

# Ceylon Guardian Investment Trust PLC

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# Ceylon Guardian Investment Trust PLC

Ceylon Guardian Investment Trust PLC is the holding company of the investment business of the Carson Cumberbatch Group. As an investment house it manages portfolios of multiple asset classes for differing groups of investors, maintaining a high quality of investments and wealth creation.

As at 31 March 2025 the Guardian Group held an investment portfolio worth Rs. 34.25 Bn. This portfolio builds equity stakes in some of Sri Lanka's most promising and successfully run companies that show great potential for value creation.

# Financial Highlights

All figures are in Sri Lankan Rupees Thousands

For the year ended / As at 31st March	2025	2024	Change %
Revenue	2,502,126	2,287,656	9
Profit / (loss) from operations	4,696,114	3,747,634	25
Profit / (loss) before taxation	4,676,749	3,670,375	27
Profit / (loss) for the year	4,409,816	3,392,371	30
Other comprehensive income / (expense) for the year	5,684,535	(571,287)	(1,095)
Total comprehensive income / (expense) for the year	10,094,351	2,821,084	258
Profit/(loss) attributable to equity holders of the parent company	3,682,261	2,846,045	29
Total comprehensive income / (expense) attributable to equity holders of the parent	8,406,191	2,371,255	255
Net cash generated from / (used in) operating activities	2,375,368	1,576,729	51
Net increase / (decrease) in cash and cash equivalents	1,341,643	1,917,642	(30)
Total equity attributable to equity holders of the parent	28,629,043	20,814,675	38
Total equity	34,147,672	24,801,498	38
Total assets	35,357,265	26,276,316	35
Return on ordinary shareholders funds (%)	12.86	13.68	(6)
Earnings / (loss) per share (Rs)	42.41	32.78	29
Dividend per share (Rs) *	1.36	-	100
Net assets per ordinary / deferred share (Rs)	334.24	237.08	41
Guardian actively managed Portfolio **	20,229,160	16,613,019	22
Guardian fund value **	34,254,910	24,936,497	37
<b>Stock market data</b>			
All Share Price Index (points)	15,815	11,444	38
S&P SL 20 Index (points)	4,735	3,318	43
Market capitalisation	12,268,887	7,311,496	68
Share price (Rs.)			
Year end	153.25	89.10	72
Highest	185.00	115.00	61
Lowest	89.00	55.00	62

\* Based on proposed / interim dividends

\*\* Based on fair value of portfolio after adjusting for cash and cash equivalents. Total Fund value include actively managed portfolio and investment in Bukit Darah PLC.

# Chairperson's Message

Dear Shareholders,

It pleases me to present the Annual Report of Ceylon Guardian Investment Trust PLC (CGIT) for the financial year ended 31 March 2025.

The financial year ending March 2025, saw the Sri Lankan economy maintain its recovery while adhering to the International Monetary Fund (IMF) programme and its prescribed reforms. The economy recorded a growth in 2024 of 5.0% in contrast to contractions in the prior two years. This recovery was driven by growth in the industrial sector, policy reforms and supported through fiscal discipline. Furthermore, stability in exports, continued growth in tourism receipts and worker remittances contributed to foreign exchange inflows leading to a stable currency. The lower interest rate environment has been more conducive for growth while inflation has been stable with better policy management.

The Colombo Stock Exchange (CSE) enjoyed another year of good performance with the All Share Price Index (ASPI) recording a gain of 38.19% while the S&P SL20 index also increased to 42.70%. The equity market had a strong rally in the second half of the year due to positive economic progress and conclusion of elections. Central Bank of Sri Lanka (CBSL) policy rate direction trending down and high levels of excess liquidity in the interbank markets saw Interest rates reduce throughout the year.

The Ceylon Guardian Group's total portfolio recorded a performance of 40.29% (adjusted for share repurchases and dividends) and reported a consolidated profit after tax of Rs. 4.4 Bn for the financial year ending 2025. The strong financial performance was largely attributable to the gain of Rs. 2.8 Bn from fair value through the profit or loss of financial assets due to the upward movement of equity holdings of the portfolio.

I take this opportunity to thank the staff for their commitment to managing the company during these uncertain times. I also thank our loyal clients, investors and shareholders who continue to place their trust in our team. I would also like to express my gratitude to the regulators and service providers for their support. I welcome Mr. Ajith Prashantha Weeratunge, Mr. Amitha Saktha Amaratunga and Mr. Sahishnu Keshav Balasuriya who joined the Board of Directors during the financial year and look forward to their contributions to the company strategy. I extend my appreciation to my fellow Board Members and the members of the Audit Committee, Remuneration Committee, Nomination & Governance and Related Party Transactions Review Committee for their valuable contributions in steering the company.

(Sgd.)

**M. A. R. C. Cooray (Mrs.)**

Chairperson

Colombo

30th June 2025

# Management Discussion and Analysis

## GUARDIAN GROUP PORTFOLIO PERFORMANCE

Some of the reforms implemented with the IMF's Extended Fund Facility (EFF) programme began to bear fruit, with the Sri Lankan economy expanding by 5.0% in 2024, following contractions in two consecutive years. The Industry sector was a key growth propeller, growing by 11.0% with segments such as food, beverage, apparel and construction showing significant contribution. Meanwhile, the Agriculture and Service Sector also contributed to growth by 1.2% and 2.4% respectively. Inflation was well below the desired target allowing CBSL to cut policy

rates and implement an expansionary policy. Despite the trade deficit gradually widening throughout the financial year, the external sector remained resilient with growth in tourism receipts and remittances. This allowed the Central Bank to strengthen its Gross Official Reserves to USD 6.5 bn by March 2025. The economy overall has stabilised and is showing signs of rebounding. Authorities need to maintain their resolve on revenue mobilisation, reserve accumulation and structural reforms. They will also need to remain vigilant on external risks potentially worsening such as global trade policy uncertainty and regional conflicts escalating

	As at			As at 31-Mar 2025 (Dividend / Repurchase adjusted)	
	31-Mar-25	31-Mar-24	Change %	Dividend / Repurchase adjusted	(Dividend / Share Repurchase adjusted)
Active portfolio (Rs. '000) *	20,229,160	16,613,019	21.77%	20,958,841	26.15%
Total Portfolio (Rs.'000)*	34,254,910	24,936,497	37.37%	34,984,591	40.29%
ASPI (Points)	15,815	11,444	38.19%		38.19%
S&P 20 (Points)	4,735	3,318	42.70%		42.70%
Average Weighted Fixed Deposit Rate	8.79%	13.10%	32.90%		

\*After the addition of the total cash outflow from the distribution of dividend and repurchases by the Group which was Rs.729.8 Mn during the period under review.

The total portfolio of CGIT grew to Rs. 34.25 Bn during the financial year ending March 2025 which translates to a performance of 40.29% (adjusted for share repurchases and dividends). The active portfolio which excludes the strategic stake of Bukit Darah PLC grew by 26.16% (adjusted for share repurchases and dividends) relative to the All Share Price Index of 38.19% and average AWFDR of 9.80%. The active portfolio focuses on an absolute growth strategy using fundamental stock selection for equity investments while utilising a high credit quality strategy for fixed income investments. CGIT's active portfolio has been positioned to capture growth in both asset classes during this recovery period and capture the uptick in the share market while also benefitting from the high yielding fixed income investments made in prior financial years.

The equity market was marked by uncertainty and volatility during the first 6 months of the financial year under review on account of political and economic developments, leading to cautious investor sentiment. Thereafter, as economic activity showed signs of improvement, the market experienced a sharp re-rating during the second half of the financial year resulting in the ASPI recording

a 33.40% increase. Corporate earnings announced in the year showed that listed company earnings were on a steadier footing. Furthermore, the equity market was buoyed by the agreement reached with Sovereign Bond holders, country rating upgrade from default status and lower interest rates.

Interest rates continued their decline from the previous year with the 364-day Treasury bill reducing by 2.03% during the financial year to close the year at 8.25%. The reduction in rates was largely attributable to further economic stability, deflationary numbers recorded, policy rate reductions and ample liquidity in the interbank market. The declining rate trend for Government securities was not as apparent with larger bank fixed deposits who have been very liquid. Hence, fixed deposit rates offered at 8.00%-8.75% levels at the start of the financial year came down marginally to 7.75%-8.30% levels towards the end of the year. Our fixed deposit holdings include Rs. 5.1 Bn of the longer-term fixed deposits that were placed in a timely manner at the peak of the interest rate movement during financial year ending March 2023. The remainder of our fixed deposit portfolio is deployed into short-term investments, which are either awaiting higher interest rates to lock in or are to be deployed into equity investments at the opportune time.

The CSE rally during the financial year saw steep upward movements in share prices which were largely attributable to economic stabilisation. This resulted in listed companies re-rating from a valuation perspective back to more normalised relative multiples. However, we see the economy still having further progress to make for companies to see better growth prospects particularly in areas of real income growth, fiscal prudence, public debt management and deeper reforms. We took the opportunity to reduce equity exposure and were a net seller in the market for the financial year with total equity sales of Rs. 4.22 Bn and purchases of Rs. 1.17 Bn. We continue to carefully monitor each position and will take necessary actions based on our fundamental outlook on each company and their respective discounts to intrinsic value and growth potential.

With an investment exposure of Rs. 2.04 Bn, Central Finance PLC continues to be the highest single company equity exposure in the active portfolio as at 31st March 2025. As at 31 March 2025, Central Finance held an asset base of Rs. 130.15 Bn and a very comfortable capital buffer over regulatory requirements. The large buffer allows the company to navigate any further shocks the industry may face. Profitability of the industry is expected to increase with the controlled lifting of vehicle import ban coming into effect in February 2025. The share price surged during the financial year by 82% giving us the opportunity to dispose of Rs. 743 Mn of our holding. The company continues to trade at an attractive price-to-book value multiples, implying that there is still significant upside.

Hemas Holdings PLC was another top holding within our portfolio, whose share price performed well, with a year on year (YoY) increase of 49.3%. With an exposure of Rs. 1.78 Bn as at March 2025, the stock is our second highest weight in the active portfolio. The company is a conglomerate that operates in the consumer, healthcare and mobility sectors. Hemas has benefitted from the cautiously rising consumer confidence as a result of the economic stabilisation. The consumer segment operates in an intensely competitive space, but as the economy continues on its recovery path, we expect consumption patterns to further improve thereby benefiting the company. The company also has a presence in other regional countries such as Bangladesh, which experienced challenges through the financial year. As the share price had a sharp increase, we secured some gains by selling Rs. 241 Mn. We continue to maintain an exposure as the company currently trades at a discount to its fair value and we see long-term growth potential.

Sunshine Holdings PLC is a diversified conglomerate whose business extends into healthcare, agribusiness and consumer goods. Sunshine is a key player in the local pharmaceutical distribution sector and has a presence in drug manufacturing and pharmaceutical retailing. The company's healthcare segment has shown considerable growth overtime and has further potential with volume recovery taking place amidst economic recovery. However, the segment continues to be exposed to inherent risks such as price regulation resulting in a lack of a consistent pricing mechanism to protect its margins. The company's agribusiness is also a key contributor to bottom line with majority of the agribusiness consisting of palm oil cultivation. As at 31 March 2025, we held a Rs. 659 Mn position in the active portfolio and continue to study the progress of the company.

Ceylon Tobacco Company, a subsidiary of British American Tobacco, has had a presence in Sri Lanka for over a 119 years and is the only legal manufacturer of cigarettes in the country. We held a position of Rs. 600 Mn as at the end of the financial year. The company has a strategy of managing the sharp increases in excise duty and taxes with higher price increases. Although this has benefitted bottom line expansion the company has experienced significant volume declines over time. We felt this was an attractive investment due to the company's favourable dividend pay-out ratio and high profitability. However, we are studying the company progress closely as higher taxes and price increases will drive more smokers to illicit alternatives and the unregulated beedi market.

Dialog Axiata is the leading telecom provider by market share in the country and has a presence in Mobile, Fixed Broadband and Pay TV. As at 31 March 2025, we held a position of Rs. 318 Mn in Dialog. The company recently acquired Airtel and this has benefitted Dialog in gaining revenue and access to spectrum. We also expect recent price hardening exercises carried out to benefit bottom line profitability. Although we have a position in the company, we are watchful of sensitivities involving competitive dynamics and capital intensity.

The table below shows the top holdings of the Guardian active portfolio.

### TOP TEN HOLDINGS

Company	Market Value of the holding (Rs. '000)	Holding as a % of active holdings
Central Finance Company PLC	2,040,295	10.09%
Hemas Holdings PLC	1,780,192	8.80%
Distilleries Company of Sri Lanka PLC	738,193	3.65%
HNB Assurance PLC	721,938	3.57%
Sunshine Holdings PLC	659,105	3.26%
Ceylon Tobacco Company PLC	600,120	2.97%
Cargills (Ceylon) PLC	445,064	2.20%
Ceylinco Holdings PLC - Non voting	436,019	2.16%
Dialog Axiata PLC	317,950	1.57%
People's Leasing & Finance PLC	278,304	1.38%
	8,017,180	39.63%

During the financial year, global markets experienced significant volatility amidst escalating geopolitical conflicts and rising political risks, particularly driven by elections across several major economies. Despite these challenges, global equity markets performed well, buoyed by strong gains in technology stocks, easing inflation and declining interest rates. As of 31 March 2025, we maintained an overseas investment of USD 5.67 Mn. Part of these funds are allocated to equities, invested in fundamentally strong companies across diverse geographies including the United States, Europe, Singapore, and Hong Kong. Our investment outlook remains cautious given the continued uncertainty arising from trade tensions, geopolitical instability and signs of a slowdown in global economic growth. As a result, we have strategically positioned majority of our overseas investments in short-duration fixed income instruments, including U.S. Treasury securities and high-quality corporate bonds, to preserve capital and maintain liquidity in a volatile environment.

### FINANCIAL REVIEW

CGIT delivered strong financial performance for the year ended 31 March 2025, supported by favourable market conditions and robust investment returns. The Group's consolidated revenue increased by 9% to Rs. 2.5 Bn, primarily driven by Interest income amounting to Rs. 1.1 Bn, Dividend income of Rs. 647 Mn and Gains from the sale of equity and debt securities of Rs. 708 Mn

The Group reported a profit after tax of Rs. 4.4 Bn, up from Rs. 3.4 Bn in the previous year. This growth was largely attributable to Rs. 2.8 Bn fair value gain from its investments of equity securities, benefiting from the upward movement in equity holding of the portfolio.

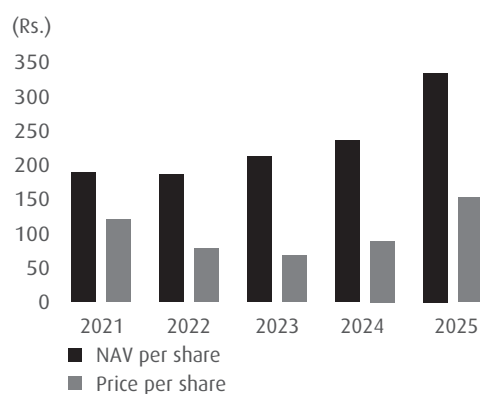
### NET ASSET VALUE AND SHARE PRICE

As of 31 March 2025, the Group's Net Asset Value (NAV) per share rose by 40.98% to Rs. 334.24. However, the market price of the share was Rs. 153.25, reflecting a 54% discount compared to NAV.

In summary, the Group delivered a solid performance during the year, with improved Profit and a stronger asset base.

As at 31 March	2025	2024	Change %
ASPI	15,815	11,444	38.19
NAV per share (Rs.)	334.24	237.08	40.98
Market price per share (Rs.)	153.25	89.10	72.00
Discount of NAV to market price per share	54%	62%	

### NAV per share vs Share price



# Risk Management

## Overview of Risk Management

Risk management is the process of identifying and assessing risks that may arise due to factors which are either internal or external to the entity and involves the implementation of mitigating actions to address such risks. The management of risk helps to avoid or minimise the likelihood of incurring unanticipated losses. It is not a one-time or periodic assessment, but a continuous process which serves as an integral aspect of daily business operations and the management of the entity.

## Risk Management Structure at Ceylon Guardian Group

The risk management structure established at Ceylon Guardian Group is applicable across the parent company and all other entities of the Group. Risk management for the Investment Sector was overseen by the Integrated Risk Management Committee (IRM), which comprised two Independent Directors and one Non-Executive Director. The Chairperson of the IRM was an Independent Director.

Ceylon Guardian Investment Trust PLC is a subsidiary of Carson Cumberbatch PLC (CCPLC). In accordance with the Listing Rules of the Colombo Stock Exchange (CSE) applicable prior to 1st October 2024, the Audit Committee of CCPLC functioned as the Audit Committee of the Company. However, following the introduction of new Corporate Governance Rules by the CSE, and in compliance with Rule 9.3.1, the Company established its own Audit Committee effective from 25th September 2024. Since its formation, the Audit Committee has assumed oversight of the functions previously handled by the IRM.



## Risk Management

The Ceylon Guardian Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk tolerance and controls, and to monitor risks and curtail them within tolerances. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

### **Risk Categories**

The Ceylon Guardian Group is responsible for the portfolio and asset management business of the Carson's Group. The Group business operations include the management of the Ceylon Guardian Group portfolio which consists of listed equities, private equities, and fixed income securities, in addition to providing portfolio management services to external customers. The Group faces a wide range of risks, some of which are applicable across all the asset classes under management, while others are merely applicable to specific business operations or a particular asset category. The key risks are monitored and managed as a continuous process to ensure the Group remains responsive to potential risks and mitigates their impact on operations.

Risk Category	Impact and mitigating strategies
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### **MACRO ENVIRONMENTAL RISKS**

The overall macro-economic landscape and political environment affects the risk profile of the Group changes in macro-economic variables such as GDP growth, interest rates, inflation, exchange rates, changes in the political environment and government policies affect the achievement of the Group's business and financial objectives.

<b>Economic risk</b>	<ul style="list-style-type: none"><li>Economic risks are monitored by tracking key macroeconomic variables. With a focus on absolute return strategies, equity exposures are partially determined by prevailing levels of economic risk and fixed income investments are placed with high credit quality institutions.</li></ul>
<b>Interest rate risk</b>	<ul style="list-style-type: none"><li>The maturity profile of investments are constantly monitored by the management team. The risk of local interest rates increasing due to potential macro-economic pressures in the future has been mitigated by maintaining shorter tenors. Longer tenor fixed deposits have been locked in at higher interest rates.</li></ul>
<b>Credit risk</b>	<ul style="list-style-type: none"><li>The risk that an issuer of a security is unable to pay interest/principal in a timely manner will pose a credit risk. This risk is mitigated by maintaining an approved list of investee institutions overlooked by the Investment Committee. Furthermore, individually defined exposure limits per institution, risk grading of the institutions and limits on tenor of investments are also maintained. The limitations are reviewed frequently based on the research department's findings on investable institutions in order to mitigate the risk of being exposed to high-risk institutions.</li></ul>

Risk Category	Impact and mitigating strategies
<b>Market risk - Domestic</b>	<ul style="list-style-type: none"> <li>The exposure to adverse movements in both the equity / fixed income securities market can result in the loss of value and/or variations in the anticipated returns from those securities. Market risks are inherent in every security and are thus collectively considered at the portfolio level to assess the asset allocation decisions of the portfolio. The risks affecting a particular class of security are mitigated by switching to asset classes that are determined to hold less risks in a particular scenario. The sectoral and individual security exposure of the Group's portfolio is continuously monitored.</li> <li>A sound research base has been established to determine changing economic fundamentals of the country to help determine the impact on equity vs fixed income investments and the prompt shifting of funds between asset classes. The sensitivity of stock valuations to changes in economic indicators are continuously monitored.</li> </ul>
<b>Market risk - External</b>	<ul style="list-style-type: none"> <li>Monitoring global developments in capital markets is vital to assess and mitigate this risk. Building up of expertise in foreign markets continue as the Group gradually increases its investments overseas. In mitigating the risk, the Group aims to partner or collaborate with foreign entities that have expertise in such markets to gain knowledge and insulate against potential risks.</li> </ul>
<b>Country risks</b>	<ul style="list-style-type: none"> <li>These comprise the risks arising due to various exchange control regulations, currency fluctuations, transaction costs, taxes and other actions that may be imposed by the government or policy making bodies of the country of operations either Sri Lanka or overseas.</li> <li>Guardian Value Fund LLC and Guardian Fund Management LLC are subject to foreign and global economic, social, and political risks. Risks are monitored closely by the Investment Committee. In addition, specific country risks of entities invested in are also monitored closely.</li> </ul>
<b>Currency risks</b>	<ul style="list-style-type: none"> <li>The risk associated with any fluctuations of foreign exchange rates against the Sri Lankan Rupee may impact performance. Guardian Value Fund LLC and Guardian Fund Management LLC of which the reporting currency is US Dollars, are exposed to the risk of currency impact on translation.</li> <li>The mitigating strategies used involve limiting investments to stocks denominated in developed market currencies, with Investment Committee approval required for investments in other currencies. The management team monitors and identifies signs of possible adverse movements/over-valuation of the currency or weak macro-conditions regularly</li> </ul>

## PORTFOLIO RISKS

The risk arising due to investment strategy, factors inherent to investment instruments and composition of the portfolio which affect the return of the portfolio.

<b>Concentration risk</b>	<ul style="list-style-type: none"> <li>This risk relates to the over exposure of a portfolio to a particular sector/ sectors or a security/ securities, resulting in the risk and return of the portfolio being overdependent on the performances/risk profiles of said sectors or securities. The Group monitors sector exposure and limits the degree of single company/ group exposure of the portfolio as a diversification and mitigation strategy.</li> <li>Loss limits are set to monitor stocks performing below their cost of acquisition to determine whether temporary capital erosion is a concern.</li> <li>Monitoring of this process by the compliance team takes place routinely.</li> </ul>
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Risk Category	Impact and mitigating strategies
<b>Liquidity risk</b>	<ul style="list-style-type: none"> <li>In the event that investment instruments of the portfolio are less liquid, the execution of fund management decisions are affected. Upon the acquisition of shares, the Group considers factors such as free float, market turnover, major shareholders etc. In fixed income instruments, liquidity is considered in tradable securities such as debentures and is factored in when setting instrument wise exposure limits.</li> </ul>
<b>Regulatory and compliance risk</b>	<ul style="list-style-type: none"> <li>The Group is operating in an industry supervised and monitored by several regulatory authorities, including the Securities and Exchange Commission of Sri Lanka (SEC) and adheres to provisions of other regulatory requirements including the Companies Act, the Listing Rules of the Colombo Stock Exchange, and the Central Bank of Sri Lanka.</li> <li>The conduct of operations of the Group is in compliance with the legal and regulatory provisions and financial requirements applicable under these regulatory benchmarks. Non-compliance or violation of these requirements leads to the risk of cancellation / suspension of some licenses issued by SEC, in addition to facing actions being taken by the respective regulatory authorities etc. Management together with the Carson Group's legal division pro-actively identify and establish appropriate systems and processes for legal and regulatory compliance with respect to the Company's operations.</li> <li>Periodic training programmes are conducted for staff to ensure they remain cognisant of any changes in applicable laws and regulations.</li> <li>Guardian Value Fund LLC and Guardian Fund Management LLC are subject to laws and regulations imposed by that country's regulatory authorities. Changes in regulatory environment in the context of these funds are continuously monitored with the assistance of the Fund's lawyers who have the necessary expertise in this regard.</li> <li>Reviews are conducted on a regular basis by the compliance team and the certification of compliance with relevant laws and regulations is ensured on a periodic basis.</li> <li>The compliance team regularly monitors compliance with all regulatory provisions and internal operational procedures and the progress of these entities are reported to the Board on a quarterly basis.</li> </ul>

### OPERATIONAL RISKS

This is the risk of losses being incurred resulting from disruptions, disturbance of business operations caused by events due to inadequate or failed internal processes, people and systems within the organisation. The management of operational risk is a continuous process which includes risk identification and assessment and the implementation of measures to address such risks, which specifically covers the following key areas which are significant within the context of investment and asset management operations.

Risk Category	Impact and mitigating strategies
<b>Systems and process risks</b>	<ul style="list-style-type: none"> <li>The management of systems and process risk consists of identifying risks and formulating plans promoting best practices, implementing internal controls/systems and monitoring compliance with these internal guidelines. The processes are continuously reviewed to identify the areas of weakness and to implement improvements. The Group's accounting systems and portfolio management systems are regularly backed up to prevent loss of data.</li> <li>A Disaster Recovery Plan is available at the Carson Group level (of which Guardian Group is a part of). This pertains to the recovery of Information Technology infrastructure and facilitates critical operations to be active seamlessly in an alternate location, etc. following a disaster or disruptive event.</li> <li>Systems support and the maintenance agreements for the portfolio management software are in place through an annual maintenance agreement with the software vendor which ensures online support for system issues and queries.</li> <li>The internal audit function and compliance team of the Carson's Group review processes in the Investment Sector regularly to ensure the company's assets are safeguarded, in addition to recommending improvements in areas where process or system control failures are found, and also ensuring compliance with regulatory requirements, etc.</li> </ul>
<b>Reputational risk</b>	<ul style="list-style-type: none"> <li>This is a critical risk. A financial entity that experiences any loss/theft or misappropriation of cash/ financial assets can face permanent and/or long-term loss of business. Therefore, a sound system of internal controls and regular reviews are carried out by the compliance department to mitigate such risks.</li> <li>A Code of Ethics is signed by all staff members, with constant education and awareness maintained with respect to the implications of maintaining the code at all levels.</li> <li>Regular staff communication is maintained.</li> </ul>
<b>Talent acquisition and retention</b>	<ul style="list-style-type: none"> <li>A fund management operational unit requires qualified professionals with experience in the fund management industry. Knowledge of the operating mechanism of the market as well as its norms and ethics are of vital importance. Maintaining diversity in the team, developing a strong second layer, and providing training and development opportunities, are standard practices of the industry which are maintained at the highest level within the organisation. The staff of the Group are all professionally qualified with a strong track record of industry experience. A skilled research team has been developed to complement the fund management operation and raise the standard of the investment decision making process. Staff training and development has been identified as an important area, while retention is managed through a comprehensive reward structure and an incentive scheme, with opportunities for career progression. Organisation culture is also an important element in this area, and there are regular reviews and activities to continually improve the culture. Collectively these steps help the organisation to establish an effective succession plan and ensure long-term value.</li> </ul>

# Profiles of the Directors

## **MRS. ROSE COORAY**

(Chairperson)

Rose Cooray is the Chairperson of Ceylon Investment PLC, Ceylon Guardian Investment Trust PLC and Guardian Fund Management Limited and she functioned as the Chairperson of the Integrated Risk Committee of the Guardian Group of companies. After retirement from the Central Bank of Sri Lanka, she has served as a Director on the Boards of Hatton National Bank PLC, HNB Finance PLC and served as the Chairperson of HNB Assurance PLC and HNB General Insurance Limited.

She is a retired Deputy Governor of the Central Bank of Sri Lanka where she served for over 35 years. She counts over 50 years of experience in working in the financial sector holding a number of positions.

On release from the Central Bank, she had served the Ministry of Finance in the capacity of Director General Fiscal Policy and Economic Affairs Department for nearly 6 years, represented the Government on the Boards of DFCC Bank, Sri Lanka Institute of Information Technology, Sri Lanka Telecom, Ceylon Electricity Board, De La Rue Currency and Security Print (Pvt) Ltd, Export Development Board, National Housing Development Authority and represented the Monetary Board on West Coast Power (Pvt) Ltd.

She has functioned as the Vice Chairperson of the Institute of Bankers of Sri Lanka for 5 years and has served on a number of Committees at national level covering a variety of subjects representing the Ministry of Finance and the Central Bank. She has also presented papers/been the resource person representing the Central Bank and the Ministry of Finance at various international meetings/seminars.

Mrs. Cooray has been involved extensively in policy making and implementing projects and programmes, especially in the area of regional development and microfinance. She has wide experience in negotiating loans with multilateral and other donors, as well as bilateral trade agreements on behalf of the Government. Her articles/papers have been published in professional journals.

## **MANILAL FERNANDO**

Vernon Manilal Fernando is a Director of Ceylon Guardian Investment Trust PLC, Ariyana Investment (Pvt) Ltd is currently the Chairman of Dynamic AV Technologies (Pvt) Ltd, Shipping Cargo Logistics (Pvt) Ltd, Ortho Lanka (Pvt) Ltd and Swiss Ceylon Associates (Pvt.) Ltd. He is also the President elect of the Ceylon Chamber of Construction Industries of Sri Lanka and a Management Trustee of The Joseph Fraser Memorial Hospital, Also an Attorney-at Law.

He served as an Independent Non-Executive Director on the Board of Ceylon Investment PLC and resigned w.e.f. 25th September 2024.

## **KRISHNA SELVANATHAN**

Krishna Selvanathan serves as a Director of Carsons Management Services (Private) Limited and is the CEO of Guardian Fund Management Limited. He also serves as a Director of Lion Brewery (Ceylon) PLC and Pegasus Hotels of Ceylon PLC.

He holds a BA Degree in Accounting & Finance and Business Administration from the University of Kent, U.K.

## **DIRK PEREIRA**

Dirk Pereira was appointed as an Independent Non-Executive Director to the Board of Ceylon Guardian Investment Trust PLC w.e.f. 21st October 2021. He was also appointed as an Independent Non-Executive Director to the Board of Ceylon Investment PLC w.e.f. 25th September 2024.

Dirk served as Director / CEO of Union Assurance PLC, one of the largest life insurance companies in Sri Lanka, and a subsidiary of John Keells Holdings PLC. He has more than 25 years of finance and general managerial experience serving both local and multinational companies including Union Assurance, British American Tobacco / Eagle Star, Zurich Financial Services and Ernst & Young. He is a Fellow Member of the Chartered Institute of Management Accountants (CIMA) UK and the Institute of Chartered Accountants of Sri Lanka (ICASL) and holds an MBA from the Postgraduate Institute of Management (PIM) - University of Sri Jayewardenepura, Sri Lanka.

### **CHRISTOPHER THORBURN KNIGHT**

Christopher Knight has 25 years of experience in global equity markets with a focus on Asia and Emerging Markets. He worked for JPMorgan for 22 years up until September 2022, with 20 of them based in Asia (Hong Kong, Singapore & India) covering large Asset Managers and Sovereign Wealth Funds. During his time in India, he successfully ran JPMorgan's equity business and navigated it through the GFC. Since December 2022, he has been Head of Investor Relations for Merlin Fidelis Asset Management, who run an Emerging Markets Equities Fund.

He holds a BA in Politics from Newcastle University, the Investment Management Certificate and the CFA Certificate in ESG Investing.

### **AJITH WEERATUNGE (Appointed w.e.f. 25th August 2024)**

Ajith Weeratunge is presently a Non-Executive Director of Carsons Management Services (Private) Limited, which is the management arm of Carson Cumberbatch PLC's Sri Lankan operations.

