



ADVANCING

Well-being



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ADVANCING *Well-being*

A nation grows when its people thrive, and for decades, CIC has walked alongside Sri Lankan families, farmers, and industries, guided by a heartfelt belief that what is good for our nation must always uplift our people. Across the island, our work is woven into everyday life in meaningful ways. We share in the harvest of our farmers, support the resilience of growing enterprises, and contribute to the well-being of communities. By enhancing productivity, nurturing nature, and helping businesses grow, we operate as one connected ecosystem that creates value at every stage. United by innovation, efficiency, and sustainability, our sectors strengthen one another, delivering lasting benefits for society and the environment.

At the heart of this progress lies a strong commitment to research and development; where ideas are cultivated, tested, and refined to meet the evolving needs of our nation. From solutions that support farmers at ground level, to advancements that extend across regions and terrains, our efforts continue to ripple across the landscape of the island, strengthening livelihoods and enabling sustainable growth.

As Sri Lanka looks toward tomorrow, we remain deeply devoted to our communities and their aspirations. With compassion at our core and the progress of our people as our purpose, at CIC, we serve with care and commitment; keeping our nation at heart while advancing their well-being today and for generations to come.

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GROUP CHIEF EXECUTIVE
OFFICER'S REVIEW

ABOUT THE REPORT



We are pleased to present our 63rd Annual Report, which is the primary publication to our shareholders and other interested stakeholders. In this Integrated Annual Report, we provide a comprehensive and balanced view of how the Group strategically leveraged its resources to deliver value to its stakeholders in the past year. The Report also provides insight into the operating environment, corporate governance practices and risk management, while reflecting on our plans for the future.

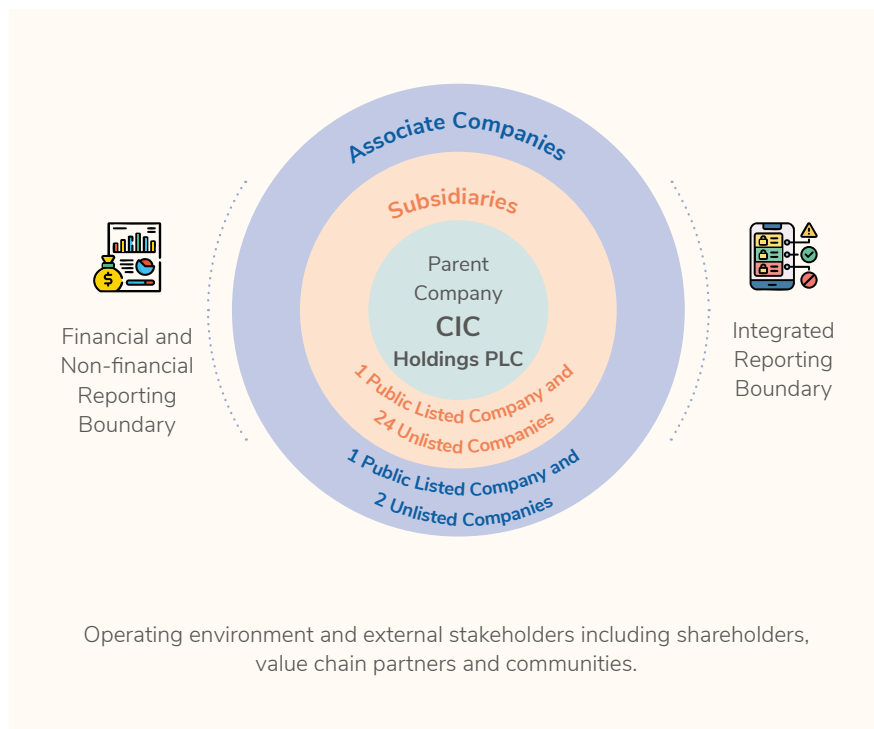
REPORTING PERIOD

The Report follows an annual reporting cycle and covers the financial period from 1st April 2025 to 31st March 2026. It builds on our most recent Report for the financial year ending 31st March 2025, for which comparatives are presented where applicable. Material events subsequent to the reporting period and up to the Board approval date of 03rd June 2026, have also been included in this Report.

SCOPE AND BOUNDARY

This Report covers the financial and non-financial performance of CIC Holdings PLC, its Subsidiaries and Associate Companies, collectively referred to as the 'Group'. These entities are arranged into five clusters, Crop Solutions, Industrial Solutions, Livestock Solutions, Health & Personal Care and Agri Produce, covering the Group's core activities. The reporting boundaries for both financial and non-financial information are aligned and extend to include developments in the external environment, unless mentioned otherwise.

There were no significant changes to the structure, supply chain or material restatements of information nor changes to our reporting period during the year.



Assurance

Assurance on the Financial Statements that form part of this Report have been provided by External Auditors, Messrs KPMG, and is available on pages 229 to 231 of this Report.

Materiality

The Report provides information on material matters that can significantly impact the Group's ability to create value over the short, medium and long term.

(Refer Material Matters on page 37 for more information)

Reporting Principles and Frameworks

The seven Guiding Principles of <IR> underpin the preparation and presentation of our Integrated Report. We have also applied the following frameworks in preparing this Report, moving beyond regulatory compliance to incorporate global best practice into our reporting process.

ABOUT THE REPORT

Financial Reporting	<ul style="list-style-type: none"> • Sri Lanka Accounting Standards (SLFRS/ LKAS) issued by CA Sri Lanka • Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 • Companies Act No 7 of 2007
Narrative Reporting	<ul style="list-style-type: none"> • Integrated Reporting Framework of the International Integrated Reporting Council (IIRC).
Corporate Governance	<ul style="list-style-type: none"> • Continued Listing Requirements of the Colombo Stock Exchange • Code of Best Practice on Corporate Governance issued by CA Sri Lanka (2017) as amended in 2023.
Sustainability	<ul style="list-style-type: none"> • SLFRS S1 & S2 • In accordance with GRI standards issued by the Global Reporting Initiative • Sustainability Accounting Standards Board (SASB) Standards

Improvements to Our 2025/26 Report

We have enhanced the readability of our Integrated Report by simplifying our reporting and disclosures, while embracing global developments in corporate reporting. This year's Annual Report features the following improvements, reflecting our dedication to continuously evolving the Report.

- Improved presentation to enhance readability for users.
- Identification of key sustainability-related risks and opportunities within capital reports
- Significant steps towards aligning with IFRS S1 and S2 sustainability-related financial disclosures.

- Use of navigation icons across the Report to demonstrate inter-connectivity between strategy and outcomes
- Improved conciseness with a greater focus on materiality.

Forward-looking Statements

The Report includes forward-looking statements and forecasts pertaining to the Group's future, including strategic aspirations, opportunities, risks and potential impacts on the business model, performance and financial stability. These statements involve an element of uncertainty, as they pertain to events, outcomes, and impacts beyond our control, leading to actual results differing from the stated projections.

We encourage users to form their own judgments using the latest information available at the time of assessment and do not undertake to update or revise these statements publicly in the event of a change of circumstances.

Feedback

We welcome your suggestions and comments on further improving the quality and readability of our Integrated Annual Report.

Kindly direct your feedback to:

G P S Samarakoon
 Divisional Director Group Finance/ Head of Group Treasury
 0112359279

BOARD RESPONSIBILITY STATEMENT

Management of the CIC Holdings PLC have prepared and reviewed the contents of this Integrated Annual Report and submitted the same to the Audit Committee who recommended it to the Board for approval, in accordance with the delegation of authority.

The Board acknowledges its responsibility for ensuring the integrity of this Report. The Board confirm that the 2025/26 Annual Report fairly represents the Group's integrated performance and addresses all relevant material matters. The Board confirm that the Report has been prepared in accordance with the Integrated Reporting Framework of the International Integrated Reporting Council.

The report was unanimously approved by the Board on 03rd June 2026.

CAPITAL NAVIGATION



FINANCIAL
CAPITAL



NATURAL
CAPITAL



HUMAN
CAPITAL



MANUFACTURED
CAPITAL



INTELLECTUAL
CAPITAL



SOCIAL AND
RELATIONSHIP
CAPITAL

STRATEGIC PRIORITIES



CUSTOMERS



EMPLOYEES



BUSINESS
PARTNERS



GOVERNMENT &
REGULATORS



COMMUNITIES



INVESTORS

OTHER



BUSINESS
SUSTAINABILITY



BUSINESS
GROWTH



PEOPLE
DEVELOPMENT



TECHNOLOGY
ENABLING



IMPROVE CUSTOMER
EXPERIENCE &
PRODUCTIVITY



ABOUT US

CIC Holdings PLC is a leading diversified conglomerate listed on the Colombo Stock Exchange with operations across the agriculture, livestock, health care and industrial sectors of the economy. Counting over 60 years in operations, we have a broad presence over multiple value chains across the country, connecting rural communities to economic activity. Our focus on research and development and introducing new technology and solutions into the sectors we operate ensures that our business verticals lead in their respective spheres of activity. A sustainable business model drives our growth as we seek to expand our horizons.

Our Vision

To be the most respected and admired corporate for the positive impact we make on society by nurturing the lives of those we touch.



Our Mission

Harnessing science and modern technology, we will provide solutions of superior quality which are efficient and safe. We will build rewarding and lasting relationships with our stakeholders and be a significant entity in every sector we operate.



Our Values

<p>Ownership & Accountability</p>	<p>Teamwork & Trust</p>	<p>Integrity & Respect</p>
<p>This is my business, and I take responsibility for my promises and actions</p>	<p>We rely on each other to unleash the power of working together</p>	<p>Honesty & Truth are paramount: we respect the law and each other</p>
<p>Entrepreneurial & Innovative</p>	<p>Customer Focus & Quality</p>	<p>Bias for Action & Winning Spirit</p>
<p>We will constantly challenge boundaries seeking new horizons</p>	<p>The customer comes first, we will not compromise on the standards of our products and services</p>	<p>No stones will be left unturned in the pursuit of the goals.</p>

Fitch Rating
'AA+ (Ika)'

Rs 91.75Bn
Group Revenue

Rs 8.25Bn
Profit After Tax

Rs 99.75Bn
Group Assets

Rs 53.78Bn
Total Equity

Rs 3.64
Earnings per Share

Rs 24.37
Net Assets per Share

CIC AT A GLANCE







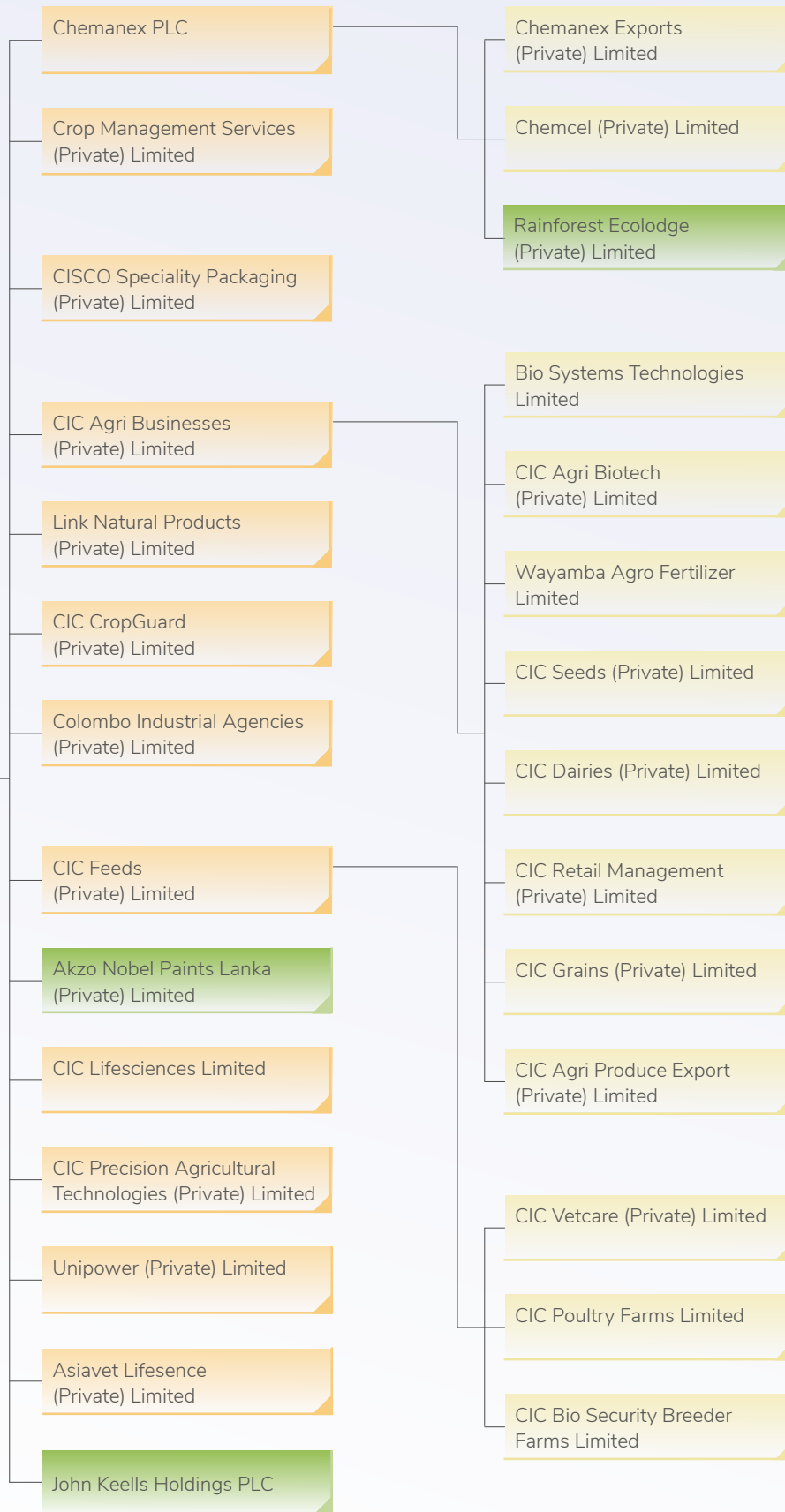
CIC Holdings PLC is one of Sri Lanka's leading diversified conglomerates, with a portfolio that spans agriculture, consumer goods, health care and industrial solutions. Guided by strong ethical foundations and a commitment to "Nurturing Life", the Company has earned nationwide trust and recognition. Its market leading presence in critical sectors, particularly agriculture and agri solutions, continues to play a transformative role in strengthening Sri Lanka's value chains, supporting food security and contributing to national progress. With a strong local footprint, an expanding international presence and a steadfast commitment to sustainability and research driven growth, CIC consistently delivers meaningful value to communities, customers and stakeholders across Sri Lanka and beyond.

As a listed entity on the Colombo Stock Exchange, CIC Holdings PLC is focused on driving sustainable, long-term growth, underpinned by innovation, operational excellence and disciplined governance. The Group's success is shaped by its ability to balance profitability with purpose, ensuring that every initiative aligns with national development priorities and community wellbeing. From its modest origins more than six decades ago to its current position as a diversified powerhouse, CIC continues to set benchmarks in ethical conduct, sectoral leadership and purposeful value creation. As the Group enters its next phase of growth, it remains firmly committed to enriching lives, empowering communities and contributing meaningfully to Sri Lanka's socio-economic development.

GROUP STRUCTURE



-  Holding Company
-  Subsidiary Company
-  Associate Company
-  Sub-Subsidiary Company



OUR CLUSTERS AND BUSINESS SEGMENTS

CIC Holdings operates through five strategically aligned clusters and twenty-one business segments, enabling the Group to deliver integrated, innovation-driven solutions across Sri Lanka's agriculture, industrial and healthcare value chains. These segments together form a balanced and resilient business model grounded in essential industries and strengthened by an integrated value chain that ensures quality, reliability and enduring customer trust.



CROP SOLUTIONS

- Plant Nutrition
- Plant Protection
- Seeds
- Public Health



AGRI PRODUCE

- Agri Produce Retail Chain
- Agri Resort
- Dairy
- Farms
- Fruits & Vegetables
- Grains
- Rice



INDUSTRIAL SOLUTIONS

- Construction Material
- Industrial Raw Material
- Packaging
- Water Management Solutions



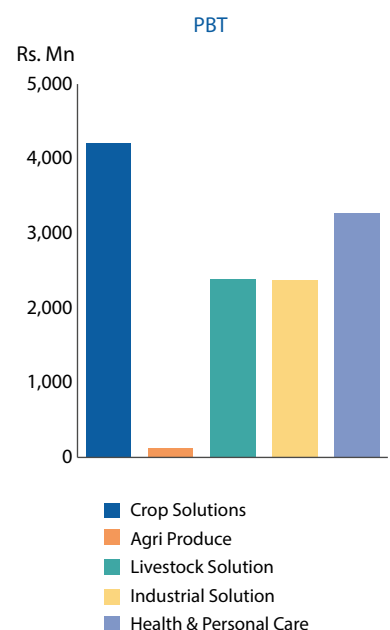
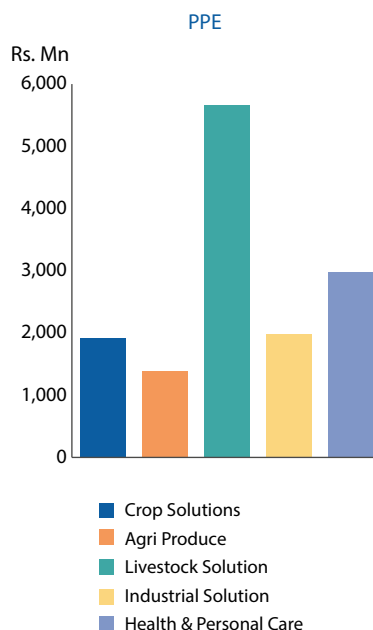
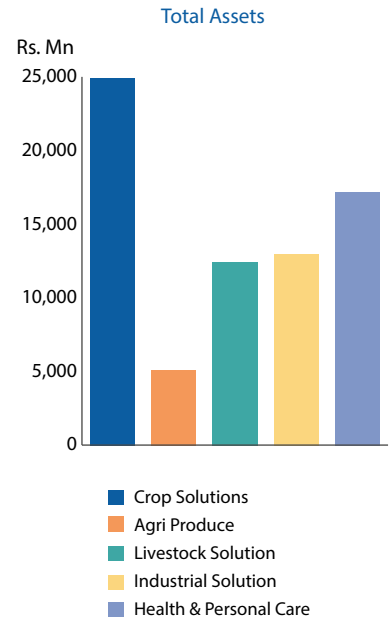
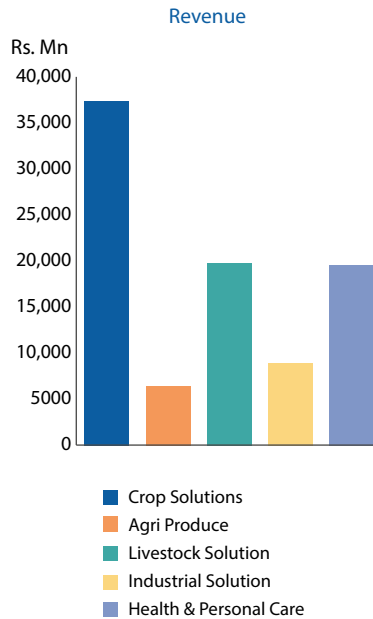
HEALTH & PERSONAL CARE

- Pharmaceuticals
- Medical Devices
- Personal Care
- Herbal Health Care



LIVESTOCK SOLUTIONS

- Feeds & Additives
- Poultry
- Vetcare



OUR SOCIO-ECONOMIC IMPACT

Given the scale and diversity of our operations as a leading Sri Lankan conglomerate, we are cognizant of the socio-economic responsibility we carry. CIC Holdings PLC continues to deliver meaningful socio-economic value by strengthening local industries, empowering communities and driving inclusive growth across the country. Through these efforts, we reinforce our role as a catalyst for national development and sustainable value creation. A brief overview of our socio-economic impact is illustrated below.



ADVANCING AGRICULTURAL PRODUCTIVITY

As a trusted industry leader, CIC Agri Businesses continues to focus on improving land productivity by delivering innovative, sustainability driven plant nutrient solutions that protect and restore natural resources.

The Challenge

Poor soil health has emerged as one of the key factors limiting agricultural productivity despite the introduction of improved seeds and advanced plant nutrient solutions. It is well documented that soil fertility in many of the country's major agricultural regions has steadily declined over the years. Unfortunately, this issue has not been adequately addressed, leading to mediocre performance in important crop sectors such as vegetable and potato cultivation in high-potential agricultural areas.

INTRODUCTION OF ORGANO-MINERAL FERTILIZERS

Prolonged and excessive use of chemical fertilizers gradually deteriorates soil health, reducing the efficiency of costly fertilizer applications and ultimately leading to lower yields.

Recognising the need for a more sustainable and effective solution, CIC Agri Businesses acquired Biosystems Technologies in 2021 as its organo-mineral fertilizer manufacturing arm to spearhead organo mineral fertilizer development specifically tailored to Sri Lankan agricultural conditions.

Following extensive research and development efforts, Biosystems Technologies has successfully introduced several innovative organo-mineral fertilizer products to the market. These products successfully combine the benefits of both organic and chemical fertilizers in a single product. This novel solution helps improve soil health while ensuring a balanced and sustained nutrient supply for crops.

Farmer demand for CIC BioCarbon™ products has increased significantly over the years, particularly among potato and vegetable growers. These products are now also becoming increasingly popular in perennial crop sectors such as coconut and tea cultivation



Organo-Mineral Fertilizers

VIBELSOL TREATED UREA

To address the significant nitrogen losses associated with conventional urea use, losses that can contribute to groundwater pollution CIC Agri Businesses introduced Vibelsol treated urea to Sri Lankan farmers. The sustained release formulation in this advanced coating technology reduces nutrient loss and allows farmers to cut application rates by nearly 40%, delivering meaningful economic and environmental benefits. Beyond the economic and environmental gains, this advanced formulation also supports better soil health by reducing nutrient leaching, improving nutrient retention, and promoting more balanced soil fertility over time.

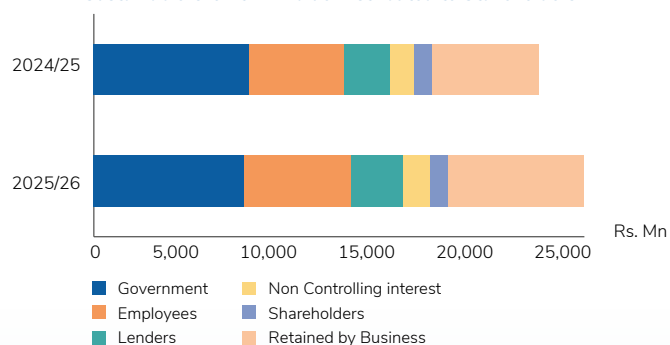


Bio Fertilizer Processing Unit at Pelwehera

ECONOMIC VALUE-ADDED STATEMENT

Employee Contract Type	2025/26		2024/25	
	Rs Mn	%	Rs Mn	%
Revenue	91,754	-	83,292	-
Purchase of goods and services	(68,102)	-	(61,650)	-
Other operating income				
Finance and other income	1,332	-	1,139	-
Share of profits of equity-accounted investees before tax	1,135	-	898	-
Total value added by the Group	26,119	-	23,678	-
Distributed as follows to;				
The Government: taxes	7,619	20.84	7,897	28.28
Employees: salaries, wages & other benefits	5,443	20.84	4,804	20.29
Lenders of capital: Interest	2,673	10.23	2,379	10.05
Non-controlling interest	1,348	5.16	1,187	5.01
Shareholders: dividends	947	3.63	947	4.00
Donations and community investments	5	0.02	3	0.01
Gross Value Retained				
- As depreciation and impairments	1,180	4.52	1,019	4.30
- As reserves	6,906	26.44	5,442	22.98
	26,119		23,678	

Sustainable Growth in Value Distributed to Stakeholders



GROUP PERFORMANCE HIGHLIGHTS

The 'starburst' symbol signifies the convergence of CIC's diverse business entities towards one common purpose, embodying the Company's core values while illustrating the wide-ranging positive impact these businesses create across their respective sectors.




