of Shares

According to the 3rd schedule - (Exempt Amounts) item (h) of the Income Tax Act No. 24 of 2017, profit earned on sale of shares on which share transaction levy under Section 7 of the Finance Act No. 05 of 2005, is paid is exempt from income tax.

The Company is liable to tax at 30% (2023/ 24% & 30%)

vi. Renuka Agri Organics Ltd

The enterprise shall be entitled for a tax exemption period of 4 years in terms of the Inland Revenue Act No. 10 of 2006 as amended by the Inland Revenue (amendment) Act No. 8 of 2012 (Section 16C). The year of assessment shall be reckoned from the year in which the enterprise commences to make profits or any year of assessment not later than 2 years reckoned from the date of commencement of commercial operations, whichever comes first as determined by the commissioner General of Inland Revenue.

This tax exemption period ended by year of assessment 2017/2018.

According to the recent amendments (notice No. PM/IT/2020-03 (Revised) dated 8 April 2020) to the Inland Revenue Act, No 24 of 2017 Profit from Export business income, Local Business income and other income liable for income tax at the rate of 30%.

vii. Renuka Developments (Pvt) Ltd

According to the agreements entered into with Board of Investment of Sri Lanka, the profit and income of the Company were exempt from income tax for a period of five (5) years. This tax holiday period expired on 31st March 1999.

From the year of assessments 2006/2007, under section 16 of the inland revenue act No. 10 of 2006, the Company's profit was exempted from income tax for a period of five years. This tax holiday period expired on 31st march 2011. The Company is liable to income tax at 12% on profit from agriculture from the year of assessment 2011/2012.

The Company is liable to income tax at the rate of 24% up to 30th September 2022 and & 30% w.e.f. 1st October 2022.

viii. Shaw Wallace & Hedges Limited

The company is liable to tax at 30% (2023-24% & 30%)

ix. Renuka Enterprises (Pvt) Ltd

The company is liable to tax at 30%

x. Kandy Plantations Ltd.

According to the agreement with the BOI of Sri Lanka, the Profits and Income of Kandy Plantations Ltd were exempt for a period of 5 years from the year of assessment in which the enterprise commence to make profit (i.e. 2003/2004). Accordingly, the said tax holiday period was expired on 31st March 2008.

However, the profit from agriculture of the company continued to be exempt from income tax for further 3

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

years of assessments ending 2010/2011, under section 16 of the inland revenue act No. 10 of 2006. This tax holiday was expired on 31st March 2011.

The Departments of Inland Revenue has issued a notice No. PM/ IT/2020-03 (Revised) dated 8 April 2020, proposing to amend the existing Inland Revenue Act, No 24 of 2017 effective from 1 January 2020. Proposed notice also provides concessionary tax rate and income tax exemptions to agro-processing & manufacturing and agro-farming respectively.

However, other income would be liable to Income Tax at the rate of 24% up to 30th September 2022 and 30% w.e.f. 1st October 2022.

xi. Ceylon Forestry (Pvt) Ltd

In accordance with the provisions of section 17 of the Board of Investment of Sri Lanka law No. 4 of 1978, the company is entitled to the following exemptions/benefits with regard to income tax;

For a period of eight (08) years reckoned from the year of assessment as may be determined by the BOI, the profits and income of the company is exempt from tax. For the above purpose, the year of assessment shall be reckoned from the year in which the company commences to make profits or any year of assessment not later than two (02) years reckoned from the date of commencement of commercial operations whichever year is earlier, as specified in a certificate issued by the BOI, Sri Lanka.

After the expiration of the aforesaid tax exemption period, referred to in sub clause (i) above, the profits and income of the company shall for each year of assessment be charged at the rate of ten per centum (10%) for a period of two (2) years ("concessionary period") immediately succeeding the last date of the tax exemption period during which the profits and income of the company is exempted from it.

After the expiration of the aforesaid concessionary period referred to in sub clause (ii) above, the profits and income of the company shall be charged for any year of assessment at the rate of 20%.

The Departments of Inland Revenue has issued a notice No. PM/ IT/2020-03 (Revised) dated 8 April 2020, proposing to amend the existing Inland Revenue Act, No 24 of 2017 effective from 1 January 2020. Proposed notice also provides concessionary tax rate and income tax exemptions to agro-processing & manufacturing and agro-farming respectively

However, other income would be liable to Income Tax at the rate of 24% up to 30th September 2022 and 30%

w.e.f 1st October 2022.

However, other income would be liable to Income Tax @ 30% for the year.

xii. Galle Face Properties Limited

The Company shall be entitled for a tax exemption period of 8 years in term Inland Revenue Act No. 10 of 2006. The year of assessment shall be reckoned from the year in which the enterprise commences to make profits or any year of assessment not later than 2 years reckoned from the date commencement of commercial operations, whichever year is earlier as may be specified in a certificate issued by Board of Investments in Sri Lanka.

After the expiration of the aforesaid tax exemption period the profit and income of the enterprise shall, for any year of assessment, be charged at 30%.

xiii. Campbell Place Properties (Pvt) Ltd

The company is liable to tax at 30% (2023/ 24% & 30%

xiv. Shaw Wallace Ceylon Ltd

The company is liable to tax at 30% (2023/ 24% & 30%)

xv. Shaw Wallace Properties (Pvt) Ltd

As per the renewal agreement the effective percentage for the year is taxable profit 30% interest income 30%

xvi. Richlife Dairies Ltd

The Company is liable to income tax at 30% on profit (2023 -24% & 30%)

xvii. Coco Lanka (Private) Limited

The Departments of Inland Revenue has issued a notice No. PM/ IT/2020-03 (Revised) dated 8 April 2020, proposing to amend the existing Inland Revenue Act, No 24 of 2017 effective from 1 January 2020. Proposed notice also provides concessionary tax rate and income tax exemptions to agro-processing & manufacturing and agro-farming respectively.

However, other income would be liable to Income Tax at the rate of 24% up to 30th September 2022 & 30% w.e.f. 1st October 2022.

xviii. Renuka Trading (Pvt) Ltd

The company is liable to tax at 30%

xix. Galle Face Capital Partners PLC

The company is liable to tax at 30%

xx. The Cargo Boat Investment Company Limited

The company is liable to tax at 30%

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 36 - EARNINGS/(LOSS) PER SHARE/ DIVIDEND PER SHARE

NOTE 36.1 - Basic Earnings/(loss) Per Share

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

The following reflect the Income and Share data used in the basic Earnings per Share computation.

FOR THE YEAR ENDED 31ST MARCH	Group		Company	
	2025	2024	2025	2024
Amount used as the Numerator				
Profit Attributable to equity holders of the Company for basic Earnings per share	69,184,885	(204,091,231)	(8,817,266)	69,269,898
Number of Ordinary Shares used as Denominator				
Weighted Average number of Ordinary Shares in issue applicable to basic Earnings per Share	189,689,990	189,689,990	189,689,990	189,689,990
Basic Earnings per Share	0.36	(1.08)	(0.05)	0.37

NOTE 36.2 - Diluted Earnings Per Share

Amount used as the Numerator

Profit / (Loss) Attributable to equity holders of the Company for basic Earnings per share	69,184,885	(204,091,231)	(8,817,266)	69,269,898
--	------------	---------------	-------------	------------

Number of Ordinary Shares used as Denominator

Weighted Average number of Ordinary Shares in issue applicable to basic Earnings per Share	189,689,990	189,689,990	189,689,990	189,689,990
Diluted Earnings per Share	0.36	(1.08)	(0.05)	0.37

Diluted earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the number of ordinary shares outstanding during the year after adjustment for the effects of all dilutive potential ordinary shares.

As at 31st March 2025 & as at 31st March 2024 there were no dilutive potential ordinary shares. Hence, diluted earnings per share is same as basic earnings per share.

NOTE 36.3 - DIVIDEND PER SHARE

The dividend per share is based on the dividend paid during the year and the number of ordinary shares outstanding as at that date.