He is also a Non-Executive Director of Group's Real Estate Sector's Equity Two PLC, Equity One Limited and the Group's Portfolio and Asset Management Sector's Ceylon Investment PLC, Ceylon Guardian Investment Trust PLC, Rubber Investment Trust Limited and Guardian Fund Management Limited. He is also a Non-Executive Director of Group's oil palm plantation sector holding company, Goodhope Asia Holdings Ltd.

He carries over 40 years of finance related experience in several leading companies in the mercantile sector, which includes 28 years of service with Carsons Group.

He is a Fellow member of the Chartered Institute of Management Accountants of UK.

### **A.S. AMARATUNGA (Appointed w.e.f. 25th September 2024)**

Mr. Saktha Amaratunga is an Independent Non-Executive Director of Bukit Darah PLC, Carson Cumberbatch PLC and in several companies of the Carson Cumberbatch Group, Chairman - Audit Committees of the Carson Cumberbatch Group and is also a Commissioner of PT Agro Indomas Indonesia, a subsidiary of the Carson Cumberbatch Group. He is also an Audit Committee Member of MAS Holdings Ltd.

Previously, Regional Audit Controller (Asia Pacific) for British American Tobacco, he has more than 20 years' experience with British American Tobacco, having performed senior finance roles for the Group in Sri Lanka and the United Kingdom, and also being the Finance Director of British American Tobacco Operations in the Czech Republic, Sri Lanka, Switzerland, Japan and Malaysia (IT Shared Services Organisation). He was also an Independent Non- Executive Director and Chair of the Audit Committee at Hemas Holdings till November 2024.

He has many years of experience in Strategy Development, Business Restructuring, Risk and Governance, International Finance and People Development. He is a Fellow Member of the Chartered Accountants of Sri Lanka, Associate Member of the Chartered Institute of Management Accountants, UK and also a Member of CPA Australia.

### **SAHISHNU KESHAV BALASURIYA (Appointed w.e.f. 31st October 2024)**

Keshav Balasuriya serves as a Director of Senfin Securities Ltd, Venture Retail (Private) Limited and was previously a Director of Senfin Asset Management Ltd. He is currently employed at Senkadagala Finance PLC, where he led the company's expansion into the capital markets industry in the form of Asset Management, Stockbroking and Margin Trading operations. He also oversees the company's proprietary investment portfolio.

He holds a Master of Finance (MFin) from the Judge Business School, University of Cambridge, an MSc in Computer Science from the University of Bristol, and a BSc in Biological Sciences from University College London.

# Management Team

## **KRISHNA SELVANATHAN**

*(BA. Accounting & finance and Business Administration)*

Director / CEO of Guardian Fund Management Limited. He is also a Director of Ceylon Guardian Investment Trust PLC. Refer page 12 for his detailed profile.

## **SUMITH PERERA**

*(B.Sc (Hons) Economics & Business Finance, ACMA)*

Director / Head of Portfolio Management, Guardian Fund Management Ltd., and Director of Ceylon Investment PLC. He has over 20 years of experience in the field of Asset Management working as a Fund Manager for CAAM Saudi Fransi LLC (Kingdom of Saudi Arabia), Investment Analyst for Eagle NDB Fund Management (Sri Lanka) and as a Financial Analyst for John Keells Stockbrokers. He holds a BSc (Hons) in Economics and Business Finance from Brunel University, UK and is an Associate Member of the Chartered Institute of Management Accountants.

## **ASANKA JAYASEKERA**

*(CFA, B.Sc. Finance (Hons), ACMA)*

Asanka Jayasekera is the Director of Guardian Fund Management Ltd and Guardian Value Fund LLC (Mauritius). He heads the group's research function and oversees its international investment operations. He is an experienced professional in the field of asset management and investment research with over 19 years of experience. He holds a B.Sc. (Hons) in Finance from the University of Sri Jayewardenepura, Sri Lanka. He is a Chartered Financial Analyst (CFA), USA, and an Associate Member of the Chartered Institute of Management Accountants (CIMA), UK.

In addition to his professional roles, Asanka has contributed to academia as a visiting lecturer at the Department of Finance, University of Sri Jayewardenepura. He also serves as an external expert on two advisory committees appointed by the Securities and Exchange Commission of Sri Lanka: the Committee for Developing the Corporate Debt Market and the Committee for the Development of the Unit Trust Industry.

## **PRABATH EKANAYAKE**

*(BBA, Business Administration (Sp), FCA)*

Senior Vice president -Finance, Guardian Fund Management Limited, commenced career at KPMG Sri Lanka and then worked at Ernst & Young and Qatar Alpha Beton Ready-mix Company in State of Qatar.

He has over 15 years of overseas and local experience in the fields of accounting and auditing. He is a fellow member of the Institute of Chartered Accountants of Sri Lanka and holds a Bachelor's degree specialised in Business Administration from the University of Colombo, Sri Lanka.

## **PRIYAN DE MEL**

*(FCCA, CISI, ACMA)*

Senior Vice President - Operations, Guardian Fund Management Ltd. Has over 13 years of experience in Portfolio Operations. Fellow member of the Association of Chartered Certified Accountants (ACCA UK), member of Chartered Institute of Securities and Investment (CISI UK) and Associate member of Certified Management Accountants of Sri Lanka (ACMA).

## **HARINDI HETTIGAMAGE**

*(ACMA)*

Senior Vice President- Research at Guardian Fund Management Ltd. She has over 10 years' experience in the field of asset management and investment research. Prior to joining the Ceylon Guardian Group, she worked as a Senior Investment Analyst at HNB Assurance PLC (subsidiary of Hatton National Bank PLC). Harindi is an Associate Member of the Chartered Institute of Management Accountants.

## **SHAHAN DE SILVA**

*(B.Bus (Hons.) Banking & Finance & Business Law)*

Senior Vice President - Research at Guardian Fund Management Ltd, with over 8 years' experience in the field of investment research. Prior to joining the Ceylon Guardian Group, he worked as a senior research analyst at CT CLSA Securities (Pvt) Ltd (part owned by CITIC CLSA, a Hong-Kong based leading capital markets & investment group). Shahan holds a B.Bus (Hons) in Banking & Finance & Business Law from Monash University, Australia, and was part of the Deans Honour List.

### **Portfolio Operations Team**

Shewantha Peiris, Thamara Sandeepa, Yashara Binali

### **Finance Team**

Omesha Piyumi, Prabhath Dissanayake, Sandun Balasooriya

### **Research Team**

Dushan Ekanayake, Tharushi Egodahewage, Winura Wijekulasooriya

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

The Board of Directors of Ceylon Guardian Investment Trust PLC have pleasure in presenting to the shareholders this Report together with the Audited Financial Statements for the year ended 31st March 2025.

The details set out herein provide the pertinent information required by the Companies Act, No. 07 of 2007, Listing Rules of the Colombo Stock Exchange and are guided by recommended best Accounting Practices.

The Annual Report was approved by the Board of Directors on 30th June 2025.

## 1. GENERAL

Ceylon Guardian Investment Trust PLC (the "Company"), is a public limited liability Company incorporated in Sri Lanka in 1951.

## 2. THE PRINCIPAL ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES

The principal activities of the Company and its subsidiaries are to act as specialised investment vehicles within the investment business to undertake listed equity, private equity and fixed income investments and engage in fund management activities.

There were no significant changes in the nature of the principal activities of the Company during the financial year under review.

A list of subsidiaries and jointly controlled entities are provided in note 36.2 to these financial statements.

## 3. REVIEW OF OPERATIONS AND FUTURE DEVELOPMENTS

The Chairperson's Statement and Management Discussion & Analysis on pages 03 to 06 provide an overall assessment of the business performance of the Company and the Group and its future developments. These reports together with the audited consolidated financial statements reflect the state of affairs of the Company and the Group.

## 4. FINANCIAL STATEMENTS

The consolidated financial statements which comprise of the Statement of Profit or Loss and other Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and Notes to the financial statements of the Company and the Group for the year ended 31st March 2025 are set out on pages 47 to 111. These financial statements do comply with the requirements of the Companies Act, No. 07 of 2007.

### 4.1. Revenue

A detailed analysis of revenue of the Company and the Group is given in note 11 to the Financial Statements.

### 4.2. Financial results and appropriation

An abridgement of the financial performance of the Company and the Group is presented in the table below:

In Rupees Thousands For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
Retained earnings brought forward from previous year	12,017,573	9,467,212	6,241,602	5,189,782
Profit for the year	3,682,261	2,846,045	1,767,765	1,345,400
Other comprehensive expense for the year	(4,113)	(4,502)	-	-
Cash dividend	(116,491)	(194,232)	(116,491)	(194,232)
Re-purchase of Shares	(507,700)	(104,081)	(507,700)	(104,081)
Forfeiture of unclaimed dividends	6,973	7,131	4,043	4,733
Effect due to change in controlling interest in a subsidiary	(39,460)	-	-	-
Retained earnings carried forward	15,039,043	12,017,573	7,389,219	6,241,602

## 4.3. Material accounting policies

The Material accounting policies adopted in the preparation of these financial statements are given on pages 52 to 67.

## 4.4. Investment

Investments represents, investment in subsidiaries, investment in equity and debt securities, Investment in fair value through other comprehensive income securities, and investments in unit trusts.

Details of investments in subsidiaries are given in note 21.

Details of investments in equity and debt securities are given in notes 25 and 26.

Details of investment in fair value through other comprehensive income are given in note 22.

Details of investments in unit trusts are given in note 27.

Investments in fixed income instruments include investment in fixed deposits and placements with banking and financial institutions.

## 4.5. Reserves

The movements of reserves are set out in the Statement of Changes in Equity, note 30 and note 31 to the financial statements.

## 5. STATEMENT OF DIRECTORS' RESPONSIBILITIES

The responsibilities of the Directors, in relation to the Financial Statements are detailed in the following paragraphs, whilst the responsibilities of the Auditors are set out in the Independent Auditors' Report.

According to the Companies Act, No. 07 of 2007 and the Sri Lanka Accounting and Auditing Standards Act, No. 15 of 1995, the Directors are required to prepare financial statements for each financial year, giving a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the performance for the said period.

The financial statements comprise of *inter alia*:

- Statement of Financial Position, which presents a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year,

- Statement of Profit or Loss and Other Comprehensive Income of the Company, which presents a true and fair view of the Profit and Loss and Other Comprehensive Income of the Company and the Group for the financial year.

In preparing these financial statements, the Directors are required to ensure that:

- appropriate accounting policies have been selected and applied consistently, while material departures, if any, have been disclosed and explained;
- all applicable Accounting Standards have been complied with;
- reasonable and prudent judgments and estimates have been made; and
- provides the information required by and otherwise comply with the Companies Act No. 07 of 2007 and the Listing Rules of the Colombo Stock Exchange.

The Directors are responsible for ensuring that the Company and the Group maintain sufficient accounting records to disclose with reasonable accuracy, the financial position of the Company and the Group in order to ensure that its Financial Statements have been prepared and presented in accordance with Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 and meet with the requirements of the Companies Act No. 07 of 2007.

They are also responsible for taking reasonable measures to safeguard the assets of the Company and the Group and in this regard to give proper consideration to the establishment and effective operation of appropriate systems of internal control with a view to prevent, detect and rectify fraud and other irregularities.

These financial statements have been prepared on a going concern basis since the Directors are of the view that the Company has adequate resources to continue in operation in the foreseeable future from the date of approving these financial statements.

The Directors are also of the view that they have discharged their responsibilities as set out in this statement.

## 6. OUTSTANDING LITIGATION

There have been no material litigations and claims against the company that require adjustments or disclosures in the financial statements, other than those disclosed in note 41.3 to the financial statements, if any.

## 7. INTERESTS REGISTER

The Company maintains an Interests Register conforming to the provisions of the Companies Act No. 07 of 2007.

All Directors have made declarations as provided for in Section 192 (2) of the Companies Act aforesaid.

The relevant details as required by the Companies Act No. 07 of 2007 have been entered in the Interests Register during the year under review.

The Interests Register is available for inspection as required under the Companies Act.

### 7.1. Remuneration of Directors

Directors' Remuneration for the financial year ended 31st March 2025 is given in note 12 to the financial statements.

### 7.2. Directors' Interest in Contracts and Shares

Directors' interests in contracts of the Company have been declared at Meetings of the Directors. The Directors have had no direct or indirect interest in any other contracts or proposed contracts in relation to the business of the Company except for the following;

Name of the Company	Common directors	Nature of transactions	Value of the transactions ('000)
Carson Cumberbatch PLC		Dividend paid Share repurchases	81,137 353,618
Ceylon Investment PLC	Mrs. M. A. R. C. Cooray K. Selvanathan Mr. A. P. Weeratunge Mr. A. S. Amaratunga Mr. A. D. Pereira Mr. C. T. Knight Mr. S. K. Balasuriya	Dividends received Sale proceeds from repurchase of shares	46,148 168,268
Rubber Investment Trust Limited	Mr. K. Selvanathan Mr. A. P. Weeratunge	Dividends received	195,288
Guardian Fund Management Limited (GFM)	Mrs. M. A. R. C. Cooray Mr. K. Selvanathan Mr. A. P. Weeratunge	Portfolio management fees paid	107,470
Carsons Management Services (Private) Limited (CMSL)	Mr. K. Selvanathan Mr. A. P. Weeratunge	Support service fees paid	38,750

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

The Directors do not have any interests in the ordinary shares of the Company as shown in the table below.

Directors	No. of shares as at	
	31st March 2025	31st March 2024
Mrs. M.A.R.C. Cooray (Chairperson)	-	-
Mr. V.M. Fernando	-	-
Mr. K. Selvanathan	-	-
Mr. A. D. Pereira	-	-
Mr. C. T. Knight	-	-
Mr. A. P. Weeratunge (Appointed w.e.f.25/08/2024)	-	-
Mr. A. S. Amaratunga (Appointed w.e.f. 25/09/2024)	-	-
Mr. S. K. Balasuriya (Appointed w.e.f. 31/10/2024)	-	-

## 8. DIRECTORS

The names of the Directors who served during the year are given under Corporate Information provided in the inner back cover of the Annual Report.

### 8.1 Changes in the Directorate

Upon the recommendation of the Nominations and Governance Committee the following Directors were appointed to the Board.

- Mr. A. P. Weeratunge was appointed as a Non-Executive Director of the Company with effect from 25th August 2024.

- Mr. A. S. Amaratunga was appointed as an Independent Non-Executive Directors of the Company with effect from 25th September 2024.

- Mr. S. K. Balasuriya was appointed as an Independent Non-Executive Director of the Company with effect from 31st October 2024.

Considering the "Criteria for determining independence" provided under Rule 9.8.3, Mrs. M. A. R. C. Cooray and Mr. V. M. Fernando who were Independent Non-Executive Directors of the Company were designated as Non-Executive Directors of the Company with effect from 25th September 2024.

### 8.2 Re-election of newly appointed Directors, since the last AGM

In terms of Rule 9.11.5 (ii) of the Listing Rules of the Colombo Stock Exchange, the Nominations and Governance Committee recommended the re-election of Messrs. A. P. Weeratunge, A.S. Amaratunga and S. K. Balasuriya who were appointed to the Board since the last Annual General Meeting.

Further, in terms of Rule 9.7.2 of the Listing Rules of the Colombo Stock Exchange the Board has ensured that Messrs. A. P. Weeratunge, A. S. Amaratunga and S. K. Balasuriya are fit and proper based on the "Fit and Proper Criteria " stipulated in the Listing Rules.

Accordingly, in terms of Article 68 of the Articles of Association of the Company, shareholder approval is sought to re-elect Messrs. A. P. Weeratunge, A.S. Amaratunga and S. K. Balasuriya at the Annual General Meeting to be held on Friday, 25th July 2025.

### 8.3. Directors to retire by rotation

In terms of Articles 72, 73 and 74 of the Articles of Association of the Company, Mr. K. Selvanathan retires by rotation and being eligible offers himself for re-election.

The Nominations and Governance Committee noted that Mr. K. Selvanathan is fit and proper based on the 'Fit and Proper Criteria' in terms of Rule 9.7.3 of the Listing Rules and has recommended to re-elect Mr. K. Selvanathan to the Board at the Annual General Meeting to be held on 25th July 2025.

### 8.4. Re-Appointment of Directors who are over 70 years of age

Mrs. M. A. R. C. Cooray and Mr. V. M. Fernando who were over 70 years of age were re-appointed as Directors of the Company in terms of Section 210 of the Companies Act, No.07 of 2007 at the Annual General Meeting (AGM) held on 25th July 2024 for a further period of one year commencing from the conclusion of the said AGM, i.e. till 24th July 2025.

The Nominations and Governance Committee noted that Mrs. M. A. R. C. Cooray and Mr. V. M. Fernando are fit and proper based on the Fit and Proper Assessment Criteria in terms of Rule 9.7.3 of the Listing Rules and based on the recommendation of the Nominations and Governance Committee and the Board, it is recommended that Mrs. M. A.R.C. Cooray and Mr. V .M. Fernando who are over 70 years of age be re-appointed as Directors of the Company for a further period of one year from the conclusion of the Annual General Meeting and that the age limit stipulated in Section 210 of the Companies Act, No.07 of 2007 shall not be applicable to them.

## 9. AUDITORS

Company's Auditors during the year under review were Messrs. KPMG, Chartered Accountants.

A sum of Rs. 807,400/- and Rs. 6,987,363/- was paid to them by the Company and the Group respectively, as audit fees for the year ended 31st March 2025 (2024 - Rs. 734,000/- and Rs. 6,340,605/-). In addition to the above Rs 300,000/- and Rs. 830,000/- (2024 - Rs. 80,000/- and 240,000/-) was paid as professional fees for non-audit services for the Company and Group respectively.

The retiring Auditors have expressed their willingness to continue in office. A resolution to re-appoint them as Auditors of the Company and authorising the Directors to fix their remuneration will be proposed at the forthcoming Annual General Meeting.

The Audit Committee reviewed the appointment of the Auditors, its effectiveness and its relationship with the Company and its subsidiaries, including the level of audit and non-audit fees paid to the Auditors.

### 9.1. Auditors' relationship or any interest with the Company

The Directors are satisfied that, based on written representations made by the Independent Auditors to the Board, the Auditors do not have any interest with the Company and its subsidiaries that would impair their independence.

### 9.2. Independent Auditors' Report

The Independent Auditors' Report on the financial statements is given on pages 43 to 46 of the Annual Report.

## 10. SIGNIFICANT EVENTS DURING THE YEAR

There were no significant events during the year.

## 11. COMPLIANCE WITH RULES OF THE COLOMBO STOCK EXCHANGE

The Board has ensured that the Company has complied with the Rules pertaining to Corporate Governance and Related Party Transactions as per the Listing Rules of the Colombo Stock Exchange (CSE).

### 11.1. Regulatory Benchmarks

The Company's activities are regulated and are governed by the;

- Companies Act No. 07 of 2007
- Listing Rules of the Colombo Stock Exchange
- Rules of the Securities and Exchange Commission of Sri Lanka (SEC)
- Central Bank of Sri Lanka

### 11.2. Board of Directors

The following Directors held office during the period under review and their brief profiles are given on pages 12 to 13 of the Annual Report.

Directors	Executive / Non-Executive / Independent
Mrs. M. A. R. C. Cooray (Chairperson)	Independent Non-Executive (until 25th September 2024) Non-Executive w.e.f. 25th September 2024
Mr. V. M. Fernando	Independent Non-Executive (until 25th September 2024) Non-Executive w.e.f. 25th September 2024
Mr. K. Selvanathan	Executive
Mr. A. D. Pereira	Independent Non-Executive
Mr. C. T. Knight	Independent Non-Executive
Mr. A. P. Weeratunge (Appointed w.e.f. 25th August 2024)	Non-Executive
Mr. A .S. Amaratunga (Appointed w.e.f. 25th September 2024)	Independent Non-Executive
Mr. S K . Balasuriya (Appointed w.e.f. 31st October 2024)	Independent Non-Executive

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

## 11.3 Statement on Directors' Fitness and Propriety

The Company obtained an Annual Declaration from the Directors as per Rule 9.7.3 and 9.7.4 of the Listing Rules of the Colombo Stock Exchange (CSE) confirming that they have continuously satisfied the specified Fit and Proper Assessment Criteria set out in the Rules during the financial year and as at the reporting date. Therefore, no Director was identified as a person who has failed to fulfil the required assessment criteria during the year under review.

The Nominations and Governance Committee reviewed and evaluated the fitness and propriety of the Directors of the Company based on the Fit and Proper Assessment Criteria declarations, confirms that all Directors of the Company as at the reporting date, satisfies the Fit and Proper Assessment Criteria stipulated in the Listing Rules of the Colombo Stock Exchange.

## 11.4 Statement of Directors Independence

Each of the Independent Directors of the Company have submitted a signed declaration on Independence/ Non-Independence as per Rule 9.8.5 of the Listing Rules of the Colombo Stock Exchange (CSE). The said declarations were tabled at a Board Meeting of the Board of Directors of the Company held on 17th June 2025, in order to enable the Board of Directors to determine the Independence/ Non-Independence of each of the Independent Directors, in terms of Rule 9.8.3. of the Listing Rules of the CSE.

## 11.5. Directors' Attendance at Board Meetings

The Board of Directors had five (05) Board Meetings as at the reporting date and the attendance of the Directors were as follows;

Directors	Meetings Attended
Mrs. M. A. R. C. Cooray (Chairperson)	5/5
Mr. V. M. Fernando	5/5
Mr. K. Selvanathan	4/5
Mr. A. D. Pereira	5/5
Mr. C.T. Knight	5/5
Mr. A. P. Weeraturge (Appointed w.e.f. 25th August 2024)	3/3
Mr. A. S. Amaratunga (Appointed w.e.f. 25th September 2024)	3/3
Mr. S. K. Balasuriya (Appointed w.e.f. 31st October 2024)	3/3

## 11.6. Board Evaluation

Each Director individually appraises the Board's performance to ensure discharging its responsibilities satisfactorily. This process takes into account and evaluates all aspects in relation to Board responsibilities.

Independent observations made by the Directors are collated and addressed by the Nomination Committee of the Company and recommended as relevant to the Board of Directors for consideration.

## 11.7 Board Sub Committees

In accordance with Rule 9.3.1 of the Colombo Stock Exchange, the Company established its own Sub-Committees effective from 25th September 2024. Each Sub-Committee operates under the oversight of its respective Chair and functions in alignment with its approved Committee Charter.

The Sub-Committees ensure compliance with all applicable regulatory frameworks and reports to the Board accordingly.

## 11.8 Audit Committee

In compliance with Rule 9.3 of the Colombo Stock Exchange, the Company formed the Audit Committee with effect from 25th September 2024 and the Audit Committee Report is given on pages 31 to 34 of this Annual Report.

## 11.9 Remuneration Committee

### Committee composition

Carson Cumberbatch PLC (CCPLC) is the Parent Company of Ceylon Guardian Investment Trust PLC (CGIT). In accordance with the Listing Rules of the Colombo Stock Exchange (CSE) prior to the amendments to Rule 9.3.1 effective from 01st October 2024, each listed entity was not required to maintain a separate Remuneration Committee.

Accordingly, the Remuneration Committee of CCPLC functioned as the Remuneration Committee of the Company until 25th September 2024 and comprised the following members.

Member	Independent Non-Executive / Non-Executive
Mr. T. de Zoysa (Chairman)	Independent Non-Executive Director of CCPLC
Mr. R. Theagarajah	Independent Non-Executive Director of CCPLC
Mr. W. M. R. S. Dias	Independent Non-Executive Director of CCPLC
Mr. D. C. R. Gunawardena	Non-Executive Director of CCPLC

Following the regulatory amendment, effective 01st October 2024, which mandates that each listed entity must establish and maintain its own Remuneration Committee, the Remuneration Committee of CCPLC ceased to function as the Remuneration Committee of Ceylon Guardian Investment Trust PLC with effect from 25th September 2024.

In terms of Rule 9.12 of the Listing Rules of the Colombo Stock Exchange (CSE), the Remuneration Committee of Ceylon Guardian Investment Trust PLC was formed w.e.f. 25th September 2024. As at the reporting date, the Remuneration Committee consists of the following Members;

Member	Independent Non-Executive / Non-Executive
Mr. C. T. Knight (Chairman)	Independent Non-Executive Director
Mr. A. S. Amaratunga	Independent Non-Executive Director
Mrs. M. A. R. C. Cooray	Non-Executive

#### Meeting attendance

From 01st April 2024 to 25th September 2024, the Carson Cumberbatch PLC Remuneration Committee which functioned as the Remuneration Committee of the Company until 25th September 2024 did not meet.

From 25th September 2024 until the reporting date, the Ceylon Guardian Investment Trust PLC Remuneration Committee met three times (3). The attendance of the Ceylon Guardian Investment Trust PLC Committee Members at these meetings were as follows:

Member	Independent Non-Executive / Non-Executive	Attendance
Mr. C. T. Knight (Chairman)	Independent Non-Executive Director	3/3
Mr. A. S. Amaratunga	Independent Non-Executive Director	3/3
Mrs. M. A. R. C. Cooray	Non-Executive	3/3

#### Remuneration Policy Statement

Ceylon Guardian Investment Trust PLC has implemented a formal Remuneration Policy to ensure transparent and equitable compensation. The policy applies to Executive Directors, Non-Executive Directors, and Chief Executive Officers (CEOs). For the purposes of this policy, "remuneration" encompasses both cash and

non-cash benefits received by these individuals. The Remuneration Committee, comprising Non-Executive and Independent Directors, is responsible for overseeing the implementation and periodic review of this policy. No Director shall participate in decisions regarding their own remuneration. The policy is reviewed annually, with adjustments recommended by the Committee as deemed necessary.

#### The aggregate remuneration of the Executive and Non-Executive Directors

The aggregate remuneration paid to Non-Executive Directors of the Company for the year ended 31st March 2025 was Rs.21,719,822/-.

The aggregate remuneration paid to Executive Directors for FY 2024/25 was Nil.

#### 11.10 Nominations and Governance Committee

In compliance with Rule 9.3 of the Colombo Stock Exchange, the Company formed the Nominations and Governance Committee with effect from 25th September 2024 and the Nominations and Governance Committee Report is given on pages 37 to 41 of this Annual Report.

#### 11.11 Related Party Transactions Review Committee

In compliance with Rule 9.3 of the Colombo Stock Exchange, the Company formed the Related Party Transactions Review Committee with effect from 25th September 2024 and the Related Party Transactions Review Committee Report is given on pages 35 to 36 of this Annual Report.

#### Declaration

The Directors have made self-declarations for the purpose of identifying parties related to them. The said declarations were noted at the Related Party Transactions Review Committee Meetings.

The Company is in compliance with Rule 9.14 of the Listing Rules of the Colombo Stock Exchange pertaining to Related Party Transactions during the financial year.

#### 11.12 Integrated Risk Committee

Company formed an Integrated Risk Committee (IRC) to oversee the overall risk management of the Investment Sector in 2019.

With effect from 01st January 2025 the Integrated Risk Committee of the Company ceased to exist and the Audit Committee of the company oversees the risk management of the Company.

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

From 01st April 2024 to 31st December 2024 the Integrated Risk Committee met two (02) times.

Integrated Risk Committee Members	Executive / Non-Executive / Independent	Attendance
Mrs.M.A.R.C.Cooray (Chairperson)	Independent Non-Executive (until 25th September 2024) Non-Executive w.e.f. 25th September 2024	2/2
Mr. A. P. Weeratunge	Non-Executive	2/2
Mr. A. D. Pereira	Independent Non-Executive	2/2

### 11.13 Policies

In accordance with Rule 9.2.1. of the Colombo Stock Exchange, the Company established and maintains the following policies and was published on [www.carsoncumberbatch.com](http://www.carsoncumberbatch.com) w.e.f. 01st October 2024.

- (1) Policy on the matters relating to the Board of Directors
- (2) Policy on Board Committees

- (3) Policy on Corporate Governance, Nominations and Re-election
- (4) Policy on Remuneration
- (5) Policy on Internal Code of Business conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities
- (6) Policy on Risk Management and Internal Controls
- (7) Policy on Relations with Shareholders and Investors
- (8) Policy on Environmental, Social and Governance Sustainability
- (9) Policy on Control and Management of Company Assets and Shareholders Investments
- (10) Policy on Corporate Disclosures
- (11) Policy on Whistleblowing
- (12) Policy on Anti-Bribery and Corruption

### 11.14 Compliance with Section 9 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance as at date

Rule No.	Subject	Criteria	Compliance Status	Details
9.1.3.	Applicability of Corporate Governance Rules	All Listed Entities shall publish a statement confirming the extent of compliance with the Corporate Governance Rules set out herein, in the Annual Report of the Entity	Compliant	Please refer to point 11 of the Annual Report of the Board of Directors
9.2	Policies	Policies	Compliant	The Company has established and maintains required policies with effect from 01st October 2024, and which have been disclosed under the Company website.  Please refer to page 22 of the Annual Report of the Board of Directors

Rule No.	Subject	Criteria	Compliance Status	Details
9.3	Board Committees	Board Committees	Compliant	<p>Please refer to note 11.7 to 11.12 of the Annual Report of the Board of Directors.</p> <p>The Company has established its own Audit Committee, Remuneration Committee, Nominations and Governance Committee and Related Party Transactions Review Committee w.e.f.25th September 2024 as per Section 9.3.1 of the Listing Rules of the Colombo Stock Exchange.</p>
9.4.1.	Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with shareholders	Listed Entities shall maintain records of all resolutions and information pertaining to its adoption	Compliant	The Company Secretaries maintain records of all resolutions and requisite information
9.4.2	Communication and Relations with shareholders and investors	Communications and Relations with shareholders and investors	Compliant	<p>The Company has established and maintains a Policy on Shareholder Communication and relations with effect from 01st October 2024 and has been published on Carson Cumberbatch PLC Group's website.</p> <p>The contact person is mentioned.</p> <p>The Policy includes a process whereby Directors are informed of major issues and concerns of shareholders.</p> <p>Please refer to page 22 of the Annual Report of the Board of Directors.</p>
9.5	Policy on matters relating to the Board of Directors	Policy on matters relating to the Board of Directors	Compliant	The Company has established and maintains a Policy on matters relating to the Board of Directors with effect from 01st October 2024 which addresses the requirements in Rules 9.5.1 and 9.5.2, and same has been published on Carson Cumberbatch PLC Group's website.
9.6.1	Chairperson and CEO	The Chairperson of every Listed Entity shall be a Non-Executive Director and the positions of the Chairperson and CEO shall not be held by the same individual.	Compliant	Chairman is a Non-Executive Director

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

Rule No.	Subject	Criteria	Compliance Status	Details
9.6.2	Chairperson and CEO	Where the Chairperson of a Listed Entity is an Executive Director and/ or the positions of the Chairperson and CEO are held by the same individual, such Entity shall make a Market Announcement	Not Applicable	Chairman is a Non-Executive Director and the positions of the Chairperson and CEO are not held by the same individual
9.6.3. and 9.6.4.	The Requirement for a Senior Independent and Director (SID)	SID to be appointed in the following instances; i. The positions of the Chairperson and CEO are held by the same individual. ii. The Chairperson is an Executive Director. iii. The Chairperson and CEO are Close Family Members or Related Parties.	Not Applicable	Chairman is a Non-Executive Director, the positions of the Chairperson and CEO are not held by the same individual and the Chairman and CEO are not Close Family Members or Related Parties.
9.7	Fitness of Directors and CEO	Fitness of Directors and CEO	Compliant	The Company obtained annual declaration from the Directors confirming that they have continuously satisfied the specified Fit and Proper Assessment Criteria. All Directors met the fit and proper assessment criteria stipulated in the Listing Rules of the CSE.
9.8.1	Board Composition	The Board of Directors of a Listed Entity shall, at a minimum, consist of five (05) Directors.	Compliant	The Board comprises of 08 Directors.