GROUP FINANCIAL HIGHLIGHTS

		Group	
For the year ended 31st March		2026	2025
Earning Highlights and Ratios			
Group revenue	Rs. '000	91,753,745	83,291,872
Group operating profit before interest and tax	Rs. '000	11,896,685	10,777,065
Income tax expense	Rs. '000	(3,172,990)	(2,877,071)
Profit for the year from continuing operations	Rs. '000	8,245,506	6,333,452
Profit/(loss) for the year from discontinued operations	Rs. '000	8,261	296,028
Other comprehensive income	Rs. '000	363,055	895,772
Total comprehensive income	Rs. '000	8,616,822	7,525,252
Profit attributable to equity holders of the Parent	Rs. '000	6,905,447	5,442,417
Dividend Paid	Rs. '000	947,700	947,700
Basic/Diluted earnings per share (EPS)*	Rs.	3.64	2.87
Interest cover*	Number of times	5.96	5.70
Return on equity (ROE)	%	15	14
Return on assets (ROA)	%	9	8
Pre-tax return on capital employed (ROCE)	%	18	17
Statement of Financial Position - Highlights and Ratios			
Total Assets	Rs. '000	99,746,879	89,456,283
Total Equity	Rs. '000	53,784,734	46,426,823
Total Debts	Rs. '000	30,164,290	28,235,667
Equity attributable to equity holders of the Company	Rs. '000	46,192,042	40,119,581
Number of shares in issue*	Number	1,895,400,000	1,895,400,000
Net assets per share*	Rs.	24.37	21.17
Debt/Equity	%	56.08	60.82
Debt/Total assets	%	30.24	31.56
Market/Shareholder Information			
Market price per share as at 31st March			
Ordinary*	Rs.	29.90	117.25
Non-Voting (Class X)*	Rs.	24.00	77.90
Dividend per share			
Interim paid	Rs.	-	-
Final proposed *	Rs.	0.50	0.50
Market capitalisation	Rs.Mn	54,092	41,005
Float adjusted market capitalisation*	Rs.Mn	30,497	22,540
Price earnings ratio			
Ordinary *	Number of times	8.21	40.85
Non-Voting (Class X)*	Number of times	6.59	27.14
Other Information			
Total employees	Number	2,360	2,313
Revenue per employee	Rs. '000	38,879	36,010
Total value addition to employees	Rs. '000	5,442,712	4,803,751
Value addition to lenders of the capital	Rs. '000	4,021,240	3,566,179
Total taxes paid to Government	Rs. '000	7,618,806	7,897,163

* After sub-division of shares

NON-FINANCIAL HIGHLIGHTS



SOCIAL AND RELATIONSHIP CAPITAL


Over **30K** followers across multiple Social Media Platforms

RS 7.6Bn taxes paid to the Government

Over **6,286** Suppliers

RS 58.4Bn Payments to Local Suppliers

LKR 19.5Mn Investment in CSR



HUMAN CAPITAL

Team of **2,360** employees


RS 38.8Mn Revenue per Employee

20% Female Representation

RS 5.4Bn Payments to Employees

Retention rate of **83%**

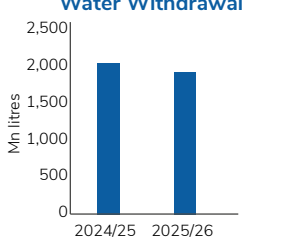
Investment in Training and Development: **RS. 68Mn**



NATURAL CAPITAL


Energy Consumption of **172,809GJ**

Water Withdrawal



Water Consumption of **1,935Mn Litres**

4,604,241kWh Renewable Energy Generated



INTELLECTUAL CAPITAL

20,693 years of collective industry experience


8.77 years average length of employee service

A Strong Governance Framework

OVER 06 Awards and Accolades

LKR 474Mn Investment in R&D Capabilities

Robust Risk Management Practices



MANUFACTURED CAPITAL

CAPEX by Sector

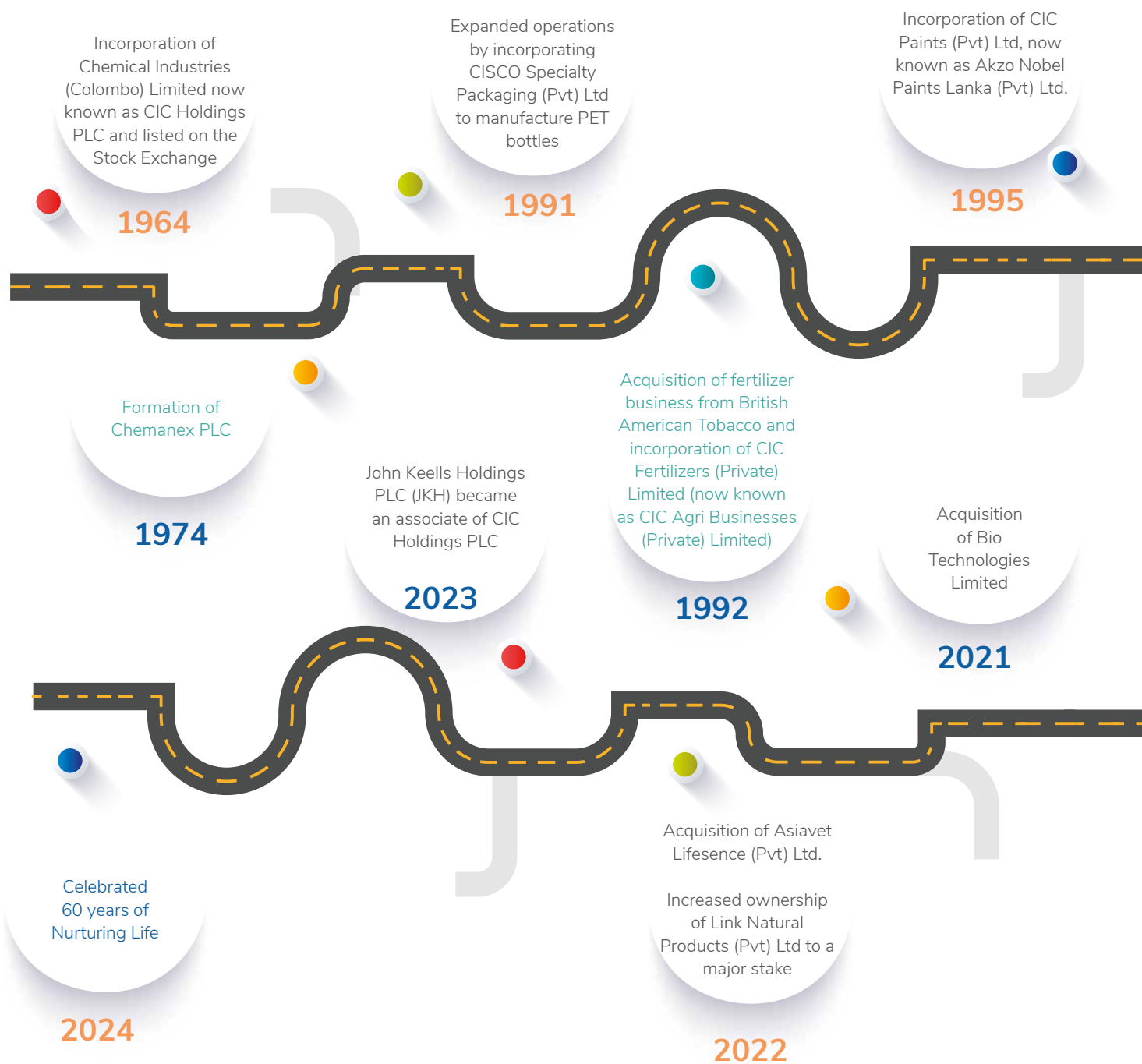


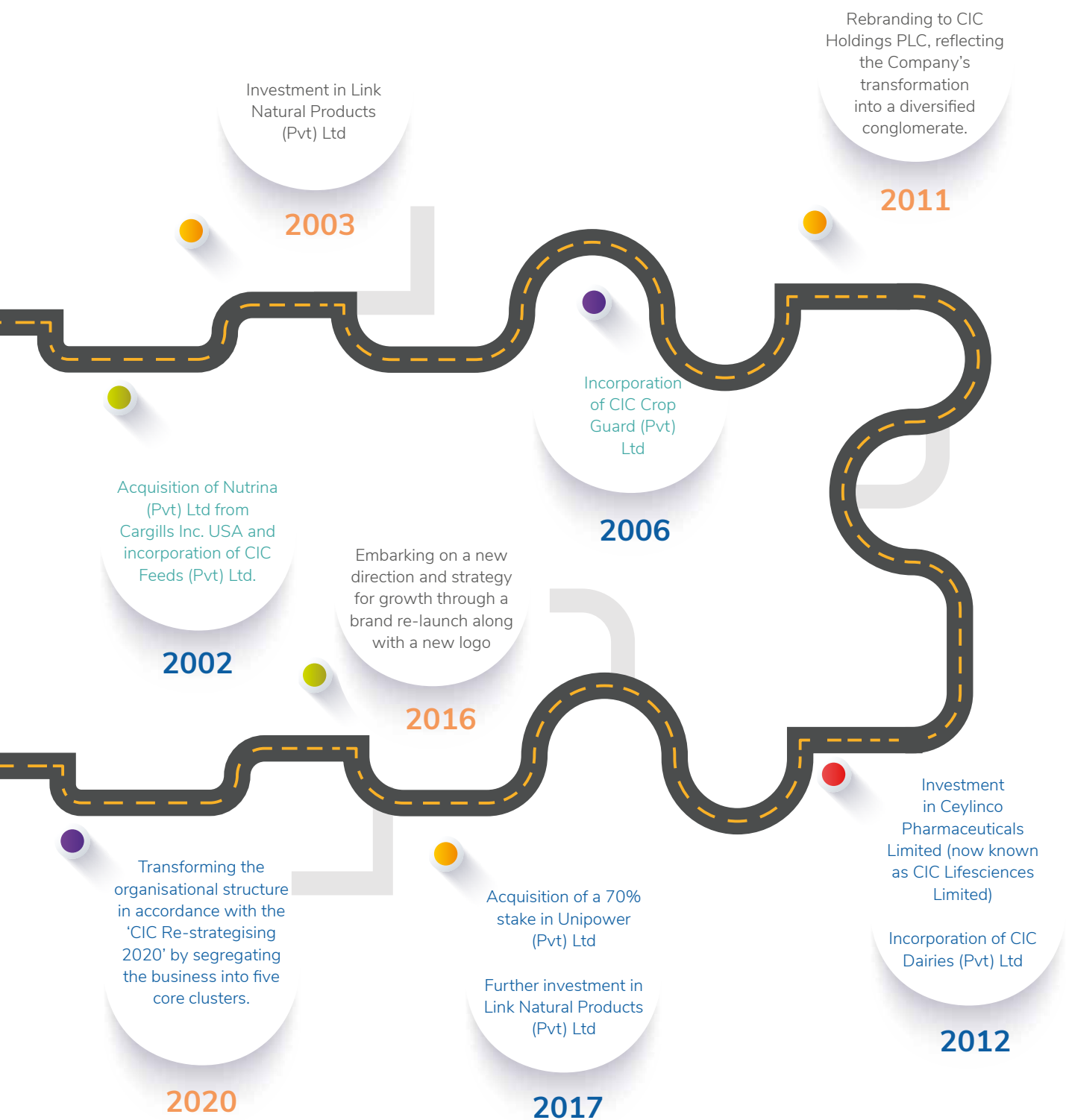
LKR 15.7Bn Property, Plant and Equipment

CAPEX of **RS 2Bn**

OUR JOURNEY OF GROWTH

For over six decades, CIC Holdings PLC has progressed on a purpose driven journey built around the ethos of “Nurturing Life” growing from its early foundations into one of Sri Lanka’s most respected and recognised conglomerates. As CIC strengthens its presence both locally and internationally, its core values continue to steer every milestone, ensuring that each advancement, innovation and investment contributes meaningfully to social well being and the nation’s development.





CHAIRMAN'S MESSAGE



For over six decades CIC has, as one of Sri Lanka's most trusted and impactful conglomerates, played a pivotal role in advancing the country's socioeconomic progress by strengthening essential industries, empowering communities, and driving inclusive, broad based growth nationwide

Dear Stakeholders,

It is a pleasure to present the Annual Integrated Report of CIC Holdings PLC (CIC) for the financial year ended 31st March 2026. CIC has once again delivered a strong top and bottom-line performance with a consolidated revenue growth of 10% and profit growth of 25% during the period under review. This commendable performance reflects the strength of our diversified portfolio and the maturity of our operations, which together enable the Group to withstand external shocks and sustain long term value creation.

OPERATING CONTEXT

Notwithstanding challenging global conditions, including trade policy uncertainty and supply chain disruptions as well as domestic pressures such as the impact of the Ditwah cyclone, the Sri Lankan economy demonstrated commendable resilience in 2025, reflected in sustained economic growth and improving macroeconomic fundamentals. GDP recorded a 5% growth, broadly in line with the growth in 2024 while inflation was maintained in the single digit range following a period of deflation. External sector conditions also strengthened, with a third consecutive current account surplus driven by record remittances and stronger services exports. The Sri Lanka rupee however recorded a modest depreciation during the year under the flexible exchange rate regime.

For CIC, these conditions presented opportunities for further growth, operational efficiencies and stronger competitive positioning. Improving economic conditions and the resulting impact on agricultural output, industrial activity, and disposable income levels improved demand conditions across our sectors. Increasing cost pressures and supply chain volatility, meanwhile, prompted further optimisation of our operations, strengthening the Group's competitive edge by enhancing agility, cost discipline and market responsiveness.

A SOUND PERFORMANCE

I am pleased to report that all five business segments maintained strong growth momentum, driving 10% growth in consolidated revenue and 25% growth in profits for the year, while further strengthening their market positions across each segment. Total assets, meanwhile, increased by 12% to Rs. 99.75 Bn, further reinforcing the strength of our balance sheet and enhancing long term financial stability.

Amid rising global fertiliser prices, the Crop Solutions sector continued to support the agriculture industry by providing cost-effective, yield enhancing solutions. This strong value proposition drove a solid 14% year on year increase in revenue, bringing revenue to Rs. 38.64Bn and further strengthening the sector's position within the agriculture value chain.

Both the Agri Produce and Livestock Solutions sectors delivered strong performances, recording revenue growth of 9% and 10% respectively. The Livestock Solutions sector's efforts to enhance capacity across the poultry value chain, as well as the Agri Produce sector's initiatives to strengthen route to market and expand its product offering, continued to support national nutrition through a reliable and affordable food supply whilst strengthening the Group's position within the country's food and agriculture ecosystem.

The Group further strengthened its presence in the healthcare and wellness space, supported by strong growth in the Health and Personal Care sector during the year. Robust expansion in Link Natural Products (Pvt) Ltd's export portfolio made a significant contribution to sector performance. Meanwhile, our continued efforts to introduce novel and cost-effective pharmaceutical and surgical treatment methods including combination drugs delivered results, with the Pharma segment also recording commendable growth. As a result, the sector achieved an impressive 34% growth in bottom line during the year.

The Industrial Solutions sector continued to support the country's industrial base through its wide portfolio of industrial chemicals and packaging solutions. By ensuring the local availability of these essential materials, the sector reinforced supply chain stability amid ongoing volatility. During the year, revenue grew by 9% reflecting the sector's strong position and enhanced market position

CIC'S SOCIOECONOMIC CONTRIBUTION

For over six decades CIC has, as one of Sri Lanka's most trusted and impactful conglomerates, played a pivotal role in advancing the country's socioeconomic progress by strengthening essential industries, empowering communities, and driving inclusive, broad based growth nationwide. With a strong presence across Agri solutions, Agri produce, Livestock, Healthcare and Industrial solutions, CIC plays a vital role in supporting food security, safeguarding public health and advancing the industrial sector. Our partnership driven business model meanwhile not only creates meaningful opportunities for smallholder farmers, distributors, and micro entrepreneurs across the country but also contributes to stronger local supply chains and rural development. The Group's growing presence in export markets, especially through its Link herbal healthcare portfolio continues to strengthen Sri Lanka's foreign exchange earnings. Meanwhile with an employee base of over 2,300 and supplier and distributor base of over 6,200. CIC generates significant direct and indirect employment opportunities. The Group's strategic investments in CSR initiatives in key areas such as education, health, and environmental stewardship meanwhile continue to advance community wellbeing and environmental sustainability. In addition, the Group has contributed a sum of Rs 7.6 Bn to the Government by way of taxes and surcharges.



All five business segments maintained strong growth momentum, driving 10% growth in consolidated revenue and 25% growth in profits for the year,



CHAIRMAN'S MESSAGE

STRENGTHENING SUSTAINABILITY FOR LONG TERM VALUE

As elaborated in detail in the CEO's message, CIC's sustainability aspirations are clearly articulated in the Group's ESG road map, and we continued to achieve steady progress on our goals during the year. Nurturing a sustainable operation built on strong ESG principles remains a core focus, and we will continue to direct resources toward advancing our ESG commitments, strengthening resilience, and creating long term value for all stakeholders. As part of this commitment, the Group has identified fifteen (15) material sustainability related and climate related risks and opportunities and is in the process of evaluating their financial impacts across its operations and value chain, in order to develop more robust strategic responses. The Group is also progressing the enhancements required to align its governance, processes, and disclosures with the reporting expectations of SLFRS S1 and S2.

GOVERNANCE

The Group continues to uphold the highest governance standards, underpinned by a robust governance framework and an eminent Board of Directors whose collective expertise and leadership enhance oversight and accountability.

DIVIDENDS

The Board remains committed to delivering sustainable and attractive dividends, as demonstrated by the dividend payment of Rs.0.50 per share during the year, translating to a dividend payout ratio of 14%. In line with our long standing focus on shareholder value creation meanwhile the Company executed a 1:5 share split in 2025, broadening investor access and improving market liquidity.

OUTLOOK

As Sri Lanka enters the latter half of 2026, the country is expected to face a turbulent period, driven primarily by external pressures amidst heightened geopolitical volatility. Despite the challenging outlook, we remain confident that the CIC Group will continue to navigate these uncertainties with discipline and resilience, safeguarding stakeholder interests

as we have consistently done in the past. Looking ahead, the Group will continue to evaluate prudent expansion opportunities, provided they meet the required investment thresholds and contribute meaningfully to long term value creation.

ACKNOWLEDGEMENTS

It is with profound sadness that we record the sudden passing of Mr. P R Saldin, former Chairman of the Audit Committee and the Human Capital and Compensation Committee, and a long standing Director of the Company. His association with CIC spans several decades, first as a loyal and dedicated employee, and later as a valued member of the Board of CIC Holdings PLC. He also held the position of Chairman of Chemanex PLC, a Subsidiary of CIC Holdings at the time of his passing. Across all these capacities, he contributed immensely to the organisation offering wisdom, integrity, and unwavering commitment. Mr. Saldin's legacy of service and professionalism will be remembered with deep respect.

I take this opportunity to acknowledge the unstinted support and strategic insight of my fellow Board members, whose collective stewardship has been central to navigating the year's challenges and advancing the Company's progress. On behalf of the Board of Directors, I also wish to extend my deep appreciation to the Corporate Management team of the CIC Group, ably led by the CEO, for their exemplary leadership. To each and every employee, I extend my sincere appreciation and recognition. Your dedication and commitment to excellence have been vital to the Group's performance. Finally, to all our other stakeholders who continue to support our value creation journey, we extend our sincere appreciation. We value your partnerships and look forward to reaching greater heights together in the coming years.

S H Amarasekera
Chairman

03rd June 2026

GROUP CHIEF EXECUTIVE OFFICER'S REVIEW



The Group reported a Profit After Tax (PAT) of Rs. 8.25Bn in FY 2025/26 compared to Rs. 6.63Bn in FY 2024/25.

This commendable performance, delivered despite weather related and geopolitical disruptions, underscores the strength of the Group's diversified portfolio and its disciplined approach to cost management.

GROUP CHIEF EXECUTIVE OFFICER'S REVIEW

Dear Shareholders

I am pleased to present the Annual Report of CIC Holdings PLC for the financial year 2025/26. While the year presented headwinds from climate related disruptions and trade policy uncertainty, CIC leveraged its diversified portfolio to successfully navigate these challenges and continue to deliver sustainable shareholder value.

OPERATING ENVIRONMENT

Sri Lanka's economy grew by 5% in 2025, marking its second consecutive year of expansion. This growth momentum, maintained amid elevated global uncertainties, domestic challenges, and the temporary setbacks arising from the Ditwah cyclone in November 2025, demonstrates the country's strengthening macroeconomic stability and resilience. Industry remained the dominant engine of growth, expanding by 7.8% in 2025 on top of the 11.1% surge in 2024. Notably, both Agriculture and Services registered higher growth than in 2024, signalling a more broad based improvement across all major sectors.

Sri Lanka maintained a low inflation environment in 2025, with the National Consumer Price Index recording 2.9% year on year inflation in December 2025, following a period of deflation earlier in the year. The gradual rise in inflation towards year end reflected improving domestic demand conditions and the continued stabilisation of the macroeconomic environment

Following two years of sustained appreciation, the Sri Lankan Rupee depreciated across all major currencies in 2025, including a 5.6% decline against the US dollar.

In terms of global developments, US tariffs on emerging markets generated considerable uncertainty in international trade, disrupting flows and adding cost and sourcing pressures for import reliant businesses like CIC. The eruption of the war in the Middle East towards the end of the current financial year saw the immediate impact largely limited to short term supply chain disruptions;

however, a prolonged conflict is likely to result in more material effects in FY 2026/27.

GROUP FINANCIAL PERFORMANCE

Group consolidated Revenue for the 12 months period ending March 2026, amounted to Rs. 91.75Bn, a 10% YoY increase compared to the corresponding period last year. Group Gross Profits increased by 8% to Rs.1.87Bn while Group Operating Profits increased by 10% to Rs. 1.12Bn. The Group reported a Profit After Tax (PAT) of Rs. 8.25Bn in FY 2025/26 compared to Rs. 6.63Bn in FY 2024/25. This commendable performance, delivered despite weather related and geopolitical disruptions, underscores the strength of the Group's diversified portfolio and its disciplined approach to cost management.

SECTORAL PERFORMANCE

During the period under review, all five business segments namely Crop Solutions, Agri Produce, Livestock Solutions, Industrial Solutions, and Health and Personal Care, continued to perform resiliently.

Despite cyclone-related disruptions to cultivation cycles, the Crop Solutions sector, CIC's largest revenue generator accounting for 41% of Group Revenue achieved a solid 12% year on year increase, with revenue rising to Rs. 37.36Bn. Targeted efforts to diversify the product portfolio across key segments supported the sector's strong growth and helped maintain its leadership position across core product lines.

The Livestock Solutions sector, which accounted for 21% of Group Revenue during the year, also performed commendably with revenue growing by 11%. This growth was supported by favourable demand conditions for poultry, higher market prices, and the sector's strategic efforts to enhance capacity across the value chain.

The Health and Personal Care segment delivered a particularly strong performance during the year, with a revenue growth of 6% during the

year. Link Natural Products (Pvt) Ltd's export portfolio saw robust expansion, while the Pharma Trading division strengthened its market position through the introduction of several new molecules. Accounting for 21% of Group Revenue, the health and personal care sector continues to be a key contributor to group revenue.

Increased industrial activity in the country supported an improved revenue performance in the Industrial Solutions segment, which recorded a 10% growth. This momentum was further reinforced by focused initiatives to drive volumes through the introduction of innovative, value enhancing solutions across key customer segments as well as targeted capacity enhancement in the speciality packaging segment.

Targeted efforts to strengthen route to market, together with strategic portfolio interventions such as the introduction of sticky rice and the launch of Jelly Collagen Yoghurt, enabled the Agri produce sector to deliver a resolute performance during the year. Sector revenue grew by 9% to Rs. 6.34Bn, contributing 7% to Group Revenue.

DIFFERENTIATION THROUGH VALUE ADDITION

As we progress into the next phase of our growth journey, we are evolving beyond our conventional agri inputs footprint to build a more integrated value chain, emphasising on processing, value addition, and branded consumer offerings. In the Fertilizer segment, where competition in straight fertilizers remains intense, the Company differentiates itself through innovative, proprietary blends and compound formulations designed to enhance soil health and deliver higher, more sustainable yields for farmers. Building on this value added approach, the segment is expanding its portfolio of customised blends and compounds, strengthening its position in climate smart agriculture and supporting the transition towards more resource efficient productivity enhancing farming practices.



We continued to progress on our digitalisation drive, investing in system modernisation, analytics capabilities and cyber security enhancement across the Group



In the Agri Processing segment, we are actively pursuing acquisitions to accelerate the shift into higher value products, including opportunities in dehydrated fruits and related categories. The strategy focuses on buying and processing raw produce to create value added offerings that enhance margins and provide direct access to the retail market.

In the rice segment too we continue to focus on offering differentiated high value categories such as low GI and other health oriented rice brands. Meanwhile to strengthen consumer awareness and reinforce the nutritional value proposition, the business is working closely with the Nutrition Society on targeted education initiatives.

CAPACITY EXPANSION

During the year, we undertook targeted capacity expansions in key areas to enhance readiness for anticipated growth and market opportunities. In the rice segment, the Company expanded its rice processing capacity with a second production line increasing milling capacity to 1100 MT per month to cater to the growing demand for low GI and other health oriented rice varieties. The livestock solutions segment meanwhile continued to strengthen capacity across the value chain, expanding feed mill operations, adding new breeder houses, and enhancing broiler production through the acquisition of an additional farm. These expansions are expected to bolster operational resilience, support volume growth, and position the business to capture emerging opportunities across domestic and export markets.

BROADENING OUR GEOGRAPHICAL REACH

Expanding our export footprint remains a key focus going forward, and we made notable progress across several sectors during the year. In the Health and Personal Care sector, Samahan our flagship brand witnessed notable traction in export markets, with export sales growing by almost 62% during the year. Meanwhile we also made inroads into the rice export business, with rice

products already listed in SPAR South Africa and early efforts underway to expand into the US market for health rice and specialty rice. In the seeds business a pilot shipment of hybrid vegetable seeds was dispatched to Bangladesh, marking the first step in a long term strategy to access new regional markets through partnerships and collaborative development models. We will continue to build on these efforts as we expand our reach beyond Sri Lanka.

DIGITALISATION DRIVE

We continued to progress on our digitalisation drive, investing in system modernisation, analytics capabilities and cyber security enhancement across the Group. Core enterprise systems were upgraded with the transition to the latest SAP version and preparatory work for RISE with SAP. Accelerated analytics adoption through Power BI meanwhile delivered interactive dashboards, real time visibility, and performance metrics that support faster, more informed decision making. The rollout of the HRIS strengthened workforce data management, while the deployment of the Sales Force Automation system has delivered significant improvements in operational efficiency. Cybersecurity remained a top priority, supported by investments in SOC capabilities, enhanced security controls, and progress toward ISO certification.

PEOPLE FOCUS

As we build a future ready workforce, we remain committed to nurturing our extensive internal talent base while sharpening our focus on attracting the best emerging talent to meet evolving business needs. As part of our strategic focus on strengthening leadership capability, selected middle management and senior leadership employees participated in a series of external leadership development programs delivered by world renowned institutions, including Hardskills Pte. Ltd., the Indian School of Business Hyderabad and the National University of Singapore. Sector specific capability building also continued with a programme for 20 senior managers in the Agri Cluster

GROUP CHIEF EXECUTIVE OFFICER'S REVIEW

delivered in collaboration with Post Graduate Institute of Management (PIM) – University of Sri Jayewardenepura and Kasetsart University in Thailand. Selective rotations, including among CFOs meanwhile, helped broaden leadership exposure and strengthen succession readiness. We are also focused on reinforcing a performance driven culture and continued to enhance our performance management and rewards structures to improve alignment between individual contribution and organisational priorities. A key step in this regard is the digitalisation of the Group's performance management lifecycle, including goal setting and annual appraisals, through the integrated HRIS. Initiated for AGM and above grades in FY 2025/26 the initiative will be progressively extended across all employee segments in the coming year. Meanwhile we continue to refine our recruitment processes and elevate our employee value proposition to strengthen our employer brand and draw high calibre talent in an increasingly competitive labour market.