FOR THE YEAR ENDED 31ST MARCH	Group		Company	
	2025	2024	2025	2024
Dividend declared and paid during the year (Rs.)	-	73,961,480	-	73,961,480
Weighted Average number of Ordinary Shares	189,689,990	189,689,990	189,689,990	189,689,990
Dividend per share (Rs.)	-	0.39	-	0.39

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 37 - EVENTS OCCURRED AFTER THE REPORTING DATE

Group/ Company

There were no material events occurred after the reporting date that require adjustment to or disclosure in the Financial Statements.

NOTE 38 - PENDING LITIGATIONS

There were no litigation that require disclosure in the Financial Statements as at the Financial Reporting date other than the following:-

38.1 - GROUP

Kandy Plantations Limited

Land Reform Commission has filed a case in the District Court of Attanagalla against the Trustees of John Leo De Cross Trust for which Kandy Plantations Limited is a respondent. In the opinion of the Lawyers, there is a strong likelihood of the outcome of this case being awarded in favor of the Trustees The John Leo De Croos Trust.

38.2 - COMPANY

There were no Litigations against the Company.

NOTE 39 - CAPITAL COMMITMENTS

39.1 - GROUP

There were no material commitments that require disclosure in the Financial Statements other than the following.

Galle Face Properties Ltd

The Company commenced construction of the "Galle Face Icon", a Mixed Development Project at Colombo 3 in 2018. The Capital commitments for this project are under renegotiation.

39.2 - COMPANY

There were no capital commitments that require disclosure in the Financial Statements.

NOTE 40 - CONTINGENT LIABILITIES OF SUBSIDIARIES

40.1 - GROUP

There were no contingent liabilities as at the reporting date which would require adjustments to or disclosure in the Financial Statements

40.2 - COMPANY

There were no contingent liabilities as at the reporting date that require adjustments to or disclosure in the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 41 - RELATED PARTY TRANSACTIONS

NOTE 41.1 - Transactions with Key Management Personnel

NOTE 41.1.1 - According to Sri Lanka Accounting Standard LKAS 24 - Related Party Disclosures, Key Management Personnel, are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, Key Management Personnel include the Board of Directors (including Executive & Non-Executive Directors),

NOTE 41.1.2 - Transactions with Key Management Personnel are given below

For the year ended 31st March	2025	2024
	Rs.	Rs.
Short terms employee benefits	168,760,000	163,350,306
Rent	14,400,000	11,328,000

NOTE 41.2 - TRANSACTIONS WITH SUBSIDIARIES, EQUITY ACCOUNTED INVESTEEES & OTHER RELATED COMPANIES

The Group and the Company carries 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". Transactions with related parties were made on the basis of the price lists in force with non-related parties. Outstanding balances with related parties other than balances relating to investment related transactions as at the reporting date are unsecured. Settlement will take place in cash. Such outstanding balances have been included under respective assets and liabilities. Details of related party transactions are reported below:-

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

41. RELATED PARTY DISCLOSURE (Continued)

The company Carries out transactions with parties who are defined as related parties in Sri Lanka Accounting Standard LKAS 24 'Related Party Disclosures', the details of which are reported below.

41.2.a Transactions With Related Companies (Group)

RELATED COMPANY	RELATIONSHIP	NAME OF THE COMMON DIRECTOR/S	NATURE OF TRANSACTIONS	AGGREGATE VALUE OF RELATED PARTY TRANSACTIONS ENTERED IN TO DURING THE FINANCIAL YEAR	AGGREGATE VALUE OF RELATED PARTY TRANSACTIONS AS A % OF NET REVENUE/INCOME	BALANCE OUTSTANDING		TERMS AND CONDITIONS OF THE RELATED PARTY TRANSACTION
						2025 Rs	2024 Rs	
Renuka Agro Exports Ltd	Subsidiary of Ultimate Parent Renuka Holdings PLC	Dr.S.R.Rajiyah	Payment for Coconuts	303,238	0.00%	-	303,238	Actual Basis
		Mrs.I.R.Rajiyah	Net Coconut Purchase					Actual Basis
		Mr.S.V.Rajiyah	Interest Income					Interest @ AWPLR
		Mr. V. Sanmugam						Comparable Uncontrolled Price
Kandy Plantations Limited	Subsidiary of Ultimate Parent Renuka Holdings PLC	Dr.S.R.Rajiyah	Payment for Coconuts	(14,740,508)	-0.11%	1,721,601	513,399	Settlement based on Market Rate
		Mrs.I.R.Rajiyah	Net Coconut Purchase	15,948,710	0.12%			Comparable Uncontrolled Price
		Mr.S.V.Rajiyah	Interest Income					Interest @ AWPLR
		Mr. V. Sanmugam						
Richlife Dairies Limited	Subsidiary of Ultimate Parent Renuka Holdings PLC	Dr.S.R.Rajiyah	Net of Fund (Received) / Payments	(12,363,630)	-0.09%	1,448,472	582,631	Actual Basis
		Mrs.S.V.Rajiyah	Contract packing	13,229,471	0.10%			Comparable Uncontrolled Price
		Mrs.I.R.Rajiyah						
		Mrs. J.J.B.A. Rajiyah						
Renuka Enterprises Ltd	Subsidiary of Ultimate Parent Renuka Holdings PLC	Mr. V. Sanmugam						Actual Basis
		Dr.S.R.Rajiyah	Reimbursement of Expenses	(3,017,581)	-0.02%			Resale Price Method
		Mrs.I.R.Rajiyah	Net of Fund (Received) / Payments	3,017,581	0.02%			Actual Basis
		Mr.S.V.Rajiyah						
Shaw Wallace Ceylon Limited	Subsidiary of Ultimate Parent Renuka Holdings PLC	Mrs. J.J.B.A. Rajiyah						
		Dr.S.R.Rajiyah	Sales	602,245,935	4.37%		11,421,906	Resale Price Method
		Mrs.S.V.Rajiyah						
		Mrs.I.R.Rajiyah	Net of Fund (Received) / Payments	(613,667,841)	-4.46%			Actual Basis
Renuka Agri Organics Ltd	Subsidiary of Ultimate Parent Renuka Holdings PLC	Mr. V. Sanmugam						
		Mrs. J.J.B.A. Rajiyah						
		Dr.S.R.Rajiyah	Net of Fund (Received) / Payments	(203,017,824)	-1.47%	(1,602,301)	53,674,587	Actual Basis
		Mrs.S.V.Rajiyah	Purchase of materials	147,740,936	1.07%			Actual Basis
Renuka Land (Pvt) Ltd	Director	Mrs.I.R.Rajiyah	Rent Expenses	14,400,000		-	-	Comparable Uncontrolled Price
		Mr.S.V.Rajiyah	Royalty Payments	60,361,049		-	-	Comparable Uncontrolled Price

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

RELATED COMPANY	RELATIONSHIP	NAME OF THE COMMON DIRECTOR/S	NATURE OF TRANSACTIONS	AGGREGATE VALUE OF RELATED PARTY TRANSACTIONS ENTERED IN TO DURING THE FINANCIAL YEAR	AGGREGATE VALUE OF RELATED PARTY TRANSACTIONS AS A % OF NET REVENUE/INCOME	BALANCE OUTSTANDING		TERMS AND CONDITIONS OF THE RELATED PARTY TRANSACTION
						2024 Rs	2023 Rs	
Galle Face Properties Ltd	Subsidiary of Ultimate Parent Renuka Holdings PLC	Dr.S.R.Rajiyah	Interest Expende	(199,630)	0.00%	-	(237,515)	Interest @ AWPLR
		Mrs.I.R.Rajiyah	Net of Fund (Received) / Payments	437145	0.00%	-	-	Actual Basis
		Mr.S.V.Rajiyah			0.00%			
		Mrs. J.J.B.A. Rajiyah Mr. V. Sanmugam						
Shaw Wallace & Hedges Ltd	Subsidiary of Ultimate Parent Renuka Holdings PLC	Dr.S.R.Rajiyah	Interest Expende	(3,366,300)	-0.02%	-	(68,736)	Actual Basis
		Mrs.I.R.Rajiyah	Net of Fund (Received) / Payments	3,435,036	0.02%	-	-	Actual Basis
		Mrs. J.J.B.A. Rajiyah						
		Mr.S.V.Rajiyah Mr. V. Sanmugam			0.00%			

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

41.3 Disclosure in terms of Section 9.3.2 of the Listing Rules of Colombo Stock Exchange

Recurrent transactions

There are no recurrent transactions that have been entered in to with Related Entities during the year which are more than 10% of the Group Turnover as specified in Section 9.3.2 of the Listing Rules of Colombo Stock Exchange that require disclosure to this Annual Report.