Rule No.	Subject	Criteria	Compliance Status	Details
9.8.2/9.8.3 and 9.8.5.	Independent Directors	Minimum no. of Independent Directors / Criteria for defining independence and declaration & disclosures relating to Directors	Compliant	Please refer Point 11.2 to 11.4 of the Annual Report of the Board of Directors
9.9	Alternate Director	Alternate Director	Compliant	No Alternate Directors were appointed to the Board throughout the reporting period.
9.10.4.(a) and 9.10.4(b)	Disclosure relating to Directors	Company shall publish a brief resume in the Annual Report including expertise in relevant functional areas of each Director	Compliant	Please refer the Profile of the Directors on pages 12 to 13
9.10.4.(c)	Disclosure relating to Directors	Whether either the Director or Close Family Members has any material business relationships with other Directors of the Listed Entity	Compliant	As at the conclusion of the last AGM and throughout the financial year, none of the Directors or Close Family Members have had any material business relationship with other directors of the Company.
9.10.4.(d) /9.10.4.(e)/ 9.10.4.(f)/ 9.10.4.(g) and 9.10.4.(h)	Disclosure relating to Directors	Disclosure relating to Directors	Compliant	Please refer to points 9.1 and 9.8 of the Annual Report of the Board of Directors
9.11	Nominations and Governance Committee	Nominations and Governance Committee	Compliant	In compliance with Rule 9.3 of the Colombo Stock Exchange, the Company formed the Nominations and Governance Committee with effect from 25th September 2024 and the Nominations and Governance Committee Report is given on pages 37 to 41 of this Annual Report
9.12	Remuneration Committee	Remuneration Committee	Compliant	In compliance with Rule 9.3 of the Colombo Stock Exchange, the Company formed the Remuneration Committee with effect from 25th September 2024 and the Remuneration Committee Matters are given in point 11.7 of this Annual Report
9.13	Audit Committee	Audit Committee	Compliant	In compliance with Rule 9.3 of the Colombo Stock Exchange, the Company formed the Audit Committee with effect from 25th September 2024 and the Audit Committee Report is given on pages 31 to 34 of this Annual Report
9.14	Related Party Transactions Review Committee	Related Party Transactions Review Committee	Compliant	In compliance with Rule 9.3 of the Colombo Stock Exchange, the Company formed the Related Party Transactions Review Committee with effect from 25th September 2024 and the Related Party Transactions Review Committee Report is given on pages 35 to 36 of this Annual Report

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

Rule No.	Subject	Criteria	Compliance Status	Details
9.17.(i)	Additional Disclosures	Board of Directors should declare all material interests in contracts involving in the Entity and whether they have refrained from voting on matters in which they were materially interested	Compliant	Directors declared at a board meeting that they have no material interests in contracts involving in the Company and there were no matters in which they were materially interested.
9.17.(ii)	Additional Disclosures	Board of Directors should conduct a review of the internal controls covering financial, operational and compliance controls and risk management and have obtained reasonable assurance of their effectiveness and successful adherence therewith.	Compliant	The Board, having reviewed the system of internal controls covering financial, operational and compliance controls and risk management, is satisfied with the Company's adherence to and effectiveness of these controls for the period up to the date of signing the Financial Statements.
9.17.(iii)	Additional Disclosures	A declaration by the Board of Directors that they made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions	Compliant	The Board of Directors have declared that the Company and the Board of Directors have complied with applicable laws, rules and regulations and also are aware of changes particularly to the Listing Rules of the Colombo Stock Exchange including the new rules on Corporate Governance initially issued in October 2023 and all other applicable capital market provisions.
9.17.(iv)	Additional Disclosures	A disclosure by the Board of Directors of relevant areas, of any material non compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdictions where the Entity has operations.	Compliant	The Board of Directors have no disclosures to be made of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Company has operations.

### 11.15 Disclosure in relation to the Directors as per Section 9.10.4 (e) of the Listing Rules of Colombo Stock Exchange

*Carson Cumberbatch PLC is the Parent Company of Ceylon Guardian Investment Trust PC and Bukit Darah PLC is the Ultimate Parent and Controlling entity of Ceylon Guardian Investment Trust PLC*

Name of the Director	Name of the Company, functioning capacity, Listed /Unlisted
Mrs. M. A. R. C. Cooray (Total No. of Directorships – 03)	She is a Non-Executive Director and Key Management Personnel in the mentioned Listed Companies - Ceylon Investment PLC and Ceylon Guardian Investment Trust PLC. She is a Director and Key Management Personal in another Unlisted Company within the Carson Cumberbatch Group
Mr. V. M. Fernando (Total No. of Directorships – 06)	He is a Non-Executive Director and Key Management Personnel in the mentioned Listed Company – Ceylon Guardian Investment Trust PLC He holds directorships in the mentioned Unlisted Companies – Ariyana Investment (Pvt) Ltd, Dynamic A.V. Technologies (Pvt) Ltd, Shipping & Cargo Logistics (Pvt) Ltd, Ortho Lanka (Pvt) Ltd, Swiss Ceylon Associates (Pvt) Ltd
Mr. K. Selvanathan (Total No. of Directorships – 15)  (Total No. of Companies within the Carson Cumberbatch PLC Group where Mr.K. Selvanathan is a Key Management Personnel but not a Director – 03, includes 1 unlisted company within the group, in which he ceased to be a KMP w.e.f. 28/03/2025)	He is an Executive Director and Key Management Personnel in the mentioned Listed Companies - Ceylon Investment PLC and Ceylon Guardian Investment Trust PLC  He is a Non-Executive Director and Key Management Personnel in the mentioned Listed Companies – Lion Brewery (Ceylon) PLC and Pegasus Hotels of Ceylon PLC  He is a director and/or Key Management Personnel in other Unlisted Companies within the Carson Cumberbatch PLC Group  He is a Director and Key Management Personnel on the mentioned Unlisted Companies - Ceylon Securities and Investments (Pvt) Ltd, S. Kanapathy Chetty (Pvt) Ltd, Tower Investments (Pvt) Ltd, Sri Krishna Corporation (Pvt) Ltd, Interkrish Investment Company (Pvt) Ltd, Hambros Investments (Pvt) Ltd and Aurora Studio (Pvt) Limited.
Mr. A. D. Pereira (Total No. of Directorships (02)	He is an Independent Non-Executive Director and Key Management Personnel in the mentioned Listed Company - Ceylon Guardian Investment Trust PLC and Ceylon Investment PLC
Mr. C. T. Knight (Total No. of Directorships – 03)	He is an Independent Non-Executive Director and Key Management Personnel in the mentioned Listed Company – Ceylon Guardian Investment Trust PLC and Ceylon Investment PLC  He is a Director and Key Management Personnel in the mentioned Unlisted Company – Thorburn Capital Limited

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

Name of the Director	Name of the Company, functioning capacity, Listed /Unlisted
<p>Mr. A. P .Weeratunge (Total No. of Directorships - 09) (Total No. of Companies within the Carson Cumberbatch PLC Group where Mr. A. P Weeratunge is a Key Management Personnel but Not a Director - (08), includes 1 unlisted company within the group, in which he ceased to be a KMP w.e.f. 28/03/2025)</p>	<p>He is a Non-Executive Director and Key Management Personnel in the mentioned Listed Companies- Equity Two PLC, Ceylon Investment PLC and Ceylon Guardian Investment Trust PLC</p> <p>He holds directorships in other Unlisted Companies within the Carson Cumberbatch PLC Group.</p>
<p>Mr. A. S. Amaratunga (Total No. of Directorships - 09) (Total No. of Companies within the Carson Cumberbatch PLC Group where Mr. A.S. Amaratunga is a Key Management Personnel but not a Director – 10)</p>	<p>He is an Independent Non-Executive Director and Key Management Personnel in the mentioned Listed Companies - Equity Two PLC, Ceylon Beverage Holdings PLC, Bukit Darah PLC, Carson Cumberbatch PLC, Lion Brewery (Ceylon) PLC, Ceylon Guardian Investment Trust PLC, Ceylon Investment PLC, Pegasus Hotels of Ceylon PLC</p> <p>He is a Director and Key Management Personnel in the mentioned Unlisted Company - SAARA LABS (Pvt) Ltd</p>
<p>Mr. S. K. Balasuriya (Total No. of Directorships – 04)</p>	<p>He is an Independent Non-Executive Director and Key Management Personnel in the mentioned Listed Company – Ceylon Guardian Investment Trust PLC and Ceylon Investment PLC</p> <p>He is a Director and Key Management Personnel in the mentioned Unlisted Company – Venture Retail (Private) Limited, Senfin Securities Ltd</p>

### **12. INTERNAL CONTROL AND RISK MANAGEMENT**

The ultimate responsibility to establish, monitor and review a company-wide internal control system rests with the Board of Directors. The intensity, depth and the tolerance limits for each component of the internal control system would be based on the weight of the elements of risk imposed on the sustenance of the business by the respective area of operation. Whilst a strong internal control system would mitigate the crystallisation of risk elements to a greater extent, employment of external support structures would also be necessary based on the risk assessments made thereon.

Effective maintenance of internal controls and risk identification and mitigation is handed down to the respective members of senior management within the guidelines of benchmark policies, procedures and authority limits clearly laid down.

Group internal Audit, whose scope of scrutiny is entirely driven by grading of the risk involved, will be monitoring and providing feedback to the Management and the Audit Committee. Regular submission of compliance and internal solvency certificates vouched by the Heads of the respective divisions as a mandatory agenda item keeps the Directors abreast of the position of the Company's resource base and governance requirements.

This allows the Board to have total control of the fulfilment of governance requirements by providing opportunity to take timely preventive action in case of potential deterioration of status quo. A comprehensive description of the risk management strategies of the Company are given on pages 07 to 11 in the Annual Report.

### 13. HUMAN RESOURCES

The management of the Group's investments is undertaken by Guardian Fund Management Limited (GFM) and management support services are provided by Carsons Management Services (Private) Limited (CMSL).

GFM continued to invest in human capital development and implement effective human resource practices and policies to develop and build an efficient and effective workforce aligned around new business priorities of the Group and to ensure that its employees are developing the skills and knowledge required for the future success of the Group, centered around the core competencies required by an investment house.

The number of persons employed by GFM as at 31st March 2025 was 16 (31st March 2024 –17).

### 14. EQUITABLE TREATMENT TO SHAREHOLDERS

The Company ensures that the rights of all shareholders are preserved and has established procedures to ensure the fair and equitable treatment of all shareholders. Shareholder views are identified and fully considered and the Company communicates with shareholders through general meetings, CSE Announcements, Company website and through the Company Secretaries. The Secretaries serve as a point of contact for all shareholders and the Board.

### 15. DIVIDEND

First Interim Dividend of Rs.1.36 per ordinary for the financial year ended 31st March 2025 was announced on 02nd December 2024. Shareholders of the Company who had provided accurate bank account details were paid on 17th December 2024 and to the Shareholders who have not provided accurate bank account details or have not provided any bank account details, the dividends was paid on 31st December 2024. The details of the said Dividend payment is given on page 73 of the Annual Report. The Board of Directors have not recommended a final Dividend for the year ended 31st March 2025.

### 16. STATED CAPITAL

Stated Capital of the Company amounted to Rs.1,128,726,009/- which consists of 80,057,991 Ordinary Shares and 5,597,273 fully paid Deferred Shares as at 31st March 2025.

#### 16.1 Repurchase of Shares

The Company announced a Repurchase of Shares on 22nd May 2024 at a ratio of 01 Ordinary Share for every 41 Ordinary Shares held and accordingly, the Company repurchased a maximum 2,001,450 Ordinary Shares and 139,932 Deferred Shares from the Shareholders at a price of Rs.237/09 per share and the effective

date of the Repurchase was 16th October 2024. Subsequent to the share repurchase, the Stated Capital of the Company was Rs.1,128,726,009/- comprising of 80,057,991 Ordinary Shares and 5,597,273 Deferred Shares.

### 17. SOLVENCY TEST

At the time of approving the above distributions, the Directors were satisfied that the Company would meet the Solvency Test requirement under Section 56(2) of the Companies Act, No. 07 of 2007 immediately after the said distributions. The Company's Auditors, KPMG, Chartered Accountants have issued Certificates of Solvency for the dividends mentioned above, confirming same.

### 18. CAPITAL EXPENDITURE

The details of capital additions of the Group are as follows.

In Rupees Thousands	Group	
	2025	2024
Property plant & equipment	-	3,273
Intangible assets	-	-

### 19. STATUTORY PAYMENTS

The Directors to the best of their knowledge and belief were satisfied that all statutory dues have been paid up to date or have been provided for in the financial statements.

### 20. GOING CONCERN

The Board of Directors is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. Accordingly, the financial statements are prepared based on the going concern concept.

### 21. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period, no circumstances have arisen, which would require adjustments to or disclosures in the financial statements, other than those disclosed in note 39 to the Financial Statements.

### 22. CONTINGENT LIABILITIES AND CAPITAL COMMITMENT

The contingent liabilities and commitments made on account of capital expenditure as at 31st March 2025 are given in note 41 to the Financial Statements, if any.

### 23. SHARE INFORMATION

The details relating to earnings, net assets, market value per share and information on share trading are given on pages 114 to 115 of the Annual Report.

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

## 24. TWENTY MAJOR SHAREHOLDERS WITH COMPARATIVES

The parent company, Carson Cumberbatch PLC holds 67.82% of the total ordinary shares in issue of the Company.

Name of shareholders	31-Mar-25		31-Mar-24	
	No. of shares	%	No. of shares	%
1 Carson Cumberbatch PLC A/C No.2	53,762,152	67.15	55,106,205	67.15
Carson Cumberbatch PLC A/C No.1	539,726	0.67	307,856	0.38
2 Employee's Provident Fund	2,864,989	3.58	2,936,613	3.58
3 GF Capital Global Limited	1,698,061	2.12	1,588,019	1.94
4 J.B. Cocoshell (Pvt) Ltd	1,254,473	1.57	419,149	0.51
5 Citibank Hong Kong S/A Hostplus Pooled Superannuation Trust	1,044,878	1.31	1,049,866	1.28
6 SSBT-Sunsuper Pty. Ltd. as trustee for Sunsuper Superannuation Fund	910,995	1.14	942,642	1.15
7 Mr. G.J.W. De Silva	881,740	1.10	882,750	1.08
8 Mr. L.H.S Peiris	879,313	1.10	879,313	1.07
9 Mrs. M.L. De Silva	845,883	1.06	867,030	1.06
10 Miss M.P. Radhakrishnan	797,517	1.00	707,351	0.86
11 Thurston Investments Limited	770,669	0.96	1,790,272	2.18
12 Estate of Late Mr. K.C. Vignarajah	737,225	0.92	715,685	0.87
13 Ms. A. Radhakrishnan	687,972	0.86	682,215	0.83
14 Mr. R. Maheswaran (Deceased)	685,016	0.86	685,016	0.83
15 Peoples Leasing & Finance PLC/Mr. M. A. N.Yoosufali	607,500	0.76	590,000	0.72
16 Employees Trust Fund Board	490,998	0.61	490,998	0.60
17 Mr. S. Vasudevan	468,333	0.58	532,459	0.65
18 Northern Trust Company S/A Hosking Global Fund PLC	399,513	0.50	469,406	0.57
19 Miss G. N. A. De Silva	337,808	0.42	349,327	0.43
20 Miss R.H. Abdulhussein	308,429	0.39	462,931	0.56

## 25. ANNUAL REPORT

The information provided herein is in pursuance of the requirements of the Companies Act No. 07 of 2007 and the Listing Rules of the Colombo Stock Exchange.

The Board of Directors have approved the Financial Statements of the Company together with the Reviews which form part of the Annual Report on 30th June 2025.

The appropriate number of copies of the Annual Report will be submitted to the Colombo Stock Exchange, the Sri Lanka Accounting and Auditing Standards Monitoring Board and the Registrar General of Companies, within applicable time frames.

## 26. ANNUAL GENERAL MEETING

The 73rd Annual General Meeting of the Company will be held on **Friday, 25th July 2025 at 10.15 a.m.** the "Lavender Hall" (Lot 2) BMICH International Convention & Exhibition Center, Bauddaloka Mawatha, Colombo 07, Sri Lanka.

The Notice of the Annual General Meeting, setting out the business which will be transacted thereat is on page 117 of the Annual Report.

Signed on behalf of the Board,

(Sgd.)  
**M. A. R. C. Cooray (Mrs)**  
Chairperson

(Sgd.)  
**A. P. Weeratunge**  
Director

(Sgd.)  
**K. D. De Silva (Mrs.)**  
Director

Carsons Management Services (Private) Limited  
Secretaries

Colombo  
30th June 2025

# Audit

## Committee Report

### COMMITTEE COMPOSITION

1.1 The Parent Company of Ceylon Guardian Investment Trust PLC is Carson Cumberbatch PLC (CCPLC). In accordance with the Listing Rules of the Colombo Stock Exchange (CSE) prior to the amendments to Rule 9.3.1 effective 01st October 2024, each listed entity was not required to maintain a separate Audit Committee.

Accordingly, the Audit Committee of CCPLC functioned as the Audit Committee of the Company until 25th September 2024 and comprised of the following Members:

Member	Independent Non-Executive/ Non-Executive
Mr. A.S. Amaratunga (Chairman)	Independent Non-Executive Director of CCPLC
Mr. Y.H. Ong	Independent Non-Executive Director of CCPLC
Mr. D.C.R. Gunawardena	Non-Executive Director of CCPLC

Following the regulatory amendment, effective 01st October 2024, which mandates that each listed entity must establish and maintain its own Audit Committee, the Audit Committee of CCPLC ceased to function as the Audit Committee of Ceylon Guardian Investment Trust PLC with effect from 25th September 2024.

1.2 In terms of Rule 9.13 of the Listing Rules of the Colombo Stock Exchange (CSE) an Audit Committee was formed for Ceylon Guardian Investment Trust PLC on 25th September 2024. As at the reporting date, the Audit Committee of Ceylon Guardian Investment Trust PLC consists of the following Members:

Member	Independent Non-Executive/ Non-Executive
Mr. A.S. Amaratunga (Chairman)	Independent Non-Executive
Mr. A. D. Pereira	Independent Non-Executive
Mrs. M. A. R. C. Cooray (Appointed w.e.f. 01/01/2025)	Non-Executive
Mr. A.P. Weeratunge (Ceased to be a member w.e.f. 01/01/2025)	Non-Executive

### 1.3 PROFILE OF THE MEMBERS OF THE AUDIT COMMITTEE

#### Mr. A.S. Amaratunga (Chairman)

Mr. Saktha Amaratunga is an Independent Non-Executive Director of Bukit Darah PLC, Carson Cumberbatch PLC and in several companies of the Carson Cumberbatch Group, Chairman - Audit Committees of the Carson Cumberbatch Group and is also a Commissioner of PT Agro Indomas Indonesia, a subsidiary of the Carson Cumberbatch Group. He is also an Audit Committee Member of MAS Holdings Ltd.

Previously, Regional Audit Controller (Asia Pacific) for British American Tobacco, he has more than 20 years' experience with British American Tobacco, having performed senior finance roles for the Group in Sri Lanka and the United Kingdom, and also being the Finance Director of British American Tobacco Operations in the Czech Republic, Sri Lanka, Switzerland, Japan and Malaysia (IT Shared Services Organisation). He was also an Independent Non-Executive Director and Chair of the Audit Committee at Hemas Holdings till November 2024.

He has many years of experience in Strategy Development, Business Restructuring, Risk and Governance, International Finance and People Development. He is a Fellow Member of the Chartered Accountants of Sri Lanka, Associate Member of the Chartered Institute of Management Accountants, UK and also a Member of CPA Australia.

#### Mr. A. D. Pereira

Dirk Pereira was appointed as Independent Non-Executive Director to the Board of Ceylon Guardian Investment Trust PLC w.e.f. 21st October 2021. He was also appointed as Independent Non-Executive Director to the Board of Ceylon Investment PLC w.e.f. 25th September 2024.

Dirk served as Director / CEO of Union Assurance PLC, one of the largest life insurance companies in Sri Lanka, and a subsidiary of John Keells Holdings PLC. He has more than 25 years of finance and general managerial experience serving both local and multinational companies including Union Assurance, British American Tobacco / Eagle Star, Zurich Financial Services and Ernst & Young. He is a Fellow Member of the Chartered Institute of Management Accountants (CIMA) UK and the Institute of Chartered Accountants of Sri Lanka (ICASL) and holds an MBA from the Postgraduate Institute of Management (PIM) - University of Sri Jayawardenepura, Sri Lanka.

## Audit Committee Report

### Mrs. Rose Cooray

[Appointed w.e.f. 01/01/2025]

Rose Cooray is the Chairperson of Ceylon Investment PLC, Ceylon Guardian Investment Trust PLC and Guardian Fund Management Limited and she functioned as the Chairperson of the Integrated Risk Committee of the Guardian Group of companies. After retirement from the Central Bank of Sri Lanka, she has served as a Director on the Boards of Hatton National Bank PLC, HNB Finance PLC and served as the Chairperson of HNB Assurance PLC and HNB General Insurance Limited.

She is a retired Deputy Governor of the Central Bank of Sri Lanka where she served for over 35 years. She counts over 50 years of experience in working in the financial sector holding a number of positions.

On release from the Central Bank, she had served the Ministry of Finance in the capacity of Director General Fiscal Policy and Economic Affairs Department for nearly 6 years, represented the Government on the Boards of DFCC Bank, Sri Lanka Institute of Information Technology, Sri Lanka Telecom, Ceylon Electricity Board, De La Rue Currency and Security Print (Pvt) Ltd, Export Development Board, National Housing Development Authority and represented the Monetary Board on West Coast Power (Pvt) Ltd.

She has functioned as the Vice Chairperson of the Institute of Bankers of Sri Lanka for 5 years and has served on a number of Committees at national level covering a variety of subjects representing the Ministry of Finance and the Central Bank. She has also presented papers/been the resource person representing the Central Bank and the Ministry of Finance at various international meetings/seminars.

Mrs. Cooray has been involved extensively in policy making and implementing projects and programs, especially in the area of regional development and microfinance. She has wide experience in negotiating loans with multilateral and other donors, as well as bilateral trade agreements on behalf of the Government. Her articles/papers have been published in professional journals.

### Mr. A.P. Weeratunge

[Ceased to be a member w.e.f. 01/01/2025]

Mr. Ajith Weeratunge is presently a Non-Executive Director of Carsons Management Services (Private) Limited, which is the management arm of Carson Cumberbatch PLC's Sri Lankan operations.

He is also a Non-Executive Director of Group's Real Estate Sector's Equity One Limited, Equity Two PLC and the Group's Portfolio and Asset Management Sector's Ceylon Investment PLC,

Ceylon Guardian Investment Trust PLC, Rubber Investment Trust Limited and Guardian Fund Management Limited. He is also a Non-Executive Director of Group's oil palm plantation sector holding company, Goodhope Asia Holdings Ltd.

He carries over 40 years of finance related experience in several leading companies in the mercantile sector, which includes 28 years of service with Carsons Group.

He is a Fellow Member of the Chartered Institute of Management Accountants of UK.

## 2. MEETINGS OF THE AUDIT COMMITTEE

2.1 From 01st April 2024 to 25th September 2024, the Carson Cumberbatch PLC Audit Committee which functioned as the Audit Committee of Ceylon Guardian Investment Trust PLC held three (03) Meetings to discuss matters pertaining to the Company and the attendance of the Members at the Committee Meetings was as follows:

Member	Independent Non-Executive / Non-Executive	Attendance
Mr. A.S. Amaratunga (Chairman)	Independent Non-Executive Director of CCPLC	03/03
Mr. Y.H. Ong	Independent Non-Executive Director of CCPLC	02/03
Mr. D.C.R. Gunawardena	Non-Executive Director of CCPLC	03/03

2.2 From 25th September 2024 until the reporting date, the Audit Committee of Ceylon Guardian Investment Trust PLC met Six (06) times and the attendance of the Audit Committee Members was as follows:

Member	Independent Non-Executive / Non-Executive /	Attendance
Mr. A. S. Amaratunga (Chairman)	Independent Non-Executive	06/06
Mr. A. D. Pereira	Independent Non-Executive	06/06
Mrs. M. A. R. C. Cooray (Appointed w.e.f. 01/01/2025)	Non-Executive	05/05
Mr. A. P. Weeratunge (Ceased to be a member w.e.f.01/01/2025)	Non-Executive	01/01

2.3 Director-Finance, Carsons Management Services (Private) Limited - Managers, Internal Auditors and Senior management staff members also attended the Audit Committee Meetings by invitation.

### 3. AUDIT COMMITTEE CHARTER

The Company has an Audit Committee Charter and the powers and responsibilities of the Audit Committee are governed by the Audit Committee Charter.

### 4. FUNCTIONS AND DUTIES

4.1 Assists the Board of Directors in fulfilling its oversight responsibilities of the financial reporting process, the system of internal control over financial reporting, the audit process, risk management and the Company's processes for monitoring compliance with financial reporting requirements, information requirements under the Corporate Governance Rules of the Colombo Stock Exchange, the Companies Act, No.07 of 2007 and the Securities and Exchange Commission of Sri Lanka (SEC) Act No.19 of 2021, and other relevant financial reporting related regulations.

4.2 Reviews and recommends for approval the Interim Financial Statements of Ceylon Guardian Investment Trust PLC to the Board of Directors and release of same to the Regulatory Authorities and to the Shareholders. The Audit Committee held meetings to discuss and review the Interim Financial Statements of the Company.

4.3 Reviews and recommends for approval the Annual Report of Ceylon Guardian Investment Trust PLC to the Board of Directors and release of same to the Regulatory Authorities and to the Shareholders.

4.4 Recommends appointment/re-appointment/removal of External Auditors and approve their remuneration and engagement terms.

4.5 Obtains and reviews assurances received from the Management that the financial records have been properly maintained and the Financial Statements give a true and fair view of the Company's operations and finances. Reviews assurances given by the Management and Key Management Personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

4.6 Reviews the internal controls in place to prevent the leakage of material information to unauthorised persons.

4.7 Reviews and oversees processes to ensure that the Company's internal controls and risk management are adequate to meet the requirements of the Sri Lanka Auditing Standards.

4.8 Reviews and assesses the Company's risk management process, including control environment in high-risk areas, Business continuity plans, and reviews the risk policies adopted by the Company on an annual basis.

4.9 Takes prompt corrective action to request management to mitigate the effects of specific risks.

4.10 Reviews the scope and results of the internal and external audits and its effectiveness, and the independence, performance and objectivity of the auditors.

4.11 Developed and implemented a policy on how to engage External Auditors for non-audit services, ensuring compliance with independence and ethical guidelines. Reports any concerns or areas for improvement to the Board along with recommended actions.

### 5. ASSURANCE FROM THE CEO AND CFO REGARDING THE COMPANY'S OPERATIONS AND FINANCES, AND AN OPINION ON COMPLIANCE WITH FINANCIAL REPORTING AND INFORMATION REQUIREMENTS UNDER RELEVANT REGULATIONS

As required under Rule 9.13.5 (2)(c) and (d) of the Listing Rules of the CSE, the Audit Committee was provided with confirmations and declarations as required by the Managers, Carsons Management Services (Private) Limited and Guardian Fund Management Limited that the Financial Statements have been prepared in accordance with the Listing Rules of the Colombo Stock Exchange, Sri Lanka Accounting Standards, information required by the Companies Act, No. 07 of 2007 and the Securities and Exchange Commission of Sri Lanka therein and presented a true and fair view of the Company's state of affairs as at that date and the Company's activities during the year under review.

### 6. INTERNAL AUDIT

6.1 The objective of the Group Internal Audit function is to provide an independent assessment of the system of internal controls established by management. This includes evaluating their adequacy and integrity in relation to the objectives they are intended to support, as well as determining the extent of compliance by responsible staff. Where necessary, corrective or preventive actions are recommended.

## Audit Committee Report

6.2 The Audit Committee approved the Investment Sector Audit Plan for the financial year 2024/2025. In accordance with the plan, the Group Internal Audit has conducted relevant reviews of the Investment Sector companies. Where necessary, the Audit Plan was reviewed and adjusted to enable the Internal Audit team to address areas requiring attention beyond the initial scope of the Internal Audit Plan.

6.3 The findings and content of the Group Internal Audit reports are initially discussed with the relevant management staff. The reports are then presented at Audit Committee meetings, where they are reviewed in the presence of senior management. Particular focus is given to significant findings, associated recommendations, proposed corrective actions, management responses, and the implementation status, which is monitored regularly.

6.4 Where necessary, material concerns highlighted by the Group Internal Audit are taken up by the Audit Committee for further discussion and deliberation at Board Meetings.

### **7. STATUS OF RISK MANAGEMENT AND INTERNAL CONTROL**

7.1 As required under Rule 9.13.5(2)(b) of the Listing Rules of the CSE, the Committee reviews the Risk Management Reports, risk heat map, risk register and activities related to managing risks, especially the processes adopted with management to identify, assesses and mitigate risks through appropriate and timely action.

7.2 The Committee provides oversight on adequacy and effectiveness of the Company's internal controls and risk management processes, in meeting the requirements of the Sri Lanka Auditing Standards.

### **8. EXTERNAL AUDIT**

8.1 The External Auditors' Letter of Engagement was reviewed and discussed by the Committee with Messrs. KPMG and management, prior to the commencement of the audit, and the Committee followed up on all matters raised by the External Auditors after the final review.

8.2 The Audit Committee has determined that the independence of Messrs. KPMG, Chartered Accountants, have not been impaired by any event or service that gives rise to a conflict of interest. The Committee also reviewed the arrangements made by the Auditors to maintain their independence and

written confirmation has been received from the Auditors of their compliance, with the independence guidelines given in the 'Code of Professional Conduct and Ethics' issued by the Institute of Chartered Accountants of Sri Lanka.