INTEGRATING SUSTAINABILITY

We remain firmly committed to embedding ESG principles across our operations and have put in place a clear ESG roadmap to guide and accelerate our progress. Targeted investments were made towards solar projects in our poultry operations, rice milling operation and healthcare fulfilment Centre. Meanwhile circular economy principles are practiced across the Group with a greater focus on waste management and efficient resource consumption.

Promoting sustainable agricultural practices through the introduction of innovative products and active engagement with farmer communities remains a core pillar of our sustainability agenda. In recent years, we have strengthened our crop protection portfolio with a wider range of Class III and IV products, reflecting our commitment to safer, least toxic, advanced Green Chemistry solutions. CIC is also the only fertilizer Company in the country that operates a dedicated in-house facility for the manufacture of organic and organo-mineral fertilizers.

The Agri cluster together with the crop solutions segment meanwhile continued to engage with farmers and Government agencies through a series of productivity enhancement initiatives. In the tea sector, the Dallakin Venasak programme supported yield improvements, while similar programs were extended to the coconut sector through a public-private partnership with the Coconut Research Institute, including work on hybrid coconut saplings development. In paddy, the Company partnered with Syngenta to roll out an integrated productivity enhancement programme encompassing farmer insurance and agronomic advisory services. Efforts to improve yields in corn and sugarcane also progressed during the year, with all initiatives currently being implemented as pilot projects. These efforts to enhance land usage productivity form a key part of our broader commitment to driving more efficient and sustainable use of land resources.

Expanding our sustainability agenda beyond our operations, we continued to deliver meaningful CSR initiatives across four core areas: Agri Entrepreneur Development, Rural Education, Rural Healthcare Infrastructure, and Environmental Protection. During the year, over Rs. 19.5Mn was channelled into projects implemented through the CIC Charitable Trust as well as Company led initiatives in these areas.

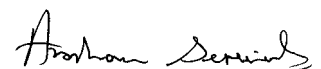
WAY FORWARD

As we look towards our next phase of growth, we will focus on deepening our presence across the agri value chain, particularly by pursuing value addition opportunities in emerging growth areas such as agri processing. We will also continue to leverage on our strong partnerships to broaden our offering and strengthen our competitive position by addressing lucrative market gaps across sectors. Expanding our export footprint will remain a key priority, and we will continue to strategically pursue new export opportunities while developing the niche capabilities needed to position ourselves competitively within the region. At the same time, given the prevailing macro economic uncertainties heading into the 2026/27 financial

year, we will continue to proactively manage working capital and operations through cost rationalisation and prudent assessment of the operating environment.

APPRECIATION

In conclusion I wish to extend my appreciation to the Chairman and the Board of Directors for their unwavering support, strategic guidance and valuable counsel. I am equally grateful to the leadership team for their dedication and work ethic in executing strategies, which continues to propel our progress. To our employees, thank you for your relentless commitment, our achievements are a direct reflection of your efforts and hard work. I also wish to acknowledge our shareholders, customers, global principals, financial partners, and all other stakeholders for their continued trust and steadfast support, which remain integral to our sustained success.



P A Seresinhe
Group Chief Executive Officer

03rd June 2026

BOARD OF DIRECTORS



S. H. AMARASEKERA

Non-Independent, Non-Executive Director/
Chairman



R. S. CAPTAIN

Non-Independent, Non-Executive
Director



D. T. S. H. MUDALIGE

Independent, Non-Executive
Director



S. M. ENDERBY

Non-Independent, Non-Executive
Director

BOARD OF DIRECTORS



M. P. JAYAWARDENA

Non-Independent, Non-Executive
Director



J. R. GUNARATNE

Independent, Non-Executive
Director



K. D. SENEWIRATNE

Independent, Non-Executive
Director

S. H. AMARASEKERA

Non-Independent,
Non-Executive Director
Chairman

Mr. Harsha Amarasekera, President's Counsel was appointed to the Board of CIC on the 28th of October 2005. He was appointed as Acting Chairman on the 1st of January 2014 and as Chairman on 23rd May 2014.

Mr. Amarasekera is a leading luminary in the legal profession in Sri Lanka having a wide practice in the Original Courts as well as in the Appellate Courts. His fields of expertise include Commercial Law, Business Law, Securities Law, Banking Law and Intellectual Property Law.

He also serves as the Chairman of several listed companies on the Colombo Stock Exchange including Sampath Bank PLC, Swisstek (Ceylon) PLC, Vallibel Power Erathna PLC and Swisstek Aluminium Ltd. He is also the Co-Chairman of Royal Ceramics Lanka PLC. and Chairman of CIC Agri Business (Private) Ltd.

He is presently the Chairman of the Colombo Port City Economic Commission.

He is an Independent Non-Executive Director of Expolanka Holdings Limited, Ceylon Hotel Holdings (Private) Limited, EFL Global Logistics (Private) Limited, Galle Face Management Company (Private) Limited, Link Natural Products (Private) Limited, Millennium Airlines (Private) Limited, Millennium Investments Lanka (Private) Limited and Silver Aisle (Private) Limited.

R.S. CAPTAIN

Non-Independent, Non-Executive Director

Appointed to the Board on March 10, 2008. Mr. R. S. Captain is an entrepreneur and investor in Sri Lankan corporate sector, bringing with him a wealth of knowledge and over 20 years of business experience in a range of manufacturing sectors. His current business interests range from paints, garments, industrial gloves, cutting and polishing diamonds, plastics and other packing material. He is the Co-Founder of Asia Stockbrokers, Asia Capital, Dutch Lanka Trailers, Asia Siyaka and Asian Alliance. He has served as Non-Executive Director of Hatton National Bank PLC, John Keells Holdings PLC and many other unlisted Companies. Mr. Captain was graduated at the University of Miami, Florida, USA.

D. T. S. H. MUDALIGE

Independent, Non-Executive Director

Appointed to the Board on 16th October 2020, Mr. Sujeewa Mudalige counts over 30 years of experience as a Chartered Accountant. He is also a fellow member of CIMA (UK), ACCA (UK) and CPA (Australia). He has vast experience as the Audit Committee Chair in both public and private sector organisations. Mr. Mudalige recently retired as the Managing Partner of PricewaterhouseCoopers, Sri Lanka and currently serves as an Independent Non-Executive Director at Feeds Group and Link Natural Products Private Limited. He is the Non-Executive Chair of Mercantile Services Provident Society (MSPS). He is also an Independent Non-Executive Director at several other public and private companies.

He is a past President of ICASL and has been a member of the Council of CA Sri Lanka and of the governing board of CIMA UK - Sri Lanka Division, a Commission member of the Securities and Exchange Commission of Sri Lanka and held several such other positions locally and globally during the span of his career.

The University of Plymouth UK awarded him an Honorary Doctor of Business in December 2024. This honour is in recognition of outstanding contributions made in the field of accounting and finance.

S. M. ENDERBY

Non-Independent, Non-Executive Director

Joined CIC Board on 11th April 2013. Prior to that he has had a successful track record in private equity with Actis, a leading global emerging markets fund. Mr. Enderby has led many of the most successful private equity transactions in Sri Lanka.

Post Actis, Mr. Enderby joined Hemas Holdings PLC in 2013 where he was Group Chief Executive Officer playing a pivotal role in transforming the Group into one of Sri Lanka's largest healthcare and consumer focused businesses.

Following his retirement in 2020 Mr. Enderby continues to invest in Sri Lanka with a particular focus on the consumer and education sectors through his role as Chairman of Ironwood Capital Partners and as a director and advisor to a number of high growth businesses.

During his more than 35 years of corporate and investing experience he has served on the Boards of many leading companies in Sri Lanka and India. He is a Fellow Member of the Chartered Institute of Management Accountants, holds a Degree in Economics and Accounting from Queen's University Belfast and a Master's Degree in Development Studies from the University of Melbourne. He is also a trustee of Ayati Trust, which has established and operates Sri Lanka's first centre for children with disabilities.

BOARD OF DIRECTORS

M. P. JAYAWARDENA

Non-Independent, Non-Executive Director

Appointed as Alternate Director to the ICI Nominee Director on 21st May 2002, and subsequently as a Director on 25th October 2008. He is a Past Deputy Chairman of Commercial Bank of Ceylon PLC and a Fellow Member of the Institute of Chartered Accountants of Sri Lanka (ICASL), where he also served as a Council Member.

He has served as the Chairman of Commercial Insurance Brokers (Private) Limited and currently holds directorships in several other private companies within the CIC Group. He has over 13 years of international experience at Zambia Consolidated Copper Mines in Africa, where he held various senior positions, including Head of Treasury, managing a loan portfolio exceeding US\$ 3 billion.

He is a Past President of The Sri Lanka Institute of Directors, a former Member of the Monetary Policy Consultative Committee of the Central Bank of Sri Lanka, and a former Chairman of the Ceylon National Chamber of Industries.

J. R. GUNARATNE

Independent, Non-Executive Director

Mr. J. R. Gunaratne was appointed to the Board on 6th January 2021. Mr. Gunaratne in his career of 40 years with the John Keells Group, held leadership roles in the Consumer foods, Plantations, and Leisure Sectors. During his tenure, he also served as a Director of several listed and private companies within the JKH Group.

He was the Founder Chairman of the Beverage Association of Sri Lanka.

Mr. Gunaratne currently serves in a Non-Executive capacity as the Chairman of Delmege Limited and Fortress Resorts PLC, and also serves on the Boards of CIC Feeds (Private) Limited, Royal Ceramics PLC, Lanka Tiles PLC, and Link Natural Products (Private) Limited.

K. D. SENEWIRATNE

Independent, Non-Executive Director

Appointed to the Board on 01st January 2023. Mrs. Kshenuka Senewiratne is the first female Permanent Representative to the United Nations (UN) in New York and High Commissioner to the United Kingdom (UK) and also the Secretary of the Ministry of Foreign Affairs of Sri Lanka.

Ms. Senewiratne a seasoned diplomat, who retired from the Public Service in 2020, counts a 35-year track record with the Sri Lanka foreign service, having held prestigious postings as Sri Lanka's Head of Mission to the UN both in Geneva and New York, UK and Thailand. She has extensive expertise in the North American, European, and Asian regions in a multitude of strategies to enhance bilateral and multilateral relations, especially through political and economic cooperation in the global context, and also ensuring the overall administrative effectiveness of the Sri Lanka Missions overseas and the Ministry of Foreign Affairs where she served. She also worked in an advisory capacity on international media, and held the position of Sri Lanka's High Commissioner to India.

MANAGEMENT TEAM



AROSHAN SERESINHE
Group Chief Executive Officer



DR. D. NUGAWELA
Emeritus Chairman - Link Natural
Products (Private) Limited



WARUNA MADAWANARACHCHI
Managing Director - Agri Cluster



JAYANTHA RAJAPAKSE
Emeritus Chairman - Unipower
(Private) Limited



ERANDI WICKRAMAARACHCHI
Group Chief Financial Officer



HARSHANA RANMUTHUGALA
Group Head of Human Resources



VIRAJ MANATUNGA
Group Chief Strategy Officer
Divisional Director - Pharmaceutical
Agencies and Manufacturing



PRASADI SAMARAKOON
Head of Group Treasury/Divisional
Director - Group Finance

MANAGEMENT TEAM



RAMANI SAMARASUNDERA

Group Chief Marketing Officer



AJITH WEERASINGHE

Director/Chief Executive Officer -
CIC Feeds Group



ASHAN RANSILIGE

Chief Executive Officer -
Link Natural Products
(Private) Limited



PRASAD WEGIRIYA

Director/Chief Executive Officer-
CISCO Specialty Packaging
(Private) Limited



ANJANA LEELARATHNA

Deputy Managing Director -
Agri Cluster



RANJITH BANDARA

Director/Chief Executive Officer -
Unipower (Private) Limited



THUSHARA YATIGAMMANA

Chief Operating Officer-Chemanex
PLC/Divisional Director-Industrial
Solutions



VIDURA GAMAGE

Director/Chief Operating Officer -
CIC CropGuard (Private) Limited



GAMINI KUMARASINGHE

Chief Operating Officer -
CIC Feeds Group



CHAMARI WICKRAMATHILAKE

Chief Operating Officer -
Link Natural Products
(Private) Limited



HASITHA AHANGAMA

Divisional Director - Healthcare -
Medical Devices and Diagnostics



MAHESH WANNINAYAKE

Divisional Director - Crop Solutions



NADEERA WIJENAYAKE

Divisional Director - Group IT



THILINI WEGODAPOLA

General Manager - Legal



POOVENDRAN SIVATHAVENDRAN

General Manager -
RPC & PVA Plant



DAMODARA WICKRAMANAYAKE

Chief Financial Officer - Link Natural
Products (Private) Limited / CIC
Capital & Investment

MANAGEMENT TEAM



SAMIRU MUTHUGAMA

Chief Financial Officer - CIC Capital /
Chemanex PLC/CIC Healthcare Cluster



SHAMINDRA THOMAS

General Manager - Healthcare
Fulfilment Centre



KRISHANTHA HATHARASINGHE

General Manager - Supply Chain &
Procurement



SAMPATH RANATHUNGA

General Manager- Head of Human
Resources - CIC Agri Businesses
(Private) Limited



ADVANCING *Performance*

Performance is shaped by how meaningfully we bring our strategy to life. Through disciplined execution and a commitment to continuous improvement, we strengthen our capabilities across sectors while creating real value for the people we serve. It is this shared effort that drives our progress and reflects the impact we have made throughout the year.

VALUE CREATION MODEL

OUR INPUTS

Financial Capital



Debt :
30.17Bn
Equity:
53.78Bn

Manufactured Capital



Total Capex Investment
2Bn
PPE
15.73Bn

Human Capital



Employees
2,360

Intellectual Capital



Over **40** New
Product Innovations/
Introductions

Social and Relationship Capital



Suppliers
6,286

Natural Capital



Land Area
339Acres

VALUE CREATION PROCESS



OUR VISION

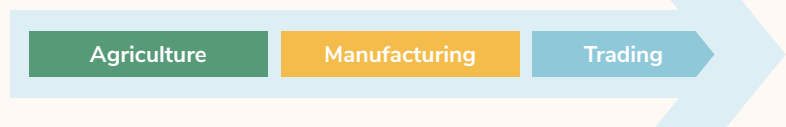
To be the most respected and admired corporate for the positive impact we make on society by nurturing the lives of those we touch.



OUR MISSION

Harnessing science and modern technology, we will provide solutions of superior quality which are efficient and safe. We will build rewarding and lasting relationships with our stakeholders and be a significant entity in every sector we operate.

OUR BUSINESS OPERATIONS



OUR FOUNDATION





OUTPUTS

Group Revenue

91.75Bn

Group PBT

11.4Bn

No of Products of Plant Nutrition
& Crop Solution

386

New Product Innovations/
Introductions

49

Eggs supplied

2,713,737MT

No of Farmers Supported

5,774

Fruit & Vegetables

207MT

Dairy Products

3,053MT

Rice Produced

8,527MT

Training Hours to
Employees

10,188

Renewable Energy
Generated

4,604,241 kWh

Solid Waste
Generated

7,515MT

Hazardous Waste
Recycled/Reused

29,410 kg

OUTCOMES

Sustainable Returns to
Shareholders

Strengthening the
country's food security,
health & nutrition

Supporting the
countries industrial
and export sector
through chemical
and packaging

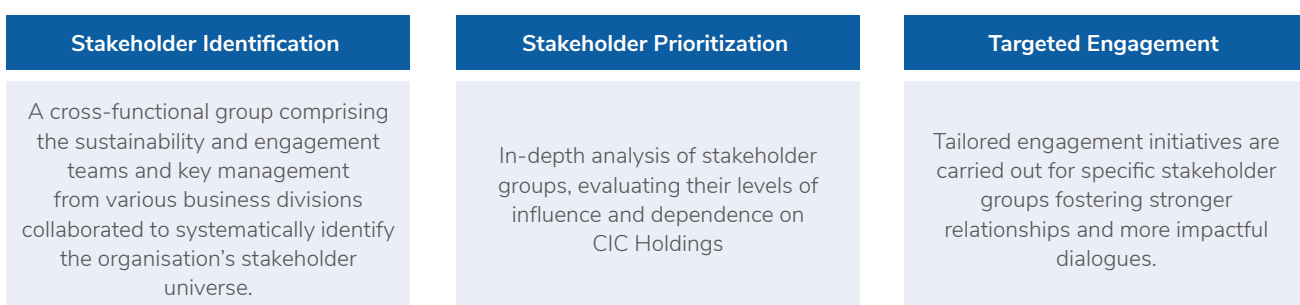
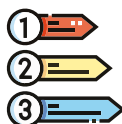
Providing rewarding
employment
and sustainable
livelihoods







Promoting
sustainable
agriculture and
manufacturing
practices

STAKEHOLDER ENGAGEMENT

CIC Holdings adopts a dynamic and inclusive approach to stakeholder engagement, ensuring that the concerns and expectations of all relevant parties are clearly understood and effectively addressed. This ensures stronger alignment between the organisation’s business objectives and the priorities of its stakeholders, enabling more informed decision making and mutually beneficial outcomes.

STAKEHOLDER ENGAGEMENT PROCESS








STAKEHOLDER GROUP	MODE AND FREQUENCY OF ENGAGEMENT	KEY CONCERNS OF STAKEHOLDER GROUP
 SHAREHOLDERS	Annual Report (Annual); AGM (Annual); CSE Filings (Monthly/Quarterly/As needed); Press Releases (As needed)	Profitability and business growth; Financial stability and resilience; Management of financial and non-financial business risk; Strategy and prospects
 CUSTOMERS	One-on-one interaction with sales teams (Ongoing); Customer service forums (Regular); Website and social media (Ongoing); Newsletters and promotional content (Ongoing)	Product quality and safety; Compliance; Access and reach
 SUPPLIERS/ BUSINESS PARTNERS	One-on-one interaction with leadership teams (Ongoing); Business Partner forums (As needed); Website and social media (Ongoing); Review meetings (As needed)	Timely payments; Credit terms; Financial stability and resilience
 EMPLOYEES	On-boarding (As needed); Performance evaluation and feedback (Annually); Team meetings and leadership briefings (Ongoing); Grievance handling (As needed); Awards forums (Annually)	Fair remuneration and benefits; Career development; Occupational health and safety
 REGULATORS	Regulatory filings (Monthly/Quarterly/Annually); Compliance audits (Annually); Review meetings (As needed)	Timely compliance of regulatory requirements; Involvement in policy formulation
 COMMUNITY	Community projects (Regularly); Press releases (As needed); Website and social media (Ongoing)	Investment in community capacity building; Local job opportunities

MATERIAL MATTERS







Identifying our material matters, the issues that are likely to have the most impact on our stakeholders is a critical aspect of our value creation process as it enables us to focus on what is most important in our value creation process. The materiality topics thus identified drives our strategy, decision making, resource allocation and reporting processes.

Process for determining material matters (GRI 3-1)

The Company conducts materiality assessments annually, with the latest being carried out during FY 25/26. As part of this exercise, a materiality assessment workshop was successfully conducted with the participation of key management representatives across various divisions. Participants applied rigorous criteria during the assessment process, focusing on both the magnitude of impact and the likelihood of occurrence of identified topics. Based on this exercise the Company developed a list of material matters that are considered to have a significant impact on both the organisation as well as key stakeholders. This recurring process enables CIC Holdings to align business sustainability practices with stakeholder perspectives, ensuring the Company remains attuned to both external expectations and internal business relevance.

MATERIAL TOPIC	KEY STAKEHOLDERS IMPACTED	CHANGE FROM PREVIOUS YEAR	GRI/ SASB REFERENCE
Economic Performance		Unchanged — Profitability and financial stability remain a top priority amid ongoing macroeconomic headwinds in Sri Lanka.	GRI 201: Economic Performance GRI 202: Market Presence GRI 203: Indirect Economic Impacts
Climate Change & GHG Emissions		Increased — Growing regulatory focus on SLFRS S2 climate disclosures and heightened awareness of physical climate risks to agricultural and manufacturing operations.	GRI 302: Energy GRI 305: Emissions SASB: FB-AG: Agricultural Products; FB-PF: Processed Foods; FB-MP: Meat, Poultry & Dairy; RT-CH: Chemicals
Customer Experience & Marketing		Unchanged — Customer quality and safety expectations remain consistently high across all product segments.	GRI 416: Customer Health and Safety GRI 417: Marketing and Labelling GRI 418: Customer Privacy
Business Ethics & Regulatory Compliance		Unchanged — Zero tolerance for non-compliance continues to anchor the Group's governance and risk management approach.	GRI 205: Anti-corruption GRI 207: Tax GRI 206: Anti-competitive Behaviour SASB: HC-BP: Biotechnology & Pharmaceuticals; HC-MS: Medical Devices & Supplies; RT-CH: Chemicals
Innovative Products & Service Offerings		Increased — Accelerated R&D investment across clusters and growing demand for sustainable and precision agriculture solutions.	SASB: HC-BP: Biotechnology & Pharmaceuticals; HC-MS: Medical Devices & Supplies; FB-AG: Agricultural Products

MATERIAL MATTERS

MATERIAL TOPIC	KEY STAKEHOLDERS IMPACTED	CHANGE FROM PREVIOUS YEAR	GRI/ SASB REFERENCE
Digitalisation & Transformation		Increased — Expanded digital transformation initiatives across the Group, including ERP enhancements and data analytics capabilities.	GRI 404: Training and Education GRI 418: Customer Privacy
Employee Relations		Unchanged — Employee welfare, skills development and retention remain central to the Group's human capital strategy.	GRI 401: Employment GRI 402: Labour/Management Relations GRI 403: Occupational Health and Safety GRI 404: Training and Education GRI 405: Diversity and Equal Opportunity GRI 406: Non-discrimination GRI 407: Freedom of Association and Collective Bargaining SASB: RT-CH: Chemicals; FB-AG: Agricultural Products; HC-MS: Medical Devices & Supplies
Industry Partnership and Collaboration		Unchanged — Principal and supplier partnerships continue to underpin the Group's supply chain resilience and product portfolio breadth.	GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment SASB: FB-AG: Agricultural Products; RT-CH: Chemicals; RT-CP: Containers & Packaging
Community Development & Engagement		Unchanged — Community investment programs and farmer development initiatives continue across key operating regions.	GRI 413: Local Communities SASB: FB-AG: Agricultural Products; RT-CH: Chemicals
Protection of Natural Ecosystems		Increased — Intensified focus on sustainable agriculture, water stewardship, and waste management in line with the Group's environmental commitments.	GRI 303: Water and Effluents GRI 304: Biodiversity GRI 306: Waste SASB: FB-AG: Agricultural Products; FB-PF: Processed Foods; FB-MP: Meat, Poultry & Dairy; RT-CH: Chemicals; RT-CP: Containers & Packaging
Responsible Sourcing & Resource Management		Unchanged — Responsible sourcing standards and supplier engagement programs maintained across the value chain.	GRI 301: Materials SASB: FB-AG: Agricultural Products; RT-CH: Chemicals; RT-CP: Containers & Packaging

STRATEGIC PRIORITIES

CIC Group's strategy, which revolves around five core pillars, is designed to advance responsible growth while delivering long term, sustainable value to stakeholders. This dynamic strategy has supported the Group's steady organic and inorganic expansion while strengthening its ability to generate sustained value for shareholders.



DRIVING OUR STRATEGY

	Key Initiatives during the year	Resources Allocated
Sustainable growth in profitability and market share	Strengthened core businesses while selectively diversifying into high growth adjacent sectors.	Rs. 590.5Mn invested in brand building
Innovation led Growth	Launch of several new products across segments	Rs. 474.1Mn spent on research and development
Results oriented teams	Continued to enhance skills of employees through targeted training and enhanced performance evaluation processes	Rs. 68Mn spent on training and development initiatives
Sustainable business model	Continued to invest in resource efficient technology across operations and engaged in meaningful CSR to improve socio economic conditions of surrounding communities	Rs. 19.56Mn on CSR and farmer development programs
Partnerships for Growth	Strengthened engagement with existing Principals while actively exploring new relationships to enhance portfolio.	Resources allocated to strengthen Principal partnerships

INTEGRATING SUSTAINABILITY

As a diversified conglomerate with interests spanning agriculture, healthcare, consumer, livestock, and industrial solutions, CIC Holdings operates on a business model that is inherently sustainability focused. Our activities generate meaningful impact across food security, nutrition, health and wellbeing, while empowering communities to thrive. This deep rooted sustainability ethos is reflected in CIC's commitment to embedding ESG principles across its operations and strategic plans, reinforcing our identity as a responsible and forward thinking enterprise.



Environmental

- Reducing Greenhouse Gas Emissions
- Increasing Renewable Energy Use
- Minimising Waste and Water Consumption

Social

- Enhancing employee well-being
- Supporting local communities
- Ensuring customer satisfaction

Governance

- Ensuring ethical business practices
- Strengthening Board Governance
- Focus on compliance and Risk Management



OPERATING ENVIRONMENT

Key Developments in the Global Economy

In 2025, CIC's operating landscape was defined by a steady domestic rebound set against a turbulent global backdrop. This created a year of mixed conditions, with stronger local demand offset by rising costs and global uncertainty.



Global Growth

As per IMF estimates the global economy recorded an estimated growth of 3.4% in 2025, demonstrating resilience amidst a challenging backdrop marked by elevated trade tensions and policy uncertainty. Advanced economies recorded a growth of 1.9% while Emerging Market and Developing Economies witnessed a growth of 4.4%.



Global Inflation

Global inflation in 2025 eased but remained uneven across regions. After starting the year at 4.8%, global inflation steadily declined and ultimately stabilised at 3.5% in the final quarter of 2025.



Global Trade

Global trade in 2025 remained resilient despite a challenging external environment, supported largely by strong demand for technology related products. Robust expansion in semiconductor and digital technology exports helped offset slowing momentum in other product categories, benefiting Asian economies that dominate these supply chains. At the same time, the rewiring of global supply chains accelerated, with firms diversifying sourcing patterns amid geopolitical and policy pressures.