Non Recurrent transactions

There are no non recurrent transactions that have been entered in to with Related Entities during the year which are more than 10% of the Group Turnover as specified in Section 9.3.2 of the Listing Rules of Colombo Stock Exchange that require disclosure to this Annual Report.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 42- DIRECTORS OF GROUP COMPANIES Directors of Group Companies

	RHL	RF	RAF	CLE	GCP	RAO	RDL	KPL	COCO	CBL	RAEL	SWGHD	REL	GFP	RDL	SWCL	SWPL	CMP	RTL	CBIL
Mrs. I.R.Rajiyah	✓	✓	✓	-	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓
Dr. S.R.Rajiyah	✓	✓	✓	-	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr.S.V.Rajiyah	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mrs.J.J.B.A.Rajiyah	✓	-	-	-	-	✓	-	-	-	-	-	✓	✓	✓	✓	✓	-	-	-	✓
Mr. S.Vasanthakumara	✓	✓	✓	-	-	✓	✓	✓	✓	✓	✓	-	-	✓	✓	✓	✓	-	✓	✓
Mr R F N Jayasooriya	-	✓	-	-	-	-	-	✓	✓	✓	-	-	-	-	✓	✓	-	-	-	-
Mrs. S T R Wijesuriya	-	-	-	-	-	✓	-	-	-	-	-	-	-	-	✓	-	-	-	-	-
Mr T A P Peiris	-	-	-	✓	-	-	-	✓	✓	✓	-	-	✓	-	-	-	-	✓	✓	✓
Mr.M.S.Dominic	✓	-	-	-	✓	-	-	-	-	-	-	✓	-	✓	-	-	-	-	-	-
Dr.J.A.S.Felix	✓	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr K Liyanagamage	-	-	-	✓	✓	-	-	-	-	-	-	-	-	✓	-	-	-	-	-	-
Mr.S Rajaratnam	✓	-	-	-	-	-	-	-	-	-	-	-	-	✓	-	-	-	-	-	-
Mr.M R Ratnasabapathy	-	✓	✓	✓	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr.K G Vairavanathan	-	-	-	-	-	✓	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr.A.M.P.C.K.Abeykoon	-	✓	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. E.A.P. Ekanayaka	-	✓	✓	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mrs. M.S. Theverapperuma	✓	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

RHL	Renuka Holdings PLC	RDL	Renuka Developments (Private) Limited	REL	Renuka Enterprises (Private) Limited
RF	Renuka Foods PLC	KPL	Kandy Plantations Limited	GFP	Galle Face Properties Limited
RAF	Renuka Agri Foods PLC	COCO	Coco Lanka (Pvt) Ltd	RLDL	Richlife Dairies Limited
CLE	Ceylon Land & Equity PLC	CBL	Ceylon Botanicals (Pvt) Ltd (Previously Known as Ceylon Forestry (Pvt) Ltd	SWCL	Shaw Wallace Ceylon Limited
GCP	Galle Face Capital Partners PLC	RAEL	Renuka Agro Exports (Pvt) Ltd	CMP	Campbell Place Properties (Pvt) Ltd
RAO	Renuka Agri Organics Ltd	SWGHD	Shaw Wallace & Hedges Limited	RTL	Renuka Trading (PVT) Ltd
CBIL	The Cargo Boat Investment Company Ltd	SWPL	Shaw Wallace Property (Pvt) Ltd		

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 43 - DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of the Financial Statements of the Company / Group in accordance with the Sri Lanka Accounting Standards and also for the provision of information as required by the Companies Act No. 07 of 2007. The Directors are accordingly satisfied that the Financial Statements presented herein give a true and fair view of the state of affairs of the Company / Group as at 31st March 2025 and the Profit / (Loss) for the year then ended.

NOTE 44 - INDUSTRY SEGMENT INFORMATION

Sub Sector	Company	Nature of Operation
Agri Food Exports	Renuka Agri Foods PLC	Manufacture & markets export of coconut products
	Renuka Developments (Pvt) Ltd	Organic certification license holder and investment in plantation/ farm & integration projects
	Renuka Agro Exports (Pvt) Ltd	Sourcing, manufacturing & exporting ethnic food products
	Renuka Agri Organics Ltd	Manufacture of export coconut based products
	Ceylon Forestry (Pvt) Ltd	Planting and managing a forestry
	Coco Lanka (Pvt) Ltd	Plantation
	Kandy Plantations Ltd	Engaged in organic certified cultivation of agriculture
Consumer Brands	Renuka Foods PLC	Fast moving consumer goods
	Richlife Dairies Ltd	Manufacturing of dairy and fruit juice based products
	Shaw Wallace Ceylon Ltd	Manufacturing and distribution of fast moving consumer goods
	Shaw Wallace Properties (Pvt) Ltd	Providing warehousing facilities
	Renuka Trading (Pvt) Ltd	Providing warehousing facilities
Investment	Shaw Wallace & Hedges Ltd	The company operates as the holding company of property development companies
	Campbell Place Properties (Pvt) Ltd	The company is in the business of property development
	Galle Face Properties Ltd	The company is in the business of property development
	Renuka Holdings PLC	Holding Investments
	Ceylon Land & Equity PLC	Investing in debt, equity and other classes of instruments
	Galle Face Capital Partners PLC	Investing in debt, equity and other classes of instruments
	Renuka Enterprises (Pvt) Ltd	Provide support services to Group companies
	The Cargo Boat Investment Company Limited	Investing in debt, equity and other classes of instruments

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 44 - INDUSTRY SEGMENT INFORMATION (CONTD.)

	AGRI FOOD EXPORTS		CONSUMER BRANDS		INVESTMENT		GROUP TOTAL	
	2025 Rs.'000	2024 Rs.'000	2025 Rs.'000	2024 Rs.'000	2025 Rs.'000	2024 Rs.'000	2025 Rs.'000	2024 Rs.'000
Revenue	7,240,959	4,927,893	7,337,306	9,183,358	106,396	162,040	14,684,661	14,273,291
Intra Group	(684,714)	-	(14,253)	-	(64,261)	-	(763,228)	-
Segment Revenue	6,556,245	4,927,893	7,323,053	9,183,358	42,136	162,040	13,921,433	14,273,291
Cost of Sales	(6,568,480)	(4,777,427)	(6,093,641)	(7,688,988)	-	-	(12,662,121)	(12,466,415)
Adjustments	70,842	-	615,476	-	3,937	-	690,255	-
Gross Profit	58,607	150,466	1,844,888	1,494,370	46,073	162,040	1,949,568	1,806,876
Other Operating Income	172,003	25,645	11,087	21,658	102,215	13,832	285,304	61,135
Administrative Expenses	(587,378)	(433,442)	(496,045)	(586,695)	(207,537)	(57,369)	(1,290,960)	(1,077,506)
Distribution Expenses	(211,812)	(155,726)	(815,810)	(966,155)	-	-	(1,027,623)	(1,121,881)
Other Operating expense	-	-	-	-	-	(363)	-	(363)
Profit from Operations	(568,580)	(413,057)	544,119	(36,822)	(59,249)	118,140	(83,710)	(331,739)
Finance Income	6,285	8,465	8,689	9,676	42,711	221,129	57,685	239,270
Finance Cost	(237,709)	(387,813)	(145,359)	(280,363)	(7,528)	34,406	(390,596)	(633,770)
Other Financial Items	(20,487)	(124,440)	1,210	-	-	-	(19,277)	(124,440)
Net Finance Income/ (Cost)	(251,910)	(503,788)	(135,460)	(270,687)	35,182	255,535	(352,188)	(518,940)
Gain / (Loss) on Fair Value of Investments Measured at Fair Value through Profit / (Loss)	22,996	-	-	-	603,774	396,014	626,769	396,014
Share of profit of Equity Accounted investee	-	-	-	-	-	334	-	334
Profit before Taxation	(797,494)	(916,845)	408,659	(307,509)	579,707	770,023	190,872	(454,332)
Taxation	64,600	150,630	79,729	(11,563)	(28,817)	(95,380)	115,513	43,686
Profit for the year	(732,894)	(766,215)	488,388	(319,073)	550,890	674,642	306,384	(410,646)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 44 - INDUSTRY SEGMENT INFORMATION (CONTD.)