8.3 Messrs. KPMG have been the External Auditors of the Company since 1951 and the Audit Engagement Partner for the financial year ended 31st March 2025 is Mrs. Thamali Rodrigo, who was appointed as Audit Partner in 2019 following the rotation of the previous Partner.

8.4 The Committee reviews the Non-Audit services obtained from Messrs. KPMG and the fees paid to them for such services, at quarterly Audit Committee Meetings. The Auditors have confirmed that they are not aware of any relationship with or interest in Ceylon Guardian Investment Trust PLC that, in their judgment, may reasonably be deemed to have a bearing on their independence within the meaning of the 'Code of Professional Conduct and Ethics' issued by the Institute of Chartered Accountants of Sri Lanka.

8.5 The Members of the Audit Committee have concurred to recommend to the Board of Directors the re-appointment of Messrs. KPMG, Chartered Accountants, as Auditors for the financial year ending 31st March 2026, subject to the approval of the shareholders of Ceylon Guardian Investment Trust PLC at the Annual General Meeting.

8.6 The Audit Committee held a meeting to discuss and review the Financial Statements of the Company, the Audit Opinion and External Audit matters of the Company for the year ended 31st March 2025, together with the External Auditors, Messrs. KPMG, prior to release of same to the Regulatory Authorities and to the Shareholders.

I take this opportunity to thank the Members of the Audit Committee of Carson Cumberbatch PLC for the invaluable contribution made by them to the Company in the past years.

(Sgd.)  
**A. S. Amaratunga**  
Chairman - Audit Committee

30th June 2025

# Related Party Transactions Review Committee Report

## 1. COMMITTEE COMPOSITION

- 1.1 The Parent Company of Ceylon Guardian Investment Trust PLC (CGIT) is Carson Cumberbatch PLC (CCPLC). In accordance with the Listing Rules of the Colombo Stock Exchange prior to the amendments to Rule 9.3.1 effective from 01st October 2024, each listed entity was not required to maintain a separate Related Party Transactions Review Committee.

Accordingly, the Related Party Transactions Review Committee (RPTRC) of CCPLC functioned as the RPTRC of the Company until 25th September 2024 and comprised the following members,

Members	Independent Non-Executive / Non-Executive / Executive
Mr. W. M. R. S. Dias (Chairman)	Independent Non-Executive Director of CCPLC
Mr. R. Theagarajah	Independent Non-Executive Director of CCPLC
Mr. D. C. R. Gunawardena	Non-Executive Director of CCPLC
Mr. H. Selvanathan	Non-Executive Director of CCPLC
Mr. M. Selvanathan	Non-Executive Director of CCPLC
Mr. S. K. Shah	Non-Executive Director of CCPLC

- 1.2 Following the regulatory amendment, effective 01st October 2024, which mandates that each listed entity must establish and maintain its own Related Party Transactions Review Committee, the Related Party Transactions Review Committee of CCPLC ceased to function as the Related Party Transactions Review Committee of Ceylon Guardian Investment Trust PLC with effect from 25th September 2024.

In terms of Rule 9.14 of the Listing Rules of the Colombo Stock Exchange, the Related Party Transactions Review Committee (RPTRC) of Ceylon Guardian Investment Trust PLC was formed w.e.f. 25th September 2024. As at the reporting date, the RPTRC consists of the following Members;

Members	Independent Non-Executive / Non-Executive / Executive
Mr. A. S. Amaratunga (Chairman)	Independent Non-Executive Director
Mr. A. D. Pereira	Independent Non-Executive Director
Mr. A. P. Weeraturunge	Non-Executive

## 2. MEETING ATTENDANCE

- 2.1 From 01st April 2024 to 25th September 2024, the Carson Cumberbatch PLC Related Party Transactions Review Committee which functioned as the RPTRC of the Company until 25th September 2024 met twice (2). The attendance of the Carson Cumberbatch PLC Committee Members at this meeting is as follows:

Members	Independent Non-Executive / Non-Executive / Executive	Attendance
Mr. W. M. R. S. Dias (Chairman)	Independent Non-Executive Director of CCPLC	2/2
Mr. R. Theagarajah	Independent Non-Executive Director of CCPLC	1/2
Mr. D. C.R. Gunawardena	Non-Executive Director of CCPLC	2/2
Mr. H. Selvanathan	Non-Executive Director of CCPLC	-
Mr. M. Selvanathan	Non-Executive Director of CCPLC	2/2
Mr. S.K. Shah	Non-Executive Director of CCPLC	2/2

- 2.2 From 25th September 2024 until the reporting date, the Ceylon Guardian Investment Trust PLC Related Party Transactions Review Committee met three times (3). The attendance of Ceylon Guardian Investment Trust PLC Committee Members at these meetings is as follows:

Members	Independent Non-Executive / Non-Executive / Executive	Attendance
Mr. A. S. Amaratunga (Chairman)	Independent Non-Executive Director	3/3
Mr. A. D. Pereira	Independent Non-Executive Director	3/3
Mr. A. P. Weeraturunge	Non-Executive	3/3

## 3. DISCLOSURES AS PER SECTION 9.14.8 OF THE LISTING RULES OF THE COLOMBO STOCK EXCHANGE

### 3.1 Non-Recurrent Related Party Transactions

In accordance with Rule 9.14.8 (1) of the Listing Rules of the Colombo Stock Exchange, there were no Non-Recurrent Related Party Transactions entered into by the Company, where the aggregate value of the Non-Recurrent Related Party Transactions exceeded 10% of the Equity or 5% of the Total Assets of the Company, whichever is lower, as per the Audited Financial Statements as at 31st March 2025.

# Related Party Transactions Review Committee Report

## 3.2 Recurrent Related Party Transactions

In accordance with Rule 9.14.8 (2) of the Listing Rules of the Colombo Stock Exchange there were no Recurrent Related Party Transactions entered into by the Company, where the aggregate value of the Recurrent Related Party Transactions exceeded 10% of the Gross Revenue/Income of the Company, as per the latest Audited Financial Statements as at 31st March 2025.

## 4. STATEMENT ON REVIEW OF RELATED PARTY TRANSACTIONS

As required by Rule 9.14.8 (3) of the Listing Rules of the Colombo Stock Exchange, the Related Party Transactions Review Committee (RPTRC) of the Company has reviewed all Related Party Transactions (RPTs) carried out during the financial year from 1st April 2024 to 31st March 2025, excluding those transactions exempted under Listing Rule 9.14.10 of the Listing Rules of the CSE and those exempted by the RPTRC Charter.

Following its review, the RPTRC communicated its comments and observations to the Board of Directors of the Company.

## 5. POLICIES AND PROCEDURES FOR REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

- 1) As required by Rule 9.14.8 (3) of the Listing Rules of the Colombo Stock Exchange, the Committee adopts the following policies and procedures for reviewing related party transactions of the Company. The Related Party Transactions Review Committee (RPTRC) reviews relevant Related Party Transactions (RPTs) of the Company. Where the Committee determines that approval of the Board of Directors of the respective Company is required, such approval is obtained prior to entering into the relevant transaction.
- 2) The RPTRC is provided with all the facts and circumstances of a proposed RPT by senior management to facilitate the review of a RPT and such information includes;
  - The Related Party's relationship to the Company and interest in the transaction;
  - material facts of the proposed RPT, including the proposed aggregate value of such transaction;
  - the benefits of the proposed RPT to the Company;
  - availability of other sources of comparable products or services; and
  - an assessment of whether the proposed RPT is on terms that are comparable to the terms generally available to an unaffiliated third party under the same or similar circumstances, or to employees generally.

- 3) In reviewing a transaction, the RPTRC assesses whether the proposed RPT conducted during the ordinary course of business and is carried out at an arm's length basis, regardless of whether the transaction is recurrent or non-recurrent in nature.
- 4) Reviews and approvals by the RPTRC are conducted either at duly convened Meetings of the Committee (subject to quorum requirements being met) or by way of Circular Resolution.
- 5) In deciding whether to seek the approval of the Board of Directors for a given RPT, the RPTRC considers, among other relevant factors, whether the transaction pose any actual or potential conflict of interest to the Directors and advising them accordingly.
- 6) Submit Related Party Transactions that require Shareholder approval by way of a Special Resolution, as stipulated under Rule 9.14 of the Listing Rules of the Colombo Stock Exchange and the provisions of the RPTRC Charter, for Shareholder approval once reviewed and approved by the RPTRC and the Board of Directors of the Company.
- 7) The Board of Directors of the Company has been identified as Key Management Personnel (KMP). Each Director and KMPs provide declarations to identify parties related to them. Related Party Transactions are identified based on the disclosures made in these declarations.

## 6. DECLARATION

As required by Rule 9.14.8 (4) of the Listing Rules of the Colombo Stock Exchange, the following declaration by the Board of Directors is captured in the 'Annual Report of the Board of Directors on the Affairs of the Company' of this Report.

The Company is in compliance with Rule 9.14 of the Listing Rules of the Colombo Stock Exchange, pertaining to Related Party Transactions, during the financial year.

I take this opportunity to thank the Members of the Related Party Transactions Review Committee of Carson Cumberbatch PLC for the invaluable contribution made by them to the Company in the past years.

(Sgd.)

**A. S. Amaratunga**

Chairman – Related Party Transactions Review Committee

30th June 2025

# Nominations and Governance Committee Report

## 1. COMMITTEE COMPOSITION

In terms of Rule 9.11 of the Listing Rules of the Colombo Stock Exchange (CSE), the Nomination Committee of the Company was renamed as the 'Nominations and Governance Committee' w.e.f. 25th September 2024. As at the reporting date, the Nominations and Governance Committee consists of the following Members;

Members	Independent Non-Executive / Non-Executive
Mrs. M. A. R.C. Cooray (Appointed Member w.e.f. 01st April 2012 & Chairman w.e.f. 01st September 2016. Ceased to be the Chairman & Member w.e.f. 25/09/2024)	Independent Non-Executive
Mr. C. T. Knight (Appointed Chairman & Member w.e.f. 25th September 2024)	Independent Non-Executive
Mr. A. D. Pereira (Appointed w.e.f. 25th September 2024)	Independent Non-Executive
Mr. V. M. Fernando (Appointed w.e.f. 01st September 2016)	Independent Non-Executive until 25th September 2024 Non-Executive w.e.f. 25th September 2024

## 2. DIRECTOR NOMINATION AND COMMITTEE APPOINTMENTS

The Nominations and Governance Committee operates under a documented policy and established procedures for nominating Directors to the Board and recommending appointments to the Company's sub-committees. These processes ensure that all appointments are made based on merit, experience and alignment with the Company's strategic needs and governance principles. Members of the Committee abstain from participating in decisions relating to their own appointments.

## 3. RETIREMENT AND RE-ELECTION OF DIRECTORS

As provided in the Articles of Association of the Company, one-third of the Directors elected by the Company shall retire from office at each Annual General Meeting. The Directors to retire each year shall be those who have been in office the longest since their last election. Every retiring Director is eligible for

re-election, subject to the recommendation of the Board, and shall continue to act as a Director throughout the meeting at which they retire. Directors appointed as Nominee Directors, as provided in the Articles of Association, are not subject to retirement and re-election. All Directors who are subject to retirement by rotation and re-election as per the Articles of Association of the Company are required to submit themselves for re-election at regular intervals and at least once every three years as explained above.

3.1 In terms of Rule 9.11.5 (ii) of the Listing Rules of the Colombo Stock Exchange (CSE), the Committee has recommended the re-election of Mr. K. Selvanathan to the Board at the Annual General Meeting (AGM) to be held on 25th July 2025, in accordance with Articles 72, 73, and 74 of the Company's Articles of Association. This recommendation is based on his knowledge, experience and the valuable contribution he has made toward achieving the objectives of the Board.

3.2 In terms of Article 68 of the Company's Articles of Association, any Director appointed to the Board under this Article shall hold office only until the next AGM and shall then be eligible for re-election. Accordingly, in compliance with the Articles and Rule 9.11.5 (ii) of the Listing Rules of the Colombo Stock Exchange, the Committee has recommended the re-election of Mr. A. P. Weeratunge, Mr. A.S. Amaratunga and Mr. S. K. Balasuriya who were appointed to the Board since the last AGM, at the forthcoming AGM scheduled to be held on 25th July 2025.

3.3 In recognition of their extensive experience, deep insight and domain knowledge, the Committee recommended to the Board and the Board approved the re-appointment of Mrs. M. A. R. C. Cooray and Mr. V. M. Fernando who are over seventy years of age and are due to retire in terms of Section 210 of the Companies Act, No. 07 of 2007.

Mrs. M.A. R. C. Cooray and Mr. V. M. Fernando who are over 70 years of age are to be re-appointed as Directors of the Company for a further period of one year from the conclusion of the AGM and that the age limit stipulated in Section 210 of the Companies Act, No. 07 of 2007 shall not be applicable to them.

## Nominations and Governance

### Committee Report

#### 3.4 Details of Directors being re-elected and/or re-appointed;

Board Member	Re-elected or re-appointed	Board Committees served on as a Member / Chairman	Date of first appointment as a Director	Date of last re-appointment as a Director	Directorships or Chairpersonships and other principal commitments both present and those held over the preceding 3 years in other Listed Entities	Any relationships* including close family relationships (as defined in CSE Rule 9.8.4) between the candidate and the Directors, the Listed Entity or its shareholders holding more than 10% of the shares of the Company  (*business relationship)
Mr. K. Selvanathan	To be Re-elected as per Articles 72, 73 and 74 of the Articles of Association of the Company at the AGM on 25th July 2025	N/A	16th December 2010	25th July 2023	<ul style="list-style-type: none"> <li>• Ceylon Investment PLC - Executive</li> <li>• Lion Brewery (Ceylon) PLC - Non-Executive</li> <li>• Pegasus Hotels of Ceylon PLC - Non-Executive</li> </ul>	-
Mr. A. P. Weeratunge	To be Re-elected as per Article 68 of the Articles of Association of the Company at the AGM on 25th July 2025	Member of <ul style="list-style-type: none"> <li>• Related Party Transactions Review Committee</li> <li>• Audit Committee from 25th September 2024 to 01st January 2025</li> </ul>	25th August 2024	Appointed to the Board on 25th August 2024	<ul style="list-style-type: none"> <li>• Ceylon Investment PLC - Non-Executive</li> <li>• Equity Two PLC - Non-Executive</li> </ul>	-
Mr. A. S. Amaratunga	To be Re-elected as per Article 68 of the Articles of Association of the Company at the AGM on 25th July 2025	Chairman of <ul style="list-style-type: none"> <li>• Audit Committee &amp; Related Party Transactions Review Committee</li> </ul> Member of <ul style="list-style-type: none"> <li>• Remuneration Committee</li> </ul>	25th September 2024	Appointed to the Board on 25th September 2024	<ul style="list-style-type: none"> <li>• Hemas Holdings PLC - Non-Executive Independent (Since 01st January 2016 to 29th November 2024)</li> <li>• Ceylon Beverage Holdings PLC - Independent Non Executive</li> <li>• Bukit Darah PLC -Independent Non-Executive</li> <li>• Carson Cumberbatch PLC - Independent Non-Executive</li> <li>• Lion Brewery (Ceylon) PLC -Independent Non- Executive</li> <li>• Ceylon Investment PLC - Independent Non-Executive</li> <li>• Pegasus Hotels of Ceylon PLC -Independent Non- Executive</li> <li>• Equity Two PLC -Independent Non-Executive</li> </ul>	Director of Carson Cumberbatch PLC

Board Member	Re-elected or re-appointed	Board Committees served on as a Member / Chairman	Date of first appointment as a Director	Date of last re-appointment as a Director	Directorships or Chairpersonships and other principal commitments both present and those held over the preceding 3 years in other Listed Entities	Any relationships* including close family relationships (as defined in CSE Rule 9.8.4) between the candidate and the Directors, the Listed Entity or its shareholders holding more than 10% of the shares of the Company  (*business relationship)
Mr. S. K. Balasuriya	To be Re-elected as per Article 68 of the Articles of Association of the Company at the AGM on 25th July 2025	-	31st October 2024	Appointed to the Board on 31st October 2024	-	-
Mrs. M. A. R.C. Cooray	To be Re-appointed as per Section 210 of the Companies Act, No. 07 of 2007 at the AGM on 25th July 2025	Member of <ul style="list-style-type: none"> <li>Audit Committee &amp;</li> <li>Remuneration Committee</li> </ul>	11th March 2010	25th July 2024	<ul style="list-style-type: none"> <li>HNB Assurance PLC - Non-Executive/Non Independent Director (Since 06th July 2015 to 23rd May 2024)</li> <li>Ceylon Investment PLC- Chairperson/ Non-Executive Director (Ceased to be an Independent Director w.e.f.25th September 2024)</li> </ul>	-
Mr. V. M. Fernando	To be Re-appointed as per Section 210 of the Companies Act, No. 07 of 2007 at the AGM on 25th July 2025	Member of <ul style="list-style-type: none"> <li>Nominations and Governance Committee</li> </ul>	01st April 2002	25th July 2024	<ul style="list-style-type: none"> <li>Ceylon Investment PLC- Independent Non-Executive Director (Resigned w.e.f.25th September 2024)</li> </ul>	-

Carson Cumberbatch PLC is the immediate Parent Company of Ceylon Guardian Investment Trust PLC and Bukit Darah PLC is the Ultimate Parent and Controlling Entity of Ceylon Guardian Investment Trust PLC.

#### **4. BOARD DIVERSITY**

The Board of Directors recognises diversity in experience, skills, age, and gender as a key enabler of effective governance and strategic oversight. The Board comprises individuals with varied professional backgrounds, combining local insights with international experience to guide the Company through evolving challenges. Age and gender diversity are promoted, ensuring a balanced mix of perspectives that drive innovation and sound decision-making.

#### **5. DIRECTOR'S APPOINTMENT AND RE-APPOINTMENT**

The Company follows a transparent and well-structured process for the appointment and re-appointment of Directors, in line with its Articles of Association, the Listing Rules of the CSE, and Corporate Governance best practices. The Nominations and Governance Committee is responsible for identifying and evaluating candidates based on qualifications, experience, leadership competencies and independence. Re-appointments are based on directors' contribution, and alignment with the Company's strategic goals. Directors retiring by rotation are subject to shareholder approval at the Annual General Meeting. For Independent Non-Executive Directors, compliance with the criteria for independence as per Rule 9.8.3 of the Listing Rules is verified prior to re-appointment. This ensures that the integrity and objectivity of the Board are maintained.

#### **6. BOARD AND CEO PERFORMANCE EVALUATION**

In compliance with Rule 9.11.5 of the Listing Rules of the CSE, the Committee confirms that periodic evaluations have been conducted on the performance of the Board of Directors. These evaluations are aimed at assessing the effectiveness of the Board's oversight responsibilities in achieving the Company's strategic objectives. The performance reviews are structured, criteria-based and carried out under the supervision of the Nominations and Governance Committee. Feedback from these evaluations is used to identify areas for improvement and to support ongoing Board effectiveness.

#### **7. ENGAGEMENT OF INDEPENDENT DIRECTORS**

The Company has implemented structured processes to ensure Independent Directors are kept fully informed of all significant matters impacting the Company. These include the timely distribution of detailed Board packs, participation in key Board Committees, unrestricted access to senior management, regular updates on material developments, and ongoing induction and briefings. These measures enable Independent Directors to effectively fulfil their oversight and governance responsibilities.

#### **8. INDUCTION AND ORIENTATION FOR NEW DIRECTORS**

The Company conducts structured induction and orientation programs for newly appointed Directors. These programs are designed to familiarise Directors with the Company's governance framework, business operations, industry environment, and key regulatory obligations. The sessions cover topics including corporate governance practices, the Listing Rules of the Colombo Stock Exchange, securities market regulations, and other applicable legal and regulatory requirements. This ensures that new Directors are well-equipped to discharge their duties effectively from the outset of their appointment.

#### **9. QUARTERLY UPDATES TO EXISTING DIRECTORS**

During the year under review, the Nominations and Governance Committee facilitated quarterly updates to the Board of Directors on key developments in corporate governance, amendments to the Listing Rules of the CSE, securities market regulations, and other applicable laws and regulations. These sessions are intended to ensure that Directors remain well-informed and compliant with evolving governance and regulatory standards.

In addition to these updates, the Committee reviews a comprehensive Regulatory and Corporate Compliance Statement and the Nominations and Governance Committee Compliance Statement, which also outlines the Company's adherence to policies under Rule 9.2.1. The Committee also evaluates Fit and Proper Assessment Criteria declarations and annual declarations of independence submitted by Directors, as well as during the process of recommending new appointments to the Board.

## 10. MEETING ATTENDANCE

10.1 From 01st April 2024 until the reporting date, the Ceylon Guardian Investment Trust PLC Nominations and Governance Committee met thrice (3). The attendance of the Ceylon Guardian Investment Trust PLC Committee Members at these meetings is as follows:

Members	Independent Non-Executive / Non-Executive / Executive	Attendance
Mr. C. T. Knight (Chairman)	Independent Non-Executive	3/3
Mr. A.D. Pereira	Independent Non-Executive	3/3
Mr. V. M. Fernando	Non-Executive	3/3
Mrs. M. A. R.C. Cooray (Ceased to be the Chairman & Member w.e.f. 25/09/2024)	Non-Executive	-

## 11. STATEMENT ON DIRECTORS' INDEPENDENCE

11.1 As required under Rule 9.8.5 (a) of the Listing Rules of the CSE, the following Independent Non-Executive Directors of the Company have each submitted a signed and dated declaration confirming their independence, in accordance with the criteria specified in the CSE Listing Rules.

1. Mr. A. S. Amaratunga - Independent Non-Executive
2. Mr. A. D. Pereira - Independent Non-Executive
3. Mr. C. T. Knight - Independent Non-Executive
4. Mr. S. K. Balasuriya - Independent Non-Executive

11.2 In accordance with Rule 9.11.6 (l) of the Listing Rules of the CSE, the Nominations and Governance Committee confirms that, as at the reporting date, the Independent Non-Executive Directors of the Company have satisfied the criteria for determining independence as specified under Rule 9.8.3 of the CSE Listing Rules.

## 12. STATEMENT ON DIRECTORS' FITNESS AND PROPRIETY

12.1 As required by Rule 9.7.4 of the Listing Rules, the Company has obtained signed declarations from all Directors of the Company, as at the reporting date, confirming that each of them have continuously satisfied the Fit and Proper Assessment Criteria set out under the Listing Rules during the financial year 2024/25 and satisfies the said criteria as at the date of such confirmation.

12.2 The Nominations and Governance Committee reviewed and evaluated the fitness and propriety of the Directors of the Company based on the Fit and Proper Assessment Criteria declarations, confirms that all Directors of the Company as at the reporting date, satisfies the Fit and Proper Assessment Criteria stipulated in the Listing Rules of the Colombo Stock Exchange.

## 13. STATEMENT ON CORPORATE GOVERNANCE

In accordance with Rule 9.11.6 (m) of the Listing Rules of the CSE, the Nominations and Governance Committee confirms that the Company is in compliance with the Corporate Governance requirements stipulated under the said Listing Rules.

(Sgd.)

**C. T. Knight**

Chairman - Nominations and Governance Committee

30th June 2025

# Financial Calendar

## **Financial Year end**

**31st March 2025**

73rd Annual General Meeting

25th July 2025

## **ANNOUNCEMENT OF RESULTS**

Interim Financial Statements published in terms of the Listing Rules of the Colombo Stock Exchange

1st Quarter ended 30th June 2024

14th August 2024

2nd Quarter ended 30th September 2024

13th November 2024

3rd Quarter ended 31st December 2024

14th February 2025

4th Quarter ended 31st March 2025

30th May 2025

# Independent Auditor's Report



KPMG  
(Chartered Accountants)  
32A, Sir Mohamed Macan Markar Mawatha,  
P. O. Box 186,  
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## TO THE SHAREHOLDERS OF CEYLON GUARDIAN INVESTMENT TRUST PLC

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Ceylon Guardian Investment Trust 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 March 31, 2025 and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as of March 31, 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



### VALUATION OF FINANCIAL INVESTMENTS CLASSIFIED AS FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) AND FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)

Refer to notes 3 (C), 22, 25, 26 and 37 to these financial statements.

Risk Description	Our Response
<p>The financial investments of the Group as at March 31, 2025 comprise of FVTPL financial assets amounting to Rs. 9,829 Mn, which is 28% of total assets and FVOCI financial assets amounting to Rs. 14,026 Mn which represents 40% of the total assets. As at the reporting date, the Group's FVTPL portfolio is made up of listed equity investments amounting to Rs. 9,385.7 Mn and investments in bills and bonds amounting to Rs. 443 Mn.</p> <p>Investments in listed equity are measured based on quoted market prices.</p> <p>Due to the materiality of FVTPL and FVOCI financial instruments in the context of financial statements, we considered the valuation of FVTPL and FVOCI financial instruments as a key audit matter.</p>	<p>Our audit procedures include,</p> <ul style="list-style-type: none"><li>• Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's controls in relation to the investment valuation process.</li><li>• Obtaining the Central Depository System (CDS) statements and verify the existence, completeness and accuracy of the number of quoted shares and agreeing the market price as of March 31, 2025 with the Colombo Stock Exchange (CSE) prices.</li><li>• Recomputing fair value gain/loss arise from revaluing the FVTPL investments.</li><li>• Assessing the adequacy of disclosure in the financial statements in relation to the fair valuation of the financial investments as required by the accounting standards.</li></ul>

#### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

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

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



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

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Independent Auditor's Report



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

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

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

### **Report on Other Legal and Regulatory Requirements**

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is FCA 3272.

A handwritten signature in black ink, appearing to read 'HULL'.

**CHARTERED ACCOUNTANTS**

Colombo, Sri Lanka  
June 30, 2025

# Statement of Profit or Loss and Other Comprehensive Income

All figures are in Sri Lankan Rupees Thousands

For the year ended 31st March	Note	Group		Company	
		2025	2024	2025	2024
<b>Revenue</b>	11	2,502,126	2,287,656	954,170	980,741
Net change in fair value of financial assets at fair value through profit or loss		2,790,481	1,868,222	1,017,708	628,798
<b>Profit on investment activities</b>		5,292,607	4,155,878	1,971,878	1,609,539
Administrative and other operating expenses		(596,493)	(408,244)	(216,174)	(162,231)
<b>Profit from operations</b>	12	4,696,114	3,747,634	1,755,704	1,447,308
Other income	13	-	-	138,304	54,699
Net finance expense	14	(19,365)	(77,259)	(10,744)	(31,635)
<b>Profit before taxation</b>		4,676,749	3,670,375	1,883,264	1,470,372
Income tax expense	15	(266,933)	(278,004)	(115,499)	(124,972)
<b>Profit for the year</b>		4,409,816	3,392,371	1,767,765	1,345,400
<b>Other comprehensive income</b>					
<b>Items that will never be reclassified to profit or loss</b>					
Actuarial loss on employee benefit obligation	32	(5,875)	(6,432)	-	-
Related tax on actuarial loss	23	1,763	1,929	-	-
Net change in fair value of investments at fair value through other comprehensive income	22	5,702,272	(444,532)	-	-
<b>Items that are or may be reclassified to profit or loss</b>					
Net exchange differences on translation of foreign operations		(13,625)	(122,252)	-	-
<b>Other comprehensive income / (expense) for the year</b>		5,684,535	(571,287)	-	-
<b>Total comprehensive income for the year</b>		10,094,351	2,821,084	1,767,765	1,345,400
<b>Profit attributable to:</b>					
Equity holders of the parent		3,682,261	2,846,045	1,767,765	1,345,400
Non-controlling interest		727,555	546,326	-	-
		4,409,816	3,392,371	1,767,765	1,345,400
<b>Total comprehensive income attributable to:</b>					
Equity holders of the parent		8,406,191	2,371,255	1,767,765	1,345,400
Non-controlling interest		1,688,160	449,829	-	-
		10,094,351	2,821,084	1,767,765	1,345,400
Earnings per share (Rs.)	16	42.41	32.78	20.36	15.50
Dividend per share	17	1.36	-	1.36	-

The notes to the financial statements from pages 52 to 111 form an integral part of these financial statements. Figures in brackets indicate deductions.

# Statement of Financial Position

All figures are in Sri Lankan Rupees Thousands

As at 31st March	Note	Group		Company	
		2025	2024	2025	2024
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	18	2,951	4,523	-	-
Right-of-use assets	20	14,152	5,473	-	-
Investments in subsidiaries	21	-	-	2,012,044	1,874,751
Investments at fair value through other comprehensive income	22	14,025,750	8,323,478	-	-
Deferred tax asset	23	7,147	4,997	-	-
Investments in fixed deposits		5,099,375	4,607,102	2,418,088	2,183,847
<b>Total non - current assets</b>		<b>19,149,375</b>	<b>12,945,573</b>	<b>4,430,132</b>	<b>4,058,598</b>
<b>Current assets</b>					
Trade and other receivables	24	47,494	37,323	968	1,107
Investments in equity securities	25	9,386,038	8,945,943	3,180,333	2,724,653
Investments in debt securities	26	443,321	582,987	-	-
Investments in unit trusts	27	-	334,017	-	217,103
Investments in fixed deposits		2,775,521	1,202,975	760,857	102,842
Cash and cash equivalents	28	3,555,516	2,227,498	950,989	972,854
<b>Total current assets</b>		<b>16,207,890</b>	<b>13,330,743</b>	<b>4,893,147</b>	<b>4,018,559</b>
<b>Total assets</b>		<b>35,357,265</b>	<b>26,276,316</b>	<b>9,323,279</b>	<b>8,077,157</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Stated capital	29	1,128,726	1,128,726	1,128,726	1,128,726
Capital reserves	30	332,576	324,546	208,660	208,660
Revenue reserves	31	27,167,741	19,361,403	7,404,180	6,256,563
Total equity attributable to equity holders of the parent		28,629,043	20,814,675	8,741,566	7,593,949
Non - controlling interest		5,518,629	3,986,823	-	-
<b>Total equity</b>		<b>34,147,672</b>	<b>24,801,498</b>	<b>8,741,566</b>	<b>7,593,949</b>
<b>Non-current liabilities</b>					
Employee benefits	32	23,991	16,244	-	-
Lease liabilities	34	7,442	-	-	-
Interest-bearing loans and borrowings	35	783,342	-	391,671	-
<b>Total non - current liabilities</b>		<b>814,775</b>	<b>16,244</b>	<b>391,671</b>	<b>-</b>
<b>Current liabilities</b>					
Trade and other payables	33	94,269	99,019	25,257	26,778
Lease liabilities	34	6,710	6,131	-	-
Current tax liabilities		46,570	65,921	18,320	27,483
Interest-bearing loans and borrowings	35	247,269	1,287,503	146,465	428,947
<b>Total current liabilities</b>		<b>394,818</b>	<b>1,458,574</b>	<b>190,042</b>	<b>483,208</b>
<b>Total liabilities</b>		<b>1,209,593</b>	<b>1,474,818</b>	<b>581,713</b>	<b>483,208</b>
<b>Total equity and liabilities</b>		<b>35,357,265</b>	<b>26,276,316</b>	<b>9,323,279</b>	<b>8,077,157</b>
Net assets per ordinary / deferred share (Rs.)		334.24	237.08	102.06	86.49

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The notes to the financial statements from pages 52 to 111 form an integral part of these financial statements.