3.4%

Increase in World Output

3.5%

Global Inflation Rate

4.6%

Growth in World Trade



Commodity Prices

Subdued economic activity, trade restrictions and associated high economic policy uncertainty, and weather-related supply shocks have all affected commodity markets resulting in a decline in commodity prices in 2025. Brent oil prices declined during the year reflecting an oversupplied market and sluggish global growth. Grain prices meanwhile declined during the year amidst ample global supplies. Fertilizer prices on the other hand continued to increase during the year reflecting strong demand, the effects of trade restrictions, and production shortfalls.



Freight and Shipping Rates

Freight rates in 2025 remained volatile and elevated, driven by geopolitical tensions, trade policy shifts, and port congestion



Impact on CIC Group

CIC Group remains highly sensitive to global economic conditions due to its dependence on import driven trading activities.

- Higher world prices for fertilizers resulted in a higher cost of sales, in turn exerting pressure on margins in the Crop Solutions sector
- Persistent geopolitical tensions continued to drive supply chain volatility and elevate cost pressures.
- Shifts in global trade policies, including tariff adjustments and non tariff barriers increased the cost of cross border sourcing and increased uncertainties

OPERATING ENVIRONMENT

KEY DEVELOPMENTS IN SRI LANKAN ECONOMY

GDP Growth

Reflecting strengthened resilience and improving macroeconomic conditions, Sri Lanka achieved 5% growth in 2025, underscoring the economy's ability to navigate global headwinds, domestic constraints, and the disruptions from the Ditwah cyclone. The Industry sector continued to lead with 7.8% growth, building on its exceptional rebound in 2024. Encouragingly, both Agriculture and Services posted higher year on year growth, highlighting the broadening of the recovery across the economic landscape.

GDP Growth Momentum

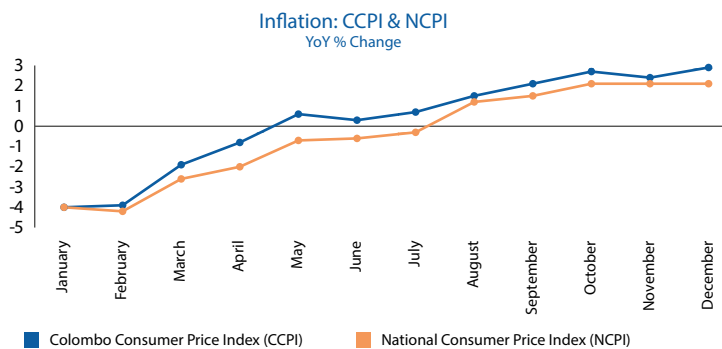
2024	2025
5%	5%

Exchange Rate

Following two years of sustained appreciation, the Sri Lankan Rupee weakened against all major currencies in 2025, including a 5.6% depreciation against the US dollar, easing some pressure on export competitiveness while increasing the domestic cost of imported inputs and commodities.

Exchange Rate Movement

2024	2025
10.7%	5.6%
Appreciation	Depreciation



Inflation

Sri Lanka maintained a low inflation environment in 2025, with the National Consumer Price Index recording 2.9% year on year inflation in December 2025, following a period of deflation earlier in the year. The gradual rise in inflation toward year end reflected improving domestic demand conditions and the continued stabilisation of the macroeconomic environment

Market Interest Rates

Market interest rates trended downward through most of 2025, with a brief uptick towards year end reflecting temporary increases in short term rates. The overall decline was supported by an accommodative monetary policy stance, a low inflation environment, well anchored inflation expectations, and reduced risk premia following improvements in the country's credit ratings.

Avg. Weighted Lending Rate (AWLR) **11.54%**

Avg. Weighted Deposit Rate (AWDR) **4.6%**

Impact on CIC Group

Improving economic conditions

- Improving economic conditions including the pick up in the agriculture and industry sector improved demand conditions for the Crop Solution and Industrial Solutions sectors.
- Improving disposable income levels supported growth in the Agri, Poultry, Health and Personal Care segments.
- Uptick in inflationary pressures including energy costs contributed to higher costs.
- Stabilising exchange rate movements reduced some of the unpredictability in import cost planning, although currency linked cost pressures remained.

OUTLOOK

The global outlook remains highly dependent on the duration, intensity, and geographic spread of the conflict in the Middle East. While the IMF projects global GDP growth of 3.1% in 2026, a further escalation of Middle Eastern tensions is likely to exert downward pressure on global growth in 2026 by increasing uncertainty, disrupting trade flows, and increasing commodity market volatility. An escalation could seriously disrupt global energy markets and add further inflationary pressure, while rising political tensions and shifting trade policies could continue to disrupt global trade.

Sri Lanka's outlook while benefiting from recent gains in macroeconomic stability remains vulnerable to external shocks and emerging pressures. Inflation is currently low, but it is expected to rise towards the 5% target faster than previously anticipated, driven largely by higher energy and transport costs and spillover effects from global developments. These pressures heighten the risk of renewed cost push inflation, potentially tightening household budgets, weakening consumption, and increasing operating costs across sectors.

SUSTAINABILITY RELATED DISCLOSURES

REPORT AT A GLANCE

Pillar	What is covered	Page ref
Governance	Board and management oversight structure; roles and responsibilities; sustainability skill profile; reporting frequency	Governance section
Strategy — Climate (SLFRS S2)	Five CRROs identified: physical weather risk, fertiliser and agrochemical transition, energy dependence, raw material availability and climate adaptation opportunity. Qualitative impacts and strategic responses per CRRO	Strategy section (CRRO 1–5)
Strategy — Sustainability (SLFRS S1)	Ten SRROs identified: regulatory instability, macroeconomic stress, supplier concentration, supply chain disruption, quality and compliance, talent, cyber risk, competition, fraud and IP, and ESG opportunity. Qualitative impacts and strategic responses per SRRO	Strategy section (SRRO 1–10)
Risk Management	Identification and assessment process; materiality approach; integration into enterprise risk management; monitoring and review cadence	Risk Management section
Metrics & Targets	Indicative metrics and directional targets per SRRO/CRRO; GHG emissions program (Scope 1 & 2 GHG (to be disclosed FY 2026/27); Scope 3 planned FY 2027/28); Group-level targets to be formalised FY 2026/27	Metrics & Targets section

These disclosures are prepared in accordance with SLFRS S1 and SLFRS S2 and should be read in conjunction with the Group's Annual Integrated Report and Financial Statements for the year ended 31 March 2026.

About this Report

This report sets out the sustainability-related and climate-related financial disclosures of CIC Holdings PLC (the Group) prepared in accordance with Sri Lanka Sustainability Disclosure Standards SLFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 – Climate-related Disclosures. These Standards are issued by the Institute of Chartered Accountants of Sri Lanka and are intended to meet the information needs of providers of financial capital.

The financial year 2025/26 represents the Group's first year of mandatory application of SLFRS S1 and SLFRS S2.

In preparing these disclosures, the Group conducted an organisation wide assessment to identify sustainability-related and climate-related risks and opportunities (SRROs and CRROs) that could reasonably be expected to affect its financial performance, financial position or future prospects. These disclosures should be read together with the Group's Annual Integrated Report and Financial Statements for the year ended 31st March 2026.



BASIS OF PREPARATION

- The disclosures cover CIC Holdings PLC and its consolidated subsidiaries, consistent with the financial reporting boundary.
- The reporting period is aligned with the Group's financial statements for the year ended 31st March 2026.
- Information is based on reasonable and supportable assumptions available at the reporting date without undue cost or effort.

The Group will continue to refine methodologies, internal controls and data quality over subsequent reporting periods.

As this is the Group's first year of mandatory application, the following transitional provisions available to first-time adopters have been applied: Scope 1 and Scope 2 GHG emissions have not been disclosed for FY 2025/26 as the Group is in the process of establishing its measurement infrastructure; Scope 3 GHG emissions are not disclosed, applying the relief under SLFRS S2 paragraph C4(b); climate resilience scenario analysis has been deferred under SLFRS S2 paragraph 22; and comparative information has not been provided, consistent with SLFRS S1 Appendix E3 and SLFRS S2 Appendix C3.

SUSTAINABILITY RELATED DISCLOSURES

SUMMARY OF MATERIAL SRROS AND CRROS

The Group has identified fifteen material sustainability-related and climate-related risks and opportunities - comprising five CRROs disclosed under SLFRS S2 and ten SRROs disclosed under SLFRS S1 - that could reasonably be expected to affect its financial performance, financial position and future prospects.

Ref	SRRO / CRRO	Type	Standard
CRRO 1	Physical Climate Risk – Weather Variability	Acute & Chronic Physical Climate Risk	SLFRS S2
CRRO 2	Transition Risk – Fertilizer & Agrochemical Shift	Climate-Related Transition Risk	SLFRS S2
CRRO 3	Energy & Utilities Dependence	Climate-Related Transition Risk	SLFRS S2
CRRO 4	Climate Impact on Raw Material Availability	Acute & Chronic Physical Climate Risk	SLFRS S2
CRRO 5	Climate Adaptation Opportunity	Climate-Related Opportunity	SLFRS S2
SRRO 1	Regulatory & Policy Instability	Sustainability Related Risk	SLFRS S1
SRRO 2	Macroeconomic & Financial Stress	Sustainability Related Risk	SLFRS S1
SRRO 3	Supplier Concentration & Product Dependency Risk	Sustainability Related Risk	SLFRS S1
SRRO 4	Supply Chain Disruption & Import Dependence	Sustainability Related Risk	SLFRS S1
SRRO 5	Quality, Safety & Compliance Failures	Sustainability Related Risk	SLFRS S1
SRRO 6	Talent Retention & Succession Risk	Sustainability Related Risk	SLFRS S1
SRRO 7	Technology, Data & Cyber Risk	Sustainability Related Risk	SLFRS S1
SRRO 8	Market Competition & Customer Retention	Sustainability Related Risk	SLFRS S1
SRRO 9	Fraud, IP & Intellectual Capital Risk	Sustainability Related Risk	SLFRS S1
SRRO 10	ESG Governance & Reputation Opportunity	Sustainability-Related Opportunity	SLFRS S1

GOVERNANCE

CIC Holdings PLC has established a multi-tiered governance structure to ensure that sustainability and climate-related considerations are embedded at every level of the organisation - from Board-level oversight through to sector-specific operations. This structure provides the accountability, escalation pathways and decision-making integration necessary for material SRROs to be identified, assessed and managed effectively.

BOARD OVERSIGHT - AUDIT COMMITTEE AS BOARD SUSTAINABILITY COMMITTEE

The Board of Directors holds ultimate accountability for sustainability and climate-related governance. The Audit Committee has been formally designated to act as the Board Sustainability/ESG Committee, providing structured oversight of all material SRROs and CRROs. This ensures ESG matters are evaluated with the same rigour applied to financial and audit matters, and that sustainability considerations are integrated into

strategic planning, capital allocation and enterprise risk management.

The Audit Committee's sustainability mandate encompasses oversight of ESG strategy integration into corporate planning; embedding ESG considerations into significant investment decisions; integrating ESG risk factors into the enterprise risk management framework; and monitoring Group ESG performance against targets and regulatory compliance.

MANAGEMENT'S ROLE - GROUP ESG SUSTAINABILITY COMMITTEE

The Group ESG Sustainability Committee operates at management level and reports directly to the Audit Committee on CIC's ESG strategy, roadmap and performance. The Group Chief Financial Officer (GCFO) provides oversight of the consistent and effective integration of ESG considerations into risk management, governance and strategic planning, ensuring executive-level visibility of sustainability performance.

The ESG Sustainability Committee's responsibilities include aligning ESG strategy with CIC's mission and long-term objectives; setting measurable ESG KPIs; ensuring regulatory compliance; integrating ESG risks into enterprise risk management; improving the quality of ESG reporting; and developing ESG training programs.

SECTOR-LEVEL OPERATIONAL ESG COMMITTEES

Sector-level Operational ESG Committees are established across the Group's business units, reporting to the Group ESG Sustainability Committee. These committees tailor sustainability management to the unique risk and opportunity profile of each sector. All employees are expected to be aware of their ESG responsibilities, fostering behavioural change across operations.

ROLES, RESPONSIBILITIES AND REPORTING FREQUENCY

	Board / Audit Committee	Group ESG Sustainability Committee	Sector ESG Committees
Roles	Oversight of ESG roadmap; review of material SRROs; approval of external sustainability communications	Identification and monitoring of SRROs; formulation of response strategies; progress against ESG targets	Identification of sector-level SRROs; implementation of sustainability initiatives; reporting to Group ESG Committee
Reporting frequency	Quarterly — Group and sector ESG performance; current and emerging SRROs	Quarterly — sector-wise initiatives; consolidated ESG performance; emerging SRROs	Quarterly — sector-level SRRO status and metrics to Group ESG Sustainability Committee

INTEGRATION INTO DECISION-MAKING

Sustainability and climate considerations are embedded into the Group's decision-making processes at multiple levels. When evaluating mergers, acquisitions and significant capital investments, ESG due-diligence criteria - including exposure to material SRROs - form part of the assessment framework applied by management and reviewed by the Board. Sustainability-related risks are incorporated into the Group risk register, which is tabled to Sector and Group-level Audit Committees on a quarterly basis, ensuring that material SRROs receive the same structured oversight as financial and operational risks. The GCFO's oversight role ensures that sustainability considerations are visible at the executive level and are factored into financial planning and capital allocation decisions. As the Group's ESG governance framework continues to develop, the integration of sustainability factors into planning, investment appraisal and performance monitoring processes will be progressively strengthened.

SUSTAINABILITY EXPERTISE AND SKILL PROFILE

When appointing directors and senior management, the Board evaluates expertise, skills and competencies to ensure alignment with the Group's sustainability strategy, risks and opportunities. Dedicated Sustainability Champions have been established in each sector as mandated by the Group. The sustainability skill profile of the Group's ESG teams is summarised below.

Discipline/Area of Expertise	Graduate	Postgraduate
Agriculture, Agribusiness and Crop Sciences	24	08
Environmental Science and Environmental Management	-	04
Quality Management, Food Safety and Regulatory Affairs	04	03
Pharmaceutical Sciences and Healthcare	-	01
Energy Management and Engineering	02	04
Business Management and Sustainability Strategy	09	16
Other	06	06

These professionals represent CIC's operating sectors and play a central role in escalating ESG issues, monitoring risks and opportunities, and reporting performance to Sector ESG Committees and the Board. Skill gap analysis is conducted to identify training needs and guide capability development.

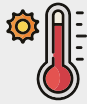


SUSTAINABILITY RELATED DISCLOSURES

STRATEGY

Sri Lankan Climate Context

Sri Lanka is highly vulnerable to climate change, with scientific evidence indicating sustained increases in temperature and growing variability in rainfall patterns. These changes are directly material to CIC's agriculture-linked, manufacturing and healthcare operations.



Temperature

Sri Lanka experienced a temperature increase of approximately 0.8°C during the 20th century. Climate projections indicate a further increase of 2.9°C to 3.5°C by 2090 under a high emissions pathway (RCP 8.5), over the 1986–2005 baseline. The number of days exceeding 35°C is projected to increase from a current baseline of approximately 20 days to over 100 days by the 2090s. Rising minimum temperatures are expected to increase at a faster rate than average temperature increases

Rainfall

Rainfall variability across Sri Lanka has increased, with observed changes in the spatial distribution of rainfall. The intensity and frequency of extreme rainfall events are increasing. Bi-modal monsoon patterns are shifting, with extended dry periods recorded across agro-ecological regions. Water resources are heavily dependent on rainfall, and growing uncertainties in rainfall patterns, combined with rising demand from agriculture and industry, are projected to intensify water scarcity.

Source: Sri Lanka Climate Risk Country Profile (Asian Development Bank). Temperature projections and rainfall observations cited above are drawn from this source.

ingredient suppliers, packaging material suppliers and logistics providers. Climate variability, supply chain disruptions, regulatory changes and global market conditions can affect the availability and cost of raw materials and inputs required for the Group's operations. These upstream risks may affect procurement costs, production continuity, inventory management and export commitments. Key risks arising in the upstream value chain include physical climate risks affecting agricultural production, supply chain disruptions, raw material availability risks and regulatory changes affecting product inputs.

OWN OPERATIONS

The Group's own operations include manufacturing facilities, formulation plants, packaging operations, warehouses, distribution centres and administrative offices. Sustainability-related risks within operations include energy and fuel dependency, regulatory compliance requirements, product quality and safety, environmental and health and safety risks, talent retention, cyber security and operational disruptions. These risks may affect production continuity, operating costs, compliance costs, operational efficiency and asset utilization.

OPERATING CONTEXT

CIC Holdings PLC is a diversified conglomerate with operations spanning agriculture, health and personal care, and industrial solutions. The Group's principal business activities are conducted across five segments: Crop Solutions, Livestock Solutions, Health and Personal Care, Agri Produce, and Industrial Solutions.

The Group's predominant exposure to agriculture means that climate variability, water availability, product regulatory developments and evolving consumer expectations are directly material to its financial performance and long-term business model.

VALUE CHAIN

The Group assessed sustainability-related and climate-related risks and opportunities across its entire value chain, including upstream suppliers and farmers, the Group's own operations,

and downstream distribution channels and customers. Sustainability and climate-related risks do not arise only within the Group's direct operations but across the broader value chain, particularly in agricultural production, raw material sourcing, manufacturing operations, distribution networks and end markets. The Group therefore considers value chain exposure when identifying, assessing and managing sustainability-related and climate-related risks and opportunities and their potential financial impacts.

The Group's value chain can be broadly categorised into upstream activities, own operations, downstream distribution and customers, and financing activities.

UPSTREAM ACTIVITIES

Upstream activities include farmers, raw material suppliers, chemical and fertilizer suppliers, active pharmaceutical

DOWNSTREAM DISTRIBUTION AND CUSTOMERS

Downstream activities include distributors, retailers, export customers, institutional buyers, hospitals, pharmacies, farmers and end consumers. Market competition, customer retention, changing consumer preferences, ESG requirements from customers and export markets, and economic conditions may affect sales volumes, pricing, market share and revenue growth. Downstream risks therefore directly affect revenue generation, customer relationships and long-term market positioning.

FINANCING AND CAPITAL PROVIDERS

Financing activities include relationships with banks, lenders, investors and other providers of financial capital. Increasing focus on environmental, social and governance (ESG) performance may influence access to finance, cost of capital and investor confidence. Strong sustainability governance and performance may improve access to financing and investor confidence, while poor ESG performance may increase financing costs or restrict access to capital.

LINK BETWEEN VALUE CHAIN AND SRROS / CRROS

The Group's identified sustainability-related and climate-related risks and opportunities arise across different stages of the value chain. Climate-related risks are primarily concentrated in upstream agricultural production, raw material availability and energy dependency in operations, while sustainability-related risks such as regulatory changes, supply chain disruptions, quality and compliance, talent management and technology risks affect both operations and downstream markets. Opportunities arise through climate-resilient products, renewable energy adoption, ESG governance improvements and market positioning linked to sustainability performance. These risks and opportunities ultimately affect the Group's revenue, costs, assets, liabilities and cash flows.

Value Chain Stage	Key Activities	Key SRROs / CRROs	Potential Financial Impact
Upstream	Agricultural producers, raw material and input suppliers, logistics and third-party service providers across the Group's upstream supply network	CRRO 1 — Weather variability CRRO 4 — Raw material availability SRRO 1 — Regulatory changes SRRO 3 — Supplier concentration SRRO 4 — Supply chain disruption	Raw material shortages, higher procurement costs, inventory shortages, export contract risk, production delays
Own Operations	The Group's manufacturing, processing and distribution infrastructure across all operating segments	CRRO 3 — Energy & utilities dependence CRRO 5 — Climate adaptation opportunity SRRO 5 — Quality & compliance SRRO 6 — Talent retention SRRO 7 — Cyber & technology risk SRRO 10 — ESG governance & reputation opportunity	Production downtime, increased operating costs, compliance costs, asset utilisation issues, operational disruptions; offset by revenue and reputational opportunities from renewable energy adoption, ESG certification and climate-resilient product development
Downstream	Trade distributors, retail channels, institutional buyers and end consumers across the Group's domestic and export markets	SRRO 8 — Market competition SRRO 1 — Regulatory changes SRRO 10 — ESG governance & reputation	Revenue reduction, margin pressure, market share loss, customer retention risk, brand value impact

MATERIALITY

The Group considers sustainability-related financial disclosures to be material where omitting, misstating or obscuring the information could reasonably be expected to influence the decisions of primary users of the Group's financial reports. Materiality is assessed using qualitative judgement supported by an organisation-wide SRRO identification process, considering both the potential financial magnitude of the SRRO and the likelihood of it influencing primary user decisions. The Group commits to refining this to an explicit quantitative materiality threshold in future reporting periods.

TIME HORIZONS

The following time horizon definitions are applied consistently across all SRRO and CRRO assessments:

- Short term: Less than 1 year
- Medium term: 1 to 5 years
- Long term: More than 5 years

These definitions are aligned to the Group's annual operating and budget cycle (short term), five-year strategic planning horizon (medium term), and long-term capital investment and portfolio decisions (long term).

SUSTAINABILITY RELATED DISCLOSURES

CLIMATE-RELATED RISKS AND OPPORTUNITIES (SLFRS S2)

Five material CRROs have been identified across CIC's operating companies. They span physical climate risks affecting agricultural and raw material supply chains, transition risks arising from the shift away from chemical-based agrochemical inputs and from energy dependence, and a climate adaptation opportunity embedded in portfolio diversification and renewable energy adoption.

CRRO 1 — Physical Climate Risk – Weather Variability | Acute & Chronic Physical Climate Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Crop failure & yield loss	Agri Produce, Crop Solutions, Livestock Solutions	Disruption to upstream agricultural production; reduced availability of locally sourced raw materials and milk	Floods, droughts and erratic weather reduce crop yields, milk output and seed production; inventory build-ups or shortages	Impact on revenue and working capital	Qualitative
Supply chain disruption	Crop Solutions, Livestock Solutions, Agri Produce	Inbound logistics delays; agricultural input sourcing disrupted; distribution networks interrupted during extreme events	Input availability and logistics disrupted by climate events; procurement lead times increase	Impact on cost of sales	Qualitative
Demand contraction	Crop Solutions, Agri Produce, Livestock Solutions	Reduced farmer purchasing capacity flows back through the value chain, reducing demand for agri-inputs	Farmer income and purchasing power decline in poor harvest years	Impact on revenue	Qualitative

CRRO 1: Physical Climate Risk – Weather Variability

Unpredictable weather patterns, including floods, droughts and climate volatility, affect agricultural production, raw material availability and input demand across the Group's agriculture-linked operations. These disruptions flow through to revenue, inventory management and farmer demand for the Group's agri-inputs.

Time Horizon: Short – Medium

Impact on Business Model

- Crop failures and yield variability directly affect input demand across the Group's agri-input businesses
- Weather-driven agricultural stress affects production volumes and input demand across the Group's food and feed businesses
- Inventory build-ups in poor seasons create working capital and write-off risk

Financial Impacts

- Poor harvest seasons directly reduce demand for agri-inputs across the Group's crop input businesses, compressing revenue when farmers curtail spending.

Strategic Response

- The Group is developing early-warning and monitoring capabilities to detect and respond to climate-driven disruptions across agriculture-linked operations.
- Portfolio and supply chain resilience measures are being strengthened to reduce exposure to weather-related revenue and working capital volatility.

Metrics — CRRO 1

Metric	FY 2025/26 Baseline	Direction / Target	Source
% of revenue from operations sensitive to weather or climate	58%	Track and reduce year-on-year	Internally developed
Total days of production disruption due to weather events	61	Track and reduce year-on-year	Internally developed

CRRO 2 — Transition Risk – Fertilizer & Agrochemical Shift | Climate-Related Transition Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Portfolio obsolescence	Crop Solutions, Agri Produce	Suppliers of restricted active ingredients lose market; farmers transition to alternative input providers	Chemical-based products face regulatory restrictions as transition to organic and low-impact inputs accelerates	Revenue loss; stranded inventory	Qualitative
Market share erosion	Crop Solutions, Health & Personal Care	Alternative input suppliers gain channel presence; distributor loyalty shifts to competitors with compliant products	Farmers shift to alternative suppliers if CIC cannot provide compliant low-impact solutions	Impact on revenue	Qualitative
R&D and reformulation cost	Crop Solutions, Health & Personal Care, Industrial Solutions	Technology partners and input suppliers need to change; new raw material sourcing required for greener formulations	Investment required to develop and register greener molecule substitutes	Impact on operating costs	Qualitative

CRRO 2: Transition Risk – Fertilizer & Agrochemical Shift

Regulatory and market-driven pressure is accelerating the transition away from conventional chemical fertilizers and crop protection products toward organic and low-toxic alternatives. Without adequate protocols, product pipeline and farmer acceptance, CIC faces product obsolescence and market share loss in its highest-revenue segment.

Time Horizon: Medium – Long

Impact on Business Model

- A significant portion of the Group's agri-input revenue is derived from chemical-based products that face transition risk
- Regulatory bans or restrictions on specific product categories would create immediate revenue and inventory write-off risk
- Low farmer adoption of alternatives without adequate technical guidance would slow transition and maintain risk exposure

Financial Impacts

- Regulatory restrictions on specific product categories put a portion of the Group's agri-input revenue at medium-term risk of obsolescence as the market transitions to low-toxic alternatives.

Strategic Response

- The Group is reviewing its product portfolio to identify and address transition risk, and developing pathways toward lower-impact agrochemical formulations.
- Farmer advisory and market development programs are being strengthened to support the transition and protect commercial relationships.