	AGRI FOOD EXPORTS			CONSUMER BRANDS			INVESTMENT			GROUP TOTAL	
	2025	2024	2024	2025	2024	2024	2025	2024	2024	2025	2024
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Property, Plant & Equipment	2,814,171	2,533,695	-	2,662,448	2,169,066	3,512	3,529	5,480,131	4,706,290		
Intangible Assets	-	-	-	4,761	6,363	-	-	4,761	6,363		
Goodwill	416	122,224	119,506	119,922	-	-	-	119,922	242,146		
Right of use asset	101,972	108,533	183,568	186,728	-	-	-	285,540	295,261		
Investment Property	358,000	319,692	3,451	3,451	5,345,724	5,383,412	5,744,863	5,668,867			
Biological Assets	244,172	160,987	-	-	-	-	-	244,172	160,987		
Investment in Subsidiaries	-	-	-	-	-	-	-	-	-		
Deferred Tax Asset	26,869	-	-	-	-	6,609	5,762	33,478	5,762		
SEGMENT NON CURRENT ASSETS	3,545,600	3,245,131	2,973,734	2,485,530	5,393,533	5,355,015	11,912,867	11,085,674			
Inventories	1,278,393	1,173,744	1,280,016	1,247,475	-	-	2,558,409	2,421,219			
Investment - Measured at Fair Value Through Profit or Loss	466,773	452,638	-	-	2,415,846	1,637,094	2,882,619	2,089,732			
Trade and Other Receivables	2,118,485	1,248,693	1,244,934	1,054,582	160,424	25,439	3,523,843	2,328,714			
Other Current Assets	1,197	4,594	-	-	4,627	1,555	5,824	6,149			
Income Tax Refund Due	6,564	5,435	338	-	8,591	3,407	15,493	8,842			
Amounts due from related companies	-	-	-	-	29	10	29	10			
Short Term Investments in Deposits	34	51,863	-	-	8,126	758,348	8,160	810,211			
Cash at Bank and Cash in Hand	222,508	208,558	142,381	105,178	541,742	66,885	906,631	380,621			
SEGMENT CURRENT ASSETS	4,093,954	3,145,525	2,667,669	2,407,235	3,139,386	2,492,738	9,901,008	8,045,498			
TOTAL SEGMENT ASSETS	7,639,554	6,390,656	5,641,403	4,892,765	8,532,918	7,847,753	21,813,875	19,131,174			
Deferred Tax Liability	175,334	144,144	379,660	341,880	472,798	445,644	1,027,792	931,668			
Interest Bearing Borrowings	143,055	251,388	-	-	-	-	143,055	251,388			
Lease Obligation	127,249	142,002	-	-	-	-	127,249	142,002			
Retirement Benefit Obligation	66,568	62,222	46,234	48,259	22,592	19,242	135,394	129,723			
SEGMENT NON CURRENT LIABILITIES	512,206	599,756	425,894	390,139	495,390	464,886	1,433,490	1,454,781			
Trade and Other Payables	910,566	916,568	528,877	726,374	86,097	89,810	1,525,540	1,732,752			
Other Current Liabilities	6,366	-	6,845	6,845	2,731	2,317	15,942	9,162			
Short Term Interest Bearing Borrowings	2,424,139	1,690,546	1,880,000	1,133,240	-	-	4,304,139	2,823,786			
Lease Obligation	12,712	11,299	-	-	-	-	12,712	11,299			
Income Tax Payable	650	2,083	-	-	5,640	67,091	6,290	69,174			
Bank Overdraft	40,225	159,125	100,460	131,877	581	22,824	141,266	313,826			
SEGMENT CURRENT LIABILITIES	3,394,658	2,779,621	2,516,182	1,998,336	95,050	182,042	6,005,890	4,959,999			
TOTAL SEGMENT LIABILITIES	3,906,864	3,379,377	2,942,076	2,388,475	590,440	646,928	7,439,380	6,414,780			

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

45. FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Fair Value Hierarchy

The Group/Company uses the following hierarchy for determining and disclosing financial instruments by valuation techniques.

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

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

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

31st March 2025	Financial Assets at Amortised cost	FVTOCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value								
Trade and other receivables	2,250,370,048	-	-	2,250,370,048	-	-	2,250,370,048	2,250,370,048
Cash and cash equivalents	906,631,209	-	-	906,631,209	-	-	-	906,631,209
	3,157,001,257	-	-	3,157,001,257	-	-	2,250,370,048	3,157,001,257
Financial liabilities not measured at fair value								
Bank overdrafts	-	-	141,265,216	141,265,216	-	-	-	141,265,216
Secured bank loans	-	-	4,447,193,298	4,447,193,298	-	-	-	4,447,193,298
Lease liabilities	-	-	139,960,574	139,960,574	-	-	139,960,574	139,960,574
Trade payables	-	-	510,615,352	510,615,352	-	-	510,615,352	510,615,352
	-	-	5,239,034,440	5,239,034,440	-	-	650,575,926	5,239,034,440

Carrying Amount					Fair Value			
31st March 2024	Financial Assets at Amortised cost	FVTOCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value								
Trade and other receivables	1,811,843,467	-	-	1,811,843,467	-	-	1,811,843,467	1,811,843,467
Cash and cash equivalents	380,620,984	-	-	380,620,984	-	-	-	380,620,984
	2,192,464,451	-	-	2,192,464,451	-	-	1,811,843,467	2,192,464,451
Financial liabilities not measured at fair value								
Bank overdrafts	-	-	313,824,979	313,824,979	-	-	-	313,824,979
Secured bank loans	-	-	3,075,173,746	3,075,173,746	-	-	-	3,075,173,746
Lease liabilities	-	-	153,300,924	153,300,924	-	-	153,300,924	153,300,924
Trade payables	-	-	720,389,246	720,389,246	-	-	720,389,246	720,389,246
	-	-	4,262,688,895	4,262,688,895	-	-	873,690,170	4,262,688,895

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 46 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk Management Framework

The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Financial Risks Factors

The activities of the Company's and the Group exposed to variety of financial risks:

1. Market risk
 - Currency risk
 - Interest rate risk
 - Price risk
2. Credit risk
3. Liquidity risk
4. Capital Management risk
5. Operational risk

The Company's and the Group's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company and the Group. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Company's and the Group's financial risk management policies.

1. Market Risk

Market risks is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the returns.

a. Currency Risk

The risk that the fair value of future cash flows of a financial instrument fluctuate due to changes in foreign exchange rates. The Group is exposed to currency risk on sales, purchases that are denominated in a currency other than Sri Lanka Rupees (LKR), the foreign currencies in which transactions primarily denominated is US Dollars.

Exposure to Currency Risk

The Group exposure to foreign currency risk was as follows based on notional amounts. The Group involves with foreign currency transactions and exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency.