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd).

**P.C. Ekanayake**

Senior Vice President - Finance

**Guardian Fund Management Limited**

The board of directors is responsible for the preparation and presentation of these financial statements.

Approved & Signed on behalf of the Managers,

Approved & Signed on behalf of the Board,

(Sgd).

**K. Selvanathan**

Director

**Carsons Management Services (Private) Limited**

(Sgd).

**M. A. R. C. Cooray (Mrs.)**

Chairperson

(Sgd).

**A.P. Weeratunge**

Director

Colombo

30th June 2025

# Statement of Changes In Equity

All figures are in Sri Lankan Rupees Thousands

Group	Stated capital	Capital reserves			Revenue reserves			Attributable to equity holders of parent	Non controlling interest	Total equity
		Investment reserve	Other capital reserve	Currency translation reserve	General reserve	Fair value through OCI financial assets reserve	Retained earnings			
<b>Balance as at 1st April 2023</b>	1,128,726	7,805	316,741	540,868	32,668	7,240,582	9,467,212	18,734,602	3,589,884	22,324,486
Profit for the year	-	-	-	-	-	-	2,846,045	2,846,045	546,326	3,392,371
Other comprehensive income / (expense) for the year	-	-	-	(101,434)	-	(368,854)	(4,502)	(474,790)	(96,497)	(571,287)
Total comprehensive income / (expense) for the year	-	-	-	(101,434)	-	(368,854)	2,841,543	2,371,255	449,829	2,821,084
Cash dividend (note 17.1)	-	-	-	-	-	-	(194,232)	(194,232)	(18,826)	(213,058)
Repurchase of shares (Note 29.1.B)	-	-	-	-	-	-	(104,081)	(104,081)	(35,303)	(139,384)
Forfeiture of unclaimed dividends	-	-	-	-	-	-	7,131	7,131	1,239	8,370
<b>Balance as at 31st March 2024</b>	1,128,726	7,805	316,741	439,434	32,668	6,871,728	12,017,573	20,814,675	3,986,823	24,801,498
<b>Balance as at 1st April 2024</b>	1,128,726	7,805	316,741	439,434	32,668	6,871,728	12,017,573	20,814,675	3,986,823	24,801,498
Profit for the year	-	-	-	-	-	-	3,682,261	3,682,261	727,555	4,409,816
Other comprehensive income / (expense) for the year	-	-	-	(11,322)	-	4,739,365	(4,113)	4,723,930	960,605	5,684,535
Total comprehensive income / (expense) for the year	-	-	-	(11,322)	-	4,739,365	3,678,148	8,406,191	1,688,160	10,094,351
Cash dividend (note 17.1)	-	-	-	-	-	-	(116,491)	(116,491)	(23,881)	(140,372)
Repurchase of shares (Note 29.1.A)	-	-	-	-	-	-	(507,700)	(507,700)	(86,916)	(594,616)
Forfeiture of unclaimed dividends	-	-	-	-	-	-	6,973	6,973	1,495	8,468
Effect due to change in controlling interest in a subsidiary (Note 21.3)	-	5,562	2,468	741	11,471	44,613	(39,460)	25,395	(47,052)	(21,657)
<b>Balance as at 31st March 2025</b>	1,128,726	13,367	319,209	428,853	44,139	11,655,706	15,039,043	28,629,043	5,518,629	34,147,672

The notes from pages 52 to 111 form an integral part of these financial statements. Figures in brackets indicate deductions.

## Statement of Changes In Equity

All figures are in Sri Lankan Rupees Thousands

Company	Stated capital	Capital reserves		Revenue reserves		Total equity
		Investment reserve	Other capital reserve	General reserve	Retained earnings	
<b>Balance as at 1st April 2023</b>	1,128,726	7,805	200,855	14,961	5,189,782	6,542,129
Profit for the year	-	-	-	-	1,345,400	1,345,400
Other comprehensive income / (expense) for the year	-	-	-	-	-	-
Total comprehensive income / (expense) for the year	-	-	-	-	1,345,400	1,345,400
Cash dividend (note 17.1)	-	-	-	-	(194,232)	(194,232)
Repurchase of shares (Note 29.1.B)	-	-	-	-	(104,081)	(104,081)
Forfeiture of unclaimed dividends	-	-	-	-	4,733	4,733
<b>Balance as at 31st March 2024</b>	1,128,726	7,805	200,855	14,961	6,241,602	7,593,949
<b>Balance as at 1st April 2024</b>	1,128,726	7,805	200,855	14,961	6,241,602	7,593,949
Profit for the year	-	-	-	-	1,767,765	1,767,765
Other comprehensive income / (expense) for the year	-	-	-	-	-	-
Total comprehensive income / (expense) for the year	-	-	-	-	1,767,765	1,767,765
Cash dividend (note 17.1)	-	-	-	-	(116,491)	(116,491)
Repurchase of shares (Note 29.1.A)	-	-	-	-	(507,700)	(507,700)
Forfeiture of unclaimed dividends	-	-	-	-	4,043	4,043
<b>Balance as at 31st March 2025</b>	1,128,726	7,805	200,855	14,961	7,389,219	8,741,566

The notes from pages 52 to 111 form an integral part of these financial statements.  
Figures in brackets indicate deductions.

# Statement of Cash Flows

All figures are in Sri Lankan Rupees Thousands

For the year ended 31st March	Note	Group		Company	
		2025	2024	2025	2024
<b>Cash flows from operating activities</b>					
Profit before taxation		4,676,749	3,670,375	1,883,264	1,470,372
<b>Adjustments for:</b>					
Depreciation on property, plant and equipment	18	1,572	1,433	-	-
Amortisation of right-of-use assets	20	5,473	5,474	-	-
Provision for employee benefits	32	4,197	2,450	-	-
Net finance expense	14	19,365	77,259	10,744	31,635
Profit from shares repurchased	13	-	-	(138,304)	(54,699)
Net charge in fair value through profit or loss financial assets		(2,790,481)	(1,868,222)	(1,017,708)	(628,798)
<b>Operating profit before working capital changes</b>		1,916,875	1,888,769	737,996	818,510
(Increase) / decrease in trade and other receivables		(10,171)	12,291	139	4,688
(Increase) / decrease in investments		2,824,068	934,352	779,131	424,482
(Increase) / decrease in investment in fixed deposits		(2,064,819)	(951,313)	(892,256)	(152,906)
Increase / (decrease) in trade and other payables		(1,589)	(50,331)	(548)	703
<b>Cash generated from / (used in) operations</b>		2,664,364	1,833,768	624,462	1,095,477
Employee benefits paid	32	(2,325)	(529)	-	-
Income tax paid		(286,671)	(256,510)	(124,662)	(116,893)
<b>Net cash generated from / (used in) operating activities</b>		2,375,368	1,576,729	499,800	978,584
<b>Cash flows from / (used in) investing activities</b>					
Acquisition of property, plant and equipment	18	-	(3,273)	-	-
Consideration paid for acquisition of additional interest in a subsidiary	21.3	(21,657)	-	-	-
Net investments in subsidiaries		-	-	(167,257)	(66,200)
Proceeds received from shares repurchased	13	-	-	168,268	68,346
Finance income received		1,347	1,505	-	-
<b>Net cash generated from / (used in) investing activities</b>		(20,310)	(1,768)	1,011	2,146
<b>Cash flows from / (used in) financing activities</b>					
Dividends paid		(113,421)	(190,632)	(113,421)	(190,632)
Dividends paid to non-controlling interest		(21,644)	(18,266)	-	-
Re-purchase of shares	29.1	(507,700)	(104,081)	(507,700)	(104,081)
Re-purchase of shares held by minority shareholders		(86,916)	(35,303)	-	-
Borrowings obtained	35	1,625,602	3,367,600	825,602	1,308,000
Borrowings paid	35	(1,884,169)	(2,599,332)	(717,280)	(1,041,592)
Payment of lease liabilities	34	(6,131)	(4,815)	-	-
Finance expense paid		(19,036)	(72,490)	(9,877)	(29,018)
<b>Net cash generated from / (used) in financing activities</b>		(1,013,415)	342,681	(522,676)	(57,323)
<b>Net increase / (decrease) in cash and cash equivalents</b>		1,341,643	1,917,642	(21,865)	923,407
Cash and cash equivalents at the beginning of the year		2,227,498	432,108	972,854	49,447
Net exchange differences on translation of foreign operations		(13,625)	(122,252)	-	-
<b>Cash and cash equivalents at the end of the year</b>	28	3,555,516	2,227,498	950,989	972,854

The notes from pages 52 to 111 form an integral part of these financial statements.  
Figures in brackets indicate deductions.

# Notes to the Financial Statements

## 1 REPORTING ENTITY

### (A) DOMICILE AND LEGAL FORM

Ceylon Guardian Investment Trust PLC (the "Company") is a limited liability company incorporated in Sri Lanka. The shares of the Company have a primary listing on the Colombo Stock Exchange.

The registered office and principal place of business of the Company, its subsidiaries, and jointly controlled entities are located at No. 61, Janadhipathi Mawatha, Colombo 01.

The consolidated financial statements of the Company as at and for the year ended 31st March 2025 comprise of the financial information of the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interest in the jointly controlled entity.

The Group has five subsidiaries out of which one subsidiary is listed on the Colombo Stock Exchange the details of which are set out in the note 21 to the financial statements.

### (B) PRINCIPAL ACTIVITIES AND NATURE OF OPERATIONS

The principal activities of the Company and its subsidiaries are to act as specialised investment vehicles to undertake investments in listed equity securities, private equity securities, investments in unit trusts and fixed income investments as well as to engage in fund management activities.

There were no significant changes in the nature of the principal activities of the Company and the Group during the financial year under review.

The investment activities of the Group are managed by Guardian Fund Management Limited (the investment manager) and Carsons Management Services (Private) Limited functions as Managers and Secretaries of the Group.

### (C) PARENT ENTITY AND ULTIMATE PARENT ENTITY

Carson Cumberbatch PLC is the parent company of Ceylon Guardian Investment Trust PLC and Bukit Darah PLC is the ultimate parent and controlling entity of Ceylon Guardian Investment Trust PLC.

## (D) NUMBER OF EMPLOYEES

The Group had 16 (2024 - 21) employees at the end of the financial year. The Company had no employees as at the reporting date (2024 - Nil) and the relevant services are received from Carsons Management Services (Private) Limited and Guardian Fund Management Limited.

## 2 BASIS OF PREPARATION

### (A) STATEMENT OF COMPLIANCE

The financial statements of the Company and Group comprise of the statement of financial position, statements of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows together with the notes to the financial statements.

The consolidated financial statements have been prepared in accordance with Sri Lanka Accounting Standards (LKAS / SLFRS) laid down by the Institute of Chartered Accountants of Sri Lanka further these statements comply with the requirements of Companies Act No. 7 of 2007.

The consolidated financial statements were authorised for issue by the Board of Directors on 30th June 2025.

### (B) BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the financial statements, except for the following material items in the statement of financial position;

Non-derivative financial instruments classified as fair value through profit or loss which are measured at fair value;

Fair value through other comprehensive income financial assets; and

Defined benefit obligations are measured at its present value, based on an actuarial valuation.

### (C) GOING CONCERN BASIS OF ACCOUNTING

These financial statements have been prepared on the basis that the Company and the Group would continue as a going concern for the foreseeable future.

**(D) MATERIALITY AND AGGREGATION**

Each material class of similar items is presented in aggregate in the financial statements. Items of dissimilar nature or function are presented separately unless immaterial.

**(E) FUNCTIONAL AND PRESENTATION CURRENCY**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entities operate (the 'functional currency'). The consolidated financial statements are presented in Sri Lankan Rupees, which is the Company's functional and presentation currency.

**(F) USE OF ESTIMATES AND JUDGEMENTS**

The preparation of the consolidated financial statements in conformity with LKAS / SLFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Assumptions and estimation uncertainties:**

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 following notes:

**i. Assessment of impairment - Key assumptions used in discounted cash flow projections**

The Group assesses at each reporting date whether there is objective evidence that an asset or portfolio of assets is impaired. The recoverable amount of an asset or Cash Generating Unit (CGU) 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 present value using appropriate discount rates that reflects the current market assessments of the time value of money and risks specific to the asset.

**ii. Deferred taxation – utilisation of tax losses**

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the level of future taxable profits together with future tax planning strategies.

**iii. Defined benefit plans**

The assessment of the liability of defined benefit obligations involves a significant element of assumptions; including discount rates, future salary increases, mortality rates and future pension increases and due to the long-term nature of these plans, such estimates are subject to uncertainty.

**iv. Current taxation**

Current tax liabilities arise to the Group from various jurisdictions. These liabilities are provided for in the financial statements applying the relevant tax statutes and regulations which the management believes reflect the actual liability. There can be instances where the stand taken by the Group on transactions is contested by Inland Revenue Department. Any additional costs on account of these issues are accounted for as a tax expense at the point the liability is confirmed on any Group entity.

**v. Measurement of fair values – Fair value of financial instruments**

A number of Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SLFRS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in the fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the note 37.

### **G. EQUITY SECURITIES**

The fair value of investments in equity securities is determined based on their quoted closing price at the measurement date. For unquoted securities it is 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.

### **H. 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.

### **I. OTHER NON-DERIVATIVE FINANCIAL LIABILITIES**

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date.

### **J. COMPARATIVE FIGURES**

Where necessary, comparative figures have been rearranged to conform to the current year's presentation.

### **3 MATERIAL ACCOUNTING POLICIES**

The following accounting policies have been applied consistently to all periods presented in these financial statements of the Group and Company unless otherwise indicated.

### **(A) BASIS OF CONSOLIDATION**

The consolidated financial statements comprise of the financial statements of the Group and its subsidiaries as at and for the year ended 31st March 2025. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Group controls an investee if and only if the investor has all of the following

#### **Power over the investee**

Exposure, or rights, to variable returns from its involvement with the investee.

The ability to use its power over the investee to affect the amount of the investor's returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

Contractual arrangement with the other vote holders of the investee;

Rights arising from other contracts and arrangements;

The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

#### **(i) 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 (refer (iii)). 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 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 Group measures goodwill at the acquisition date as: the fair value of the consideration transferred; plus the recognised amount of any non-controlling interests in the acquiree; plus if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a gain on bargain purchase is recognised immediately in profit or loss.

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

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as

incurred. Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

#### **(ii) Non-controlling interests**

For each business combination, the Group elects to measure any non-controlling interests in the acquiree either: at fair value; or at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

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. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

#### **(iii) Subsidiaries**

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Adjustments required to the accounting policies of subsidiaries have been changed wherever necessary to align them with the policies adopted by the Group.

In the Company's financial statements, investments in subsidiaries are carried at cost less impairment if any, in net recoverable value.

The consolidated financial statements are prepared to a common financial year end of 31st March.

#### **(iv) Loss of control**

On the loss of control, the Group de-recognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost.

Subsequently that retained interest is accounted for as an equity-accounted investee or as a fair value through other comprehensive income financial asset depending on the level of influence retained.

### (v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

### (vii) Financial year end

All companies in the Group have a common financial year which ends on 31st March.

## (B) FOREIGN CURRENCY

### (i) Foreign currency transactions

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

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated 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 retranslation are generally recognised in the statement of profit or loss. However, foreign currency differences arising from the retranslation of the following items are recognised in other comprehensive income:

an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).

### (ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Sri Lankan Rupees at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Sri Lankan Rupees at exchange rates at the dates of the transactions.

Foreign currency translation differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity. However, if the foreign operation is not a fully owned subsidiary, then the relevant proportion of the translation difference is allocated to non-controlling interests. When a foreign operation is disposed of such control, significant influence or joint control, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign currency gains and losses arising from such items are considered to form part of the net investment in the foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity.

## (C) FINANCIAL INSTRUMENTS

### (i) Recognition and initial measurement

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 recognised when they are originated. All other financial assets and financial liabilities are initially recognised 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, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

### (ii) Financial assets

Classification and subsequent measurement of financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) - debt investment; fair value through other comprehensive income (FVOCI) - equity investment; or fair value through profit or loss (FVTPL).

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

it is held within a business model whose objective is 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.

Group financial assets classified and measured at amortised cost are limited to trade and other receivables, related party receivables, short term investments, securities purchased under the resale agreements and cash and cash equivalents.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

The Group's unit trust investments are classified as at fair value through profit or loss and equity instruments are classified in both fair value through profit or loss and fair value through other comprehensive income.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile,

matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

how the performance of the portfolio is evaluated and reported to the Group's management;

the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered as sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

### **Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition.

'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing

whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

contingent events that would change the amount or timing of cash flows;

terms that may adjust the contractual coupon rate, including variable-rate features;

prepayment and extension features; and

terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

### Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit or loss. Any gain or loss on derecognition is recognised in statement of profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised 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 recognised in OCI and are never reclassified to profit or loss.

#### (iii) Financial liabilities

Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss. Any gain or loss on de-recognition is also recognised in statement of profit or loss.

#### (iv) De-recognition

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or it neither transfers nor retains substantially all of the

risks and rewards of ownership and does not retain control over the financial asset. Any interest in such de-recognised financial assets that is created or retained by the Group is recognised as a separate asset or liability. The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not de-recognised.

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also de-recognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

#### (v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### (D) IMPAIRMENT

#### (i) Financial assets

The Group recognises loss allowances for Expected Credit Losses (ECLs) on:

-financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

debt securities that are determined to have low credit risk at the reporting date; and other debt securities and bank balances for which credit risk (i.e. the risk of default occurring

over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

### Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

**ECLs are discounted at the effective interest rate of the financial asset.**

### Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

- Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 180 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of an active market for a security because of financial difficulties.

### Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

### Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 360 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures to recover the amounts due.

### (ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of

impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets 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 CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

For other assets, 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 amortisation, if no impairment loss had been recognised.

## (E) PROPERTY, PLANT AND EQUIPMENT

### (i) Recognition and measurement

All items of property, plant equipment are initially recorded at cost.

Subsequent to the initial recognition property, plant & equipment are carried at cost less accumulated depreciation thereon 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 following:

the cost of materials and direct labour;

any other costs directly attributable to bringing the assets to a working condition for their intended use.

When the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located are recognised into the cost of acquisition of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that 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.

### (ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

### (iii) 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 the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset.

Class of asset	No. of years
Motor vehicles	4-5
Furniture and fittings	5-10
Computer equipment	3-5
Office equipment	5-10

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

### (iv) Disposal

The gains or losses arising on disposal or retirement of an item of property, plant and equipment are determined by comparing

the proceeds from disposal with the carrying amount of the property, plant and equipment are recognised net within other income in the statement of profit or loss.

### (F) INTANGIBLE ASSETS AND GOODWILL

#### (i) Recognition and measurement

##### Software

All computer software costs incurred for license for use by the Group, which are not integrally related to associated hardware, which can be clearly identified, reliably measured and it is probable that they will lead to future economic benefits, are included in the statement of financial position under the category intangible assets and carried at cost less accumulated amortisation and any accumulated impairment losses. These costs are amortised to the statement of profit or loss using the straight-line method over 3 to 10 years.

#### (ii) Subsequent expenditure

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

#### (iii) Impairment

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually or more frequently if events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable.

### (G) LEASES

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. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in SLFRS 16.

#### AS A 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 standalone prices. However, for the lease of office building 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 recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove 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 amortised 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 remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets and lease liabilities as separate line items in the statement of financial position.

#### Short-term leases and leases of low-value assets

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

## (H) STATED CAPITAL

Ordinary shares and deferred shares are classified as equity. Costs attributable to the issue of ordinary shares and deferred are recognised as an expense.

## (I) EMPLOYEE BENEFITS

### (i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans 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.

### (ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

### (iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The liability recognised in the financial statements in respect of defined benefit plans is the present value of the defined benefit obligation as at the reporting date. The defined benefit obligation is calculated by a qualified actuary as at the reporting date using the Projected Unit Credit (PUC) method as recommended by LKAS 19 - 'Employee Benefits'.

Such actuarial valuations will be carried out once a year. The liability is not externally funded. Under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of 5 years of continued service.

All Actuarial gains or losses are recognised immediately in other comprehensive income.

When the benefits of a plan are changed or when a plan

is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on settlement of a defined benefit plan when the settlement occurs.

### (J) LIABILITIES AND PROVISIONS

#### (i) Liabilities

Liabilities classified as current liabilities in the statement of financial position are those obligations payable on demand or within one year from the reporting date. Items classified as non-current liabilities are those obligations, which expire beyond a period of one year from the reporting date.

All known liabilities have been accounted for in preparing the financial statements. Provisions and liabilities are recognised when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits will be required to settle the obligation.

#### (ii) Provisions

A provision is recognised 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 pre-tax 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 recognised as finance cost.

### (K) CONTINGENT LIABILITIES AND CONTINGENT ASSETS

#### (i) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

In such an event, the Group does not recognise a contingent

liability but discloses its existence in the financial statements.

#### (ii) Contingent assets

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets in the statement of financial position but discloses its existence where inflows of economic benefits are probable, but not virtually certain. In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any minority interest.

### (L) REVENUE

Performance obligations and revenue recognition policies

SLFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised.

As per the standard, revenue is measured based on the consideration specified in a contract with a customer. The Group revenue comprises of the portfolio management fee income for the portfolio management service provided to external clients and Group recognises revenue when it provides the service at a point in time.

Accordingly, the Group recognises the revenue based on the following criteria.

#### (i) Interest income and expense

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or financial liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes

transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

**(ii) Gain / (loss) on sale of financial investments measured at fair value through profit or loss**

Gain / (loss) on sale of financial investments measured at fair value through profit or loss comprise of the realised trading gains on disposal of government securities, quoted shares, unquoted shares and listed debentures, are presented in direct income as sale of financial investments at fair value through profit or loss in the statement of profit or loss and other comprehensive income.

**(iii) Gain / (loss) on redemption of units**

Gain / (loss) on redemption of units comprise of the realised trading gain / (loss) on disposal of investment in unit trust, is presented in direct income as sale of financial investments at fair value through profit or loss in the statement of profit or loss and other comprehensive income.

**(iv) Gain / (loss) on disposal of financial investments – fair value through other comprehensive income**

Gain / (loss) on disposal of financial investments measured at fair value through other comprehensive income comprise of the realised capital gain / (loss) on disposal of investment in equity securities classified as financial assets measured at fair value through other comprehensive income, is presented in other comprehensive income.

**(v) Gain / (loss) on fair valuation of financial investments – fair value through profit or loss**

Gain / (loss) on fair valuation of financial investments is the unrealised gain / (loss) on fair valuation (marked to market valuation) of government securities, quoted shares, unquoted shares, investment in units and listed debentures. The fair valuation gain / (loss) is presented in profit or loss in the statement of profit or loss and other comprehensive income.

**(vi) Dividend income**

Dividend income from financial investments is recognised in profit or loss on an accrual basis when the Group's right

to receive the dividend is established. This is usually on the ex-dividend date for equity securities. Dividends are presented in net trading income or net gain / (loss) from financial investments based on the underlying classification of the equity investment.

**(M) EXPENDITURE RECOGNITION**

**(i) Operating expenses**

All expenses incurred in day-to-day operations of the business have been charged to profit or loss account in arriving at the profit or loss for the year. A provision has also been made for impaired receivables, all known liabilities and depreciation on property, plant and equipment.

**(ii) Finance income and finance costs**

Finance costs comprise interest expense on borrowings.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised 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.

**(iii) Fee and commission expenses**

Fee and commission expenses are recognised in statement of profit or loss when the related services are performed.

**(N) INCOME TAX EXPENSE**

Income tax expense comprise of current and deferred tax. Current tax and deferred tax is recognised in the statement of profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

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

### (i) Current taxation

Current tax comprise 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.

### (ii) Deferred taxation

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

#### Deferred tax is not recognised for:

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 jointly controlled entities 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.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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 there is any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, based on the level of future taxable profit forecasts and tax planning strategies.

### (iii) Tax exposures

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

## (O) RELATED PARTY DISCLOSURES

A 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 policy decisions of the other, irrespective of whether a price is charged.

## (P) EARNINGS PER SHARE

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

## (Q) EVENTS AFTER THE REPORTING PERIOD

All material and important events which occur after the reporting date have been considered and disclosed in notes to the financial statements.

## 4 DIVIDENDS ON ORDINARY SHARES

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Group's shareholders. Interim dividends are deducted from equity when they are declared and are no longer at the discretion of the Group.

## **5 SEGMENT REPORTING**

Segment results that are reported to the Board of Directors include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

## **6 STATEMENT OF CASH FLOWS**

The statement of cash flows has been prepared using the indirect method of preparing cash flows in accordance with the Sri Lanka Accounting Standard (LKAS) 7, "Statement of Cash Flows".

Cash and cash equivalents as referred to in the statement of cash flows are comprised of those items as explained in note 28 to the financial statements.

For cash flow purposes, cash and cash equivalents are presented net of bank overdrafts.

## **7 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise cash balances that are subject to insignificant risk of changes in fair value and are used by the Group in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

## **8 PRESENTATION**

Assets and liabilities are grouped by nature and listed in an order that reflects their relative liquidity and maturity pattern.

### **(i) Offsetting income and expenses**

Income and expenses are not offset unless required or permitted by accounting standards.

### **(ii) Offsetting assets and liabilities**

Assets and liabilities are offset and the net amount reported in the statement of financial position only where there is; a current enforceable legal right to offset the asset and the liability; and an intention to settle the liability simultaneously.

## **9 DIRECTORS' RESPONSIBILITY**

The Board of Directors is responsible for the preparation and presentation of the financial statements. This is morefully described under the relevant clause in the Directors' Report.

## **10 NEW ACCOUNTING STANDARDS ISSUED**

### **10.1 Standards issued but not yet adopted**

A number of new standards are effective for annual periods beginning on or after 01 April 2025 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

General requirements for disclosure of sustainability related financial information (SLFRS S1) and climate related disclosures (SLFRS S2).

In June 2023 the International Sustainability Standards Board (ISSB) released its first two sustainability disclosure standards, IFRS S1 and IFRS S2. During the year, CA Sri Lanka issued the localised standards based on these IFRSs designated as SLFRS S1 SLFRS S2.

The Group does not expect that adopting the Standards listed above will have a material impact on the Company's financial statements.

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 11. REVENUE

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
Dividend income	1,084,256	767,472	367,623	287,422
Interest income on financial assets carried at amortised cost (note 11.1)	1,121,107	1,123,349	479,369	498,228
Management fees	323,138	216,372	-	-
Net gain /(loss) from disposal of investment in equity and debt securities	708,136	659,984	107,178	192,795
Net gain from disposal of investment in unit trusts	-	4,777	-	2,296
	3,236,637	2,771,954	954,170	980,741
Intra - group transactions	(734,511)	(484,298)	-	-
<b>Total external revenue</b>	<b>2,502,126</b>	<b>2,287,656</b>	<b>954,170</b>	<b>980,741</b>

#### 11.1 Interest income on financial assets carried at amortised cost

Placements with banking and financial institutions	1,066,110	1,070,444	463,473	485,089
Savings deposits	40,321	38,200	15,896	13,139
Interest income from treasury bills, bonds and corporate bonds	14,676	14,705	-	-
	1,121,107	1,123,349	479,369	498,228

### 12. PROFIT / (LOSS) FROM OPERATIONS

Profit / (loss) from operations is stated after charging all expenses including the following:

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
Auditors' remuneration & expenses				
- Audit and audit related fees	6,987	6,341	807	734
- Non audit services	830	240	300	80
Directors' fees	31,774	18,945	21,156	12,705
Support service fees ( note 36.4 ) *	95,992	81,835	38,750	34,174
Depreciation (note 18)	1,572	1,433	-	-
Amortisation (note 20)	5,473	5,474	-	-
Professional services (note 12.a)	14,403	14,065	1,843	1,094
Personnel cost (note 12.b)	249,766	139,421	-	-

\*Support service fees are paid to Carsons Management Services (Private) Limited, a related company, which acts as the Managers and Secretaries of the Group.

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
<b>12.a Professional services</b>				
Legal services	1,125	2,643	-	-
Valuation services	2,009	1,560	242	492
Other professional services	11,269	9,862	1,601	602
	14,403	14,065	1,843	1,094
<b>12.b Personnel cost</b>				
Salaries, wages and other related expenses	235,833	128,288	-	-
Defined benefit plan cost (note 32.2)	4,197	2,450	-	-
Defined contribution plan cost	9,736	8,683	-	-
	249,766	139,421	-	-
<b>The above include:</b>				
Directors' emoluments	71,611	47,519	-	-
	71,611	47,519	-	-

### 13 OTHER INCOME

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
Proceeds received from shares repurchased	-	-	168,268	68,346
Cost of the repurchased shares	-	-	(29,964)	(13,647)
Profit from shares repurchased	-	-	138,304	54,699

Ceylon Investment PLC, a subsidiary of Ceylon Guardian Investment Trust PLC, made a share repurchase offer through an offer document dated 26th July 2024. The Company accepted its full entitlement of 1,424,312 shares at a consideration of Rs.118.14 per share, amounting to a total consideration of Rs.168.27 million. This transaction resulted in a profit of Rs.138.3 million.

In the previous year, Ceylon Investment PLC made a similar share repurchase offer via an offer document dated 11th August 2023. The Company accepted its full entitlement of 648,696 shares at a consideration of Rs.105.36 per share, with a total consideration of Rs.68.35 million, resulting in a profit of Rs.54.7 million.