Metrics — CRRO 2

Metric	FY 2025/26 Baseline	Direction / Target	Source
% of revenue from conventional chemical-based products	53%	Track and reduce year-on-year	Internally developed
% of product range that is low-toxicity or bio-based	29%	Track and increase year-on-year	Internally developed

SUSTAINABILITY RELATED DISCLOSURES

CRRO 3 — Energy & Utilities Dependence | Climate-Related Transition Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Production downtime	Livestock Solutions, Agri Produce, Industrial Solutions, Health & Personal Care	Energy disruptions at manufacturing facilities interrupt outbound product supply to customers and distribution networks	Energy shortages and power disruptions halt or reduce manufacturing throughput	Impact on revenue and cost of goods sold	Qualitative
Cost base pressure	Livestock Solutions, Agri Produce, Industrial Solutions, Health & Personal Care	Fuel and utility cost increases pass through the value chain, raising input costs for all energy-dependent operations	Fuel dependency and energy price volatility increase operating cost base	Impact on gross margin	Qualitative

CRRO 3: Energy & Utilities Dependence

The Group's manufacturing and processing operations are energy-intensive and dependent on grid electricity and fuel inputs. Energy shortages, fuel price volatility and power disruptions — all linked to Sri Lanka's climate and energy transition context — pose a material risk to production continuity and cost management.

Time Horizon: Medium

Impact on Business Model

- Energy costs represent a significant component of the cost base across manufacturing operations
- Production stoppages due to power outages or fuel shortages reduce output and create order fulfilment risk
- Diesel and furnace oil dependency creates exposure to international fuel price volatility

Financial Impacts

- Energy costs represent a significant component of the manufacturing cost base across the Group's production operations, and fuel price volatility directly compresses margins in energy-intensive segments.

Strategic Response

- Energy risk monitoring and cost management controls are being established across manufacturing operations.
- The Group is evaluating renewable energy and efficiency investments to reduce long-term fuel dependency and cost exposure.
- CIC Feeds is exploring the installation of a 5MW rooftop solar system to reduce grid dependency and exposure to utility cost volatility

Metrics — CRRO 3

Metric	FY 2025/26 Baseline	Direction / Target	Source
Operational energy cost as % of total operating costs	3%	Track and reduce year-on-year	Internally developed
Diesel and furnace oil as % of total energy spend	24%	Track and reduce year-on-year	Internally developed
Renewable energy as % of total energy consumed	13%	Track and increase year-on-year	Internally developed; GRI 302-1

CRRO 4 — Climate Impact on Raw Material Availability | Acute & Chronic Physical Climate Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Agricultural raw material shortages	Agri Produce	Reduced domestic crop availability limits exportable volumes; farmers unable to fulfil contracted supply	Climate-driven harvest failures reduce availability of agricultural raw materials, disrupting production schedules and supply commitments	Revenue loss; supply commitment risk	Qualitative
Raw material price volatility	Crop Solutions, Agri Produce	Climate-driven scarcity increases prices at source; procurement costs elevated across climate-sensitive categories	Climate-driven scarcity increases procurement costs across climate-sensitive categories	Impact on cost of goods sold	Qualitative

CRRO 4: Climate Impact on Raw Material Availability

Climate-driven volatility in the availability of paddy, seed and other agricultural raw materials affects the Group's production continuity and supply commitments. This risk is particularly acute for businesses with supply commitments dependent on domestic crop availability.

Time Horizon: Medium

Impact on Business Model

- Supply commitment fulfilment risk when domestic harvests fall short due to climate events
- Procurement cost increases during periods of raw material scarcity
- Buffer stock requirements increase working capital needs during volatile periods

Financial Impacts

- Climate-driven harvest failures reduce the availability of domestically sourced agricultural raw materials, directly threatening the Group's ability to fulfil supply commitments.

Strategic Response

- Supplier mapping and procurement diversification measures are being developed to reduce concentration risk in climate-sensitive raw material categories.
- Buffer stock and contract management practices are being reviewed to improve resilience against harvest variability.

Metrics — CRRO 4

Metric	FY 2025/26 Baseline	Direction / Target	Source
% of raw materials sourced from weather or climate-exposed supply chains	76%	Track and reduce year-on-year	Internally developed
Days of stock on hand for critical materials	106	Maintain adequate inventory coverage to support supply chain continuity	Internally developed

SUSTAINABILITY RELATED DISCLOSURES

CRRO 5 — Climate Adaptation Opportunity | Climate-Related Opportunity

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Product portfolio diversification	All sectors	Downstream market demand for climate-resilient inputs creates new channel and customer opportunities	Growing demand for climate-resilient seeds, long shelf-life products and greener agrochemical inputs	Revenue growth opportunity	Qualitative
Renewable energy adoption	Livestock Solutions, Agri Produce, Industrial Solutions, Health & Personal Care	Reduced dependency on grid energy and fossil fuels improves supply chain cost stability across operations	Investment in renewable energy reduces energy cost exposure and supports decarbonisation	Cost reduction; margin improvement	Qualitative

CRRO 5: Climate Adaptation Opportunity

The transition to a lower-carbon, climate-resilient economy creates material commercial opportunities for the Group. Portfolio diversification into climate-resilient products, renewable energy adoption and greener molecules positions CIC to capture growth in segments aligned with agricultural and environmental transition.

Time Horizon: Medium – Long

Impact on Business Model

- Climate-resilient products and greener alternatives represent a growing market segment as farmer adaptation needs increase
- Renewable energy investments reduce long-term energy cost exposure and support decarbonisation
- A credible ESG framework supports market access protection and cost of capital over the medium to long term

Financial Impacts

- Growing farmer demand for climate-resilient products and greener solutions creates a revenue growth opportunity across the Group's agri-input businesses as the Group transitions its product portfolio.

Strategic Response

- The Group is identifying and prioritising climate adaptation investment opportunities across its product portfolio and manufacturing operations.
- R&D and commercial development efforts are being directed toward climate-resilient and lower-impact solutions aligned with evolving market demand.
- CIC Dairies practices wastewater recycling across its milk processing facilities, with recycled water reused for gardening and landscaping.

Metrics — CRRO 5

Metric	FY 2025/26 Baseline	Direction / Target	Source
% of revenue from products classified as climate-resilient	4%	Track and increase year-on-year	Internally developed
Renewable energy installed as % of total energy demand	7%	Track and increase year-on-year	Internally developed
Number of new products supporting climate adaptation launched during the year	9	Track and increase year-on-year	Internally developed

SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES (SLFRS S1)

Ten material SRROs have been identified across CIC's operating companies covering regulatory, macroeconomic, supply chain, quality, human capital, technology, market, intellectual property and governance dimensions. These span both risks and opportunities and are assessed as material to the Group's financial performance, financial position and future prospects.

SRRO 1 — Regulatory & Policy Instability | Sustainability Related Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Product bans and import restrictions	Group-wide	Regulatory restrictions flow through to importers and distributors; supply chain planning disrupted	Government policy changes, product bans or import/export controls disrupt sales and create stranded inventory	Revenue loss; inventory write-offs	Qualitative
Compliance failures	Crop Solutions, Health & Personal Care, Industrial Solutions	Non-compliance at product registration or licensing level disrupts supply to customers and distributors	NMRA, DOA, SLSI and environmental licensing non-compliance creates penalties, closures and reputational damage	Legal and financial penalties	Qualitative

SRRO 1: Regulatory & Policy Instability

Frequent changes in government policies, import/export controls, price regulations and product bans create material disruption to CIC's operations. Sri Lanka's regulatory environment for agricultural inputs, pharmaceuticals and packaging is subject to sudden change, creating revenue, compliance and inventory risk across multiple segments.

Time Horizon: Short

Impact on Business Model

- Sudden regulatory changes can render product lines non-compliant, forcing withdrawal and creating inventory write-offs
- Import controls and price regulations compress margins and disrupt supply planning
- Compliance breaches with NMRA, DOA or SLSI requirements expose the Group to penalties and operational disruption

Financial Impacts

- Sudden government policy changes, import controls or product bans can immediately suspend revenue from regulated product lines across the Group's licensed and regulated businesses.

Strategic Response

- The Group maintains active regulatory monitoring across all licensed and regulated product segments to anticipate and respond to policy changes.
- Portfolio and compliance frameworks are being strengthened to maintain operational continuity under evolving regulatory conditions.

Metrics — SRRO 1

Metric	FY 2025/26 Baseline	Direction / Target	Source
Number of regulatory changes that materially affected operations during the year	4	Monitor year- on- year and ensure timely response to regulatory changes	Internally developed
Regulatory breaches and penalties during the year	Nil	Maintain zero breaches and penalties	Internally developed

SUSTAINABILITY RELATED DISCLOSURES

SRRO 2 — Macroeconomic & Financial Stress | Sustainability Related Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Forex and import cost pressure	Crop Solutions, Health & Personal Care, Industrial Solutions, Livestock Solutions	Import cost increases pass through the supply chain; overseas suppliers and logistics providers affected by LKR volatility	LKR depreciation increases cost of imported inputs; unhedged exposure amplifies margin pressure	Impact on cost of goods sold and gross margin	Qualitative
Demand contraction	Group-wide	End-customer spending declines flow back through distribution networks; farmer investment in inputs reduces	Inflation and high interest rates reduce consumer purchasing power and farmer investment capacity	Impact on revenue	Qualitative
Working capital stress	Group-wide	Tighter credit conditions affect suppliers and distributors throughout the value chain	Liquidity constraints and high financing costs increase working capital pressure	Impact on financial position	Qualitative

SRRO 2: Macroeconomic & Financial Stress

Sri Lanka's macroeconomic environment — characterised by forex volatility, elevated inflation and high interest rates in the post-crisis recovery period — creates pervasive financial stress across the Group's operations. As a Group with significant import dependence across multiple business segments, forex exposure is a direct and material financial risk.

Time Horizon: Medium

Impact on Business Model

- Unhedged foreign currency import exposure directly impacts cost of goods sold across import-reliant segments
- Elevated interest rates increase financing costs and reduce investment capacity
- Consumer and farmer spending constraints reduce demand across premium and discretionary product categories

Financial Impacts

- LKR depreciation raises the cost of imported inputs across the Group's import-dependent segments, directly reducing gross margins.

Strategic Response

- The Group actively manages foreign exchange exposure, working capital and liquidity under GCFO oversight to mitigate macroeconomic stress.
- Financial planning processes are being adapted to improve resilience against forex volatility, interest rate movements and demand contraction.

Metrics — SRRO 2

Metric	FY 2025/26 Baseline	Direction / Target	Source
Unutilized Credit facilities as a % of total facilities	59%	Maintain adequate Credit facilities to support liquidity and financial resilience	Internally developed

SRRO 3 — Supplier Concentration & Product Dependency Risk | Sustainability Related Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Supplier concentration	Crop Solutions, Health & Personal Care, Industrial Solutions	Procurement spend concentrated among a small number of upstream suppliers; limited alternative sourcing options within the upstream supply network	High concentration of spend with a small number of suppliers in critical input categories creates single-point-of-failure risk	Limited ability to switch suppliers increases vulnerability to cost increases and supply interruptions	Qualitative
No pre-qualified alternative suppliers	Crop Solutions, Health & Personal Care, Industrial Solutions	Specialised input categories have few qualified upstream suppliers; no pre-qualified alternatives exist within the supply network	Absence of pre-qualified alternative suppliers in specialised categories means disruption cannot be quickly mitigated	Production halts and emergency sourcing at premium cost	Qualitative

SRRO 3: Supplier Concentration & Product Dependency Risk

The Group relies on a limited number of international suppliers for certain critical raw materials, active ingredients and specialised products across its operating segments. High dependency on specific suppliers and imported product categories exposes the Group to supply continuity risks arising from supplier disruption, geopolitical instability, logistics constraints, trade restrictions and foreign exchange volatility.

Time Horizon: Medium

Impact on Business Model

- Dependence on a limited supplier base increases vulnerability to supply interruptions and delays in critical input availability.
- Operational disruptions arising from supplier failure or constrained product availability may impact production continuity, customer service levels and revenue generation.
- Heavy reliance on imported products and inputs increases exposure to foreign exchange fluctuations, import restrictions and global shipping disruptions, placing pressure on margins and working capital.
- Limited availability of alternative suppliers for certain specialised products may reduce procurement flexibility and increase sourcing risks.

Financial Impacts

- Disruptions to the supply of critical imported inputs halt production, reduce revenue and increase costs where expedited alternative sourcing is required.

Strategic Response

- Supplier mapping, diversification and buffer stock programs are being developed to reduce import dependency and single-source concentration risk.
- The Group continues to evaluate alternative sourcing channels and local procurement opportunities to reduce import dependency and improve supply continuity.

Metrics — SRRO 3

Metric	FY 2025/26 Baseline	Direction / Target	Source
Spend with the top three suppliers as % of total vendor payments	12.76%	Reduce dependency year-on-year through supplier diversification	Internally developed

SUSTAINABILITY RELATED DISCLOSURES

SRRO 4 — Supply Chain Disruption & Import Dependence | Sustainability Related Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Import logistics disruption	Crop Solutions, Health & Personal Care, Industrial Solutions	International logistics network disrupted; inbound material flow to manufacturing facilities delayed or suspended	Global logistics failures, port congestion and shipping delays interrupt inbound material flows, disrupting production schedules	Revenue loss and increased freight and expediting costs	Qualitative
Trade restrictions & forex exposure	Crop Solutions, Health & Personal Care, Industrial Solutions	Import channels restricted by trade policy or forex availability; access to international supply network temporarily severed	Import controls, trade restrictions or forex shortages delay or suspend procurement of critical imported inputs	Production halts; increased cost of goods sold	Qualitative

SRRO 4: Supply Chain Disruption & Import Dependence

The Group sources a significant proportion of its critical inputs from international markets. Global supply chain disruptions, forex shortages, logistics failures may adversely affect the timely availability and cost of critical inputs required for operations.

Time Horizon: Medium

Impact on Business Model

- Production stoppages due to input shortages result in lost revenue and customer dissatisfaction
- Disruptions in global supply chains may delay the availability of critical imported inputs, affecting production continuity and customer fulfilment.
- Volatility in global freight and procurement costs may place pressure on profitability and working capital requirements.
- Forex-linked procurement cost increases compress gross margins, particularly in segments with high import dependency

Financial Impacts

- Supply chain interruptions may result in production delays, reduced sales volumes and loss of revenue opportunities.
- Foreign exchange volatility associated with import-dependent procurement may increase input costs and cash flow pressures.

Strategic Response

- The Group is strengthening supply chain resilience through supplier diversification and strategic sourcing initiatives.
- Inventory planning and buffer stock mechanisms are being enhanced for critical imported inputs and high-risk product categories.
- Procurement monitoring processes are being strengthened to improve supply chain visibility and early risk identification.
- The Group continues to evaluate local sourcing opportunities and alternative supply channels to reduce import dependency and improve operational continuity.

Metrics — SRRO 4

Metric	FY 2025/26 Baseline	Direction / Target	Source
% of critical input materials that are imported	62%	Reduce dependency on imported critical inputs over time	Internally developed
Days of stock on hand for critical imported materials	143	Maintain adequate inventory coverage to support supply continuity	Internally developed
Number of import supply failures that caused an operational impact during the year	Nil	Maintain zero import supply failures causing operational disruptions	Internally developed

SRRO 5 — Quality, Safety & Compliance Failures | Sustainability Related Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Product recalls	Crop Solutions, Agri Produce, Livestock Solutions, Health & Personal Care, Industrial Solutions	Recalled products must be withdrawn from distributors and retail networks; customer confidence and channel relationships damaged	Quality failures lead to product recalls, market withdrawal and regulatory action	Recall costs; revenue and brand impact	Qualitative
GMP and EHS non-compliance	Agri Produce, Livestock Solutions, Health & Personal Care, Industrial Solutions	Non-compliant facilities cannot supply downstream customers; distribution channels disrupted	Failure to meet GMP, food safety or EHS standards results in penalties, suspension or closure	Legal penalties; market access loss	Qualitative

SRRO 5: Quality, Safety & Compliance Failures

Product quality failures, food safety non-compliance, GMP breaches and EHS incidents across CIC's manufacturing operations create direct financial, regulatory and reputational risk. As a group with pharmaceutical manufacturing, food production and agrochemical formulation activities, maintaining quality and compliance standards is fundamental to license to operate.

Time Horizon: Short

Impact on Business Model

- Product recalls result in direct financial costs, brand damage and potential loss of market access.
- GMP or food safety failures can trigger regulatory suspension of manufacturing license.
- EHS incidents create legal liability, workforce disruption and reputational consequences.

Financial Impacts

- Product recalls result in immediate revenue loss, recall logistics costs and inventory write-offs, and can permanently damage brand equity and channel relationships in affected product categories.

Strategic Response

- Quality assurance, GMP compliance and EHS management systems are being reviewed and strengthened across manufacturing and processing operations.
- Supplier quality audit frameworks are being formalised to address upstream quality risk across key input categories.

Metrics — SRRO 5

Metric	FY 2025/26 Baseline	Direction / Target	Source
Number of product recalls during the year	2	Track and reduce year-on-year	Internally developed
% of regulatory inspections passed without material findings	100%	Maintain 100% pass rate	Internally developed
Number of health, safety, or environmental incidents recorded during the year	2	Track and reduce year-on-year	Internally developed

SUSTAINABILITY RELATED DISCLOSURES

SRRO 6 — Talent Retention & Succession Risk | Sustainability Related Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Key person dependency	Group-wide	Loss of key technical or commercial staff disrupts service delivery to customers, suppliers and channel partners	Loss of critical employees with specialised knowledge disrupts operations and strategic execution	Impact on operational continuity and revenue	Qualitative
Leadership gaps	Group-wide	Strategic decisions affecting supply chain, customer relationships and partner management are delayed	Succession gaps at senior and mid-management level delay decision-making and growth	Impact on business performance	Qualitative

SRRO 6: Talent Retention & Succession Risk

The loss of key employees, leadership succession gaps and skills shortages represent a material risk to the continuity and growth of CIC's operations. In a diversified group with specialised technical, regulatory and commercial competencies, tacit knowledge loss and leadership disruption have direct financial and operational consequences.

Time Horizon: Medium

Impact on Business Model

- Departure of key technical and commercial personnel disrupts ongoing operations and customer relationships
- Succession gaps at leadership level can delay strategic decisions and impair growth execution
- Skills shortages in specialised areas (regulatory, R&D, digital) constrain capability development

Financial Impacts

- Loss of key technical and commercial personnel disrupts ongoing operations, damages customer relationships and increases costs as the Group recruits and onboards replacements, often at a premium.

Strategic Response

- Succession planning, leadership pipeline development and targeted recruitment programs are being progressed for critical roles across the Group.
- Skill gap analysis informs training investment to build capability in regulatory, technical and operational functions.

Metrics — SRRO 6

Metric	FY 2025/26 Baseline	Direction / Target	Source
Voluntary resignation rate (%)	8.8%	Track and reduce year-on-year	Internally developed
% of critical roles that have an identified successor	65%	Track and improve year-on-year	Internally developed
Average training hours per employee	4.3	Track and increase year-on-year	Internally developed

SRRO 7 — Technology, Data & Cyber Risk | Sustainability Related Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
ERP and system failure	Group-wide	System outages disrupt order fulfilment, procurement and logistics coordination across the supply chain	Core system outages disrupt operations, supply chain management and financial reporting	Impact on operational continuity	Qualitative
Cyberattack and data breach	Group-wide	Cyber incidents can compromise supplier, customer and partner data and disrupt external-facing systems	Ransomware, data theft or system compromise causes operational and regulatory harm	Financial and reputational impact	Qualitative

SRRO 7: Technology, Data & Cyber Risk

The Group's operations are increasingly dependent on ERP systems, digital platforms and IT infrastructure. System failures, cyberattacks, data loss and IT breakdowns represent a material and growing risk to operational continuity, data integrity and decision-making across CIC's businesses.

Time Horizon: Short

Impact on Business Model

- ERP or core system failure halts order processing, supply chain operations and financial reporting
- Cyberattacks or data breaches expose the Group to regulatory penalties and business interruption
- IT infrastructure breakdown impairs management decision-making and operational visibility

Financial Impacts

- ERP and core system failures disrupt order processing, supply chain coordination and financial reporting, creating revenue loss and reputational exposure if fulfilment commitments cannot be met.

Strategic Response

- Cyber risk assessments, disaster recovery planning and IT governance frameworks are being strengthened across Group infrastructure.
- The Group is investing in system resilience and security controls to protect operational continuity and data integrity.
- The Group is progressing towards full compliance with the Personal Data Protection Act (PDPA), strengthening data governance frameworks to safeguard stakeholder data and mitigate regulatory and reputational risk.

Metrics — SRRO 7

Metric	FY 2025/26 Baseline	Direction / Target	Source
System availability as % of scheduled operating hours	99.95%	Track and increase year-on-year	Internally developed
Number of confirmed cyber security incidents during the year	Nil	Maintain zero confirmed cyber security incidents	Internally developed
% of critical systems with a disaster recovery plan tested in the past 12 months	100%	Maintain 100% testing coverage of critical systems	Internally developed

SUSTAINABILITY RELATED DISCLOSURES

SRRO 8 — Market Competition & Customer Retention | Sustainability Related Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Market share loss	Crop Solutions, Agri Produce, Industrial Solutions	Distributor relationships and shelf space lost to competitors; channel partner loyalty shifts	Intense competition and prices undercut erode market share across competitive product categories	Revenue decline; margin pressure	Qualitative
Distributor and channel churn	Crop Solutions, Agri Produce	Distributor network contraction reduces geographic market reach and route-to-market effectiveness	Distributor switching and declining brand loyalty disrupt sales networks	Revenue and channel access impact	Qualitative

SRRO 8: Market Competition & Customer Retention

Intensifying competition, price pressure, distributor churn and declining brand loyalty in key product categories create revenue and margin risk across CIC's consumer-facing and agri-retail businesses. Maintaining customer and channel relationships is critical to revenue stability.

Time Horizon: Medium

Impact on Business Model

- Price competition from local and international competitors compresses margins in commodity product segments
- Distributor churn disrupts sales networks and reduces market reach across the Group's trade channels
- Declining brand loyalty in consumer segments increases customer acquisition costs

Financial Impacts

- Intensifying price competition from local and international players compresses margins in commodity product segments, reducing profitability across the Group's consumer-facing and trade businesses.

Strategic Response

- Brand investment, customer analytics and distributor relationship management programs are being developed to protect market position.
- Differentiated value propositions and channel loyalty programs are being strengthened across key competitive product categories.

Metrics — SRRO 8

Metric	FY 2025/26 Baseline	Direction / Target	Source
Customer churn (%)	4%	Track and reduce year-on-year	Internally developed

SRRO 9 — Fraud, IP & Intellectual Capital Risk | Sustainability Related Risk

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Formula and know-how misappropriation	Crop Solutions, Health & Personal Care	Leaked formulas or exclusive arrangements exploited by competitors who can then undercut pricing in the same channels	Misuse of proprietary formulas, exclusive arrangements and technical know-how	Revenue erosion; loss of competitive advantage	Qualitative
Fraud and internal controls failure	Group-wide	Fraudulent diversion of goods or payments through supply chain or distribution partners	Fraud incidents resulting from weak internal controls or collusion	Direct financial loss; regulatory exposure	Qualitative

SRRO 9: Fraud, IP & Intellectual Capital Risk

CIC's competitive position in crop protection, pharmaceutical manufacturing and Ayurvedic products depends significantly on proprietary formulas, technical know-how and exclusive commercial arrangements. Fraud, misappropriation of intellectual property and knowledge leakage represent a medium-term risk to competitive advantage and revenue.

Time Horizon: Medium

Impact on Business Model

- Loss of proprietary formulas or exclusive arrangements to competitors erodes long-term revenue and margins
- Fraud incidents result in direct financial losses and management distraction
- IP breaches may be difficult to detect and remedy, creating persistent competitive damage

Financial Impacts

- Misappropriation of proprietary formulas or exclusive commercial arrangements erodes the competitive advantage that underpins premium product margins across the Group's proprietary product categories.

Strategic Response

- IP governance frameworks, legal protection mechanisms and internal audit coverage are being reviewed and enhanced.
- Employee awareness and ethical conduct programs are being strengthened to reduce fraud and knowledge leakage risk.

Metrics — SRRO 9

Metric	FY 2025/26 Baseline	Direction / Target	Source
Confirmed fraud cases and total value during the year	Nil	Maintain zero confirmed fraud cases and losses	Internally developed
Number of confirmed intellectual property breaches during the year	Nil	Maintain zero confirmed intellectual property breaches	Internally developed

SUSTAINABILITY RELATED DISCLOSURES

SRRO 10 — ESG Governance & Reputation Opportunity | Sustainability-Related Opportunity

Outcome	Impacted Segment	Value Chain Impact	Business Impact	Financial Impact	Methodology
Market access and brand premium	Group-wide	ESG credentials required by institutional buyers, export market customers and regulated supply chain partners	Strong ESG credentials protect and expand market access in regulated and export markets	Revenue growth; brand equity	Qualitative
Cost of capital improvement	Group-wide	Investor and lender ESG criteria increasingly influence access to and pricing of capital	Credible ESG governance attracts investor confidence and improves financing terms	Impact on financial position	Qualitative
Farmer and supplier programs	Crop Solutions, Agri Produce	ESG-linked programs build upstream supplier loyalty, traceability and long-term raw material security	ESG-linked farmer programs and responsible sourcing improve supply chain resilience	Operational and revenue benefit	Qualitative

SRRO 10: ESG Governance & Reputation Opportunity

Strengthening the Group's ESG governance framework, obtaining relevant certifications, embedding traceability in supply chains and delivering responsible farmer engagement programs present a material commercial opportunity. A credible ESG positioning protects market access, reduces cost of capital and creates brand equity over the medium to long term.

Time Horizon: Long

Impact on Business Model

- ESG certifications and responsible sourcing credentials protect and expand access to regulated markets and premium buyers
- Credible ESG governance improves investor confidence and can reduce cost of capital
- Farmer ESG programs and responsible sourcing build supply chain loyalty and resilience

Financial Impacts

- Strong ESG credentials and third-party certifications protect and expand access to institutional buyers, regulated export markets and premium supply chain partners who increasingly screen suppliers on sustainability performance.