	2025	2024
	USD	USD
Trade and other Payables	(478,541)	(332,138)
Trade and other Receivables	4,335,401	2,296,285
Cash and cash equivalents	573,225	255,378
Gross Statement of Financial Position Exposure	4,430,085	2,219,525

The following significant exchange rates were applicable during the year.

	Average Rate		Reporting Date spot rate	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
US Dollars	297.89	313.83	296.32	300.44

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 46 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

Sensitivity Analysis

A strengthening of the LKR, as indicated below, against the US Dollar and at 31st March 2025 would have increased/ (decreased) the equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Strengthening Profit or Loss Rs.	Weakening Profit or Loss Rs.
31st March 2025		
USD (15% movement)	196,908,418	(196,908,418)
31st March 2024		
USD (15% movement)	162,766,675	(162,766,675)

b. Interest rate risk

The risk that the fair value or future cash flows of financial instrument will fluctuate due to changes in market interest rates at the reporting date, the company's interest bearing financial instruments were as follows.

AS AT 31ST MARCH	Carrying Amount - Group		Carrying Amount - Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Fixed Rate Instruments				
Financial Assets				
Bank Deposits	906,631,209	380,620,984	4,898,130	3,072,604
Variable Rate Instruments				
Financial Liabilities				
Loans and Borrowings	(4,447,193,298)	(3,075,173,746)	-	-
Bank Overdrafts	(141,265,216)	(313,824,979)	(580,005)	(595,518)
	(3,681,827,305)	(3,008,377,741)	4,318,125	2,477,086

Cash flow sensitivity analysis for variable rate instruments

A recoverable possible change of 800 basis points in interest rates at the reporting date would have increase/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variable, in particular foreign currency exchange rates, remain constant.

		Group (Rs.)		Company (Rs.)	
		2025	2024	2025	2024
Variable Rate Instruments	100 bp increase	(33,915,564)	(23,807,278)	132,186	30,726
	100 bp decrease	33,915,564	23,807,278	(132,186)	(30,726)

c. Price Risk

Risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

2. Credit Risk

Risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk managed on company and the group basis. Credit risk arises from cash equivalent, derivative financial instruments and deposits with banks and financial institutions as well as credit exposures to customers, including outstanding receivables (net of deposits held). Individual risk limits are set, based on internal or external ratings. The utilization of credit limits is regularly monitored. The Company and the Group place its cash equivalent with a number of credit worthy financial institutions. the maximum credit risk exposure of the financial assets of the Company and the Group are approximately their carrying amount as at Statement of Financial Position date.

Exposure Credit risk

The carrying amount of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows.

	Carrying Amount	
	2025 Rs.	2024 Rs.
Trade and Other Receivables	2,250,370,048	1,811,843,467
Balances with Banks	906,631,209	380,620,984
Amount Due from Related Companies	28,519	10,015
Short Term Investments in Deposit	8,160,166	810,210,585
	3,165,189,942	3,002,685,051

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

Note 46 Impairment losses - (Cont.)

The group establishes an allowance for impairment that represent its estimate of Expected Losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

The maximum exposure to credit risk for trade & other receivables at the reporting date by geographic region was as follows.

	2025			2024		
	Gross carrying value	Loss allowance	Impaired	Gross carrying value	Loss allowance	Impaired
	Rs.	Rs.		Rs.	Rs.	
Group						
Current (not past due)	1,036,730,197	-	No	945,405,232	-	No
31-60 days past due	605,157,056	-	No	195,961,489	-	No
61-90 days past due	309,905,803	-	No	348,822,564	2,177,146	Yes
91-180 days past due	230,936,427	-	No	241,051,580	30,565,600	Yes
More than 180 days	99,979,766	32,339,201	Yes	117,009,255	3,663,906	Yes
	2,282,709,249	32,339,201		1,848,250,120	36,406,652	

The maximum exposure to credit risk for trade & other receivables at the reporting date by geographic region was as follows.

	Carrying Amount	
	2025	2024
	Rs.	Rs.
Domestic	1,010,892,810	1,127,942,019
Europe	1,114,146,599	424,792,664
Middle East	8,564,549	432,535
Asia	49,515,123	40,733,665
United State	93,184,667	232,764,741
Africa	6,405,501	6,504,066
Australia	-	15,080,425
	2,282,709,249	1,848,250,115

Cash and bank balances

The Group held favourable cash and bank balances Rs. 906,631,209/- as at 31st March 2025 (Rs. 380,620,984/- as at 31st March 2024) and these balances are with licensed Commercial Banks of Sri Lanka, which represent its maximum credit exposure on these assets.

Respective credit ratings of banks which company cash balances held are as follows:

Hatton National Bank PLC - A-(Ika)
 People's Bank- A-(Ika)
 Commercial Bank of Ceylon PLC-A-(Ika)
 National Development Bank PLC - A-(Ika)
 Seylan Bank PLC - A-(Ika)
 Nations Trust Bank PLC - A(Ika)
 Habib Bank LTD -A+(Ika)
 Sampath Bank PLC -AA-(Ika)

3. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Prudent liquidity risk management implies maintaining sufficient liquid funds to meet its financial obligations. In the management of liquidity risk, the company and the Group monitor and maintaining a level of cash and cash equivalents deemed adequate by the management to finance the company's and the Group's operations and to mitigate the effects of fluctuations in cash flows. Due to the dynamic nature of the underlying business, the company and the Group aim at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 46 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

Group	Carrying amount	Total	0-12 Months	More than one year
AS AT 31ST MARCH 2025	Rs.	Rs.	Rs.	Rs.
Financial Liabilities (Non-Derivate)				
Interest Bearing Borrowings	4,447,193,298	4,583,501,638	4,421,318,192	162,183,446
Lease Liability	139,960,574	332,331,377	26,025,245	306,306,132
Trade and other Payables	510,615,352	510,615,352	510,615,352	-
Bank Overdrafts	141,265,216	141,265,216	141,265,216	-
Total	5,239,034,440	5,567,713,583	5,099,224,005	468,489,578
AS AT 31ST MARCH 2024	Carrying amount	Total	0-12 Months	More than one year
	Rs.	Rs.	Rs.	Rs.
Financial Liabilities (Non-Derivate)				
Interest Bearing Borrowings	3,075,173,746	3,244,111,999	2,800,004,401	444,107,598
Lease Liability	153,300,924	332,331,377	26,025,245	306,306,132
Trade and other Payables	720,389,246	720,389,246	720,389,246	-
Bank Overdrafts	313,824,979	313,824,979	313,824,979	-
Total	4,262,688,895	4,610,657,601	3,860,243,871	750,413,730

4. Capital Management risk

The primary objective of the company's and the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The company and the Group manage its capital structure and make adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the company and the Group may or may not make dividend payments to shareholders, return capital to shareholders or issue new shares or other instruments. Consistent with others in the industry, the company and the Group monitor capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total equity. Total borrowings including non-current and current borrowings as shown in the statement of Financial Position. Total equity is calculated as 'Total Equity in the statement of financial Position.

The gearing ratio as at 31st March was as follows.