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 14 NET FINANCE EXPENSE

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
<b>Finance income</b>				
Interest income	1,347	1,505	-	-
	1,347	1,505	-	-
<b>Finance expense</b>				
Exchange loss	1,070	630	-	-
On Interest-bearing loans and borrowings	18,939	76,115	10,744	31,635
Lease interest (note 34)	703	2,019	-	-
	20,712	78,764	10,744	31,635
<b>Net finance expense</b>	<b>(19,365)</b>	<b>(77,259)</b>	<b>(10,744)</b>	<b>(31,635)</b>

### 15 INCOME TAX EXPENSE

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
<b>15.1 Current tax expense</b>				
Provision for the year (note 15.3)	270,096	279,408	115,657	125,219
Over provision for previous year	(2,776)	(681)	(158)	(247)
Current tax expense for the year	267,320	278,727	115,499	124,972
<b>15.2 Deferred taxation</b>				
On origination and reversal of temporary differences (note 23.1)	(387)	(723)	-	-
Deferred tax expense / (reversal) for the year	(387)	(723)	-	-
<b>Total income tax expense for the year</b>	<b>266,933</b>	<b>278,004</b>	<b>115,499</b>	<b>124,972</b>

### 15.3 Reconciliation between accounting profit and taxable profit

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
Accounting profit before taxation	4,676,749	3,670,375	1,883,264	1,470,372
<b>Adjustments :</b>				
Exempt (profits) / loss on sale of quoted public shares	(707,150)	(698,100)	(101,687)	(194,263)
Dividend / share repurchase income (Exempt)	(1,236,186)	(814,770)	(535,891)	(355,768)
Allowable claims	(108,816)	(60,077)	-	-
Net change in fair value of financial assets at fair value through profit or loss	(2,790,481)	(1,868,222)	(1,017,708)	(628,798)
Unit Trust -unrealised Interest income	-	34,017	-	22,103
Disallowable expenses	638,194	481,899	157,546	103,752
Transactions adjusted on consolidation	436,904	190,640	-	-
Operating losses incurred during the year	249	921	-	-
Utilisation of tax losses (note 15.4)	(1,829)	(781)	-	-
<b>Adjusted profit for taxation</b>	<b>907,634</b>	<b>935,902</b>	<b>385,524</b>	<b>417,398</b>
Current tax expense of the Company				
Tax at 30%	267,105	278,046	115,657	125,219
Tax paid in Mauritius at 15%	2,991	1,362	-	-
	270,096	279,408	115,657	125,219

Income tax expense for the Group is based on the taxable profit of individual companies within the Group. At present, the tax laws in Sri Lanka do not provide for Group taxation.

### 15.4 Movement in tax losses

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
Tax losses brought forward	1,783	1,643	-	-
Adjustment on brought forwarded tax losses (Finalisation/ conversions)	(203)	-	-	-
Tax losses incurred during the year	249	921	-	-
Tax losses utilised of during the year	(1,829)	(781)	-	-
<b>Tax losses carried forward</b>	<b>-</b>	<b>1,783</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 15.5 Summary of provision applicable under relevant tax legislation

#### (i) Current Tax in Sri Lanka

- (a) The income tax provision of Ceylon Guardian Investment Trust PLC, its subsidiaries which are resident in Sri Lanka is calculated in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and its amendments thereto. In terms of above, the income tax provisions of companies have been calculated on their adjusted profits at the standard rate of 30%. ( 30% - 2024) except for companies with specified sources which are exempt from tax or subject to concessionary tax rates as set out below.

As per the Inland Revenue (Amendment) Act No.45 of 2022, 15% withholding tax is deducted from the dividend distribution by the paying company. Dividend paid by a resident company to a member to the extent that dividend payment is attributable to, or derived from, another dividend received by that resident company or another resident company exempt from income tax for the respective recipient.

#### (ii) Current tax on overseas operations

Guardian Value Fund LLC and Guardian Fund Management LLC are incorporated under the laws of Mauritius in accordance with the Mauritius Companies Act and has been granted a Global Business License by the Financial Services Commission of Republic of Mauritius (the "FSC"). The Companies are liable for income tax in Mauritius on its chargeable income at 15% (The companies may claim a tax credit equivalent to the higher of the foreign tax paid or 80% of the Mauritius tax on its foreign-source income).

#### (iii) Specified sources exempt from income tax which applicable for companies within the Group

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

### 16 EARNINGS PER SHARE

Basic Earnings per share is calculated on the profit / (loss) attributable to the shareholders of the Company over the weighted average number of ordinary shares outstanding, as required by the Sri Lanka Accounting Standard (LKAS 33) - "Earnings per share".

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
<b>Amount used as the numerator</b>				
Profit for the year attributable to the shareholders of the parent	3,682,261	2,846,045	1,767,765	1,345,400
<b>Amount used as denominator</b>				
No. of shares as at beginning of the year	87,796,646	87,796,646	87,796,646	87,796,646
Effect of Repurchase of ordinary shares	(976,564)	(976,564)	(976,564)	(976,564)
Weighted average number of ordinary/deferred shares outstanding during the year*	86,820,082	86,820,082	86,820,082	86,820,082
<b>Basic earnings per share (Rs.)</b>	42.41	32.78	20.36	15.50

The weighted average number of ordinary shares outstanding has been adjusted to reflect the effect of the share repurchase as if the event had occurred at the beginning of the earliest period presented. Therefore, the prior period EPS has been restated.

\*One deferred share is considered to be equivalent to one ordinary share in calculating the weighted average number of shares outstanding during the year for the purpose of earnings per share calculation.

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

## 17 DIVIDEND PER SHARE

For the year ended 31st March	Company	
	2025	2024
<b>17.1 DIVIDEND PAID DURING THE YEAR</b>		
First interim dividend - cash		
Cash dividend - ordinary / deferred shares (2022/23)	-	194,232
Cash dividend - ordinary / deferred shares (2024/25)	116,491	-
	116,491	194,232
<b>17.2 DIVIDEND PROPOSED AND PAID DURING THE YEAR</b>		
Proposed and paid First interim dividend - cash*		
-On ordinary shares	108,879	-
-On deferred shares	7,612	-
Total proposed and paid dividend	116,491	-
Dividend per share (Rs.)	1.36	-

on 29th November 2024 the Board of Directors approved the payment of a first interim dividend of Rs. 1.36 per ordinary share and deferred share for the year ended 31st March 2025 amounting to Rs. 116,491,159.04. The entitlement / record date for the above first interim dividend was 12th December 2024.

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 18 PROPERTY, PLANT AND EQUIPMENT - GROUP

	Office equipment	Computer equipment	Furniture and fittings	Total 2025	Total 2024
<b>Cost</b>					
Balance as at the beginning of the year	614	12,651	6,224	19,489	16,316
Additions during the year	-	-	-	-	3,273
Disposals during the year	-	(93)	-	(93)	(100)
Balance as at the end of the year	614	12,558	6,224	19,396	19,489
<b>Accumulated depreciation</b>					
Balance as at the beginning of the year	277	9,745	4,944	14,966	13,633
Charge for the year	71	1,167	334	1,572	1,433
Disposals during the year	-	(93)	-	(93)	(100)
Balance as at the end of the year	348	10,819	5,278	16,445	14,966
Carrying value as at end of the year	266	1,739	946	2,951	4,523

18.1 Details of fully depreciated assets in property, plant and equipment are as follows;

As at 31st March	Group	
	2025	2024
Office equipment	258	258
Furniture and fittings	2,882	2,882
Computer equipment	9,493	9,089
	12,633	12,229

18.2 No borrowing costs were capitalized for property, plant and equipment during the year (2024 - Nil).

18.3 Property, plant and equipment were not pledged as security as at the reporting date.

## 19 INTANGIBLE ASSETS - GROUP

	Computer software	Total 2025	Total 2024
<b>Cost</b>			
Balance as at the beginning of the year	37,577	37,577	37,577
Additions during the year	-	-	-
<b>Balance as at the end of the year</b>	<b>37,577</b>	<b>37,577</b>	<b>37,577</b>
<b>Amortisation and impairment</b>			
Balance as at the beginning of the year	37,577	37,577	37,577
Charge for the year	-	-	-
<b>Balance as at the end of the year</b>	<b>37,577</b>	<b>37,577</b>	<b>37,577</b>
<b>Carrying value as at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>

19.1 Details of fully amortised intangible assets are as follows;

Computer software	37,577	37,577
	37,577	37,577

## 20 RIGHT-OF-USE ASSETS - GROUP

As at 31st March	Group 2025	2024
Carrying value at the beginning of the year	5,473	10,947
Additions during the year	14,152	-
Amortisation for the year	(5,473)	(5,474)
<b>Carrying value at the end of the year</b>	<b>14,152</b>	<b>5,473</b>

Right-of-use assets and related lease liability (given in note 34) are recognised in relation to the lease contract entered by the subsidiary, Guardian Fund Management Limited, for leasing of office premises to carry out the operations of the said subsidiary. As per Sri Lanka Financial Reporting Standard (SLFRS 16) - "Leases", these liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate.

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 21 INVESTMENTS IN SUBSIDIARIES

As at 31st March	Group			Company					
	2025	2024	No. of shares	2025		2024			
	Effective holdings %			Cost	Fair value	No. of shares	Cost	Fair value	
<b>21.1 Quoted investments</b>									
Ceylon Investment PLC	66.22	65.94	64,362,113	1,370,055	4,608,327	65,518,370	1,378,362	3,099,019	
				1,370,055	4,608,327		1,378,362	3,099,019	
<b>21.2 Unquoted investments</b>									
Rubber Investment Trust Limited	83.11	82.98	3,955,609	316	10,174,530	3,955,609	316	6,675,066	
Guardian Fund Management Limited	100.00	100.00	2,848,678	73,321	61,611	2,848,678	73,321	63,284	
Guardian Fund Management LLC	83.11	82.97	753,452	223,484	219,602	253,452	77,884	169,028	
Guardian Value Fund LLC	83.11	82.97	1,965,000	357,139	549,023	1,965,000	357,139	535,780	
				654,260	11,004,766		508,660	7,443,158	
				2,024,315	15,613,093		1,887,022	10,542,177	
Provision for impairments (note 21.5)				(12,271)	-		(12,271)	-	
<b>Total investment in subsidiaries</b>				2,012,044	15,613,093		1,874,751	10,542,177	

The fair value of quoted investments is based on the closing prices as at 31st March, published by the Colombo Stock Exchange, whilst fair value of Rubber Investment Trust Limited, Guardian Fund Management Limited, Guardian Fund Management LLC and Guardian Value Fund LLC are based on the net asset values of those companies as at the reporting date.

#### 21.3 Effect due to change in controlling interest in a subsidiary

During the year, the Ceylon Guardian Investment Trust PLC acquired an additional 0.28% equity interest in Ceylon Investment PLC, for a total consideration of Rs. 21,657,472 increasing its ownership from 65.94% to 66.22%.

The transaction was accounted for as an equity transaction in the Consolidated Financial Statements. The difference between the consideration paid and the carrying amount of the non-controlling interests acquired has been recognised in equity as follows.

Impact on Group's statement of Equity statement

As at 31st March	2025	2024
Consideration paid	(21,657)	-
Carrying value of NCI acquired	47,052	-
<b>Difference recognised in group equity</b>	<b>25,395</b>	<b>-</b>

#### 21.4 Investments in overseas fund structure

Guardian Value Fund LLC and Guardian Fund Management LLC were incorporated in the Republic of Mauritius in 2019 as part of the Group's overseas investment initiative. The fund structure is fully regulated by the Financial Services Commission of Mauritius, the statutory body responsible for the regulation, supervision, and inspection of all non-banking financial services and global business in Mauritius. As at 31 March 2025, the total value of the fund structure amounted to USD 5.67 Mn (2024: USD 4.52 Mn).

#### 21.5 Impairment of investment in subsidiaries

An impairment of Rs.12.3 million was recognised in previous financial years on the investment in the subsidiary 'Guardian Fund Management Limited' due to a decline in its net asset value.

#### 21.6 Non-controlling interests

The following subsidiaries have material Non-Controlling Interest (NCI).

As at 31st March	Nature of the business	Ownership interest held by NCI - %	
		2025	2024
Ceylon Investment PLC	Investment holding	33.78	34.06
Rubber Investment Trust Limited	Investment holding	16.89	17.02
Guardian Value Fund LLC	Investment holding	16.89	17.03

#### 21.7 Given below are the summarised financial information of the above subsidiaries.

For the year ended / As at 31st March	Ceylon Investment PLC		Rubber Investment Trust Limited		Guardian Value Fund LLC	
	2025	2024	2025	2024	2025	2024
Revenue	626,294	653,887	1,094,338	782,543	31,774	14,320
Net change in fair value of financial assets at fair value through profit or loss	912,519	535,063	803,089	725,642	56,312	(20,830)
Profit / (loss) for the year	2,150,333	1,605,443	1,678,208	1,333,010	46,667	(33,376)
Total other comprehensive income / (expense) for the year	2,843,989	(284,965)	5,705,641	(460,524)	-	-
<b>Total comprehensive income / (expense) for the year</b>	<b>4,994,322</b>	<b>1,320,478</b>	<b>7,383,849</b>	<b>872,486</b>	<b>46,667</b>	<b>(33,376)</b>
Non-current assets	12,568,056	8,798,272	15,203,539	9,335,898	-	-
Current assets	4,364,194	3,631,706	5,147,717	4,243,407	1,248,890	1,215,413
<b>Total assets</b>	<b>16,932,250</b>	<b>12,429,978</b>	<b>20,351,256</b>	<b>13,579,305</b>	<b>1,248,890</b>	<b>1,215,413</b>
Non-current liabilities	(391,671)	-	-	-	-	-
Current liabilities	(129,518)	(692,495)	(18,191)	(239,819)	(11,143)	(7,521)
<b>Net assets</b>	<b>16,411,061</b>	<b>11,737,483</b>	<b>20,333,065</b>	<b>13,339,486</b>	<b>1,237,747</b>	<b>1,207,892</b>
Net cash generated from / (used in) operating activities	725,966	499,729	928,386	224,736	585,749	(185,202)
Net cash generated from / (used in) investing activities	49,337	55,019	-	-	-	-
Net cash generated from / (used in) financing activities	(490,741)	210,117	(596,731)	(149,387)	-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>284,562</b>	<b>764,865</b>	<b>331,655</b>	<b>75,349</b>	<b>585,749</b>	<b>(185,202)</b>

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 22 INVESTMENTS IN FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME- GROUP

#### 22.1 Summary

As at 31st March	2025	2024
	Fair value	Fair value
Investment in Equity Securities- Quoted Shares	14,025,750	8,323,478
Total investments in fair value through other comprehensive income	14,025,750	8,323,478

#### 22.2 Movement in investments in fair value through other comprehensive income

	Fair value as at the beginning of the year	Additions	Disposals	Transfers	Fair value adjustment	Fair value as at the end of the year
For the year ended 31st March 2025						
Investment in equity securities	8,323,478	-	-	-	5,702,272	14,025,750
	8,323,478	-	-	-	5,702,272	14,025,750
For the year ended 31st March 2024						
Investment in equity securities	8,768,010	-	-	-	(444,532)	8,323,478
	8,768,010	-	-	-	(444,532)	8,323,478

#### 22.3 Investment in equity securities

As at 31st March	2025		2024	
	No. of shares	Fair value	No. of shares	Fair value
Food, Beverage & Tobacco				
Bukit Darah PLC	20,438,250	14,025,749	20,438,250	8,323,477
Bukit Darah PLC - Preference Shares - 8% participative cumulative	31,875	1	31,875	1
		14,025,750		8,323,478

#### VALUATION OF LISTED EQUITY INVESTMENTS

The fair value of Bukit Darah PLC is based on the closing price as at 31st March, published by the Colombo Stock Exchange.

The Group designated the investment shown above as equity securities at FVOCI because these equity securities represents investment that the Group intends to hold for the long term strategic purpose.

No strategic investments were disposed during the year and there were no transfers of any cumulative gain or loss within equity relating to these investments.

## 23 DEFERRED TAX ASSET- GROUP

As at 31st March	2025	2024
Balance as at the beginning of the year	4,997	2,345
Charge / (reversal) for the year (note 23.1)	2,150	2,652
<b>Balance as at the end of year</b>	<b>7,147</b>	<b>4,997</b>

### 23.1 Charge / (reversal) for the year

The amounts recognised in the statement of profit or loss are as follows;

Property, plant and equipment	23	(52)
Right-of-Use Assets	(2,604)	1,644
Employee benefits	562	576
Lease creditor on Right-of-Use Assets	2,406	(1,445)
	387	723

The amounts recognised in the statement of other comprehensive income are as follows

Employee benefits	1,763	1,929
	1,763	1,929
<b>Charge / (reversal) for the year</b>	<b>2,150</b>	<b>2,652</b>

### 23.2 Deferred tax assets

Employee benefits	7,197	4,873
Lease creditor on Right-of-Use Assets	4,245	1,840
<b>Total deferred tax asset</b>	<b>11,442</b>	<b>6,713</b>

### 23.3 Deferred tax liability

Property , plant and equipment	51	74
Right-of-Use Assets	4,244	1,642
<b>Total deferred tax liabilities</b>	<b>4,295</b>	<b>1,716</b>
<b>Net deferred tax asset</b>	<b>7,147</b>	<b>4,997</b>

23.4 The deferred tax effect on undistributed reserves of the subsidiary companies have not been recognised since the Company has the ability to control the timing of the reversal of those temporary differences.

23.5 Deferred tax has been computed using a tax rate of 30% (2024 – 30%), which is substantively enacted as at the reporting date.

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All figures are in Sri Lankan Rupees Thousands

### 24 TRADE AND OTHER RECEIVABLES

As at 31st March	Group		Company	
	2025	2024	2025	2024
<b>Financial</b>				
Trade receivables	29,672	16,650	-	-
Dividend receivable	5,077	1,821	-	276
Other receivable	185	183	-	-
	34,934	18,654	-	276
<b>Non financial</b>				
Advances and prepaid expenses	12,560	18,669	968	831
	12,560	18,669	968	831
	47,494	37,323	968	1,107

### 25 INVESTMENTS IN EQUITY SECURITIES

#### 25.1 SUMMARY

As at 31st March	Note	Group		Note	Company	
		2025	2024		2025	2024
Investment in Equity Securities - Quoted Shares- Fair value through profit or loss (FVTPL)	25.2	9,385,715	8,915,598	25.6	3,180,020	2,694,468
Investment in Equity Securities- Unquoted Shares- Fair value through profit or loss (FVTPL)	25.3	20	30,042	25.7	10	29,882
Investment in Equity Securities- Private Equity (Unlisted)-Fair value through profit or loss (FVTPL)	25.4	303	303	25.8	303	303
<b>Total Investments in equity securities</b>		9,386,038	8,945,943		3,180,333	2,724,653

Information about the Group's exposure to credit and market risks and fair value measurement are included in note 37.

The fair value of the Group's listed investment portfolio is based on the closing price as at 31st March, published by the Colombo Stock Exchange.

The fair value of the Group's unlisted investment portfolio is based on the valuation carried out by the investment managers, Guardian Fund Management Limited.

### 25.1.1 Movement in Investments in equity securities - Group

	Fair value as at the beginning of the year	Additions	Disposals	Effect of currency translation	Fair value adjustment	Fair value as at the end of the year
<b>For the year ended 31st March 2025</b>						
Investment in equity securities	8,945,943	1,531,213	(3,876,812)	(4,430)	2,790,124	9,386,038
	8,945,943	1,531,213	(3,876,812)	(4,430)	2,790,124	9,386,038
<b>For the year ended 31st March 2024</b>						
Investment in equity securities	8,278,233	2,097,187	(3,215,949)	(36,022)	1,822,494	8,945,943
	8,278,233	2,097,187	(3,215,949)	(36,022)	1,822,494	8,945,943

The fair value of the Group's listed investment portfolio is based on the closing price as at 31st March, published by the Colombo Stock Exchange.

### 25.2 Investment in equity securities - quoted shares- Group

As at 31st March	2025		2024	
	No. of shares	Fair value	No. of shares	Fair value
<b>Banks</b>				
Hatton National Bank PLC	388,001	118,340	1,043,919	187,905
Nations Trust Bank PLC	307,629	58,450	560,783	60,284
Sampath Bank PLC	252,579	30,941	2,681,611	214,529
		207,731		462,718
<b>Capital goods</b>				
ACL Cables PLC	1,755,939	214,225	2,006,939	168,784
Hemas Holdings PLC	14,834,937	1,780,192	15,785,492	1,269,154
Hayleys PLC	-	-	622,091	51,074
John Keells Holdings PLC	-	-	2,464,597	478,132
Royal Ceramics Lanka PLC	-	-	1,718,480	53,444
Vallibel One PLC	-	-	404,544	20,428
		1,994,417		2,041,016
<b>Consumer Durables &amp; Apparel</b>				
Teejay Lanka PLC	2,203,548	112,381	5,393,548	202,797
		112,381		202,797

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All figures are in Sri Lankan Rupees Thousands

As at 31st March	2025		2024	
	No. of shares	Fair value	No. of shares	Fair value
<b>Consumer service</b>				
Aitken Spence Hotel Holdings PLC	2,332,924	186,867	4,604,086	304,790
Asian Hotels & Properties PLC	-	-	330,500	20,161
John Keells Hotels PLC	-	-	1,465,103	27,251
		186,867		352,202
<b>Diversified Financials</b>				
Central Finance Company PLC	10,503,464	2,040,295	14,151,567	1,510,677
LB Finance PLC	-	-	1,900,000	119,130
People's Leasing & Finance PLC	15,547,732	278,304	36,861,515	405,477
		2,318,599		2,035,284
<b>Energy</b>				
Lanka IOC PLC	650,000	82,550	170,000	19,848
		82,550		19,848
<b>Food, Beverage &amp; Tobacco</b>				
Ceylon Cold Stores PLC	-	-	2,771,945	149,408
Ceylon Grain Elevators PLC	532,950	100,195	1,212,950	206,808
Ceylon Tobacco Company PLC	444,451	600,120	407,042	499,949
Distilleries Company of Sri Lanka PLC	20,280,023	738,193	22,280,023	599,333
Kelani Valley Plantations PLC	-	-	226,102	16,732
Sunshine Holdings PLC	30,656,024	659,105	7,664,006	456,008
Watawala Plantations PLC	-	-	233,000	20,667
		2,097,613		1,948,905
<b>Food &amp; Staples Retailing</b>				
Cargills (Ceylon) PLC	1,020,788	445,064	1,020,788	367,484
		445,064		367,484
<b>Insurance</b>				
Ceylinco Holdings PLC - Non voting	325,266	436,019	325,266	276,476
HNB Assurance PLC	9,291,347	721,938	10,068,026	598,041
		1,157,957		874,517

As at 31st March	2025		2024	
	No. of shares	Fair value	No. of shares	Fair value
<b>Materials</b>				
Alumex PLC	3,530,321	53,661	6,030,421	57,892
Tokyo Cement Company (Lanka) PLC	779,575	59,019	-	-
		112,680		57,892
<b>Retailing</b>				
Diesel & Motor Engineering PLC	19,753	18,188	52,761	27,080
R I L Property PLC	1,742,668	26,314	5,722,359	36,051
United Motors Lanka PLC	-	-	389,427	22,587
		44,502		85,718
<b>Telecommunication Services</b>				
Dialog Axiata PLC	22,233,884	317,950	14,198,911	166,132
		317,950		166,132
<b>Foreign equity investments</b>				
Bayerische Motoren Werke AG	1,720	40,889	-	-
British American Tobacco PLC	-	-	1,750	16,053
Brilliance China Automotive Holding Ltd	431,000	42,914	-	-
CK Hutchison Holdings Limited	30,860	51,904	44,700	65,435
Grab Holdings Limited	26,700	35,839	-	-
Heineken NV	1,400	33,875	-	-
Makemytrip Ltd	-	-	845	18,038
PayPal Holdings Inc	1,000	19,335	2,107	42,406
Pernod Ricard SA	1,150	33,688	-	-
Reckitt Benckiser Group PLC	-	-	2,250	26,147
Thai Beverage PLC	432,630	48,960	1,211,500	133,006
		307,404		301,085
<b>Total Investment in equity securities - Quoted Shares</b>		<b>9,385,715</b>		<b>8,915,598</b>

The fair value of the Group's listed investment portfolio is based on the closing price as at 31st March, published by the Colombo Stock Exchange.

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 25.3 Investment in equity securities - Unquoted Shares - Group

As at 31st March	2025			2024		
	No. of shares	Cost	Fair value	No. of shares	Cost	Fair value
Equity Investments Lanka (Private) Limited	22,500	2	2	22,500	2	2
Kandy Private Hospitals Limited	1,200	18	18	1,200	18	18
Lanka Communications Limited	-	-	-	1,428,496	15,714	29,872
Nestle Lanka Limited	-	-	-	100	150	150
<b>Total Investment in Equity Securities - Unquoted Shares</b>		<b>20</b>	<b>20</b>		<b>15,884</b>	<b>30,042</b>

#### Lanka Communications Limited

During the year, Ceylon Guardian Investment Trust PLC disposed of its entire shareholding in Lanka Communication Limited to a non-related party for a total consideration of Rs. 29,872,500.

#### Nestle Lanka Limited

During the year, Ceylon Guardian Investment Trust PLC disposed of its entire holding in Nestlé Lanka Limited during the year for a total consideration of Rs. 150,000.

### 25.4 Investment in equity securities - Private Equity (Unlisted) - Group

As at 31st March	2025			2024		
	No. of shares	Cost	Fair value	No. of shares	Cost	Fair value
Findmyfare (Pvt) Ltd	302,791	51,751	303	302,791	51,751	303
Swiss Institute For Service Industry Development (Private) Limited						
- Ordinary shares	847	-	-	847	-	-
- 10% cumulative preference shares	1,273	-	-	1,273	-	-
<b>Total investment in equity securities - Private Equity (Unlisted)</b>		<b>51,751</b>	<b>303</b>		<b>51,751</b>	<b>303</b>

#### Valuation of Private Equity Investments

The fair value of the Group's unlisted investment portfolio is based on the valuations carried out by the investment manager, Guardian Fund Management Limited. Information about the valuation techniques and significant unobservable inputs used in the said valuations are given in note 37.6.

#### Valuation of Findmyfare (Pvt) Ltd (FMF)

The valuation of FMF's holdings as of 31 March 2025 was based on the price of the company's last rights issue.

#### Swiss Institute For Service Industry Development (Private) Limited

During the year ended 31st March 2021, the Company had written off its investment in Swiss Institute for Service Industry Development (Private) Limited, which was fully impaired during the financial year 2017/2018, due to the discontinuation of operations arising from the conduct of the Managing Director / Promoter of Swiss Institute for Service Industry Development (Private) Limited. The Criminal Investigations Department instituted action in the Colombo Magistrates Court (Case No. B 74469/1/17) against the alleged criminal misappropriation of funds and criminal breach of trust by the said Managing Director / Promoter, based on a complaint made by two directors of Swiss Institute for Service Industry Development (Private) Limited. The case is presently ongoing.

## 25.5 Movement in Investments in equity securities - Company

	Fair value as at the beginning of the year	Additions	Disposals	Fair value adjustment	Fair value as at the end of the year
<b>For the year ended 31st March 2025</b>					
Investment in equity securities	2,724,653	210,910	(772,938)	1,017,708	3,180,333
	2,724,653	210,910	(772,938)	1,017,708	3,180,333
<b>For the year ended 31st March 2024</b>					
Investment in equity securities	2,645,150	299,626	(826,817)	606,694	2,724,653
	2,645,150	299,626	(826,817)	606,694	2,724,653

The fair value adjustment represents the net unrealised gains / (losses) of investment portfolios including any adjustment on impairment losses.

## 25.6 Investment in equity securities - Quoted Shares - Company

As at 31st March	2025		2024	
	No. of shares	Fair value	No. of shares	Fair value
<b>Banks</b>				
Hatton National Bank PLC	-	-	350,561	63,101
Sampath Bank PLC	-	-	828,977	66,319
				129,420
<b>Capital goods</b>				
Hemas Holdings PLC	2,983,216	357,986	3,451,771	277,522
John Keells Holdings PLC	-	-	533,787	103,555
		357,986		381,077
<b>Consumer service</b>				
Aitken Spence Hotel Holdings PLC	1,023,666	81,996	1,964,745	130,066
		81,996		130,066
<b>Diversified Financials</b>				
Central Finance Company PLC	5,088,801	988,500	5,570,801	594,683
People's Leasing & Finance PLC	5,340,400	95,593	6,320,347	69,524
		1,084,093		664,207

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All figures are in Sri Lankan Rupees Thousands

As at 31st March	2025		2024	
	No. of shares	Fair value	No. of shares	Fair value
<b>Food Beverage &amp; Tobacco</b>				
Ceylon Cold Stores PLC	-	-	1,325,463	71,442
Ceylon Tobacco Company PLC	43,508	58,747	48,908	60,071
Distilleries Company of Sri Lanka PLC	6,944,799	252,791	6,944,799	186,815
Sunshine Holdings PLC	9,977,108	214,508	2,494,277	148,409
		526,046		466,737
<b>Food &amp; Staples Retailing</b>				
Cargills (Ceylon) PLC	907,002	395,451	907,002	326,521
		395,451		326,521
<b>Insurance</b>				
Ceylinco Holdings PLC - Non voting	115,256	154,501	115,256	97,968
HNB Assurance PLC	7,006,394	544,397	7,018,794	416,918
		698,898		514,886
<b>Materials</b>				
Tokyo Cement Company (Lanka) PLC	450,000	35,550	-	-
		35,550		-
<b>Telecommunication</b>				
Dialog Axiata PLC	-	-	6,970,454	81,554
		-		81,554
<b>Total investment in equity securities - Quoted Shares</b>		3,180,020		2,694,468

## 25.7 Investment in equity securities - Unquoted Shares - Company

As at 31st March	2025			2024		
	No. of shares	Cost	Fair value	No. of shares	Cost	Fair value
Equity Investments Lanka (Private) Limited	11,250	1	1	11,250	1	1
Kandy Private Hospitals Limited	600	9	9	600	9	9
Lanka Communications Limited	-	-	-	1,428,496	15,714	29,872
<b>Total investment in equity Securities - Unquoted Shares</b>		<b>10</b>	<b>10</b>		<b>15,724</b>	<b>29,882</b>

## 25.8 Investment in equity securities - Private Equity (Unlisted) - Company

As at 31st March	2025			2024		
	No. of shares	Cost	Fair value	No. of shares	Cost	Fair value
Findmyfare (Pvt) Ltd	302,791	28,948	303	302,791	28,948	303
Swiss Institute For Service Industry Development (Private) Limited						
- Ordinary shares	847	-	-	847	-	-
- 10% cumulative preference shares	1,273	-	-	1,273	-	-
<b>Total investment in equity securities - Private Equity (Unlisted)</b>		<b>28,948</b>	<b>303</b>		<b>28,948</b>	<b>303</b>

## 26 INVESTMENT IN DEBT SECURITIES - GROUP

### 26.1 Movement in Investments in debt securities - Group

	Fair value as at the beginning of the year	Additions	Disposals	Amortised interest	Effect of currency translation	Fair value adjustment	Fair value as at end of the year
<b>For the year ended 31st March 2025</b>							
Investment in bills and bonds	582,987	1,130,380	(1,260,144)	-	(10,259)	357	443,321
	582,987	1,130,380	(1,260,144)	-	(10,259)	357	443,321
<b>For the year ended 31st March 2024</b>							
Investment in bills and bonds	420,002	1,096,631	(913,181)	3,665	(35,841)	11,711	582,987
	420,002	1,096,631	(913,181)	3,665	(35,841)	11,711	582,987

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All figures are in Sri Lankan Rupees Thousands

### 26.2 Investment in bonds and bills

As at 31st March	2025			
	Maturity date	Coupon Rate/Yield	Face value	Fair value
BAT International Finance PLC	15/6/25	3.95%	USD 350,000	103,463
Bank of America Corporation	21/4/25	3.95%	USD 250,000	74,036
Oracle Corp	15/5/25	2.95%	USD 200,000	59,134
Shriram Finance LTD	18/7/25	4.15%	USD 200,000	58,932
United States Treasury Bill-I	17/5/25	4.27%	USD 400,000	118,302
United States Treasury Bill-II	22/5/25	4.31%	USD 100,000	29,454
<b>Total investment in bonds and bills</b>				<b>443,321</b>

As at 31st March	2024			
	Maturity date	Coupon Rate/Yield	Face value	Fair value
BAT International Finance PLC	15/6/25	3.95%	USD 200,000	59,604
BAT Capital Corp	6/9/24	2.79%	USD 100,000	29,730
Bank of America Corporation	22/1/25	4.00%	USD 200,000	59,770
Booking Holdings INC	15/3/25	3.65%	USD 100,000	29,626
Hutchison Whampoa International	31/10/24	3.63%	USD 200,000	60,309
Michael Kors USA INC	1/11/24	4.00%	USD 100,000	30,191
Nestle Holdings INC	14/9/24	0.61%	USD 200,000	58,812
Oracle Corp	8/7/24	3.40%	USD 150,000	45,133
Reckitt Benckiser Treasury Services PLC	26/6/24	2.75%	USD 300,000	90,158
United States Treasury Bill-I	9/5/24	5.32%	USD 150,000	44,876
United States Treasury Bill-II	9/5/24	5.34%	USD 100,000	29,987
United States Treasury Bill-III	25/4/24	5.40%	USD 150,000	44,791
<b>Total investment in bonds and bills</b>				<b>582,987</b>

## 27 INVESTMENTS IN UNIT TRUSTS

### 27.1 Movement in investments in unit trusts

As at 31st March	Group		Company	
	2025	2024	2025	2024
Balance as at the beginning of the year	334,017	230,843	217,103	92,290
Investments during the year	-	365,000	-	195,000
Redeemed during the year	(334,017)	(295,843)	(217,103)	(92,290)
Fair value adjustment	-	34,017	-	22,103
	-	334,017	-	217,103

## 27.2 Investment in unit trusts

As at 31st March	Group				Company			
	2025		2024		2025		2024	
	No. of units	Fair value	No. of units	Fair value	No. of units	Fair value	No. of units	Fair value
CT CLSA Money Market Fund	-	-	11,281,744	334,017	-	-	7,332,861	217,103
<b>Total Investment in unit trusts</b>				334,017				217,103

Valuation of unit trusts were based on the unit prices published by the unit trust managers, CT CLSA Asset Management (Pvt) Ltd as at 31st March 2024.