Strategic Response

- The Group is establishing its ESG governance framework, metrics baseline and certification roadmap as a foundation for progressive improvement.
- Farmer and supplier engagement programs aligned with ESG principles are being scoped to build supply chain resilience and market access.

Metrics — SRRO 10

Metric	FY 2025/26 Baseline	Direction / Target	Source
% of sustainability-related review findings with no material issue	89%	Track and increase year-on-year	Internally developed
Number of active environmental or sustainability certifications held	27	Maintain or increase year-on-year	Internally developed

RISK MANAGEMENT

The management of sustainability and climate-related risks is embedded within CIC's existing enterprise risk management framework. The Group does not operate a separate sustainability risk process; rather, material SRROs identified through the assessment described in this report are incorporated into the same risk register, governance structures and escalation pathways that govern all other principal risks facing the Group.



Identify

- Bottom-up sector process
- Regulatory landscape review
- Stakeholder engagement



Assess

- Likelihood across time horizon
- Financial Impact on Group
- Qualitative materiality judgement



Monitor & Report

- Quarterly ESG Committee review
- Group risk register update
- Audit Committee presentation

IDENTIFICATION AND ASSESSMENT PROCESS

Sustainability and climate risks are identified through CIC's enterprise risk management framework using a bottom-up process within each business unit and sector, with output aggregated and reviewed at Group level. The identification process incorporates management insight from sector leadership, review of the external regulatory and climate landscape, stakeholder engagement inputs, and benchmarking against emerging standards. Risks are assessed against two primary dimensions: the likelihood of occurrence across the relevant time horizon; and the potential financial impact on the Group's revenue, costs, assets or financial position. The Sector-level Operational ESG Committees are the primary point of identification for sector-specific risks, which are escalated through the Group ESG Sustainability Committee for Group-level aggregation and review.

MATERIALITY ASSESSMENT

The Group considers an SRRO to be material where omitting, misstating or obscuring the related information could reasonably be expected to influence the decisions of primary users of the Group's financial reports. Materiality is assessed using qualitative judgement applied through the organisation-wide SRRO identification process, considering both the potential financial magnitude of the risk or opportunity and its likelihood of influencing primary user decisions. The Group commits to refining this assessment to an explicit quantitative materiality threshold in future reporting periods.

INTEGRATION INTO ENTERPRISE RISK MANAGEMENT

Material sustainability and climate risks are formally integrated into CIC's Group risk register and managed using the same governance, escalation, monitoring and mitigation processes applied to all other principal risks. This ensures that SRROs are subject to the same rigour as financial, operational and reputational risks. The GCFO provides oversight of this integration, ensuring material SRROs are appropriately captured, monitored and reported at Group level.

MONITORING AND REVIEW

ESG risk assessments are conducted on a regular basis to evaluate the evolving potential impacts of sustainability and climate-related developments on the Group's risk profile. Findings are consolidated by the Group ESG Sustainability Committee and presented to the Audit Committee on a quarterly basis. The Group intends to develop a more structured SRRO quantification methodology in future periods, including a formal decision framework to determine when quantitative financial effects can be reliably estimated and disclosed.

SUSTAINABILITY RELATED DISCLOSURES

METRICS AND TARGETS

Metrics and indicative directional targets for each individual SRRO and CRRO are included within the respective risk sections of this report. This section addresses the Group's GHG emissions disclosure and overarching targets statement.

FY 2025/26 — This Report

- 15 SRROs/CRROs identified
- Indicative metrics established
- GHG sources mapped (qualitative)
- ERM integration complete

FY 2026/27 — Planned

- Scope 1 & 2 GHG disclosed
- Quantitative targets approved
- Baselines established
- Anticipated financial effects

FY 2027/28 — Planned

- Scope 3 GHG disclosed
- Climate scenario analysis
- Full comparative period data
- Refined quantitative metrics

GREENHOUSE GAS EMISSIONS

Scope 1 and Scope 2 GHG emissions are not disclosed for FY 2025/26. The Group is in its first year of mandatory adoption and is in the process of establishing the measurement infrastructure required to report with the level of accuracy appropriate for external publication, consistent with the transitional approach applied in these first-year disclosures. Scope 1 and Scope 2 emissions will be disclosed from FY 2026/27. Emissions will be measured in accordance with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004), applying the operational control approach. Scope 1 sources comprise fuel combustion at manufacturing and processing facilities — including diesel generators, furnace

oil and liquefied petroleum gas — and the Company-operated vehicle fleet. Scope 2 emissions will reflect purchased grid electricity consumed across manufacturing facilities, warehouses and offices, measured on a location-based approach using Sri Lanka national grid emission factors.

Scope 3 value chain emissions are not disclosed for FY 2025/26, applying the first-year transitional relief available under SLFRS S2 paragraph C4(b). Scope 3 disclosure is planned from FY 2027/28.

TARGETS

The Group is progressing towards its first set of formal, quantitative Group-level sustainability and climate targets, to be approved in FY 2026/27 and aligned with Sri Lanka's NDC commitments and relevant sector benchmarks. In this first year of adoption, indicative metrics and directional targets have been established for each SRRO and CRRO to guide data collection, build measurement capability and define the baseline from which formal targets will be set. This phased approach ensures that the Group's commitments are well-founded, credible and measurable.

RISK MANAGEMENT REPORT

OUR APPROACH TO RISK MANAGEMENT

Risk Management at CIC is underpinned by a comprehensive Enterprise Risk Management (ERM) Framework that aligns with the International Risk Management Standard ISO 31000 and incorporates the principles of the COSO ERM Framework.

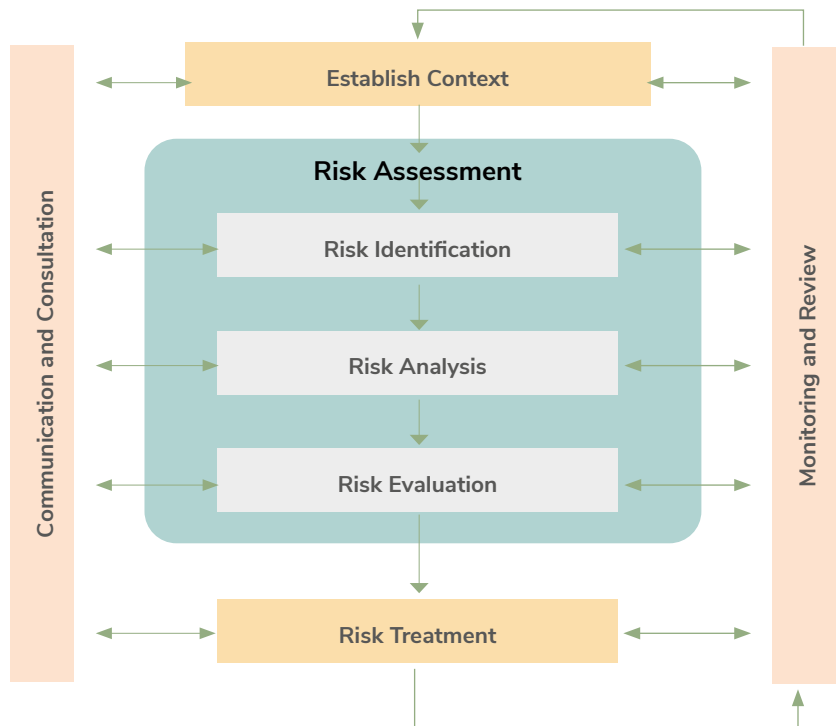
The Group adopts a robust and structured approach to risk management, supported by well defined governance structures, a clear framework of policies, and designated responsibilities for risk identification, measurement, mitigation and monitoring. Through this system, CIC ensures that risks are identified and managed in a consistent, transparent and proactive manner across all business units, enabling the organisation to safeguard value, strengthen resilience and support sustainable long term performance.

RISK GOVERNANCE STRUCTURE

The Board holds ultimate responsibility for risk management and is responsible for ensuring that key risks are systematically identified, assessed, and mitigated. In discharging its risk management responsibilities, the Board is supported by the Group Audit Committee which provides oversight for matters related to risk management, governance and accountability and advises the Board on matters that it deems to be important and/or requiring action or attention. Senior Management and heads of Departments are responsible for implementing effective risk management processes in order to identify, analyse, respond to, monitor and report all significant risks associated within respective areas of responsibility. Risk Champions meanwhile have been appointed at each subsidiary to facilitate and coordinate risk management activities in their relevant subsidiary.

PROCESS FOR MANAGING RISK

The following diagram illustrates the Group's risk management process as outlined in the Risk Management Policy, which is aligned to the COSO Enterprise Risk Management Framework.



The Group adopts a robust and structured approach to risk management, supported by well defined governance structures, a clear framework of policies, and designated responsibilities for risk identification, measurement, mitigation and monitoring.

RISK MANAGEMENT REPORT

Communication and Consultation	Communication and consultation with external and internal stakeholders takes place during all stages of the risk management process and is carried out according to a structured process.
Establishing context	Risk management at CIC considers both the external factors such as customer, competition etc and internal factors such as systems, processes, employees etc.
Risk Assessment	Risk assessment process is carried out by analysing the risks according to the estimated impact (positive and negative) and likelihood.
Risk Identification	Process owners are responsible for identifying risks in their process and are identified across four categories ; namely Strategic , Operational ,Financial and Compliance
Risk Analysis	Process owners analysis risks to obtain a deeper understanding about the exposure.
Risk Evaluation	Risks are evaluated for their impact and probability based on guidance provided, however subsidiaries are encouraged to develop their own criteria, depending on the nature of the business and the industry.
Risk Treatment	After the risk assessment, the appropriate control measures have to be identified for treating the identified risks. Risk treatment could be one of the following; Avoid, Accept Reduce or transfer
Risk review & monitoring	With the assistance from Risk Champions and the Subsidiary management, process owners monitor and report on risks. Internal audit also provides a support and feedback mechanism for monitoring risks through risk based internal audits.

RISK LANDSCAPE IN FY 2025/26

The risk landscape continued to evolve in FY 2025/26 amid improving domestic economic conditions and heightened geopolitical volatility.

On the domestic front, the risk landscape in FY 2025/26 was shaped by improving macroeconomic conditions, with Sri Lanka's economy expanding by 5% in 2025 and inflation remaining subdued at 2.9% year on year in December following a period of deflation earlier in the year. While these trends supported greater stability and improved demand conditions, the operating environment was also influenced by currency movements, as the Sri Lankan Rupee reversed two years of sustained appreciation and depreciated across all major currencies in 2025, adding a layer of volatility to import dependent sectors and financial planning.

On the global front, geo-political developments added further complexity to the risk landscape, with uncertainty arising from tariffs introduced and subsequently adjusted by the US administration, alongside escalating geopolitical conflicts. These shifts continued to disrupt global supply chains, elevate input cost volatility, and create a more unpredictable operating environment for internationally connected sectors.

Extreme weather events continued to increase in frequency and intensity in FY 2025/26, as evidenced by the impacts of Cyclone Ditwah, resulting in loss of lives, crop damage, and significant infrastructure disruption. These developments heightened the risk landscape by amplifying operational, supply chain, and cost related vulnerabilities.

GROUP RISK REGISTER

	Risk	Potential Impact	Risk Treatment	Mitigation Strategies	
VERY HIGH	1	Global supply chain disruptions and escalating world market prices due to geopolitical issues	Non-availability of continuous raw material supply. Significant increase in material costs leading to decline in demand across Group businesses.	Accept and Reduce	<ul style="list-style-type: none"> • Effective negotiation with available pool of suppliers • Evaluate requirements critically and maintain adequate buffer stock levels • Pursue alternate supplier sources and develop supplier networks • Explore new supply models and local sourcing alternatives
	2	Escalating cybersecurity threats and risk of significant operational disruption	IT systems are highly vulnerable to security breaches, ransomware attacks and cybersecurity threats. A successful attack could result in shutdown of Group operations, data loss and significant reputational damage.	Reduce	<ul style="list-style-type: none"> • Increased investment in security infrastructure and upgrades • Periodic security audits to identify and remediate vulnerabilities • Obtain adequate insurance coverage • Leverage IT to strengthen business capability and resilience • Ongoing training and development of CIO/IT team on evolving technology and threat landscape • Obtain ISO 27001 certification
	3	Environmental non-compliance and risk of regulatory action	Non-compliance with environmental regulations may result in loss of operating licences and GMP approvals. Risk of closure of facilities by the regulator based on social and environmental welfare concerns.	Avoid	<ul style="list-style-type: none"> • Immediate relocation of facilities where required • Strict adherence to environmental regulations applicable to chemical and manufacturing facilities • Comply with all applicable laws and regulations • Maintain active vigilance on upcoming regulatory changes with management involved in policy framework development • Brand diversification to reduce concentration risk
HIGH	4	Ad hoc regulatory changes constraining long-term strategic planning	Ad hoc policy changes result in below-target returns and losses. Inability to execute long-term strategic plans across key business verticals. Damage to business relationships.	Accept and Reduce	<ul style="list-style-type: none"> • Building strong partnerships with respective regulatory authorities through investments, periodic engagements and visits • Industry lobbying to maintain policy consistency • Active participation in Advisory Committees of relevant government authorities

RISK MANAGEMENT REPORT

	Risk	Potential Impact	Risk Treatment	Mitigation Strategies
5	Regulatory decisions in highly regulated industries impacting Group operations and profitability	Regulatory decisions aligned with national or global agendas will dictate terms that major parts of the Group must follow. Significant impact on Group revenue and profitability particularly in agrochemical, fertilizer, pharmaceutical, and chemical clusters.	Reduce	<ul style="list-style-type: none"> • Develop strategies to diversify into less-regulated, open-market industries • Align product strategies with regulatory direction on high-toxicity materials, chemicals, nitrogen usage and classes of molecules • Transition toward businesses which are non-regulated or have less social impact • Engage with technology-driven suppliers to navigate regulatory transitions
6	Exposure of sensitive data to unintended parties	Exposure of sensitive data can result in significant financial losses, reputational damage and identity theft. Imminent enforcement of Sri Lanka's Personal Data Protection Act increases compliance obligations materially.	Avoid	<ul style="list-style-type: none"> • Strong security mechanisms to prevent unauthorised access to data and information • Data encryption to safeguard confidential business and customer information • Periodic security audits to identify and address vulnerabilities
7	Extreme weather events disrupting agricultural production, supply chains and asset values	Extreme weather events result in product shortages, stock build-up, working capital pressures and loss or damage of assets. Changing rainfall patterns and El Niño/ La Niña cycles are creating structural disruption to agricultural raw material supply chains.	Accept / Transfer	<ul style="list-style-type: none"> • Implement comprehensive insurance cover for inventory, property and business interruption • Invest in R&D on climate and drought-resistant crop varieties • Pre-pone harvesting and implement crop storage mechanisms • Maintain buffer stocks of key raw materials across agricultural and chemical clusters • Expand own cultivations in climate-resilient locations • Integrate Meteorology Department advisories into production and demand planning cycles
8	Volatility of foreign exchange rate hampering access to imports and impacting profitability	Volatility of foreign currency hampers access to raw material imports. Exchange rate volatility necessitates ongoing price revisions leading to revenue erosion and reduced profitability across import-dependent clusters.	Accept and Reduce	<ul style="list-style-type: none"> • Explore local sourcing and R&D to drive import substitution • Focus on developing foreign exchange earning business opportunities internationally and locally • Harness group synergies to manage foreign currency exposure

	Risk	Potential Impact	Risk Treatment	Mitigation Strategies
	9	Macroeconomic pressures eroding household income and impacting Group profitability	Erosion of household disposable income reduces purchasing power across agricultural and consumer clusters. Elevated input costs compress margins. Working capital and liquidity stress from seasonal inventory cycles in distribution subsidiaries.	Accept <ul style="list-style-type: none"> • Implement frequent price revisions aligned with market conditions • Closely monitor demand trends and build strategic discussions with global principals on alternative strategies • Rationalise product portfolio to cater wider range of price points to provide consumer choice during adverse economic conditions • Maintain proactive working capital management across distribution subsidiaries
Medium	10	Political instability impacting business growth and profitability	Political instability creates an adverse environment for business growth and long-term investment. Policy reversals and government interference impact Group profitability across regulated and export-oriented clusters.	Accept <ul style="list-style-type: none"> • Maintain strong rapport with GoSL through senior management engagement • Pursue expansion in overseas operations to reduce domestic concentration • Senior management actively involved in managing stakeholder expectations
	11	Intense competitive pressure leading to market share erosion	Market share loss from consumers shifting to low-cost brands influenced by competitor strategies. Risk of illegal and substitute products eroding market position in regulated segments. Weak purchasing power amplifying competitive pressure.	Reduce <ul style="list-style-type: none"> • Improve brand awareness and visibility through focused ATL and BTL activities • Increase investment in CIC brand equity building • Implement penetration strategies to maintain market leadership • Maintain continuous dialogue with regulatory authorities to address illegal product movements • Create demand pull from farmers for CIC products through principal networks
	12	Disease and pest outbreaks severely impacting poultry and agricultural sectors	Disease and pest attacks on poultry and agricultural crops result in significant revenue reduction and direct impact on profitability. Climate change is intensifying pest and disease pressure through temperature and humidity shifts.	Avoid <ul style="list-style-type: none"> • Strict adherence to biosecurity protocols to avoid contamination via external sources • Early identification of disease and pest outbreaks through field staff and data collection mechanisms • Investment in R&D on climate and disease-resistant crop varieties

RISK MANAGEMENT REPORT

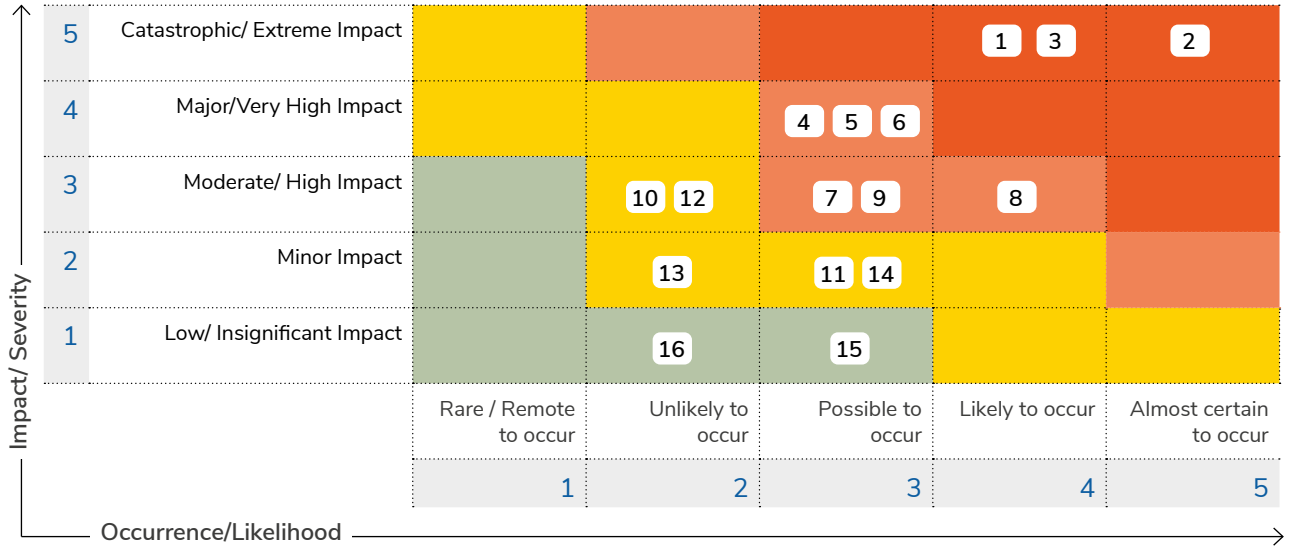
	Risk	Potential Impact	Risk Treatment	Mitigation Strategies	
	13	Heavy dependency on imports with insufficient concentration on local manufacturing and exports	Group operations are heavily import-dependent, making all business segments vulnerable to supply disruptions, foreign currency shortages, and geopolitical events. Insufficient local manufacturing capacity limits resilience.	Avoid	<ul style="list-style-type: none"> • Develop a strong export portfolio to generate foreign exchange and reduce import dependency • Invest in research and development, technology and innovation to expand local production capacity • Channel investment into more essential sectors with domestic production potential
	14	Inability to attract and retain the right talent in a competitive market	Reduced talent pool will have a direct impact on Group performance across all sectors. CIC faces a disadvantage in attracting and retaining the younger generation, who represent the future of the workforce.	Reduce	<ul style="list-style-type: none"> • Maintain a robust succession plan across all subsidiaries • Increase investment in training and development programs • Offer competitive tangible and intangible benefits to attract and retain talent • Drive corporate culture transformation to appeal to the younger generation • Identify and retain top talent through structured performance management • Invest in CSR activities to enhance employer brand
LOW	15	Interest rate volatility arising from Central Bank monetary policy decisions	Interest rate volatility makes long-term financial planning difficult and leaves Group profitability exposed to sudden policy-driven rate movements.	Accept and Reduce	<ul style="list-style-type: none"> • Maintain appropriate long-term financing strategies for strategic investments • Encourage cash sales and reinvest capital into businesses to reduce borrowing dependency • Mitigate through proactive working capital management • Harness synergies through Group Treasury management process
	16	Civil unrest and community disruptions impacting operational continuity	Civil unrest, riots and community disruptions can result in discontinuation of operational activities and reputational damage to the Group.	Accept	<ul style="list-style-type: none"> • Build and maintain high-quality relationships with surrounding communities • Uphold a strong reputation as a socially responsible Group of Companies • Withdraw from sensitive markets where necessary to reduce exposure to social and political disruption



GROUP RISK HEAT MAP

The Group Risk Heat Map below integrates risk assessments from across the Group to present a unified view of exposures, mapped by probability and impact.

RISK MATRIX



The Colour Matrix Implies the Following:

■ 15-25 Ultra High
 ■ 9-14 High
 ■ 4-8 Medium
 ■ 1-3 Low



SECTOR REVIEW

CROP SOLUTIONS



CROP SOLUTIONS

The Crop Solutions business continued to build on its strong relationships with principals to further enhance and diversify its product portfolios across key segments, enabling the business to maintain its leadership position across core product lines.

The mainstay of CIC, the Crop Solutions cluster has been one of the key architects responsible for the growth and transformation of Sri Lanka's agriculture sector in the past half a century. As the only entity in Sri Lanka to offer fully integrated solutions, CIC's Crop Solutions cluster has succeeded in providing local farmers with the tools to benefit from modern agricultural practices.

The Crop Solutions business continued to build on its strong relationships with principals to further enhance and diversify its product portfolios across key segments, enabling the business to maintain its leadership position across core product lines.





Plant Nutrition

The Plant Nutrition segment provides soil enrichment solutions including conventional fertilizers and new generation fertilizers such as compound fertilizers, slow-release fertilizers and micronutrients tailored to key crop sectors such as paddy, tea, coconut, sugarcane, and vegetables. In addition to high quality fertilizers, the sector also provides advisory services, smart cover solutions and other agri inputs for precision agriculture.



Plant Protection

CIC Crop Solutions is Sri Lanka's foremost provider of advanced and eco-friendly crop protection technologies, offering a comprehensive portfolio of herbicides, insecticides, fungicides, and plant growth regulators that support higher yields and more resilient farming systems. Backed by strong partnerships with global agribusiness leaders the sector continues to introduce advanced crop protection solutions tailored to the unique needs of the Sri Lankan agricultural sector.



Seeds

CIC Seeds (Pvt) Ltd is the leading supplier of high quality seeds and planting materials, maintaining a 40% share of the seed paddy market. The Company further supports national agriculture through a comprehensive portfolio of maize and vegetable seed varieties, produced locally and complemented by high performing hybrid seed developed by leading international seed companies.

VALUE CREATED AND DISTRIBUTED



FY 2025/26 Performance Highlights



Rs 37.36Bn
REVENUE



Rs 4.82Bn
EBITDA



Rs 4.20Bn
PROFIT BEFORE TAX



Contribution to Group

41%

GROUP REVENUE

37%

GROUP PBT

25%

GROUP ASSETS

22%

GROUP LIABILITIES

SECTOR REVIEW

CROP SOLUTIONS

STRATEGY AND PERFORMANCE

Plant Nutrition

The plant nutrition segment delivered revenue growth of nearly 19% during the year, driven by volume growth in both conventional and specialty fertilizer segments. Higher world market prices for fertilizers as well as exchange rate volatility resulted in a higher cost of sales, in turn exerting pressure on margins during the year. Meanwhile, the Ditwah Cyclone in November 2025 disrupted demand during the peak agricultural season, dampening sales performance during the latter part of the year. Despite these challenges, the sector delivered a commendable performance recording a PBT of 4.2Bn whilst maintaining its market leadership position.

Rising demand for high-performing plant nutrients to enhance agricultural productivity continues to create significant opportunities for sector expansion. In response to these evolving market requirements, the Company actively broadened its product portfolio during the period by introducing several new products, including Vibelsol coated urea and a range of innovative fertilizer solutions that combine conventional and compound formulations. Several new products and solutions were also introduced by Unipower, our agri-tech arm, including improved hybrid fertilizer mixtures targeting crop specific nutrient deficiencies, enhanced nutrient efficiency and a range of organic solutions.



RanSaruPala Program

We continued to engage closely with farming communities with a strong focus on productivity enhancement and sustainable yield improvement. During the year, the Company launched a coconut productivity enhancement awareness program “Wedipura Gedyak, Thawa Gedi Biliyanayak” as a public-private-people partnership in collaboration with the Coconut Research Institute, Coconut Cultivation Board, and the Coconut Growers’ Association, providing an integrated production package aimed at improving coconut yields. The “RanSaruPala” program was further expanded during the year to enhance paddy yields through similar production packages across major paddy-growing areas of the country, reinforcing the Company’s commitment to supporting the agricultural community through knowledge sharing and value-added solutions.

In parallel, the Company continued to focus on improving operational efficiencies. CIC Agri is currently in the process of strengthening its infrastructure, including warehouse facilities, while also investing in a new order management system as part of its ongoing transformation initiatives. Technical skill enhancement and leadership development programs also continued across the segment to further improve employee capabilities and overall performance.