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Borrowings & Lease	4,587,153,872	3,228,474,670	-	-
Total Equity	14,374,496,430	12,716,390,689	2,687,095,989	2,695,913,255
Net Debt to Equity Ratio	31.91%	25.39%	0.00%	0.00%

5. OPERATIONAL RISK

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Company's operations.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- ✓ Requirements for appropriate segregation of duties, including the independent authorisation of transactions
- ✓ Requirements for the reconciliation and monitoring of transactions
- ✓ Documentation of controls and procedures
- ✓ Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- ✓ Development of contingency plans
- ✓ Training and professional development

REAL ESTATE PORTFOLIO

COMPANY	LOCATION	LAND / BUILDING	LAND EXTENT (PERCHES)		BUILDING		CLASSIFICATION COMPANY	CLASSIFICATION GROUP	ORIGINAL COST OF PURCHASE RS.	WRITTEN DOWN VALUE AS AT 31.03.2025 UNDER FAIR VALUE METHOD
			FREE HOLD/LEASEHOLD	NO OF BUILDINGS	BUILDING IN SQ.FT					
Renuka Agri Foods PLC	Unagahadeniya	Land	150	--	--	PPE	PPE	17,203,000	60,000,000	
		Land	70.4	--	--	PPE	PPE	21,428,000	30,000,000	
		Building	--	1	968	PPE	PPE	--	1,800,000	
		Building	--	9	111,379	PPE	PPE	158,452,264	612,200,000	
		Building	--	2	8,031	PPE	PPE	--	9,000,000	
Renuka Developments (Pvt) Ltd	Unagahadeniya	Land	303.3	--	--	PPE	PPE	22,702,880	129,000,000	
		Building	--	7	17,789	PPE	PPE	23,851,270	43,000,000	
Kandy Plantations Ltd	Giriulla	Building						15,927,250	6,000,000	
		Right to use Estate	--	4	10,598	PPE	PPE			
Matale	Matale	Land	3,284.70	--	--	PPE	PPE	57,900,000	72,601,194	
		Land	10,843.00	--	--	PPE	PPE	167,200,000	183,000,000	
Coco Lanka (Pvt) Ltd	Puttalam	Land	26,445	--	--	PPE	PPE	127,482,760	236,000,000	
		Building	--	5	6,447	PPE	PPE		9,000,000	
Renuka Agri Organics Ltd	Export Processing Zone, Wathipitiwala	Building	--	3	69,225	PPE	PPE	74,073,652	351,000,000	
		Land	44.7	-	-	PPE	PPE	132,199,000	447,000,000	
Shaw Wallace Ceylon Ltd	Colombo -9	Building	-	1	66,828	PPE	PPE	289,341,098	780,000,000	
		Land	59.8	--	--	PPE	PPE	16,445,000	39,000,000	
	Ekala	--	2	10,185	PPE	PPE	36,555,000	30,000,000		
	Ekala	Land	214.75	--	--	PPE	PPE	104,691,840	140,000,000	
	Ekala	Building	--	11	40,698	PPE	PPE	9,721,060	60,000,000	
Shaw Wallace Properties (Pvt) Ltd	Peliyagoda	Land	215.59	-	-	IP	PPE	95,000,000	496,000,000	
		Building		3	62,714	IP	PPE	119,980,471	246,000,000	
Renuka Trading (Pvt) Ltd	Colombo 09	Land	75.61	-	-	IP	PPE	69,418,872	280,000,000	
		Building	-	3	31363	IP	PPE	250,273,302	78,000,000	
Richlife Dairies Ltd	Wadduwa	Land	886	-	-	PPE	PPE	128,552,000	210,020,000	
		Building		6	63,986	PPE	PPE	194,843,169	210,454,000	
Galle Face Properties Ltd	Colombo - 03	Land	85.19	-	-	IP	IP	309,918,000	2,236,000,000	
Campbell Place Properties (Pvt) Ltd	Colombo - 09	Land	184	2	-	IP	IP	548,627,000	924,000,000	
		Building				IP	IP			

FIVE YEAR SUMMARY

Year Ended 31st March	2025	2024	2023	2022	2021
	Rs."000"	Rs."000"	Rs."000"	Rs."000"	Rs."000"
a) Summary of Operation					
Revenue	13,921,433	14,273,290	17,089,010	10,740,549	8,697,769
Gross Profit	1,949,567	1,806,874	3,298,389	1,837,395	1,073,547
Profit /(Loss) before net Finance Cost and Tax	83,710	-331,740	1,521,171	925,017	493,932
Profit /(Loss) before Taxation	190,872	-454,332	1,327,537	1,130,905	441,218
Taxation	115,513	43,686	-424,530	-187,926	-62,247
Profit/(Loss) after Tax	306,384	-410,646	903,006	942,979	378,971
Profit/(Loss) attributable to Equity Holders of the Company	69,185	-204,091	432,962	439,154	282,983
b) Summary of Financial Position					
Capital and reserves					
Stated Capital	2,368,480	2,368,480	2,294,518	2,223,194	2,223,194
Revaluation Reserve	820,145	412,213	391,802	427,561	436,245
Capital Reserve	313,818	313,818	313,894	313,874	313,874
Retained Earnings	6,199,374	6,059,330	6,196,336	5,744,963	4,806,733
Shareholders' Fund	9,701,816	9,153,841	9,196,550	8,709,487	7,780,046
Non Controlling Interest	4,672,680	3,562,550	4,036,963	3,949,950	3,301,370
Total Equity	14,374,496	12,716,391	13,233,513	12,559,437	11,081,416
Liabilities					
Non-Current Liabilities	1,433,490	1,454,782	1,588,567	1,420,403	1,209,308
Current Liabilities	6,005,888	4,959,998	3,985,255	3,863,606	3,074,306
Total Liabilities	7,439,778	6,414,780	5,573,822	5,284,009	4,283,614
Total Equity and Liabilities	21,813,874	19,131,171	18,807,335	17,843,446	15,365,030
Assets					
Property, Plant and Equipment	5,480,130	4,706,288	4,556,294	4,648,015	4,408,034
Investment Properties	5,744,863	5,668,868	5,238,374	4,478,442	3,898,231
Investments	-	-	-	-	169,054
Other Non-Current Assests	687,873	710,518	1,213,084	640,647	618,731
Current Assests	9,901,008	8,045,497	7,799,583	8,076,340	6,270,980
Total Assests	21,813,874	19,131,171	18,807,335	17,843,444	15,365,030
c) Key Indicators					
Earnings per Share (Rs.)	0.35	-1.08	2.43	2.46	2.25
Net Profit Margin (%)	2.06%	-2.88%	5.28%	8.78%	4.36%
Net Assets Value Per Share (Rs.)	80.57	67.04	71.57	70.44	62.15
Dividends Per Share (Rs.)	-	0.39	0.4	0.10	0.25
Dividends Payout (%)	-	-36.24%	16.46%	4.07%	11.13%
Dividends Cover (Times)	-	-2.8	6.07	24.6	8.98
Interest Cover (Times)	-0.21	-0.52	1.6	6.29	3.55
Current Ratio (Times)	1.65	1.62	1.96	2.09	2.04
Gearing Ratio (%)	30.95%	24.18%	17.82%	15.13%	17.97%
Return on Equity (%)	1.99%	-3.23%	6.82%	7.51%	3.42%

SHARE HOLDER'S INFORMATION

SHARE INFORMATION	2025		2024	
	Voting	Non Voting	Voting	Non Voting
Total No. of Shareholders	2,289	913	2,547	981
Total No. of Shares	165,488,271	24,201,719	165,488,271	24,201,719

PUBLIC SHARE HOLDING				
The percentage of Shares held by the public			2025	2024
Voting			29.61%	29.61%
Non Voting			55.48%	63.70%
No. of Shareholders	Voting		2,284	2,542
	Non-voting		909	977

SHARE TRADING INFORMATION				
1st of April to 31st March	2025		2024	
	Voting	Non Voting	Voting	Non Voting
Share Price				
Highest (Rs.)	22.70	17.50	17.10	13.20
Lowest (Rs.)	16.80	12.50	11.80	10.10
As at 31st March	18.00	14.50	13.10	11.20

MARKET CAPITALIZATION				
	2025		2024	
As at 31st March (Rs. '000)	3,329,713,804	2,438,955,603	2,380,069,369	-
Float adjusted market capitalization (Rs. '000)	1,076,846,437	814,578,853	801,473,906	-
No of Trades	4,529	1,322	3,308	942
No of shares Traded	29,612,077	4,457,834	10,854,073	1,773,764
Value of Shares Traded (Rs.)	559,094,279	60,118,976	159,934,917	20,540,356

The Company has over 20% public share holding and over 500 public share holders, thereby meeting the minimum thresholds for compliance on minimum public holding. [Option 5 – Listing rule 7.14.1 (i)(a)]