## 28 CASH AND CASH EQUIVALENTS

As at 31st March	Group		Company	
	2025	2024	2025	2024
Cash at bank and cash in hand	1,447,285	424,571	156,445	26,933
Placements with banking and financial institutions	2,108,231	1,802,927	794,544	945,921
<b>Total cash and cash equivalents</b>	<b>3,555,516</b>	<b>2,227,498</b>	<b>950,989</b>	<b>972,854</b>
<b>Net cash and cash equivalents for the purpose of cash flow statement</b>	<b>3,555,516</b>	<b>2,227,498</b>	<b>950,989</b>	<b>972,854</b>

## 29 STATED CAPITAL

As at 31st March	2025		2024	
	No. of shares	Value	No. of shares	Value
<b>Ordinary Shares</b>				
Issued and fully paid	80,057,991	1,043,687	82,059,441	1,043,687
<b>Deferred Shares</b>				
Issued and fully paid (note 29.2)	5,597,273	85,039	5,737,205	85,039
	85,655,264	1,128,726	87,796,646	1,128,726

### Movement of number of Ordinary/deferred shares

As at 31st March	Ordinary Shares		Deferred Shares	
	2025	2024	2025	2024
Balance as at beginning of the year	82,059,441	82,517,874	5,737,205	5,769,257
Re-purchase of shares (note 29.1)	(2,001,450)	(458,433)	(139,932)	(32,052)
Balance as at end of the year	80,057,991	82,059,441	5,597,273	5,737,205

The stated capital of the Company as at 31st March 2025 was amounted to Rs.1,128,726,009.00 which consist of 80,057,991 ordinary shares and 5,597,273 deferred shares.

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 29.1 Share repurchase

- A The Company made a Repurchase Offer via Offer document dated 26th July 2024 to repurchase one share for every 41 shares held and accordingly, the Company repurchased 2,001,450 Ordinary Shares and 139,932 Deferred shares from the Shareholders at a price of Rs.237/09 per share and value of the share repurchase transaction was Rs.507.7 Mn. The repurchased shares were cancelled on 16th October 2024.
- B The Company made a Repurchase Offer via Offer document dated 21st July 2023 to repurchase one share for every 180 shares held and accordingly, the Company repurchased 458,433 Ordinary Shares and 32,052 Deferred shares from the Shareholders at a price of Rs.212/20 per share and value of the share repurchase transaction was Rs.104.1 Mn. The repurchased shares were cancelled on 26th October 2023.

### 29.2 Superior voting rights attached to the deferred shares

The Company has in issue 5,597,273 fully paid shares (as at 31 March 2025) titled "Deferred Shares". The Deferred Shares are subordinated to the ordinary shares in respect of dividend entitlement wherein, right to a dividend does not arise unless and until a minimum specified dividend has been declared on the ordinary shares. The Deferred Shares confer on the holders present in person, by proxy or by attorney at any General Meeting of the Company the right to as many votes as the number of votes conferred by all other shares for the time being issued and each holder as aforesaid present in person, by proxy or by attorney or by an authorised representative in the case of a corporation at any such meeting shall be entitled to such proportion of the votes conferred by the Deferred Shares collectively as the number of his Deferred Shares bears to the full number of the Deferred Shares. The Deferred Shares rank equally and pari passu for all other purposes including capitalisation of reserves or profits and participation in the surplus assets of the Company in a winding up with the ordinary shares of the Company and as aforesaid except for voting rights and dividend rights.

## 30 CAPITAL RESERVES

As at 31st March	Group		Company	
	2025	2024	2025	2024
Investment reserve (note 30.1)	13,367	7,805	7,805	7,805
Other capital reserve (note 30.1)	319,209	316,741	200,855	200,855
	332,576	324,546	208,660	208,660

### 30.1 Investment reserve and other capital reserve

This represents the amounts set aside by the Directors to meet any contingencies. The movement of the above reserves are given in the statement of changes in equity.

## 31 REVENUE RESERVES

As at 31st March	Group		Company	
	2025	2024	2025	2024
Currency translation reserve (note 31.1)	428,853	439,434	-	-
Fair value through OCI financial asset reserve (note 31.2)	11,655,706	6,871,728	-	-
General reserve (note 31.3)	44,139	32,668	14,961	14,961
Retained earnings	15,039,043	12,017,573	7,389,219	6,241,602
	27,167,741	19,361,403	7,404,180	6,256,563

### 31.1 Currency translation Reserve

Foreign currency translation reserve comprises exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

### 31.2 Fair value through OCI financial asset reserve

This consists of accumulated net unrealised gains arising from fair valuation of fair value through OCI financial assets, excluding the impact arising from impairment of such assets.

### 31.3 General reserve

This represents the amounts set aside to meet any contingencies.

The movement of the above reserves are given in the statement of changes in equity.

## 32 EMPLOYEE BENEFITS - GROUP

### 32.1 Employee benefits

As at 31st March	2025	2024
Balance as at the beginning of the year	16,244	7,891
Benefits paid during the year	(2,325)	(529)
Provision for the year	10,072	8,882
<b>Balance as at the end of the year</b>	<b>23,991</b>	<b>16,244</b>

### 32.2 The amounts recognised in the statement of profit or loss are as follows:

Interest cost	2,047	1,460
Current service cost	2,150	990
<b>Charged for the year</b>	<b>4,197</b>	<b>2,450</b>

### 32.3 The amounts recognised in other comprehensive income are as follows:

Actuarial (gain) / loss	5,875	6,432
<b>Recognised for the year</b>	<b>5,875</b>	<b>6,432</b>

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All figures are in Sri Lankan Rupees Thousands

The gratuity liability as at 31st March 2025 amounting to Rs.23,991,379/- (2024 - Rs. 16,244,392/-) for the Group is made based on an actuarial valuation carried out by Mr. M. Poopalanathan (AIA) of Messrs Actuarial & Management Consultants (Pvt) Ltd. As recommended by Sri Lanka Accounting Standards (LKAS - 19) - "Employee benefits", the "Projected Unit Credit (PUC)" method has been used in this valuation.

Under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of 5 years of continued service. The obligation is not externally funded.

The principal assumptions made are given below :

Rate of discount	11.5% p.a. (2024 - 12.6%)
Rate of pay increase	10% p.a. (2024 - 10%)
Retirement age	60 years (2024 - 60 years)
Mortality	A 1967/70 Mortality Table, issued by the Institute of Actuaries, London was used
Withdrawal rate	5% for age up to 54 and zero thereafter (2024 - 5% for age up to 54 and Zero thereafter)

The Group is a going concern.

Present value of the defined benefit plan is calculated using a discount rate determined by reference to long term interest rate. Accordingly, a decrease in the long term interest rate will increase the plan liability.

### 32.4 Sensitivity analysis

Reasonably possible changes as at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

As at 31st March	2025	2024
1% increase in discount rate	(2,289)	(1,488)
1% decrease in discount rate	2,683	1,738
1% increase in salary escalation rate	2,990	1,799
1% decrease in salary escalation rate	(2,575)	(1,561)

### 32.5 Maturity analysis of the payments

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

As at 31st March	2025	2024
Less than one year	1,399	1,039
One to two years	2,637	1,959
Two to five years	3,421	2,477
Five to ten years	4,039	2,967
More than ten years	12,495	7,802
	23,991	16,244
Weighted average duration of the defined benefit obligation	11.46	11.00

### 33 TRADE AND OTHER PAYABLES

As at 31st March	Group		Company	
	2025	2024	2025	2024
<b>Financial</b>				
Trade payables	-	20,513	-	-
Other payables	41,460	46,863	18,523	23,579
	41,460	67,376	18,523	23,579
<b>Non financial</b>				
Accruals and provisions	52,809	31,643	6,734	3,199
	52,809	31,643	6,734	3,199
	94,269	99,019	25,257	26,778

### 34 LEASE LIABILITIES

#### 34.1 Movement of lease creditor

For the year ended 31st March / As at 31st March	Group	
	2025	2024
Balance as at the beginning of the year	6,131	10,946
Additions on new lease contracts	14,152	-
Interest expense charged to the income statement	703	2,019
Payment of lease liabilities	(6,834)	(6,834)
<b>Balance as at the end of the year</b>	<b>14,152</b>	<b>6,131</b>
Due within one year	6,710	6,131
Due after one year	7,442	-
	14,152	6,131

#### 34.2 Lease commitments - Undiscounted contractual cash flows:

Lease rentals payable within one year	7,799	6,834
Lease rentals payable within one to two years	7,799	-
	15,598	6,834

#### 34.3 Amounts recognised in profit or loss

Amortisation of right -to- use assets	5,473	5,474
Interest on lease liabilities	703	2,019
	6,176	7,493

#### 34.4 Amounts recognised in the statement of cash flows

Principal portion of lease payments	(6,131)	(4,815)
Interest portion of lease payments	(703)	(2,019)
<b>Total cash outflow for leases</b>	<b>(6,834)</b>	<b>(6,834)</b>

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 35 INTEREST-BEARING LOANS AND BORROWINGS

As at 31st March	Group		Company	
	2025	2024	2025	2024
Balance as at the beginning of the year	1,287,503	512,960	428,947	159,922
Loans obtained during the year	1,625,602	3,367,600	825,602	1,308,000
Accrued interest	1,675	6,275	867	2,617
Payments made during the year	(1,884,169)	(2,599,332)	(717,280)	(1,041,592)
<b>Balance as at the end of the year</b>	<b>1,030,611</b>	<b>1,287,503</b>	<b>538,136</b>	<b>428,947</b>
Repayable within one year	247,269	1,287,503	146,465	428,947
Repayable after one year	783,342	-	391,671	-
	1,030,611	1,287,503	538,136	428,947

#### Details of the interest-bearing loans and borrowings - Group

As at 31st March	Currency	Borrowed capital amount	Year of maturity	Nominal Interest rate	Repayment terms	2025 Carrying amount
Commercial Bank of Ceylon PLC	LKR	45,602	N/A	AWPLR plus margin	01 month	45,661
Commercial Bank of Ceylon PLC	LKR	1,000,000	2030	Fixed for the first 3 years and monthly AWPLR for next 2 years	60 monthly instalments commencing from March 2025	984,950
		1,045,602				1,030,611

As at 31st March	Currency	Borrowed capital amount	Year of maturity	Nominal Interest rate	Repayment terms	2024 Carrying amount
Commercial Bank of Ceylon PLC	LKR	542,329	N/A	AWPLR plus margin	01 month	545,824
Hatton National Bank PLC	LKR	500,000	N/A	AWPLR plus margin	01 month	502,503
Sampath Bank PLC	LKR	238,900	N/A	AWPLR plus margin	01 month	239,176
		1,281,229				1,287,503

### 36 RELATED PARTY TRANSACTIONS

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", the details of which are reported below.

#### 36.1 Parent and ultimate controlling party

Carson Cumberbatch PLC is the parent company and Bukit Darah PLC is the ultimate controlling entity of Ceylon Guardian Investment Trust PLC.

#### 36.2 Group entities

As at 31st March	Ownership interest %	
	2025	2024
<b>Subsidiaries</b>		
Ceylon Investment PLC	66.22	65.94
Rubber Investment Trust Limited	83.11	82.98
Guardian Fund Management Limited	100.00	100.00
Guardian Fund Management LLC	83.11	82.97
Guardian Value Fund LLC	83.11	82.97

#### 36.3 Transactions with Key Management Personnel (KMP)

According to Sri Lanka Accounting Standard (LKAS 24) - "Related party disclosures", Key Management Personnel (KMP) are those having authority and responsibility for planning and controlling the activities of the entity directly or indirectly including, any director (whether executive or otherwise) of the entity. Accordingly, the Directors of the Company, Directors of Guardian Fund Management Limited, Director - Finance and a Director of Carsons Management Services (Private) Limited, have been classified as KMP of the Company.

Compensation paid to the Key Management Personnel of the Company and the Group comprise the following;

For the year ended 31st March	Group		Company	
	2025	2024	2025	2024
Short - term employee benefits	102,044	61,629	21,156	12,705
Post - employment benefits	1,101	978	-	-
Termination benefits paid	-	-	-	-
Other long - term benefits	-	-	-	-
Non cash benefits	240	240	-	-
	103,385	62,847	21,156	12,705

No transactions have taken place during the year between the Company / Group and its KMP other than those disclosed above.

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 36.4 Transactions with related companies

Name of the Company	Relationship	Nature of the transactions	Group		Company	
			2025	2024	2025	2024
Carson Cumberbatch PLC	Parent Company	Dividends paid	81,137	134,603	81,137	134,603
		Share repurchases	353,618	72,493	353,618	72,493
Ceylon Investment PLC	Subsidiary	Dividends received	-	-	46,148	36,392
		Sale proceeds from repurchase of shares	-	-	168,268	68,346
Guardian Fund Management Limited (GFM)	Subsidiary	Portfolio management fees paid*	-	-	107,470	76,114
Rubber Investment Trust Limited	Subsidiary	Dividends received	-	-	195,288	121,437
Bukit Darah PLC	Ultimate Controlling entity	Dividends received on ordinary shares	218,281	36,789	-	-
		Dividends received on 8% participative cumulative preference shares	2,714	456	-	-
Carsons Management Services (Private) Limited (CMSL)	Affiliate entity	Support Service Fees paid**	95,992	81,835	38,750	34,174
Equity Two PLC	Affiliate entity	Rental charges paid	6,834	6,834	-	-

\*Portfolio management fee is based on portfolio value of the Company.

\*\*Support service fee is based on the services provided by CMSL.

## 37 FINANCIAL INSTRUMENTS

### Financial risk management - Overview

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes of measuring and managing such risks, and the Group's management of capital. Pages 07 to 11 also carry a review of risks faced by the Group and the approach of managing such risks.

## Risk management framework

The Company's Board of Directors has the overall responsibility for the establishment and monitoring the Company's risk management framework. The Board of Directors has delegated this function to the management of Guardian Fund Management Limited, the Investment Managers and Carsons Management Services (Private) Limited, the managers; who are responsible for developing and monitoring the Group's risk management policies and reports regularly to the Board of Directors on its activities.

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 such limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's investment portfolio mainly comprises of investments in listed / unlisted equity securities and fixed income securities. The Group's investment manager has been given discretionary authority to manage the assets, in line with the Group's investment policies and objectives.

Further, an Investment Committee provides advice and insights to the fund management team to further sharpen and refine their decision making process. This comprehensive management structure determines the objectives and policies of the Group's risk management framework and promotes a culture of risk awareness and balanced risk-taking within the Group.

### 37.1 Credit risk

Credit risk is the risk of financial loss to the Group, if a customer or a counterparty to a financial instrument or an obliged party to a receivable fails to meet their contractual obligations, and arises primarily on the Group's investments in fixed income earning securities, placements with banking and financial institutions, receivables from market intermediaries and other counterparties the Group has dealings with.

#### 37.1.1 Credit risk exposure and managing the risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the reporting period was as follows.

As at 31st March	Note	Group		Company	
		Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount
		2025	2024	2025	2024
Investments in debt securities	26	443,321	582,987	-	-
Investment in unit trusts	27	-	334,017	-	217,103
Trade and other receivables*	24	34,934	18,654	-	276
Investment in fixed deposits		7,874,896	5,810,077	3,178,945	2,286,689
Cash and cash equivalents - Cash at bank	28	1,447,225	424,511	156,445	26,933
Cash and cash equivalents - Placements with banking and financial institutions	28	2,108,231	1,802,927	794,544	945,921
		11,908,607	8,973,173	4,129,934	3,476,922

\*Advances and prepaid expense which are non financial assets are excluded.

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### Investment in debt securities

These represents investment in bonds, which yields interest income on a continuing basis. The Group continuously monitors the stability, creditworthiness and credit ratings of these institutions in order to assess and mitigate the credit risk.

### Trade and other receivables

A significant portion of the trade and other receivables comprise of proceeds receivable on disposal of quoted securities, dividend receivables and portfolio management fee receivables from clients external to the Group.

Settlement procedures surrounding the equity markets are highly structured and regulated. "T+2" settlement cycle is in place with the involvement of a custodian bank, which is being duly monitored by the regulator, hence provides an assurance on the realisation of the balances. Further, a due evaluation process, including a continuous assessment mechanism is in place when selecting the market intermediaries that the Group transacts with, which involves prior approval from the Board of Directors.

Dividend receivable is accounted for when the right to receive the dividend is established. The balances are settled within a maximum period of twelve (12) market days and no risk of default, based on past experience in the industry.

Fee receivable from the clients external to the group are mostly the corporates to whom the Group provides portfolio management services. The terms and conditions which determine the fees have been agreed with the parties, in the form of a bi-lateral agreements, such that the risk of a dispute is minimum. The Group has encountered no defaults to date on the fees receivable from these clients.

Age profile of trade and other receivables

As at 31st March	Group Carrying Amount		Company Carrying Amount	
	2025	2024	2025	2024
Less than 30 days	33,617	17,416	-	276
30 – 60 days	247	198	-	-
61 – 90 days	943	-	-	-
91 – 120 days	-	903	-	-
More than 120 days	127	137	-	-
	34,934	18,654	-	276

The Group has neither recognised an impairment loss nor an allowance for impairment of its trade and other receivables over the past 5 year period.

### Investment in fixed deposits

The Group has invested in fixed deposits with both banking and non-banking financial institutions. The Group continuously monitors the stability and creditworthiness including credit ratings of these financial institutions in order to assess and mitigate the credit risk.

### Cash and cash equivalents

The Group held cash and equivalents in the form of demand deposits with commercial banks, placements with banking and financial institutions and securities purchased under resale agreements. Hence, the Group is exposed to the risk of such counter-parties failing to meet their contractual obligations.

The Group minimises the credit risk by monitoring the credit worthiness of the underlying counterparties periodically.

A credit rating analysis of banking / financial institutional counterparties with whom the balances were held at the end of the reporting period is presented below. This includes balances held as cash and cash equivalents, investment in fixed deposits and corporate bonds.

As at 31st March	Group		Company	
	Carrying Amount	2024	Carrying Amount	2024
Credit rating				
AAA	2,828	2,835	1,291	1,292
AA-	7,891,024	-	3,423,367	-
A	2,367,646	6,597,717	552,406	2,781,199
A-	1,722	966,709	642	477,023
BBB+	104,658	-	-	-
BBB	59,794	-	-	-
BBB-	305,046	89	152,228	29
BB+	59,424	-	-	-
A2*	-	60,311	-	-
A3*	-	116,949	-	-
Aa3*	-	58,812	-	-
Ba1*	-	30,193	-	-
Baa2*	-	134,468	-	-
P-3	804,799	379,929	-	-
P-1	128,975	149,949	-	-
F1+u	147,757	122,481	-	-
Unrated	60	60	-	-
	11,873,733	8,620,502	4,129,934	3,259,543

Above ratings are obtained based on the ratings published by Fitch Ratings Lanka Ltd, S & P Global Ratings, and Moody's investors service, Inc.

## 37.2 Liquidity risk

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

### 37.2.1 Exposure to liquidity risk

The following are the contractual maturities of financial liabilities at the end of the reporting period.

#### Group

As at 31st March 2025	Carrying amount	Total undiscounted cash flows	Contractual cash flows		
			up to 3 months	3-12 months	More than a year
<b>Non derivative financial liabilities</b>					
Trade and other payables *	41,460	41,460	41,460	-	-
Interest-bearing loans and borrowings	1,030,611	1,119,801	121,597	214,862	783,342
Lease liabilities	14,152	15,598	1,949	5,850	7,799
	1,086,223	1,176,859	165,006	220,712	791,141

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As at 31st March 2024	Carrying amount	Total undiscounted cash flows	Contractual cash flows		
			up to 3 months	3-12 months	More than a year
<b>Non derivative financial liabilities</b>					
Trade and other payables *	67,376	67,376	67,376	-	-
Interest-bearing loans and borrowings	1,287,503	1,291,500	1,291,500	-	-
Lease liabilities	6,131	6,834	1,708	5,126	-
	1,361,010	1,365,710	1,360,584	5,126	-

### Company

As at 31st March 2025	Carrying amount	Total undiscounted cash flows	Contractual cash flows		
			up to 3 months	3-12 months	More than a year
<b>Non derivative financial liabilities</b>					
Trade and other payables *	18,523	18,523	18,523	-	-
Interest-bearing loans and borrowings	538,136	582,878	83,776	107,431	391,671
	556,659	601,401	102,299	107,431	391,671

As at 31st March 2024	Carrying amount	Total undiscounted cash flows	Contractual cash flows		
			up to 3 months	3-12 months	More than a year
<b>Non derivative financial liabilities</b>					
Trade and other payables *	23,579	23,579	23,579	-	-
Interest-bearing loans and borrowings	428,947	430,604	430,604	-	-
	452,526	454,183	454,183	-	-

\* Provisions and accrued expenses which are non financial liabilities are excluded.

The ratio of liquid assets with a very short expected liquidation period to total net assets is set out below

As at 31st March	Group		Company	
	2025	2024	2025	2024
Cash and cash equivalent	3,555,516	2,227,498	950,989	972,854
Investment in unit trusts	-	334,017	-	217,103
Total liquid assets	3,555,516	2,561,515	950,989	1,189,957
Liquid assets as a % of the total net assets	10%	10%	11%	16%

### 37.2.2 Management of liquidity risk

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 the Group's reputation.

The Group maintains a portion of its assets in highly liquid form; demand deposits with commercial banks, placements with banking and financial institutions, securities purchased under resale agreements and short term investment in money market funds, in order to capitalise the market opportunities and to meet its contractual obligations during the normal course of its operations.

A significant portion of the Group's investment portfolio comprises of listed equity investments which provides the Group with exposure to adequate liquidity, given the ability to convert into cash and cash equivalents within a very short period of time if required.

In addition, the Group has access to approved financing arrangements, an analysis of which as at the end of reporting period is given below.

As at 31st March	Group		Company	
	2025	2024	2025	2024
Unutilised overdraft facilities	1,304,398	1,068,771	1,304,398	1,068,771
	1,304,398	1,068,771	1,304,398	1,068,771

### 37.3 Market risk

Market risk is the exposure to adverse movements in the security markets for both equity and fixed income investments, which can result variations in the anticipated returns from those securities. All financial institutions face market risks, created by changes in the macro environment related to political factors, national security, economic management and globalisation influences which have an impact on systematic risk factors such as interest rates, currency parity, inflation and availability of credit etc.

#### 37.3.1 Interest rate risk

The Group is exposed to interest rate risk, arising from its securities purchased under resale agreements, placements with banking and financial institutions, unit trusts, short-term borrowings and overdraft facilities in the event such have been utilised.

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### Exposure and management of interest rate risk

At the end of the reporting period, the interest rate profile of the Group's interest-bearing financial instruments was as follows.

As at 31st March	Group Carrying Amount		Company Carrying Amount	
	2025	2024	2025	2024
<b>Variable rate instruments</b>				
Financial assets - Investment in unit trusts	-	334,017	-	217,103
- Cash at bank	1,447,285	424,571	156,445	26,933
	1,447,285	758,588	156,445	244,036
<b>Fixed rate instruments</b>				
Financial assets - Placement with banking and financial institutions	2,108,231	1,802,927	794,544	945,921
- Investment in fixed deposits - non-current	5,099,375	4,607,102	2,418,088	2,183,847
- Investment in fixed deposits - current	2,775,521	1,202,975	760,857	102,842
- Investment in bonds	443,321	582,987	-	-
Financial liabilities - Interest-bearing loans and borrowings - current	(247,269)	(1,287,503)	(146,465)	(428,947)
- Interest-bearing loans and borrowings - non-current	(783,342)	-	(391,671)	-
	9,395,837	6,908,488	3,435,353	2,803,663

The Group invested in fixed deposits in licensed commercial banks in Sri Lanka for period of 1 months to 5 years and at interest rates between 7% - 26%.

The average base interest rates applied for the above financial instruments are as follows;

As at 31st March	2025	2024
Commercial Banks Averaged Weighted Prime Lending Rate ( AWPLR) *	8.39%	11.11%
Commercial Banks Averaged Weighted Deposit Rate ( AWDR) *	7.15%	10.30%

\* Monthly averaged rate as at reporting date.

### Sensitivity Analysis

A change of 100 basis points in interest rates at the end of the reporting period would have increased / (decreased) profit or loss by the amounts shown below.

Movement in interest rate	Group Profit or Loss		Company Profit or Loss	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
<b>As at 31st March 2025</b>				
- Variable rate instruments	14,473	(14,473)	1,564	(1,564)
	14,473	(14,473)	1,564	(1,564)
<b>As at 31st March 2024</b>				
- Variable rate instruments	7,586	(7,586)	2,440	(2,440)
	7,586	(7,586)	2,440	(2,440)

### 37.3.2 Exposure and management of other market price risks

#### Equity price risk

The Group is holding an investment portfolio which includes both listed equity investments and private equity (unlisted) investments.

#### Listed equity investments

Having a substantial portion of 46% (2024 - 54%) of its discretionary portfolio as equity investments designated as listed investments in the Colombo Stock Exchange, market volatilities bring in substantial variations to the Group's earnings and value of its asset base at the reporting dates. The Group monitors its investment portfolio based on market indices, where decisions concerned with the timing of buy / sell are well supported with structured in-house research recommendations. Transactions of a major magnitude within the portfolio are subject to review and approval by the Investment Committee.

#### Private equity investments

Detailed evaluations are carried out prior to investing on both financial and operational feasibilities of the private equity projects that the Group ventures into, with a view to ascertain the Group's investment decisions and the risks involved.

Continuous monitoring of the financial and operational results against the investee's business plans and the industry standards ensure that the projects meet the desired outcome and thereby the expected returns. Further, the Group generally enters into investment agreements with the parties concerned, which carry specific 'exit clauses' to private equity projects such as 'Initial Public Offering', 'Buyout' etc.

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

As at 31st March	Note	Group Carrying Amount		Company Carrying Amount	
		2025	2024	2025	2024
Investments in equity securities	22,25	23,411,788	17,269,421	3,180,333	2,724,653
		23,411,788	17,269,421	3,180,333	2,724,653

A broad analysis of the investments made by the Company based on the industry / sector is given in note 25.

### Sensitivity Analysis

An increasing / (decreasing) of the equity market prices would have increased / (decreased) the investment as at the end of the periods by the amounts shown below. The analysis assumes that all other variables remain constant and ignores any impact of further investments or withdrawals.

Movement in equity market prices	Group		Company	
	Increasing	Decreasing	Increasing	Decreasing
As at 31 March 2025				
- Equity market price (10% movement)	2,341,179	(2,341,179)	318,033	(318,033)
	2,341,179	(2,341,179)	318,033	(318,033)
As at 31 March 2024				
- Equity market price (10% movement)	1,726,942	(1,726,942)	272,465	(272,465)
	1,726,942	(1,726,942)	272,465	(272,465)

### 37.3.3 Currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate, due to changes in foreign exchange rates. The Group is exposed to currency risk, through its subsidiaries, Guardian Fund Management LLC and Guardian Value Fund LLC (incorporated in Mauritius), which is denominated in a currency other than the Group's functional currency, which is the prime factor that exposes the Group to currency risk.

Following are the exchange rates that were used to translate the assets and liabilities of foreign operations, to Sri Lankan Rupees at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Sri Lankan Rupees at the average exchange rates for the reporting period.

For the year ended	Conversion rate	
	2025	2024
LKR / USD		
Assets and liabilities	296.32	300.44
Income and expenses	297.90	317.92

The net exposure to currency risk, as at the reporting date is as follows.

As at 31st March	Group			
	Carrying Amount		Carrying Amount	
	2025		2024	
	LKR (000')	USD	LKR (000')	USD
Investments in equity and debt securities	750,725	2,533,511	884,072	2,942,592
Receivables	4,551	15,358	4,917	16,367
Cash and cash equivalents	937,426	3,163,544	469,733	1,563,483
Payables	(15,752)	(53,158)	(12,210)	(40,640)
Net exposure	1,676,950	5,659,255	1,346,512	4,481,802

#### Sensitivity Analysis

A strengthening / (weakening) of the USD against the Sri Lankan Rupee would have increased / (decreased) the balances as at the end of the periods by the amounts shown below. The analysis assumes that all other variables remain constant and ignores any impact of further investments or withdrawals.

	Strengthening	Weakening
	LKR (000')	LKR (000')
<b>Movement in exchange rate</b>		
As at 31st March 2025		
- United State Dollars (5% movement)	83,848	(83,848)
	83,848	(83,848)
As at 31st March 2024		
- United State Dollars (5% movement)	67,326	(67,326)
	67,326	(67,326)

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### 37.4 Accounting classification and Fair values

The following table shows the carrying amounts and the fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value, if the carrying value is a reasonable approximation for fair value.