“Wedipura Gedyak, Thawa Gedi Biliyanayak” Program



Hybrid Seed Varieties

At the same time, we remain committed to strengthening our research and development capabilities through collaborations with international research institutions and technical experts, thereby enhancing innovation and supporting the long-term growth of the business.

As a trusted industry leader, CIC Agri Businesses continues to drive sustainable agricultural practices in Sri Lanka by offering innovative, sustainability driven plant nutrient solutions that empower farmers and protect natural resources.

Promoting technologies to reduce environmental pollution

To address the significant nitrogen losses associated with conventional urea use, losses that can contribute to groundwater pollution CIC Agri Businesses introduced Vibelsol treated urea to Sri Lankan farmers. The sustained release formulation in this advanced coating technology reduces nutrient loss and allows farmers to cut application rates by nearly 40%, delivering meaningful economic and environmental benefits.

Promoting the Use of Organic Fertilizers to Optimise the Use of Chemical Fertilizers

CIC is the only fertilizer Company in the country that operates a dedicated in-house facility for the manufacture of organic and organo-mineral fertilizers. Established with an investment of over Rs. 300Mn, this facility produces a range of value-added organic fertilizer products to promote sustainable farming practices across the country. CIC Agri Businesses actively promotes the use of these hybrid solutions, recognising that farmers are generally reluctant to apply organic and chemical fertilizers separately due to the additional labour costs involved.

PLANT PROTECTION

The plant protection sector faced a challenging year, with the Ditwah cyclone adversely impacting demand conditions toward the end of the financial year. In addition, intensified competition and the increasing proliferation of generic products continued to place pressure on margins, resulting in a 15% decline in PBT during the year. Despite these challenges, the sector maintained its market leadership position with an estimated 20% market share, underscoring the strength, resilience, and competitiveness of its product portfolio.

We continued to leverage our strong partnerships with leading global agribusiness companies to expand our portfolio of patented products. As part of this strategic focus, the Company launched a five-year new product development initiative with Syngenta aimed at accelerating the introduction of next-generation plant protection solutions to the market.



Nature-Friendly Farming Solutions

At the same time, we continued to work closely with our other principals to address product gaps and introduce differentiated formulations that meet evolving customer requirements. As a result of these efforts, the Company successfully introduced several new products during the year under review, including Nico, a new maize herbicide, further strengthening the portfolio and supporting market leadership.

SECTOR REVIEW

CROP SOLUTIONS

Responding to the growing demand for environmentally friendly crop protection solutions, we continue to enhance our portfolio of eco friendly crop protection solutions including Class III and IV products. These safer, advanced Green Chemistry formulations enhance both our market differentiation and margin profile while supporting more sustainable farming practices.



Quality Crop Care Solutions

Amid ongoing margin pressure, we prioritised cost optimisation and productivity improvements across our operation. Key initiatives included streamlining warehousing and distribution operations, strengthening distributor relationships, and tightening re distribution controls through enhanced sales monitoring. In addition, the Company implemented an improved product tracking and identification system, enabling real-time monitoring and end-to-end traceability for new proprietary products.

SEEDS

CIC Seeds delivered a commendable performance during the year, recording growth in both revenue and profitability while successfully maintaining its market leadership position with a 32% share of the formal seed market. This performance was supported by sustained demand for seed paddy, corn seed, and hybrid vegetable seeds. Margins softened slightly due to elevated foreign exchange rates, higher labour costs, and other inflationary pressures. Nevertheless, the business recorded an increase in PBT driven primarily by higher sales volumes and disciplined cost management.



3000 Kg from an acre of Corn Program

We continued to focus on enhancing the quality of the seeds marketed by strengthening the required infrastructure. During the year, the Company invested in upgrading its seed paddy production system through the installation of a new seed dryer. Seed storage facilities were also further improved to ensure enhanced quality and greater product longevity.

Negotiations are currently underway with the relevant state authorities to lease an underutilised state farm in the Central Province, where agro-climatic conditions are more conducive to the production of high value vegetable seeds. Meanwhile, investments in local corn seed production infrastructure are also in progress to improve capacity and support future growth.

CIC Seeds also continued to advance its research and development agenda during the year, with a focus on developing high-performing and locally adaptable hybrid seed varieties to reduce dependence on costly imports. During this period, the Company launched a new corn hybrid, STG 300, developed by Syngenta to deliver superior yields under local agro-climatic conditions.

The Company also continued to engage closely with farmers to enhance on-farm productivity. In this regard, a special program "3000 Kg from an Acre of Corn," was carried out during the year in collaboration with the Department of Agriculture (DOA), targeting corn farmers across key cultivation areas.

OUTLOOK

Opportunities	Risks
<ul style="list-style-type: none"> • Increased Government focus on both domestic and export agriculture, with a strong emphasis on improving crop yields. • Growing interest in safer agri inputs • Growing interest in shifting to advanced agri technologies driving demand for specialty fertilizers and protected agriculture solutions • Increasing demand for the locally adaptable seed varieties 	<ul style="list-style-type: none"> • Increasing entry of new players, coupled with aggressive pricing and extended credit terms, is intensifying margin pressure and market share competition. • Increasing price sensitivity among farmers has intensified competition from unbranded and low-cost generic products, exerting pressure on premium and proprietary brands. • Forex volatility impacts on cost of imported agri inputs. • Delay in new product registration and import restrictions • Unpredictable regulatory updates affecting product registrations, imports, and compliance requirements.

WAY FORWARD

In the plant nutrition segment, we will continue to focus on expanding our product range with a particular focus on compound fertilizers and other specialty fertilizers.



We will continue to strengthen the Crop Protection segment by expanding our green chemistry portfolio, with a focus on Class III and IV products. At the same time, we will enhance our distribution capabilities to increase reach and penetration. Digitisation of core operations including the roll out of a new sales automation APP will be a key focus during the upcoming year together with efforts to strengthen dealer networks.



In the seed segment we will focus on increasing production capacity for both vegetable seeds and seed paddy through acquisition or lease of new farms. We will continue to strengthen our R&D efforts to drive new product development while actively exploring overseas opportunities through partnerships.



SECTOR REVIEW

AGRI PRODUCE



AGRI PRODUCE

Targeted efforts to strengthen route-to-market together with strategic portfolio interventions enabled the Agri-produce sector to deliver a resolute performance during the year.

Over the last couple of decades, the CIC's Agri Produce Cluster has been providing high quality staple foods to satisfy the daily dietary requirements of Sri Lankans. Combining traditional Sri Lankan nutritional principles with world-class quality assurance standards, the CIC Agri Produce cluster presents a diverse range of products to serve mainstream consumers as well as targeted niche segments of the market.

Targeted efforts to strengthen route-to-market together with strategic portfolio interventions while playing an important role in contributing towards Sri Lanka's food security by supplying a range of healthy food.





Rice

LOCATIONS OF OPERATIONS: MAHO

Marketed under the brand name Golden Crop, Agri Produce Export (Pvt) Ltd caters to evolving consumer preferences for nutrition, authenticity, and flavour across local and international markets by offering a diverse portfolio of rice varieties including nutritionally enriched Healthy Rice, authentic Sri Lankan traditional rice varieties, and specialty quality rice selections developed by own scientists.



Dairy

LOCATIONS OPERATIONS: DAMBULLA

Established in 2010, CIC Dairies offers a wide range of farm fresh cultured dairy products under its flagship brand, CIC Creamoo. The Company's wide range of dairy products include set yoghurt, dairy desserts, curd and drinking yoghurt.



Fresh Produce

LOCATIONS OF OPERATIONS: METRO COLOMBO AND DAMBULLA

Over the years, Fresheez has built a strong reputation within the niche premium consumer market, delivering a diverse portfolio of fresh vegetables, fruits, fruit juices, specialty condiments, and essential food products through its network of dedicated outlets.

VALUE CREATED AND DISTRIBUTED



FY 2025/26 Performance Highlights



Rs **6.34**Bn

REVENUE



Rs **0.45**Bn

EBITDA



Rs **0.12**Bn

PROFIT BEFORE TAX



Contribution to Group

7%

GROUP REVENUE

1%

GROUP PBT

5%

GROUP ASSETS

7%

GROUP LIABILITIES

SECTOR REVIEW

AGRI PRODUCE

STRATEGY AND PERFORMANCE

Rice Sector

The rice business faced a challenging environment amid intensifying competition from Tier two Basmati imports following the liberalisation of the rice import market in Sri Lanka. The HoReCa channel, in particular, was adversely impacted due to increased price sensitivity and heightened competitive pressure. Notwithstanding this challenge, targeted efforts to drive volumes in the modern trade channel resulted in a 25% growth in modern trade channel volumes with a notable increase in the healthy rice category. These efforts, together with successful efforts to expand into export markets, enabled the Company to record revenue growth of 9% and PAT of Rs 0.12Bn during the year.

As part of its market development efforts, the Company continued to expand its presence in export markets, with particular emphasis on building brand equity in African and Australian markets. These efforts resulted in successful product listings in SPAR supermarkets in Africa. The Company also expanded its product portfolio through the launch of sticky rice (Savandara), targeting evolving consumer preferences and niche market demand.

Several improvements were also made at the rice milling factory as part of the segment's capacity enhancement and automation initiatives. In addition, to further expand production capacity, the Company commissioned its second rice processing line at Maho and established a grain cooling system at the silo storage facility in Talawa to regulate temperature, thereby improving grain quality and reducing insect damage and weight loss. These ongoing process improvements, together with the enhanced milling capacity, position the Company to effectively capitalise on growth opportunities in both the domestic and export markets.

Research and development activities, which form the core of the business, continued during the year with the objective of developing more innovative rice products in the future. The Company also remained focused on further enhancing the quality of its rice varieties in order to strengthen competitiveness against imported rice. Meanwhile, as part of its efforts to improve farmer paddy yields, the Company embarked on a special project through the introduction of integrated production packages.



Available Rice Varieties

Dairy

Efforts to strengthen the route to market, together with aggressive cost management initiatives, enabled CIC Dairies to deliver a turnaround in performance during the first eight months of FY 2025/26, as reflected in growth in both revenue and gross profit over the period. However, this momentum reversed towards the latter part of the year, as margins came under pressure following a sharp increase in production costs due to upward revisions in raw milk prices in the aftermath of the Ditwah outbreak, during which several thousand dairy cattle were lost. Despite this setback, the Company concluded the year with a 16% reduction in net losses, beyond planned.

As part of its ongoing efforts to broaden its product portfolio, the Company launched 'Jelly Collagen' during the year, as the latest addition to its dairy dessert range. The Company continues to focus on expanding its presence in the value-added dairy dessert segment and made strategic machinery investments during the year to support this growth. In addition, the Company is also exploring a partnership to further expand its trading portfolio with high demand imported dairy products.

During the year, the Company focused on strengthening its route to market through a more focused direct distribution approach aimed at improving market reach and execution efficiency. These efforts were further supported by targeted brand marketing investments aimed at accelerating growth in the dairy dessert category.



Dairy Freshness

The Company remains committed to environmental and social responsibility and continues to integrate sustainable practices into its operations. Wastewater recycling is extensively practiced across the milk processing facilities, with recycled water being reused for gardening and landscaping purposes. Excess treated water is supplied to the Pelwehera CIC Seed Farm for the irrigation of farm crops.

The joint logistics project with Upfield continued during the year, delivering notable benefits in terms of improved operational efficiencies, reduced transportation costs, and lower carbon emissions. The Company also continues to engage closely with its farm.

Fresh Produce

Fresheez continues to maintain its position as a trusted retailer of fresh produce for the high-end, niche consumer market. The outlets operate as the consumer-facing interface of CIC's "Nurturing Life" brand promise and play a pivotal role in enhancing brand engagement and market penetration. Now seven outlets in total, the Fresheez outlets are strategically located to increase brand visibility and product availability. With a continued focus on providing healthy and fresh products to discerning customers, the business further strengthened its corporate brand image and reinforced its positioning in the market. During FY 2025/26 the flagship outlet on Jawatta road was renovated to give customers a better shopping experience.



Revamping the Jawatta Outlet



Fresheez Outlet

OUTLOOK

Opportunities

- Growth in the leisure sector is expected to fuel stronger demand from the HORECA channel for both the rice and dairy sectors
- Growing health consciousness of consumers driving demand for healthy options
- Growth in retail trade is creating opportunities to expand shelf space

Risks

- The liberalisation of rice imports has led to an influx of lower priced, lower quality rice to the local market, heightening competitive pressure.
- A significant decline in raw milk production in the aftermath of the Ditwah outbreak, driving open market milk prices upward.
- Portfolio limitations in the Dairy sector

WAY FORWARD

In the rice segment we will continue to focus on building brand equity in both domestic and export markets while continuing to invest in research and development to drive product innovation.



In the Dairy segment we will continue to focus on driving revenue and profit growth by expanding distribution coverage and strengthening our presence in the dairy dessert segment through value-added products that cater to evolving consumer preferences.



We will continue to leverage the Fresheez outlet network to strengthen customer engagement levels and build brand visibility for our "Nurturing Life" brand promise



SECTOR REVIEW

INDUSTRIAL SOLUTIONS



INDUSTRIAL SOLUTIONS

Amid rising cost pressures, both the Industrial Chemicals and Specialty Packaging segments continued to prioritise operational efficiency, while also reducing their environmental footprint through targeted investments in sustainable manufacturing and resource efficiency initiatives.

CIC's Industrial Solutions cluster has long dominated the local market as the leading supplier of binders to Sri Lanka's paint manufacturing industry while the specialty packaging segment offers premium quality food grade packaging solutions for large scale food and beverage manufacturers in Sri Lanka.

All Binders are produced locally at the state of the art plant in Panagoda on par with global quality standards which gives CIC a significant competitive advantage over peers. Amid rising cost pressures, both the Industrial Chemicals and Specialty Packaging segments continued to prioritise operational efficiency, while also reducing their environmental footprint through targeted investments in sustainable manufacturing and resource efficiency initiatives.





Industrial Chemicals

The Industrial Chemicals segment manufactures and trades a diverse portfolio of chemical solutions to a broad range of industries including paint, textile, rubber manufacturing, ink packaging, water treatment solutions, food, and personal care.



Speciality Packaging

CISCO Speciality Packaging (Pvt) Ltd manufactures high quality food grade packaging solutions specifically tailored to meet the needs of large-scale food and beverage manufacturers in Sri Lanka.

VALUE CREATED AND DISTRIBUTED



FY 2025/26 Performance Highlights



Rs **8.88**Bn

REVENUE



Rs **1.93**Bn

EBITDA



Rs **2.37**Bn

PROFIT BEFORE TAX



Contribution to Group

10%

GROUP REVENUE

21%

GROUP PBT

13%

GROUP ASSETS

6%

GROUP LIABILITIES

SECTOR REVIEW

INDUSTRIAL SOLUTIONS

STRATEGY AND PERFORMANCE

Industrial Solutions

The Industrial Solutions segment delivered a strong performance, recording revenue growth of 10% during the year. Revenue growth was supported by focused initiatives to drive volumes through the introduction of innovative, value enhancing solutions across key customer segments. Meanwhile targeted efforts to drive cost and operational efficiencies contributed to stronger margins and improved profitability during the year.

Several new products were introduced during the year, reflecting the segment's continued focus on innovation and industry specific solutions. A locally manufactured water based adhesive range (Superbond) was developed for the packaging industry, alongside a new series of binders tailored for the coatings sector. In addition, two further products currently in the development pipeline.

Meanwhile, we continued to strengthen our supplier base by onboarding a new principal for white pigment for the paint industry.

Steady progress was also made in advancing the segment's sustainability agenda, with targeted investments to enhance energy efficiency, improve waste management practices, and strengthen water efficiency measures across operations.



Panagoda Binder Production Plant

Specialty Packaging

The year proved challenging, with the Company contending with elevated cost pressures and stronger pricing competition.

In order to strengthen its market position amid rising competition, the Company increased Preform production capacity during the year to better meet growing demand and enhance operational efficiency. Meanwhile, targeted

investments were made to advance energy efficiency improvements as part of the Company's efforts to manage costs and better meet evolving customer requirements.



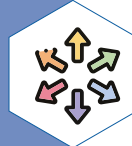
CISCO Product Portfolio

OUTLOOK

Opportunities	Risks
<p>The anticipated revival of the industrial sector is expected to drive higher demand for industrial chemicals, particularly from the construction and apparel industries.</p>	<p>Increased levels of competition from cheaper imports due to the proposed phase out of the CESS levy for manufactured products.</p>
<p>Growing demand for food and beverage and packaging.</p>	<p>Margin pressure in the packaging sector due to rising costs and competition.</p>
	<p>Dependency on imported raw materials in the specialty packaging sector.</p>
	<p>Regulations over environmental impact of plastic.</p>

WAY FORWARD

Going forward, the Industrial Chemicals segment will continue to strengthen its product portfolio to serve a wider and more diverse customer base. Immediate priorities include the development of new binder grades for the coatings and packaging industries, along with the further expansion of the Superbond adhesive range. At the same time, the segment will focus on reducing its environmental footprint by investing in sustainable manufacturing practices, including ongoing improvements to effluent-treatment systems.



In the specialty packaging sector, we will continue to drive operational efficiencies to mitigate margin pressure. At the same time, recognising the environmental impact of PET used in this segment, we will continue to invest in sustainable manufacturing and recycling solutions to minimise our environmental footprint.



SECTOR REVIEW

HEALTH AND PERSONAL CARE



HEALTH AND PERSONAL CARE

CIC Holding's Health and Personal Care cluster continued to deliver on its promise of promoting healthier communities by introducing innovative and impactful solutions across its verticals.

CIC's Health and Personal Care Cluster plays an important role in safeguarding the wellbeing of Sri Lankans by offering high quality solutions to address their preventive, curative and personal care needs. The Pharmaceutical division supply a wide range of branded acute and chronic care products along with Medical Devices segment providing solutions in the disciplines of Trauma, Endoscopy, Wound Care and Diagnostics while the Personal Care segment offers a range of natural and herbal care products.





Pharmaceuticals

CIC Pharmaceuticals leverages long standing partnerships with internationally reputed manufacturers to provide a comprehensive portfolio of pharmaceutical products to the Sri Lankan healthcare sector. CIC's GMP-certified pharmaceutical manufacturing plant in Welisara meanwhile produces and supplies premium quality, affordable pharmaceutical products to the local market.



Medical Devices

CIC's Medical Devices unit provides innovative orthopaedic, maxillofacial, and wound care solutions, together with advanced diagnostics, sourced from leading global MNCs and top international brands.



Herbal & Personal Care

Link Natural Products (Pvt) Ltd is a leading manufacturer and exporter of herbal healthcare, and Ayurveda pharmaceuticals. Combining the wisdom of ancient Ayurveda with modern science, the Company delivers high quality, safe and efficacious, sustainably sourced products to both local and global markets.

VALUE CREATED AND DISTRIBUTED



FY 2025/26 Performance Highlights



Rs 19.46 Bn

REVENUE



Rs 3.43 Bn

EBITDA



Rs 3.27 Bn

PROFIT BEFORE TAX



Contribution to Group

21%

GROUP REVENUE

29%

GROUP PBT

17%

GROUP ASSETS

14%

GROUP LIABILITIES

SECTOR REVIEW

HEALTH AND PERSONAL CARE

STRATEGY AND PERFORMANCE

Pharmaceuticals

Despite operational volatility stemming from the lingering effects of the 2022 forex crisis, recent NMRA pricing reforms and uncertainties surrounding government buyback guarantees, CIC's Pharmaceuticals segment delivered a commendable performance, recording a 13% five year CAGR for revenue and YoY profit growth of 39% in FY 2025/26. The introduction of fixed dose combinations to Sri Lanka was a key contributor to the strong performance during the year.

Amid persisting medicine shortages in the government sector due to procurement delays and forex issues, CIC strengthened its portfolio to meet increasing demand for critical medicines. During the year, CIC Healthcare registered eight new combination products, predominantly focused on non communicable disease (NCD) prevention and management. Being the pioneer in launching fixed dose combinations in the Sri Lankan market, CIC registered the first entry and remains the market leader for 10 fixed dose combination categories. CIC is currently in discussion with some of the world's leading researchers and manufacturers of pharmaceuticals to introduce novel therapies to Sri Lanka for the effective management of NCD categories such as hypertension, diabetes etc.

As part of our commitment to people development, CIC Healthcare has completed two leadership programs with Indian School of Business and National University of Singapore. Furthermore, adding the fifth pillar in to our DNA "Boundarylessness" in addition to Dream Big, Know your rules, Will to Win and Run the Last Mile.



Marking a significant milestone in our growth journey, one of the agencies within CIC Healthcare entered the top 10 of the IQVIA rankings in total business and growth during FY 2025/26.

As part of its broader efforts to promote wellness awareness, the Company partnered with several corporations and public institutions to serve as a wellness partner, conducting targeted sessions on nutrition and menopause to support overall employee wellbeing. Notably, its collaboration with Hatton National Bank (HNB) facilitated 11 programs on NCDs and wellness, covering topics such as menopause, hypertension, and general nutrition.



CIC Healthcare "open office" concept

CIC Healthcare remains committed to advancing child health and wellbeing. The Child Nutrition Guidelines for the 5–10 age category, developed in collaboration with the Nutrition Society of Sri Lanka in 2024, has now been approved for dissemination across pre and primary schools, with implementation scheduled to commence in FY 2026/27. In parallel, the Pharmaceutical Division has partnered with the Sri Lanka Child Neurology Association to support the National Epilepsy Awareness Programme for primary schools—beginning in the Kalutara District and delivered in collaboration with the Ministries of Education and Health—marking a project of national significance.

CIC Healthcare completed the implementation of pilot project of "open office", which will be rolled out other SBUs in creating dynamic, collaborative and modern workplace, making higher return on investment in existing buildings infrastructure.

Medical Devices

The Medical Devices segment recorded revenue growth of x% and profit growth of x%, supported by targeted expansion into high potential market segments and better alignment of product lines with customer needs. Despite higher costs from rising FOB prices and global supply chain pressures, ongoing cost optimisation efforts contributed to stronger profitability.

The segment remains focused on strengthening its presence in existing markets while identifying product gaps and exploring opportunities in high potential niche segments. During the year, the segment expanded its portfolio

with new products such as Woundclot, an advanced haemostatic dressing, and successfully secured the annual SPC tender for Nano crystal in Silver dressing.

The segment also continued to broaden its agency base, enabling access to a wider range of high quality medical solutions and better value to customers. Meanwhile, as part of its efforts to offer cost effective solutions while maintaining high quality, the sector is exploring partnerships with public and private scientific authorities to jointly develop and manufacture specialised orthopaedic products locally .

Over the years the segment has strengthened its presence in the private healthcare sector, while maintaining its strong engagement with the state sector. To this end the segment continued to expand its diagnostics customer base to include point of care testing to collection centers across the country.



SECTOR REVIEW

HEALTH AND PERSONAL CARE

Herbal and Personal Care

Link Natural Products (Pvt) Ltd recorded a strong performance during the year with a revenue growth of x% and profit growth of X% during the period under review. Revenue growth was supported by strong volume growth across most product categories in the domestic market as well as strong export performance during the year. Export revenue which accounted for 32% of total revenue increased by almost 54% during the year reflecting the strong acceptance of the Company's products in international markets.

Although input costs continued to rise, effective supplier negotiations and cost saving measures, including better manpower utilisation and process re engineering, enabled the Company to manage its cost of sales and improve margins during the year. The increased

share of exports, which deliver higher margins than domestic sales also contributed to higher margins during the year. Meanwhile ongoing cost control measures applied across the organisation contributed to strong PBT growth during the year.

During the year the Company initiated a capacity enhancement program to increase production capacity of key product, Link Samahan. The capacity expansion is in response to strong demand for the product across both the domestic and export market.

The Company also continued to expand its product portfolio during the year. The personal care segment introduced Earth Essence Herbal Micellar Water, a gentle makeup removal solution and developed a customised cosmetic product range for the hospitality sector.

Research and development lie at the core of the Company's value creation process, and it continued to invest in strengthening its R&D capabilities during the year. A dedicated Biological Assay Unit was established to conduct in house efficacy, safety, and bioactivity testing of herbal formulations, while a new Sensory Testing Laboratory was designed to further enhance the product development process. The Company also invested in building internal expertise by providing its R&D scientists with several local and international training opportunities. Reflecting the strength of the Company's R&D capabilities, the Company achieved international recognition through the publication of clinical research on newly developed products for Type 2 diabetes and metabolic related fatty liver disease and scientific studies about Link Samahan in peer-reviewed journals.



Link Natural Product Range



Link Natural Product Range

Awards and Accolades Received by the Herbal and Personal Care segment in FY 2025/26

- Won the Best Exporter Award for Ayurvedic and Herbal Products (Sectorial) at the 27th Presidential Export Awards 2024/25.
- Won the Gold Award for Export Pharmaceutical Products including Medicinal related Ayurvedic & Herbal Products (Large Category) by the National Chamber of Exporters at the 33rd Annual Export Awards 2025.
- Received the “Silver” Award at the Responsible Care Excellence Awards, evaluated by the Lanka Responsible Care Council.
- Won an external Award for being the Best Performing Company, Silver category at the Keells Partner Power Awards.

OUTLOOK

Opportunities	Risks
<ul style="list-style-type: none"> • Growth in the prevalence of non-communicable diseases (NCDs) and aging population. • The growing private hospital network increases the demand for specialised and high-end pharmaceutical products, including branded drugs and advanced medical therapies. • Rising income levels, together with demographic shifts that favour premium and preventive health solutions, are driving greater affordability and demand for premium medicines. • Import cost volatility create opportunities for local pharmaceutical manufacturing. • The increasing global demand for natural, herbal, and wellness-based products presents strong potential for expanding both local and export markets. • Recovery and growth of the hospitality and tourism industry in Sri Lanka create new opportunities to expand personal care product presence within hotels, resorts, and wellness centers. 	<ul style="list-style-type: none"> • Price controls on essential medicines introduced under NMRA pricing reforms exerted pressure on margins and constrained pricing flexibility. • Reduction of the government healthcare expenditure resulting in lower demand for premium-quality products. • Increased competition due to entry of low cost drugs and products to the markets. • Slow and tedious registration process and stringent regulatory requirements. • Increasing price of imported products.