Dividends			2024	2023
Proposed final Dividend per share (Rs.)			0.40	0.40

VOTING SHARES	31st March 2025			31st March 2024		
	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
No of Shares Held - Voting						
1 - 1,000	1,309	246,620	0.15%	1,339	269,687	0.16%
1,001 - 10,000	676	2,279,100	1.38%	820	2,630,798	1.59%
10,001 - 100,000	238	6,812,510	4.11%	316	8,617,305	5.21%
100,001 - 1,000,000	55	16,435,598	9.93%	59	16,487,324	9.96%
1,000,000 & Over	11	139,714,443	84.43%	13	137,483,157	83.08%
	2,289	165,488,271	100.00%	2,547	165,488,271	100.00%

Analysis of Shareholders - Voting						
Individuals	2,163	64,625,834	39.05%	2,397	66,837,708	39.86%
Institutions	126	100,862,437	60.95%	150	98,650,563	60.14%
Total	2,289	165,488,271	100.00%	2,547	165,488,271	100.00%

Analysis of Shareholders - Voting						
Resident	2,265	154,900,371	93.60%	2,517	154,092,859	93.11%
Non Resident	24	10,587,900	6.40%	30	11,395,412	6.89%
Total	2,289	165,488,271	100.00%	2,547	165,488,271	100.00%

SHARE HOLDER'S INFORMATION (CONTD.)

VOTING SHARES	31st March 2025			31st March 2024		
	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
Analysis of Shareholders						
Renuka Group Limited	1	77,603,102	46.89%	1	77,603,102	46.89%
Directors and Spouses	4	38,876,653	23.49%	4	38,876,653	23.49%
Public	2,283	49,008,516	29.61%	2,542	49,008,516	29.61%
Total	2,289	165,488,271	100.00%	2,547	165,488,271	100.00%

Percentage of Shares held by the public as at 31st March 2025 is 29.61%

Non-VOTING SHARES	31st MARCH 2025			31st MARCH 2024		
	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
No of Shares Held - Non-Voting						
1 - 1,000	503	99,019	0.41%	494	96,476	0.40%
1,001 - 10,000	248	823,481	3.40%	290	952,384	3.94%
10,001 - 100,000	133	3,908,336	16.15%	162	5,020,738	20.75%
100,001 - 1,000,000	24	6,720,159	27.77%	31	7,543,509	31.17%
1,000,000 & Over	5	12,650,724	52.27%	4	10,588,612	43.75%
	913	24,201,719	100.00%	981	24,201,719	100.00%

Analysis of Shareholders - Non-Voting						
Individuals	852	9,947,937	41.10%	903	10,190,127	44.31%
Institutions	61	14,253,782	58.90%	78	14,011,592	55.69%
Total	913	24,201,719	100.00%	981	24,201,719	100.00%

Analysis of Shareholders - Non-Voting						
Resident	895	21,345,006	88.20%	961	22,113,944	91.38%
Non Resident	18	2,856,713	11.80%	20	2,087,775	8.62%
Total	913	24,201,719	100.00%	981	24,201,719	100.00%

Analysis of Shareholders - Non-Voting						
Directors and Spouses	1	383,852	1.59%	1	383,852	1.59%
Public	909	13,427,411	55.48%	977	15,417,850	63.71%
Holding of 10% or More - Jointly or Severally	2	9,088,230	37.55%	2	7,097,791	29.33%
Parent Company	1	1,302,226	5.38%	1	1,302,226	5.38%
Total	913	24,201,719	100.00%	981	24,201,719	100.00%

Percentage of Shares held by the public as at 31st March 2025 is 55.48%.

SHARE HOLDER'S INFORMATION (CONTD.)

TOP 20 MAJOR SHAREHOLDERS		Voting as at 31.03.2025		Voting as at 31.03.2024	
No.	Name	No. of shares	%	No. of shares	%
1	RENUKA GROUP LIMITED	77,603,102	46.89%	75,721,816	46.89%
2	DR. S.R. RAJIYAH , MRS.I.R. RAJIYAH & MS.S.R.RAJIYAH (JT)	16,598,427	10.03%	32,392,082	20.06%
3	DR. S.R. RAJIYAH , MRS.I.R. RAJIYAH & MRS.A.L.RAJIYAH (JT)	16,598,427	10.03%	-	-
4	DR. S. YADDEHIGE	6,846,254	4.14%	6,680,285	4.14%
5	MR. S. V. RAJIYAH & MRS. J. J. B. A RAJIYAH (JT)	5,250,900	3.17%	2,435,051	1.51%
6	EMPLOYEES TRUST FUND BOARD	3,095,343	1.87%	3,020,305	1.87%
7	HATTON NATIONAL BANK PLC/SARRAVANAN NEELAKANDAN	2,145,414	1.30%	2,169,890	1.34%
8	MR. M. M. S. DAWOOD	1,955,143	1.18%	1,907,746	1.18%
9	SEYLAN BANK PLC/SENTHILVERL HOLDINGS (PVT) LTD	1,718,457	1.04%	-	-
10	HATTON NATIONAL BANK PLC / D.N. SELLAMUTTU	1,699,484	1.03%	1,658,285	1.03%
11	PEOPLE'S LEASING & FINANCE PLC/L.PHAPANGAMA	1,436,075	0.87%	794,476	0.49%
12	BANK OF CEYLON NO. 1 ACCOUNT	1,287,089	0.78%	1,255,887	0.78%
13	N. VAITILINGAM & COMPANY LTD	1,249,042	0.75%	1,218,763	0.75%
14	MERCHANT BANK OF SRI LANKA & FINANCE PLC 01	841,722	0.51%	821,317	0.51%
15	HATTON NATIONAL BANK PLC/ARUNASALAM SITHAMPALAM	825,523	0.50%	805,511	0.50%
16	MISS. S. DURGA	751,755	0.45%	733,531	0.45%
17	SEYLAN BANK PLC / E. J. GUNESKERA & M.G.M GUNASEKERA	635,000	0.38%	650,045	0.40%
18	MR. S.N.C.W.M.B.C. KANDEGEDARA	597,484	0.36%	-	-
19	MRS. S. UMESHARY	514,488	0.31%	583,000	0.36%
20	MR. U.F STRUNK & MRS. M.G. DE ALBUQUERQUE LEINENBACH	512,235	0.31%	554,710	0.34%
		142,161,364	85.90%	133,402,700	82.60%

TOP 20 MAJOR SHAREHOLDERS		Non-Voting as at 31.03.2025		Non-Voting as at 31.03.2024	
No.	Name	No. of shares	%	No. of shares	%
1	HATTON NATIONAL BANK PLC/ALMAS HOLDINGS (PRIVATE) LIMITED	6,673,497	27.57%	6,306,087	26.92%
2	HATTON NATIONAL BANK PLC/ALMAS CAPITAL (PRIVATE) LIMITED	1,432,905	5.92%	1,387,053	5.92%
3	RENUKA GROUP LIMITED	1,302,226	5.38%	1,260,555	5.38%
4	MR. K. C. VIGNARAJAH	1,179,984	4.88%	1,142,225	4.88%
5	MR. S. ABISHEK.	592,022	2.45%	573,078	2.45%
6	MR. A. SITHAMPALAM	446,014	1.84%	431,742	1.84%
7	ALMAS HOLDINGS (PRIVATE) LIMITED	424,294	1.75%	-	0.00%
8	MR. R. GAUTAM	407,091	1.68%	388,266	1.66%
9	MSS INVESTMENTS (PVT) LTD	395,408	1.63%	-	-
10	DR. G. RAJIYAH	383,852	1.59%	371,569	1.59%
11	MRS. S. UMESHWARY	366,362	1.51%	354,639	1.51%
12	E. W. BALASURIYA & CO. (PVT) LTD	329,711	1.36%	319,161	1.36%
13	RAVI EXPORTS PRIVATE LIMITED	325,413	1.34%	315,000	1.34%
14	HALLSVILLE FRONTIER EQUITIES LTD	318,369	1.32%	308,182	1.32%
15	MR. S.N.C.W.M.B.C. KANDEGEDARA	294,998	1.22%	285,559	1.22%
16	COMMERCIAL BANK OF CEYLON PLC A/C NO. 04	285,445	1.18%	276,311	1.18%
17	MISS. S. DURGA	283,649	1.17%	274,573	1.17%
18	MR. R.E. RAMBUKWELLE	263,536	1.09%	255,103	1.09%
19	Tranz Dominion L.L.C.	255,217	1.05%	-	-
20	HATTON NATIONAL BANK PLC/ARUNASALAM SITHAMPALAM	243,098	1.00%	235,319	1.00%
		16,203,091	66.95%	14,484,422	61.83%