#### Group

As at 31st March 2025	Fair value through profit or loss financial assets	Financial assets at amortised cost	Fair value through other comprehensive income financial assets	Other financial liabilities	Total carrying amount	Fair value
<b>Financial assets measured at fair value</b>						
Investments in equity securities	9,386,038	-	14,025,750	-	23,411,788	23,411,788
Investments in debt securities	443,321	-	-	-	443,321	443,321
<b>Financial assets not measured at fair value</b>						
Trade and other receivables	-	34,934	-	-	34,934	
Investment in fixed deposits	-	7,874,896	-	-	7,874,896	
Cash and cash equivalents	-	3,555,516	-	-	3,555,516	
<b>Total financial assets</b>	<b>9,829,359</b>	<b>11,465,346</b>	<b>14,025,750</b>	<b>-</b>	<b>35,320,455</b>	
<b>Financial liabilities not measured at fair value</b>						
Trade and other payables	-	-	-	41,460	41,460	
Interest-bearing loans and borrowings	-	-	-	1,030,611	1,030,611	
Lease liabilities	-	-	-	14,152	14,152	
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,086,223</b>	<b>1,086,223</b>	

As at 31st March 2024	Fair value through profit or loss financial assets	Financial assets at amortised cost	Fair value through other comprehensive income financial assets	Other financial liabilities	Total carrying amount	Fair value
<b>Financial assets measured at fair value</b>						
Investments in equity securities	8,945,943	-	8,323,478	-	17,269,421	17,269,421
Investments in debt securities	582,987	-	-	-	582,987	582,987
Investments in unit trusts	334,017	-	-	-	334,017	334,017
<b>Financial assets not measured at fair value</b>						
Trade and other receivables	-	18,654	-	-	18,654	
Investment in fixed deposits	-	5,810,077	-	-	5,810,077	
Cash and cash equivalents	-	2,227,498	-	-	2,227,498	
<b>Total financial assets</b>	<b>9,862,947</b>	<b>8,056,229</b>	<b>8,323,478</b>	<b>-</b>	<b>26,242,654</b>	
<b>Financial liabilities not measured at fair value</b>						
Trade and other payables	-	-	-	67,376	67,376	
Interest-bearing loans and borrowings	-	-	-	1,287,503	1,287,503	
Lease liabilities	-	-	-	6,131	6,131	
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,361,010</b>	<b>1,361,010</b>	

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### Company

As at 31st March 2025	Fair value through profit or loss financial assets	Financial assets at amortised cost	Fair value through other comprehensive income financial assets	Other financial liabilities	Total carrying amount	Fair value
<b>Financial assets measured at fair value</b>						
Investments in equity securities	3,180,333	-	-	-	3,180,333	3,180,333
<b>Financial assets not measured at fair value</b>						
Investment in fixed deposits	-	3,178,945	-	-	3,178,945	
Cash and cash equivalents	-	950,989	-	-	950,989	
<b>Total financial assets</b>	<b>3,180,333</b>	<b>4,129,934</b>	<b>-</b>	<b>-</b>	<b>7,310,267</b>	
<b>Financial liabilities not measured at fair value</b>						
Trade and other payables	-	-	-	18,523	18,523	
Interest-bearing loans and borrowings	-	-	-	538,136	538,136	
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>556,659</b>	<b>556,659</b>	

As at 31st March 2024	Fair value through profit or loss financial assets	Financial assets at amortised cost	Fair value through other comprehensive income financial assets	Other financial liabilities	Total carrying amount	Fair value
<b>Financial assets measured at fair value</b>						
Investments in equity securities	2,724,653	-	-	-	2,724,653	2,724,653
Investments in unit trusts	217,103	-	-	-	217,103	217,103
<b>Financial assets not measured at fair value</b>						
Trade and other receivables	-	276	-	-	276	
Investment in fixed deposits	-	2,286,689	-	-	2,286,689	
Cash and cash equivalents	-	972,854	-	-	972,854	
<b>Total financial assets</b>	<b>2,941,756</b>	<b>3,259,819</b>	<b>-</b>	<b>-</b>	<b>6,201,575</b>	
<b>Financial liabilities not measured at fair value</b>						
Trade and other payables	-	-	-	23,579	23,579	
Interest-bearing loans and borrowings	-	-	-	428,947	428,947	
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>452,526</b>	<b>452,526</b>	

### 37.5 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by the levels in the fair value hierarchy. The different levels have been defined as follows.

- Level 1: Availability of quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Use of inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Use of inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## Notes to the Financial Statements

All figures are in Sri Lankan Rupees Thousands

### Group

	Level 1	Level 2	Level 3	Total
<b>As at 31st March 2025</b>				
Investments in equity securities	23,411,465	-	323	23,411,788
Investments in debt securities	-	443,321	-	443,321
	23,411,465	443,321	323	23,855,109
<b>As at 31st March 2024</b>				
Investments in equity securities	17,239,076	-	30,345	17,269,421
Investments in debt securities	-	582,987	-	582,987
Investments in unit trusts	-	334,017	-	334,017
	17,239,076	917,004	30,345	18,186,425

### Company

	Level 1	Level 2	Level 3	Total
<b>As at 31st March 2025</b>				
Investments in equity securities	3,180,020	-	313	3,180,333
	3,180,020	-	313	3,180,333
<b>As at 31st March 2024</b>				
Investments in equity securities	2,694,468	-	30,185	2,724,653
Investments in unit trusts	-	217,103	-	217,103
	2,694,468	217,103	30,185	2,941,756

During the year 2024 Nestle Lanka PLC was delisted on the Colombo Stock Exchange, accordingly, it has been re-classified under 'equity securities-unquoted shares' and transferred to Level 3 of the fair value hierarchy.

	Group		Company	
	2025	2024	2025	2024
<b>For the year ended 31st March</b>				
Opening balance	30,345	49,064	30,185	49,054
Change in fair value	-	(18,869)	-	(18,869)
Transfer from level 1	-	150	-	-
Disposal	(30,022)	-	(29,872)	-
<b>Closing balance</b>	<b>323</b>	<b>30,345</b>	<b>313</b>	<b>30,185</b>

During the year, the Group disposed of its entire holdings in Lanka Communication Ltd and Nestlé Lanka Limited. The total purchase consideration received from the sale of these investments amounted to Rs. 30 million.

### 37.6 Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used:

Company	Valuation Technique	Assumptions / unobservable inputs	Values / percentages	Inter-relationship between significant Unobservable inputs and fair value measurement
Findmyfare (Pvt) Ltd	Based on the recently announced right issue price - Rs. 1	Not Applicable	Not Applicable	Not Applicable

### 38 SEGMENTAL REPORTING

The Group's Chief Operating Decision Maker (CODM) monitors the operating results of the entity as a whole considering the operations as a single segment Investment holding and asset management for the purpose of making decisions about resource allocation and performance. Therefore no disclosure is made on operating segments.

### 39 EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period, no circumstances have arisen which would require adjustments to or disclosure in the financial statements.

### 40 GOING CONCERN

The Board of Directors is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the financial statements are prepared on the going concern basis.

### 41 COMMITMENTS AND CONTINGENCIES

#### 41.1 Commitments

There were no commitments or contracts for capital expenditure of a material amount as at the reporting date.

#### 41.2 Contingencies

There were no material contingent liabilities as at the reporting date.

#### 41.3 Litigation and claims

There have been no material litigation and claims against the company that require adjustments or disclosures in the financial statements, except for the following.

A subsidiary of the Company, Ceylon Investment PLC has filed action in the Commercial High Court of Colombo (Case No. CHC/29/25/CO) under 128 of the Companies Act to obtain a Court Order to rectify the share ledger, to correct an error which occurred during data migration of shares issued via Scrip Dividend (10 August 2020) whereby shares allocated to 117 ledger shareholders were incorrect .

### 42 COMPARATIVE FIGURES

Previous years' figures and phrases have been rearranged wherever necessary to conform to the current year's presentations.

### 43 RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation and presentation of the financial statements. This is more fully described under the relevant clause in the Directors' report.

# Five Year Summary

All figures are in Sri Lankan Rupees Thousands

For the year ended / As at 31st March	2025	2024	2023	2022	2021
<b>Statement of profit or loss and other comprehensive income</b>					
<b>Revenue</b>					
Dividend income	1,084,256	767,472	579,718	694,063	571,392
Net gain on disposal of investments	708,136	664,761	(65,485)	456,542	1,000,480
Interest income	1,121,107	1,123,349	694,333	137,386	122,002
Management fee	323,138	216,372	166,347	135,130	126,075
	3,236,637	2,771,954	1,374,913	1,423,121	1,819,949
Less: Inter - group transactions	(734,511)	(484,298)	(260,303)	(254,142)	(215,286)
	2,502,126	2,287,656	1,114,610	1,168,979	1,604,663
Fair value adjustment - unrealised	2,790,481	1,868,222	896,359	(1,779,992)	1,869,267
<b>Profit / (Loss) on investment activities</b>	<b>5,292,607</b>	<b>4,155,878</b>	<b>2,010,969</b>	<b>(611,013)</b>	<b>3,473,930</b>
<b>Profit / (Loss) before taxation</b>	<b>4,676,749</b>	<b>3,670,375</b>	<b>1,575,783</b>	<b>(835,052)</b>	<b>3,221,390</b>
Income tax expense	(266,933)	(278,004)	(147,313)	(84,956)	(56,652)
<b>Profit / (Loss) for the year</b>	<b>4,409,816</b>	<b>3,392,371</b>	<b>1,428,470</b>	<b>(920,008)</b>	<b>3,164,738</b>
Non controlling interest	(727,555)	(546,326)	(222,126)	168,005	(522,930)
<b>Profit / (Loss) attributable to the equity holders of the parent</b>	<b>3,682,261</b>	<b>2,846,045</b>	<b>1,207,073</b>	<b>(897,627)</b>	<b>2,721,021</b>
<b>Statement of Financial Position</b>					
<b>Capital employed</b>					
Stated capital	1,128,726	1,128,726	1,128,726	1,128,726	1,128,726
Reserves	27,500,317	19,685,949	17,605,876	15,372,604	15,613,404
<b>Total equity attributable to equity holders of the parent</b>	<b>28,629,043</b>	<b>20,814,675</b>	<b>18,734,602</b>	<b>16,501,330</b>	<b>16,742,130</b>
Non controlling interest	5,518,629	3,986,823	3,589,884	3,148,737	3,319,563
<b>Total equity</b>	<b>34,147,672</b>	<b>24,801,498</b>	<b>22,324,486</b>	<b>19,650,067</b>	<b>20,061,693</b>
<b>Assets employed</b>					
Current assets	16,207,890	13,330,743	10,499,004	12,536,978	13,398,628
Current liabilities	(394,818)	(1,458,574)	(715,698)	(286,471)	(319,791)
<b>Net current assets</b>	<b>15,813,072</b>	<b>11,872,169</b>	<b>9,783,306</b>	<b>12,250,507</b>	<b>13,078,837</b>
Non - current assets	19,149,375	12,945,573	12,554,545	7,407,942	7,002,532
Non - current liabilities	(814,775)	(16,244)	(13,365)	(8,382)	(19,676)
<b>Net assets</b>	<b>34,147,672</b>	<b>24,801,498</b>	<b>22,324,486</b>	<b>19,650,067</b>	<b>20,061,693</b>
<b>Statement of cash flows</b>					
Net cash generated from / (used in) operating activities	2,375,368	1,576,729	(2,658,616)	518,706	1,025,567
Net cash generated from / (used in) investing activities	(20,310)	(1,768)	(753)	46	2,440
Net cash generated from / (used in) financing activities	(1,013,415)	342,681	165,956	(551,731)	(1,065,338)
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>1,341,643</b>	<b>1,917,642</b>	<b>(2,493,413)</b>	<b>(32,979)</b>	<b>(37,331)</b>

For the year ended / As at 31st March	2025	2024	2023	2022	2021
<b>Ratios &amp; statistics</b>					
<b>Operational ratio</b>					
Return on ordinary shareholders funds (%)	12.86	13.68	6.44	(5.44)	16.25
<b>Liquidity ratio</b>					
Current ratio (times)	41.05	9.14	14.67	43.76	41.90
<b>Investor ratio</b>					
Earnings / (loss) per share (Rs)	42.41	32.78	13.70	(10.17)	30.65
Dividend per share (Rs.) *	1.36	-	2.20	2.00	1.60
Dividend cover (times)	31.18	-	6.21	(5.09)	19.16
Dividend growth (%)	100	(100)	0.10	25	39
Dividend yield (%)	0.89	-	3.24	2.55	1.33
Dividend payout ratio (%)	3.21	-	16.06	(19.67)	5.22
Net assets value per share - (Rs.)	334.24	237.08	212.20	185.87	188.58
Market value per share (Rs.) **	153.25	89.10	68.00	78.50	120.00
Price earning ratio (times)	3.61	2.72	4.96	(7.72)	3.92
Price to book value ratio (times)	0.46	0.38	0.32	0.42	0.64
Market capitalisation	12,268,887	7,311,496	5,611,215	6,513,841	9,957,464
Fair value of investments	35,038,252	24,936,497	22,475,000	19,647,919	19,694,391
All Share Price Index (points)	15,815	11,444	9,301	8,904	7,121
S&P SL 20 Index (points)	4,735	3,318	2,683	3,031	2,850

\* Based on proposed / interim dividends.

\*\* As at 31st March.

# Information to Shareholders and Investors

## 1. STOCK EXCHANGE LISTING

Ceylon Guardian Investment Trust PLC is a Public Quoted Company, the Ordinary Shares of which are listed on the Main Board of the Colombo Stock Exchange.

Stock Exchange code for Ceylon Guardian Investment Trust PLC shares is "GUAR".

## 2. SHARE VALUATION

The market price of the Company's shares as at 31st March 2025 was Rs.153.25 per share (2024 – Rs.89.10)

## 3. ORDINARY SHAREHOLDERS

As at 31st March	2025	2024
Number of Shareholders	1,602	1,654

The number of ordinary shares held by non-residents as at 31st March 2025 was 6,029,092 (2024 – 7,048,135) which amounts to 7.53% (2024 - 8.59%) of the total number of Ordinary Shares in issue.

Distribution of Shares	Residents			Non-Residents			Total		
	No. of share holders	No. of Shares	%	No. of share holders	No. of Shares	%	No. of share holders	No. of Shares	%
1-1,000	1,061	173,105	0.22	10	2,213	0.00	1,071	175,318	0.22
1,001-10,000	328	1,179,148	1.47	15	56,565	0.07	343	1,235,713	1.54
10,001-100,000	124	3,755,749	4.69	21	631,876	0.78	145	4,387,625	5.48
100,001-1,000,000	32	11,039,283	13.78	6	2,595,499	3.24	38	13,634,782	17.03
Above 1,000,000	3	57,881,614	72.30	2	2,742,939	3.43	5	60,624,553	75.73
<b>Total</b>	<b>1,548</b>	<b>74,028,899</b>	<b>92.47</b>	<b>54</b>	<b>6,029,092</b>	<b>7.53</b>	<b>1,602</b>	<b>80,057,991</b>	<b>100.00</b>

Categorisation of Shareholders as at 31st March 2025

Categories of Shareholders	No. of Shareholders	No. of Shares	%
Individuals	1,429	12,632,718	15.78
Institutions	173	67,425,273	84.22
<b>Total</b>	<b>1,602</b>	<b>80,057,991</b>	<b>100.00</b>

## 4. PUBLIC SHAREHOLDING

The Company is in compliance with the Minimum Public Holding requirements for Companies listed on the Main Board as per Rule 7.13.1.(i) (a) of the Listing Rules of the Colombo Stock Exchange, under Option 4, i.e. Float-Adjusted Market Capitalisation of less than Rs.2.5 Billion with 500 Public Shareholders and a Public Holding percentage of 10%.

The Company's Public Holding as at 31st March 2025

Float Adjusted Market Capitalisation	Rs.3,929,724,544/78
Percentage of ordinary shares held by the Public	32.03%
Number of Public Shareholders	1,592

## 5 MARKET PERFORMANCE - ORDINARY SHARES

For the year ended 31st March	2025	2024
Share price as at 31st March (Rs.)	153.25	89.10
Highest (Rs.)	185.00	115.00
Lowest (Rs.)	89.00	55.00
Value of the shares traded (Rs.)	773,766,826	177,973,107
No. of shares traded	5,842,610	1,936,193
Volume of transactions (Nos.)	4,718	3,447
Market Capitalisation (Rs.)	12,268,887,121	7,311,496,193
No of shares	80,057,991	82,059,441

## 6. DIVIDENDS

First Interim Dividend of Rs.1.36 per ordinary share for the financial year ended 31st March 2025 was announced on 02nd December 2024. Shareholders of the Company who had provided accurate bank account details were paid on 17th December 2024 and to the Shareholders who have not provided accurate bank account details or have not provided any bank account details, the dividends was paid on 31st December 2024.

## 7 RECORD OF BONUS ISSUES, RIGHT ISSUES REPURCHASE AND SUBDIVISION OF SHARES

The undermentioned share issues / repurchases have been made by the Company to date, in relation to its ordinary shares.

Year ended	Issue	Basis	No. of shares	Cumulative No. of shares
1951	-	Initial Capital	-	757,525
1990	-	Bonus	01:01	757,525
1992	-	Bonus	01:08	189,381
1999	-	Bonus	01:04	426,108
2000	-	Bonus	01:04	532,634
2002	-April	Rights	01:07	380,453
	-May	Bonus	01:04	760,906
2003	-July	Rights	01:05	760,906
	-August	Bonus	01:06	760,906
2004	-July	Rights	01:02	2,663,172
2004	-September	Bonus	01:03	2,663,172
2005	-March	Rights	01:03	3,550,896
	-June	Bonus	01:03	4,734,528
2009	-October	Repurchase	03:20	(2,840,716)
2010	-November	Subdivision	05:01	64,389,584
		Capitalisation of Reserves	01:50	1,609,739
2015	-August	Scrip	01:93	882,149
2022	-May	Repurchase	1:180	(460,994)
2023	-October	Repurchase	1:180	(458,433)
2024	-October	Repurchase	1:41	(2,001,450)

## 8. MAJOR SHAREHOLDERS

A list of major shareholders of the Company as at 31st March 2025 is provided in the Annual Report of the Board of Directors, on page 30.



# Notice of Meeting

NOTICE IS HEREBY GIVEN that the 73rd Annual General Meeting of **Ceylon Guardian Investment Trust PLC** will be held on **Friday, 25th July 2025 at 10.15 a.m.** at the "Lavender Hall" (Lot 2) BMICH International Convention & Exhibition Centre, Bauddaloka Mawatha, Colombo 07, Sri Lanka for the following purposes :

1. To consider the Annual Report of the Board of Directors including the Financial Statements of the Company for the financial year ended 31st March 2025, together with the Report of the Auditors thereon.
2. To re-elect as a Director Mr. A. P. Weeratunge, who has been appointed to the Board as a Non-Executive Director since the last Annual General Meeting, in terms of Article 68 of the Articles of Association of the Company.
3. To re-elect as a Director Mr. A. S. Amaratunga, who has been appointed to the Board as an Independent Non-Executive Director since the last Annual General Meeting, in terms of Article 68 of the Articles of Association of the Company.
4. To re-elect as a Director Mr. S. K. Balasuriya, who has been appointed to the Board as an Independent Non-Executive Director since the last Annual General Meeting, in terms of Article 68 of the Articles of Association of the Company.
5. To re-elect Mr. K. Selvanathan - Executive Director, who retires by rotation in terms of Articles 72, 73, and 74 of the Articles of Association of the Company.
6. To re-appoint Mrs. M. A. R. C. Cooray - Non-Executive Director, as a Director of the Company who is over seventy years of age and to consider and if deemed fit to pass the following resolution:  
  
"IT IS HEREBY RESOLVED that the age limit stipulated in Section 210 of the Companies Act, No. 07 of 2007 shall not be applicable to Mrs. M. A. R. C. Cooray who is 76 years of age and that she be re-appointed a Director of the Company from the conclusion of the Annual General Meeting for a further period of one year."
7. To re-appoint Mr. V. M. Fernando - Non-Executive Director, as a Director of the Company who is over seventy years of age and to consider and if deemed fit to pass the following resolution:  
  
"IT IS HEREBY RESOLVED that the age limit stipulated in Section 210 of the Companies Act, No. 07 of 2007 shall not be applicable to Mr. V. M. Fernando who is 75 years of age and that he be re-appointed a Director of the Company from the conclusion of the Annual General Meeting for a further period of one year."
8. To re-appoint Messrs. KPMG, Chartered Accountants as Auditors of the Company as set out in Section 154(1) of the Companies Act, No. 07 of 2007 and to authorise the Directors to determine their remuneration.

By Order of the Board

(Sgd)

**K. D. De Silva (Mrs.)**

Director

**Carsons Management Services (Private) Limited**

Secretaries

Colombo

30th June 2025

## Notice of Meeting

### Notes:

1. The Annual Report 2024/25 will be made available on the Colombo Stock Exchange website [www.cse.lk](http://www.cse.lk) and on the Group's website [www.carsoncumberbatch.com](http://www.carsoncumberbatch.com)
2. A shareholder is entitled to appoint a proxy to attend and vote instead of him/herself. A proxy need not be a member of the Company. A Form of Proxy accompanies this Notice.
3. The completed **Form of Proxy** must be submitted to the Company **not later than 4.45 p.m. on 23rd July 2025,**
  - via email to [CGITAGM2025@carcumb.com](mailto:CGITAGM2025@carcumb.com), or
  - via WhatsApp to mobile no. +94 764 765 463 or +94 767 410 683, or
  - by hand or post to the registered office of the Company, No. 61, Janadhipathi Mawatha, Colombo 1.
4. A person representing a Corporation is required to submit a certified copy of the resolution authorising him/her to act as the representative of the Corporation. A representative need not be a member.
5. The transfer books of the Company will remain open.
6. Security Check -

We shall be obliged if the shareholders/proxies attending the Annual General Meeting, produce their National Identity Card to the security personnel stationed at the entrance lobby

# Form of Proxy

\*I/We.....  
of .....  
being \*a Shareholder / Shareholders of **CEYLON GUARDIAN INVESTMENT TRUST PLC** hereby appoint .....  
of ..... bearing NIC No./  
Passport No..... or failing him/her.

Mirihana Arachchige Rose Chandralatha Cooray (Mrs)	or failing her,
Vernon Manilal Fernando	or failing him,
Krishna Selvanathan	or failing him,
Anthony Dirk Pereira	or failing him,
Christopher Thorburn Knight	or failing him,
Ajith Prashantha Weeratunge	or failing him,
Amitha Saktha Amaratunga	or failing him,
Sahishnu Keshav Balasuriya	

as \*my/our proxy to attend at the 73rd Annual General Meeting of the Company to be held on **Friday, 25th July 2025 at 10.15 a.m.**, at the "Lavender Hall", (Lot 2) BMICH International Convention & Exhibition Centre, Bauddaloka Mawatha, Colombo 07, Sri Lanka and at any adjournment thereof and at every poll which may be taken in consequence thereof.

	<b>For</b>	<b>Against</b>
1. To re-elect as a Director Mr. A. P. Weeratunge, who has been appointed to the Board as a Non-Executive Director since the last Annual General Meeting, in terms of Article 68 of the Articles of Association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
2. To re-elect as a Director Mr. A. S. Amaratunga, who has been appointed to the Board as an Independent Non-Executive Director since the last Annual General Meeting, in terms of Article 68 of the Articles of Association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
3. To re-elect as a Director Mr. S. K. Balasuriya, who has been appointed to the Board as an Independent Non-Executive Director since the last Annual General Meeting, in terms of Article 68 of the Articles of Association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
4. To re-elect Mr. K. Selvanathan - Executive Director, who retires by rotation in term of Articles 72, 73 and 74 of the Articles of Association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
5. To re-appoint Mrs. M. A. R. C. Cooray - Non-Executive Director, who is over seventy years of age as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
6. To re-appoint Mr. V. M. Fernando - Non-Executive Director, who is over seventy years of age as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
7. To re-appoint Messrs. KPMG, Chartered Accountants as Auditors of the Company as set out in Section 154 (1) of the Companies Act, No. 07 of 2007 and to authorise the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>

Signed this.....day of ..... Two Thousand and Twenty Five.

.....  
Signature /s

**Note:**

- \*Please delete the inappropriate words.
- A shareholder entitled to attend and vote at a General Meeting of the Company, is entitled to appoint a proxy to attend and vote instead of him/her and the proxy need not be a shareholder of the Company.  
A proxy so appointed shall have the right to vote on a show of hands or on a poll and to speak at the General Meeting of the shareholders.
- A shareholder is not entitled to appoint more than one proxy to attend on the same occasion.
- Instructions are noted on the reverse hereof.

## Form of Proxy

### INSTRUCTIONS AS TO COMPLETION

1. Kindly perfect the form of proxy after filling in legibly your full name and address, by signing in the space provided. Please fill in the date of signature.
2. If you wish to appoint a person other than the Directors as your proxy, please insert the relevant details in the space provided overleaf. Shareholders could also appoint a member of the Board to act as their proxy if they so choose.
3. In terms of Article 54 of the Articles of Association of the Company:
  - (1) Any Shareholder entitled to attend and vote at a meeting shall be entitled to appoint another person (whether a Shareholder or not) as his proxy to attend and vote instead of him. A proxy so appointed shall have the same right as the Shareholder to vote on a show of hands or on a poll and to speak at the meeting.
  - (2) An instrument appointing a proxy shall be in writing and:
    - (i) in the case of an individual shall be signed by the appointer or by his attorney;  
and
    - (ii) in the case of a corporation shall be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.

The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer.

4. In terms of Article 50 of the Articles of Association of the Company:

In the case of joint-holders of a share, the senior who tenders a vote, whether in person or by proxy or by attorney or by representative, shall be accepted to the exclusion of the votes of the other joint- holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.
5. To be valid the completed **Form of Proxy** should be submitted to the Registered Office of the Company **not later than 4.45 p.m. on 23rd July 2025,**
  - **via email to [CGITAGM2025@carcumb.com](mailto:CGITAGM2025@carcumb.com),** or
  - via WhatsApp to mobile no. +94 764 765 463 or + 94 767 410 683, or
  - by hand or post to the registered office of the Company, No. 61, Janadhipathi Mawatha, Colombo 1.

Please fill in the following details

Name & contact no. of Shareholder : .....

CDS Account No. / Folio No : .....

Name & contact no. of Proxy holder : .....

NIC No. of the Proxy holder : .....

# Corporate Information

## **NAME OF THE COMPANY**

Ceylon Guardian Investment Trust PLC  
(A Carson Cumberbatch Company)

## **COMPANY REGISTRATION NO.**

PQ 52

## **DOMICILE AND LEGAL FORM**

Ceylon Guardian Investment Trust PLC is a Public Quoted Company with limited liability domiciled in Sri Lanka. The Company was incorporated in Sri Lanka in 1951.

## **PRINCIPAL ACTIVITY AND NATURE OF OPERATIONS**

During the period, the principal activity of the Company was holding and managing an investment portfolio.

## **PARENT ENTERPRISE AND ULTIMATE PARENT ENTERPRISE**

Carson Cumberbatch PLC is the Parent Company of Ceylon Guardian Investment Trust PLC and Bukit Darah PLC is the Ultimate Parent and Controlling Entity of Ceylon Guardian Investment Trust PLC.

## **SUBSIDIARY COMPANIES**

Ceylon Investment PLC  
Guardian Fund Management Limited  
Rubber Investment Trust Limited  
Guardian Fund Management LLC,  
Mauritius  
Guardian Value Fund LLC, Mauritius

## **DIRECTORS**

Mrs. M. A. R. C. Cooray (Chairperson)  
Mr. V. M. Fernando  
Mr. K. Selvanathan  
Mr. A. D. Pereira  
Mr. C. T. Knight  
Mr. A. P. Weeratunge  
(Appointed w.e.f. 25/08/2024)  
Mr. A. S. Amaratunga  
(Appointed w.e.f. 25/09/2024)  
Mr. S. K. Balasuriya  
(Appointed w.e.f. 31/10/2024)

## **AUDIT COMMITTEE**

Mr. A. S. Amaratunga (Chairman) -  
Independent / Non-Executive  
Mr. A. D. Pereira -  
Independent / Non-Executive  
Mrs. M. A. R. C. Cooray - Non-Executive  
(Appointed w.e.f.01/01/2025)  
Mr. A. P. Weeratunge -  
Non-Executive (Ceased to be a member  
w.e.f.01/01/2025)

## **REMUNERATION COMMITTEE**

Mr. C. T. Knight (Chairman) -  
Independent / Non-Executive  
Mr. A. S. Amaratunga -  
Independent / Non-Executive  
Mrs. M. A. R. C. Cooray - Non-Executive

## **NOMINATIONS AND GOVERNANCE COMMITTEE**

Mr. C. T. Knight (Chairman) -  
Independent / Non-Executive  
Mr. A. D. Pereira - Independent /  
Non-Executive  
Mr. V. M. Fernando - Non-Executive

## **RELATED PARTY TRANSACTIONS REVIEW COMMITTEE**

Mr. A. S. Amaratunga (Chairman) -  
Independent / Non-Executive  
Mr. A. D. Pereira - Independent /  
Non-Executive  
Mr. A. P. Weeratunge - Non-Executive

## **NUMBER OF EMPLOYEES**

The Company did not have any employees of its own during the period under review.

## **BANKERS**

Standard Chartered Bank  
Commercial Bank of Ceylon PLC  
Deutsche Bank AG., Colombo  
Hatton National Bank PLC  
National Development Bank PLC  
Sampath Bank PLC  
DFCC Bank PLC  
SBI Sri Lanka  
Indian Bank  
Nations Trust Bank PLC

## **AUDITOR**

Messrs. KPMG  
Chartered Accountants  
No 32A, Sir Mohamed Macan Marker  
Mawatha,  
Colombo 03  
Sri Lanka.

## **MANAGERS & SECRETARIES**

Carsons Management Services (Private)  
Limited  
No. 61, Janadhipathi Mawatha,  
Colombo 01, Sri Lanka  
Telephone No: +94-11-2039200  
Fax No: +94-11-2039300

## **INVESTMENT MANAGER**

Guardian Fund Management Limited  
No. 61, Janadhipathi Mawatha,  
Colombo 01, Sri Lanka  
Telephone No: +94-11-2039200  
Fax No: +94-11-2039385

## **REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS**

No. 61, Janadhipathi Mawatha,  
Colombo 01, Sri Lanka  
Telephone No: +94-11-2039200  
Fax No: +94-11-2039300

## **CORPORATE WEBSITE**

[www.carsoncumberbatch.com](http://www.carsoncumberbatch.com)

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