NOTICE OF MEETING

Notice is hereby given that the 45th Annual General Meeting of the Company will be held virtually on Friday, 26th September 2025 at 4.30 p.m. for the following purposes :-

1. To receive and consider the Report of the Directors and the Audited Financial Statements for the year ended 31st March 2025 with the Report of the Auditors thereon.
2. To re-elect Mrs. M. S. Theverapperuma as a Director of the company as per the Articles of 26(1) of Article of Association.
3. To re-elect Mr. M.S. Dominic as a Director of the Company, who retires by rotation in terms of Article 28 (1) and offers himself for re-election.
4. To re-elect Dr. J. A. S. Felix as a Director Director of the Company, who retires by rotation in terms of Article 28 (1) and offers himself for re-election.
5. To re-elect Mr. S. Rajaratnam as a Director of the Company, who retires by rotation in terms of Article 28 (1) and offers himself for re-election.
6. To re-appoint Mrs. I.R. Rajiyah who is 74 years of age, as a director in terms of Section 211 of the Companies Act No. 7 of 2007 and it is specifically declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said I.R. Rajiyah.
7. To re-appoint Dr. S.R. Rajiyah who is 75 years of age, as a director in terms of Section 211 of the Companies Act No. 7 of 2007 and it is specifically declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Dr. S.R. Rajiyah.
8. To authorise the Directors to determine contributions to charity.
9. To re-appoint M/s KPMG, Chartered Accountants as the Auditors and authorise the Directors to determine their remuneration for the ensuing year.

By Order of the Board,

Sgd.
Renuka Enterprises (Pvt) Ltd
Company Secretaries
29th August 2025

Note:-

- (i) A member entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend and vote instead of the member, such proxy need not be a member.
- (ii) A Form of Proxy is enclosed with this Annual Report.
- (iii) The completed Form of Proxy should be deposited at the Registered Office of the Company at "Renuka House", No. 69, Sri Jinaratana Road, Colombo 2, on or before 4.30p.m. on 24th September 2025, being not less than 48 hours before the time appointed for the holding of the Meeting.

FORM OF PROXY

I / Weof
 being a member/
 members of Renuka Holdings PLC, hereby appoint; (NIC No.)
 of.....
Or failing her/him

Mrs. I.R. Rajiyah, or failing her
 Dr. S.R. Rajiyah, or failing him
 Mr. S.V. Rajiyah, or failing him
 Mrs. J.J.B.A. Rajiyah, or failing her
 Mr. V. Sanmugam, or failing him
 Mr. S. Rajaratnam, or failing him
 Mr. M.S. Dominic, or failing him
 Dr. J. A. S. Felix, or failing him
 Mrs. M. S. Theverapperuma

as my/ our proxy to represent me / us and to speak and to vote on my / our behalf at the Annual General Meeting of the Company to be held on the 26th day of September 2025, and at any adjournment thereof and at every poll which may be taken in consequence thereof.

		For	Against
1.	To receive and consider the Report of the Directors and the Audited Financial Statements for the year ended 31st March 2025 with the Report of the Auditors thereon.		
2.	To re-elect Mrs. M. S. Theverapperuma as a Director of the Company.		
3.	To re-elect Mr. M.S. Dominic as a Director of the Company.		
4.	To re-elect Dr. J. A. S. Felix as a Director of the Company.		
5.	To re-elect Mr. S. Rajaratnam as a Director of the Company.		
6.	To re-appoint Mrs. I.R. Rajiyah as a Director of the Company.		
7.	To re-appoint Dr. S.R. Rajiyah as a Director of the Company.		
8.	To authorise the Directors to determine contributions to charity.		
9.	To re-appoint M/s KPMG, Chartered Accountants as Auditors to the Company and authorise the Directors to determine their remuneration.		

Dated this day of 2025

.....
 Signature of Shareholder

Note:

- (a) A proxy need not be a member of the Company.
- (b) Instructions regarding completion appear overleaf.

INSTRUCTIONS AS TO COMPLETION OF THE FORM OF PROXY

1. To be valid, the completed Form of Proxy should be deposited at the Registered Office of the Company, at “Renuka House”, No. 69, Sri Jinaratana Road, Colombo 2, on or before on or before 4.30p.m. on 24th September 2025 being not less than 48 hours before the time appointed for the holding of the Meeting.
2. In perfecting the Form of Proxy, please ensure that all the details are legible.
3. Please indicate with an ‘X’ in the space provided how your proxy to vote on each resolution. If no indication is given the proxy, in his discretion, will vote, as he thinks fit.
4. In the case of a Company / Corporation, the proxy must be under its Common Seal which should be affixed and attested in the manner prescribed by its Articles of Association.
5. In the case of proxy signed by the Attorney, the Power of Attorney must be deposited at the Registered Office at “Renuka House”, No. 69, Sri Jinaratana Road, Colombo 2, for registration.

CORPORATE INFORMATION

Name of Company

Renuka Holdings PLC

Registration No.

PQ 227

Legal Form

Quoted Public Company With Limited Liability

Principal Activity

It is the holding company for subsidiaries engaged in the business of Agri Food Exports, Consumer Brands, Property and Investment.

Board Of Directors - Company

Mrs. I.R.Rajiyah (Chairperson)

Dr. S.R.Rajiyah

Mr. S.V.Rajiyah

Mrs. J.J.B.A. Rajiyah

Mr. V. Sanmugam

Mr. M.S.Dominic

Mrs. M. S. Theverapperuma

Dr. J.A.S. Felix

Mr. S. Rajaratnam

Audit Committee

Mrs. M. S. Theverapperuma (Chairman)

Dr. J.A.S. Felix

Mr. S. Rajaratnam

Related Party Committee

Mrs. M. S. Theverapperuma (Chairman)

Dr. J.A.S. Felix

Mr. S. Rajaratnam

Remuneration Committee

Mr. Selvaskandan Rajaratnam (Chairman)

Dr. J.A.S. Felix

Mrs. M.S. Theverapperuma

Nomination Committee

Mr. Selvaskandan Rajaratnam (Chairman)

Dr. J.A.S. Felix

Mrs. M.S. Theverapperuma

Company Secretaries

Renuka Enterprises (Pvt) Ltd 69 Sri Jinaratana Road, Colombo 2

Registrars

S.S.P. Corporate Services (Pvt) Ltd 546 Galle Road, Colombo 3.

Registered Office

"Renuka House"

69 Sri Jinaratana Road, Colombo 2

Postal Address

P.O.Box 25, Colombo

Stock Exchange Listing

Colombo Stock Exchange

Auditors

Messrs. KPMG Chartered Accountants

Legal Consultants

Heritage Partners- Attorneys-at-Law

Varners - Attorneys-at-Law

Bankers

Commercial Bank of Ceylon PLC

Habib Bank Limited

Hatton National Bank PLC

National Development Bank PLC

Nations Trust Bank PLC

Sampath Bank PLC

Seylan Bank PLC

Standard Chartered Bank



'Renuka House' P.O. Box 25, No. 69, Sri Jinaratana Road, Colombo 2, Sri Lanka.
Telephone: 0094 11 2314750 Fax : 0094 11 2445549
Email: projects@renukagroup.com
Website: www.renukagroup.com