WAY FORWARD

CIC Pharmaceuticals will continue to advance its mission of improving the health and wellness of society by expanding access to high-quality, evidence-based pharmaceutical and wellness solutions. In the year ahead, the Company will prioritise strengthening its portfolio in the combination-drug space, with a particular focus on preventive health. It will also continue to drive efficiencies across manufacturing and distribution to ensure the delivery of high-quality medicines at affordable price points, reinforcing its commitment to accessible and sustainable healthcare.



The medical devices segment’s way forward centres on providing cost-efficient, outcome-driven products that enhance patient satisfaction. As regulatory timelines for product registration continue to lengthen and the government shifts toward lower-cost solutions, the segment will prioritise proactive engagement with regulatory and health authorities to ensure that affordability does not compromise quality or clinical outcomes. At the same time, the business will strengthen supply-chain resilience particularly in light of disruptions stemming from the Middle East crisis by diversifying sourcing options and building strategic partnerships locally and overseas to safeguard product availability and service continuity.

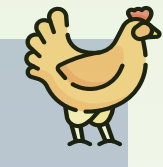
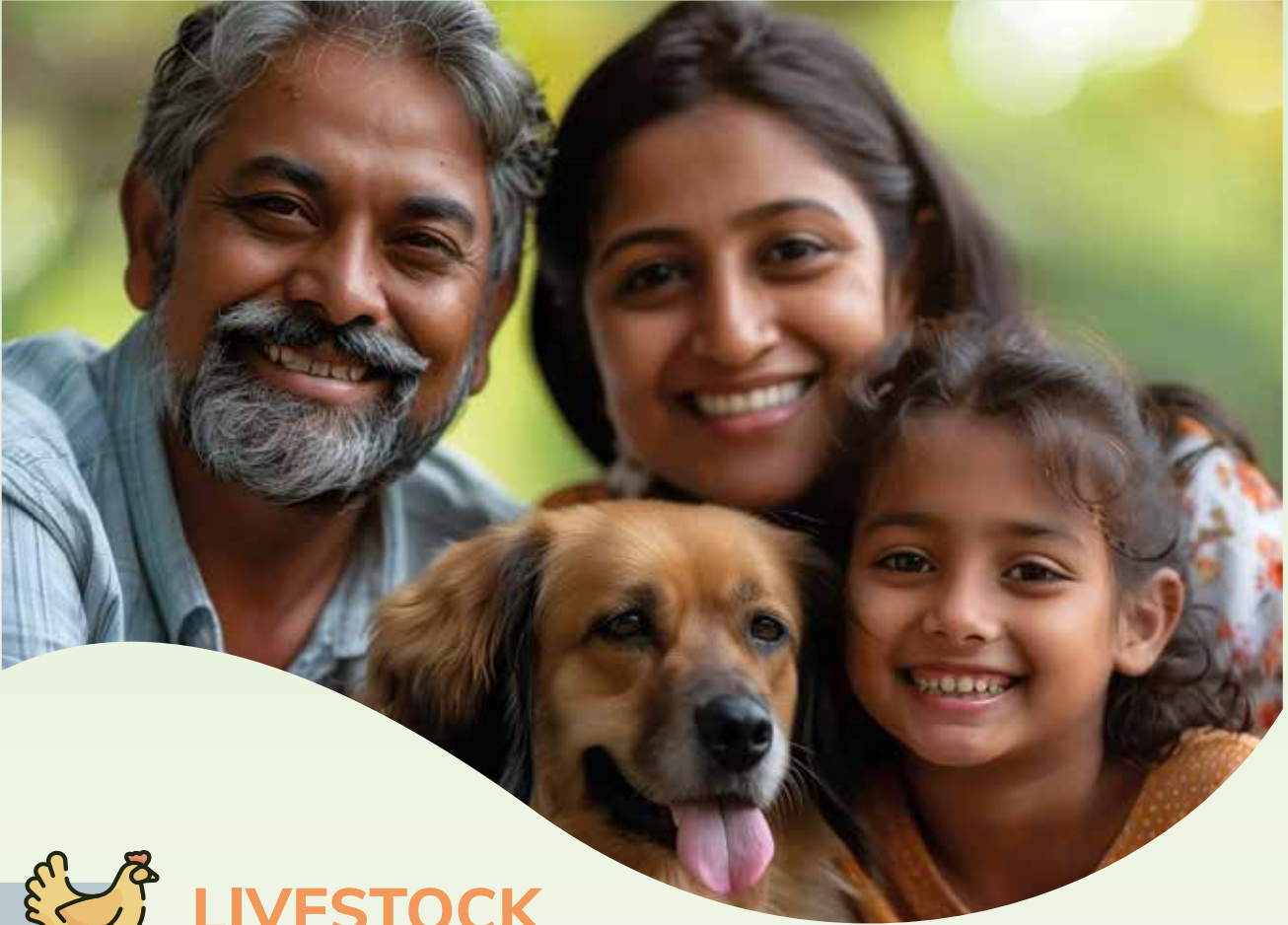


Going forward the Herbal and Healthcare segment will continue to drive growth in its key brands by enhancing distribution and channel efficiencies. The segment will also continue to focus on increasing export contribution while increasing profitability of Ayurveda Pharmaceutical segment and Personal care segments. Meanwhile the Company will continue to focus on new product development with an ongoing focus on strengthening its research and development capabilities



SECTOR REVIEW

LIVESTOCK SOLUTIONS

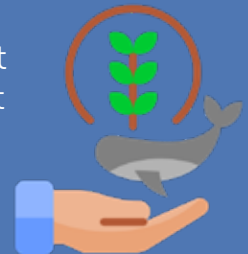


LIVESTOCK SOLUTIONS

The livestock solutions segment continued to strengthen capacity across the value chain, expanding mill operations, adding new breeder houses, and enhancing broiler production through the acquisition of an additional farm.

CIC's LIVESTOCK SOLUTIONS cluster is one of the few fully integrated poultry solutions providers in Sri Lanka. Our facilities include, a fully automated feed mill, breeder farms, state-of-the-art hatchery, broiler farms and a modern chicken processing plant that serve as a vital link in the Country's poultry supply chain.

The livestock solutions segment continued to strengthen capacity across the value chain, expanding mill operations, adding new breeder houses, and enhancing broiler production through the acquisition of an additional farm.





Feed Milling

The feed milling segment specialises in the production and distribution of high-quality animal feeds, with a core focus on poultry nutrition. Backed by advanced facilities and rigorous quality assurance, CIC Feeds delivers formulations designed to maximise bird health, growth efficiency, and overall farm output.



Day-Old-Chicks (Doc) Operation

The DOC operation is involved in producing & selling day-old broiler chicks (DOC) to Group Company, CIC Poultry Farms limited, as well as to Poultry Farmers across the Country.



Poultry

CIC Poultry Farms Limited is engaged in the rearing, processing, and marketing of premium quality poultry products for the domestic market. Marketed under the "CIC Besto Chicken" brand, its products have built strong brand equity and consumer trust. The Company also markets a value added egg product.



Animal Health

CIC Vetcare (Private) Limited and Asiavet Lifesciences (Private) Limited serve both the livestock industry and the domestic pet market, offering a comprehensive portfolio of veterinary pharmaceuticals, vaccines, feed additives, and pet care products sourced from leading global manufacturers.

VALUE CREATED AND DISTRIBUTED



FY 2025/26

Performance Highlights



Rs **19.69**Bn

REVENUE



Rs **2.74**Bn

EBITDA



Rs **2.38**Bn

PROFIT BEFORE TAX



Contribution to Group

21%

GROUP REVENUE

21%

GROUP PBT

12%

GROUP ASSETS

6%

GROUP LIABILITIES

SECTOR REVIEW

LIVESTOCK SOLUTIONS

FEED MILLING

Despite ongoing challenges including industry overcapacity and increasing backward integration by poultry farmers, CIC's feed milling segment recorded a volume growth during the year. However, lower feed prices during the year continued to weigh on topline performance, with the decline in selling prices largely offsetting the gains from higher volumes. Sustained efforts to manage costs, however, enabled the Company to record a 6% growth in PBT during the year (without considering the dividend received in 2024/25 from inter-company).

The feed business has embarked on a significant capacity enhancement program to support future growth. The sector has initiated a 30% increase in mill capacity, with the additional output expected to come onstream in FY 2026/27. In parallel, upgrades to the existing feed pellet milling line are underway to improve production efficiency and elevate product quality.



Ekala Feed Milling Facility

DAY-OLD- CHICK (DOC) OPERATION

The DOC business remains closely tied to the broader poultry market, which is shaped by fluctuations in feed prices, consumer demand for poultry meat, and seasonal consumption trends. Lower feed prices during the year together with stronger consumer demand resulting from improving economic conditions in the country resulted in improved demand for the DOCs, resulting in a 12% growth in gross profits during the year. Despite increasing levels of competition CIC Feeds continues to maintain its leadership position in the segment by upholding consistent quality and fostering strong customer relationships. Responding to growth potential in the segment the Company increased DOC capacity by 8% through the investment in two new breeder houses.



DOC Production

POULTRY

The poultry segment delivered a turnaround performance during the year, supported by favourable demand conditions and higher market prices. Revenue increased primarily due to price-led growth, while cost of sales remained stable on the back of steady input prices. As a result, gross profit margins expanded contributing to a notable increase in profit before tax.

The Company continued to enhance distribution efficiencies by strengthening its marketing teams and shifting processed chicken sales from lower margin channels to higher margin channels. These initiatives supported improved profitability and reinforced the segment's route to market effectiveness.

Reinforcing our commitment to quality and safety, CIC Poultry achieved FSSC 22000 certification during the year. This globally recognised food safety standard affirms the robustness of our processing systems and our dedication to delivering safe, high quality poultry products.

Efforts to expand our product portfolio through the introduction of Besto Omega 3 enriched Eggs continued to deliver positive results, with the highest monthly sale of 43,300 packs achieved in March 2026. During the year, we continued to expand our value added egg presence across all major supermarket chains, strengthening brand visibility and accelerating category growth.



Besto Omega 3 enriched Eggs

VETERINARY CARE/ ANIMAL HEALTH

The veterinary care segment performed well during the year recording a revenue growth of 21% during the year. Revenue growth was driven mainly by volume growth due to strong demand for quality veterinary pharmaceuticals. Although margins continued to be pressured due to cost increases the Company was able to record an 8% growth in profits.



CIC Vetcare continued to expand its product portfolio introducing several new products such as Formycine Gold, Soothe & Shine Soap and Shampoo and Danna Supreme Cat Range. Asiavet also expanded its range with the introduction of a few new feed additives.

Introduction of Danna Supreme Cat Food



Herbal Soothe & Shine Soap

SECTOR REVIEW

LIVESTOCK SOLUTIONS

OUTLOOK

Opportunities	Risks
<p>Demand growth due to improving economic conditions as well as growth in tourism industry</p> <p>Growing consumer interest in value added offerings continues to drive strong momentum in the value added eggs segment.</p> <p>Emerging export opportunities</p> <p>Opportunity to grow market share in the non-integrators & organised market sectors of Feed & Poultry.</p>	<p>Volatility in global feed and raw material prices driven by climatic disruptions, crop failures, and geo political uncertainties continue to create significant price uncertainty.</p> <p>Increasing competition across all segments, driven by industry overcapacity and the growing backward integration of poultry farmers, continues to intensify pressure on market share and margins.</p> <p>Regulatory challenges particularly in relation to Veterinary segment</p> <p>Retaining market share in Sri Lanka's highly fragmented and competitive poultry industry.</p>

WAY FORWARD

As part of its forward agenda, the feed milling sector is prioritising key operational upgrades to support future growth and efficiency. Plans are underway to enhance storage capacity and replace the existing hammer mill to improve throughput and reliability. In parallel, the sector is exploring the installation of a 5MW rooftop solar system, reinforcing its commitment to energy efficiency and long-term sustainability.



Looking ahead, CIC Poultry will continue to strengthen its production and processing capabilities through a series of planned strategic investments. The Company intends to construct four new broiler cages to further expand rearing capacity, while also acquiring land to facilitate the future relocation of the processing plant to a more efficient and scalable site. In addition, capacity enhancement initiatives at the existing processing facility are planned to support growing demand. Together, these investments will reinforce long-term growth, efficiency, and competitiveness across the poultry value chain.



In the veterinary segment, the focus will remain on expanding the product portfolio by deepening relationships with principals and securing access to more advanced, high-quality formulations. Meanwhile the Company will continue to strengthen its distribution capabilities to expand market reach.



Performance Capital Management

ADVANCING

Strengths

Strength is built through the disciplined management of the capitals that underpin our business. Through continuous investment and development, we reinforce our foundations and sharpen our performance. This collective strength powers sustained growth and delivers enduring value to all our stakeholders.



FINANCIAL CAPITAL

Our strong financial position allows us to pursue our growth objectives whilst maintaining resilience in the face of external challenges. We continued to strengthen our financial performance and position during the year, by maintaining a sharp focus on cost optimisation, streamlining operations, and driving disciplined capital allocation to support sustainable growth and long-term stakeholder value.



Key Risks and Opportunities

Key Risks

- Impact of increasing interest rates on borrowing costs
- Impact of rising exchange rate on import costs and operations

Key Opportunities

- CIC's diversified portfolio enables it to tap into several revenue streams

Key Components of our Financial Capital



Strong Balance sheet

Diversified business portfolio that generates multiple, stable revenue streams

Stable operating cash flows

Prudent treasury and risk management practices

How we Created Value

Key Highlights



1.6Bn

Share of profit from equity accounted investees

0.30

Gearing ratio maintained despite increase in long term borrowings

15.8%

increase in Group Equity



Strategic Focus Areas

10.16%

growth in consolidated Group Revenue to

Rs. 91.7 Bn

8.39%

increase in Group Gross Profits and stable Gross Margins

Stable Operating Profit margins

at **13%**



Revenue enhancement through strategic portfolio management



Continued focus on cost optimization and Group wide cost synergies



Prudent management of financial investments



Optimizing working capital across the group



Maintaining adequate liquidity through effective cash

FINANCIAL PERFORMANCE

Revenue

Group consolidated revenue in FY 2025/26 amounted to Rs. 91.75Bn, a 10.16% increase compared to FY 2024/25. Revenue growth during the year was supported by resilient performances across all sectors.

	Crop Solutions			Agri Produce			Health and Personal Care			Industrial Solutions			Livestock Solutions		
Revenue (Rs. Bn.)	25/26	24/25	%	25/26	24/25	%	25/26	24/25	%	25/26	24/25	%	25/26	24/25	%
	37.3	33.1	13	6.3	5.8	9	19.4	18.4	5	8.8	8.0	10	19.6	17.7	11

In FY 2025/26 the Crop Solutions sector was the highest contributor to Group revenue accounting for 41% of total revenue. The Health and Personal Care sector and Livestock Solutions sectors followed with contributions of 21% each. The Industrial Solutions and Agri Produce sectors meanwhile accounted for 10%, and 7% of group revenue respectively.

In terms of revenue growth, the Crop Solutions sector recorded the highest year on year growth at 13%, followed by the Livestock Solutions sector at 11%. The Agri Produce and Industrial Solutions sectors posted growth 9% and 10% respectively while the Health and Personal Care sector recorded a year on year growth of 5% during the year. Further details of segmental performance are provided in the Portfolio section.

Gross Profits

Consolidated Gross Profits increased by 8.39% to Rs. 24.09 Bn during the year. Confronted with the unexpected climate disaster "Ditwah", Increasing levels of competition in the market ,tighter enforcement of regulatory requirements and continued inflationary pressures, the Group proactively adopted a more balanced and diversified product mix across sectors to protect profitability to maintain margins. Consequently, the gross profit margins were maintained at 26%, in line with the previous year.

Operating Expenses

Administrative expenses increased by 8.92% during the year. Distribution expenses meanwhile increased by 9.62% in FY 2025/26 compared to FY 2024/25. The increase in distribution expenses was on account of increasing marketing and publicity activities carried out during the year.

Operating Profits

Despite ongoing cost pressures, the Group maintained Operating Profit (EBITDA) at Rs. 13.5Bn, broadly in line with the previous year's level.

	Crop Solutions			Agri Produce			Health and Personal Care			Industrial Solutions			Livestock Solutions		
EBITDA (Rs. Bn.)	25/26	24/25	%	25/26	24/25	%	25/26	24/25	%	25/26	24/25	%	25/26	24/25	%
	4.8	4.8	0	0.4	0.6	(34)	3.4	2.5	37	1.9	1.7	15	2.7	2.3	19

Finance Expense

Group's net finance expenses including lease liabilities increased to Rs. 2.66Bn in FY 2025/26 from Rs. 2.3 Bn, reported during the same period last year, lower interest rates in the market during the year as well as the Group's focus on improved financial management enabled the Group to maintain the same level of net interest expenses.

Taxation

Income tax for the Group amounted to Rs. 3.17Bn in FY 2025/26 compared to the income tax of Rs. 2.88Bn during the previous financial year.

Profit Before Tax (PBT)

The Group recorded a Profit Before Tax (PBT) of Rs. 11.42Bn in FY 2025/26, compared to Rs. 9.2 Bn in FY 2024/25. The year on year improvement is primarily driven by resilient performances across all sectors, a stronger emphasis on export-led growth, and the solid contribution from equity accounted investees.

FINANCIAL CAPITAL

Profit After Tax (PAT)

The Group recorded a PAT of Rs. 8.25Bn for the FY 2025/26, compared to the PAT of Rs. 6.62Bn in FY 2024/25 due to the reasons explained above. The highest contribution to Group Net profits was from the Crop solutions sector (35%) followed by the Health and Personal Care sector (26%). The Industrial Solutions sector and Livestock Solutions sector contributed 22% and 19% while the Agri produce sector accounted for 1% of Group PAT during the year.

PAT (Rs. Bn.)	Crop Solutions			Agri Produce			Health and Personal Care			Industrial Solutions			Livestock Solutions		
	25/26	24/25	%	25/26	24/25	%	25/26	24/25	%	25/26	24/25	%	25/26	24/25	%
	2.9	3.1	(7)	0.05	0.6	(92)	2.1	1.4	50	1.8	1.5	16	1.5	1.2	22

FINANCIAL POSITION

Non Current Assets

Total Non-current Assets as at 31.03.2026 increased by Rs. 6.99Bn to Rs. 51.93Bn. During the year. Property Plant and Equipment which accounts for 30% of total non-current assets increased by Rs. 1.7Bn. Meanwhile Equity accounted investees which account for 67% of total non-current assets also increased by Rs. 5.4Bn resulting in the increase in non-current assets during the year. The increase in Equity accounted investees was on account of the investment in John Keells Holdings PLC.

Current Assets

Current assets as at 31.03.2026 amounted to Rs. 47.8Bn compared to Rs. 44.56Bn as at 31.03.2025 Higher levels of inventory and trade receivables resulting from the higher level of operations during the year contributed to the increase in the current asset position.

Non Current Liabilities

Non-current liabilities of the Group increased from Rs.5.1Bn at 31.03.2025 to Rs. 5.8Bn as at 31.03.2026. This was mainly on account of bank loans and long term leases obtained during the year by CIC Holdings PLC and its subsidiaries as a result of investments in PPE to enhance capacity.

Current Liabilities

Current Liabilities as at 31.03.2026 amounted to Rs.40.11Bn compared to Rs. 37.9Bn as at 31.03.2025. Almost 69% of current liabilities comprise of current portion of loans and liabilities obtained by Group companies.

Equity

Total equity increased by 15.8% to Rs. 53.8Bn as at the end of the current financial year, primarily driven by higher retained earnings (Rs. 41.41Bn) resulting from improved performance during the year and an increase in non-controlling interests resulting from strong performances of sectors which have higher non-controlling interest.

Gearing

Despite total borrowings increasing by 1.9Bn during the year the Group's gearing ratio at 0.30 remained broadly in line with last years levels due to the improved equity position during the year.

Cash Flow and Liquidity

Group Net cash flow from operating activities increased to Rs. 5.5Bn from Rs. 3.7Bn during the previous financial year. Net cash outflow from investing activities meanwhile increased to Rs. 6.7 Bn from Rs. 5.85 Bn in FY 2024/25. The outflow was mainly on account of further investments in associate company John Keells PLC (Rs. 4.17 Bn). During the year the Group recorded a net cash outflow from financing activities amounting to Rs. 563Mn. This was mainly as a result of further investments in associates and investments in Property Plant and Equipment . Consequently, the Net decrease in cash & cash equivalents during the Period amounted to Rs. 1.73 Bn compared to a net decrease of Rs. 1.3 Bn in the corresponding period last year.

SHAREHOLDER INFORMATION

CIC share performance

The CIC share price reached its peak on 3rd October 2025 and 7th October 2025 respectively (ordinary: Rs. 177 non-voting: Rs. 135) and ended the year with a share price of Rs. 29.90 (Ordinary) and Rs.24.00 (non- voting). Average daily trading volume was Rs. 46.9Mn (ordinary) and Rs. 35.5Mn (non-voting). Foreign ownership of ordinary and non-voting shares stood at 0.3% and 2.5%, respectively, at the end of the year.

On 13th October 2025, shareholders unanimously passed a special resolution at the Extraordinary General Meeting approving the sub division of shares on a 1:5 basis. Accordingly, the number of shares of the Company increased, while the value of the stated capital remained unchanged during the year.

As at end of 31 March	Number of Shares	
	2026	2025
Ordinary Shares	1,458,000,000	291,600,000
Non-Voting (Class X)	437,400,000	87,480,000
Total	1,895,400,000	379,080,000

SHAREHOLDER RETURNS

Earnings per share (EPS) for the year stood at Rs. 3.64 post sub-division, compared to Rs. 2.87 (Prior to sub-division 14.36) in FY 2024/25. The increase was due to strong profitability during the year.

Net Asset Value (NAV) per share increased to Rs. 24.47 as at end-March 2026 from Rs. 21.17 (post sub-division) as at the end of the previous financial year, indicating a stronger balance sheet and improved shareholder value.

OUTLOOK

Going into FY 2026/27, the Group's priorities will revolve around achieving greater operational discipline through a continued focus on cost optimisation. A continued emphasis on portfolio management will support margin expansion in the period. Meanwhile working capital management will remain a key priority to maintain adequate liquidity levels. These priorities will support resilience in a dynamic operating environment while enabling the Group to safeguard profitability and sustain growth momentum.





MANUFACTURED CAPITAL

The stability and quality of CIC's Manufactured Capital play a critical role in the value creation process, enabling consistent, high-quality production and supporting reliable operations across diverse business segments. The Group is committed to strategically enhancing this asset base through focused investments that drive productivity, support growth and promote environmentally responsible operations. This strong foundation positions CIC for sustainable growth and long-term resilience.



Key Risks and Opportunities

Key Risks

- Breakdowns, maintenance issues or supply chain disruptions may affect continuity of operations and output levels.
- Extreme weather conditions and climate variability may impact farms, plantations and physical infrastructure

Key Opportunities

- Adoption of advanced technologies can improve efficiency, reduce costs and enhance product quality.
- Investing in energy-efficient and environmentally sustainable infrastructure can reduce costs and support ESG goals.

Key Components of our Manufactured Capital



Physical Infrastructure including operational facilities, manufacturing plants, sales offices and warehouses

Rs 15.7Bn Property, Plant and Equipment

Technological resources including IT Systems and digital platforms

Utilities and supporting Infrastructure including energy systems etc.

How we Created Value

Key Highlights



Improvement in productivity driven by process optimization and automation

0.92times

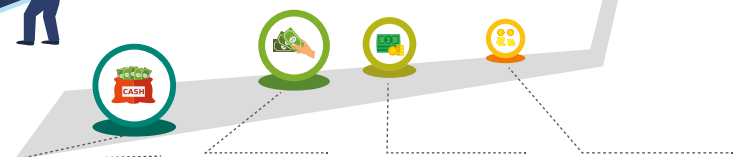
Asset Turnover Ratio

Rs 2Bn

Total CAPEX Investment



Strategic Focus Areas



Asset modernization and optimization to drive efficiency, enhance productivity and support improved performance.

Strategic capacity enhancement across core business segments to meet growing demand and improve scalability.

Prioritizing resilient operations while upholding the highest standards of safety and regulatory compliance across all segments.

Advancing sustainable practices by focusing on resource efficiency, environmental stewardship and long-term value creation.

OUR MANAGEMENT APPROACH

CIC adopts a disciplined and structured approach to managing its Manufactured Capital, aimed at ensuring the reliability, efficiency and longevity of its asset base across its diversified portfolio of operations. Capital expenditure decisions are guided by a robust allocation framework designed to address operational requirements while promoting the efficient use of resources. Strong governance oversight further reinforces this process, ensuring that all investment decisions are aligned with the Group's strategic priorities and support its long-term growth ambitions.

THE GROUP'S MANUFACTURED CAPITAL

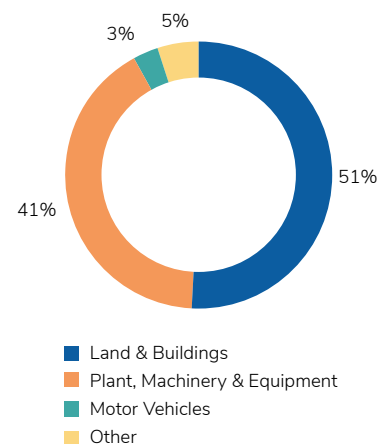
Manufactured Capital, representing 15.8% of the Group's total asset base, underpins our ability to deliver high-quality and innovative products to the market. It supports an agile and efficient supply chain that meets evolving customer expectations for speed, reliability and flexibility. The Group continues to strengthen its manufacturing capabilities through targeted investments in infrastructure, technology and quality assurance processes, thereby enhancing operational efficiency and reinforcing stakeholder confidence. An overview of the Group's Manufactured Capital is given below:

Manufactured Capital by Sector

Livestock Solutions	Health & Personal Care	Industrial Solutions
36% of PPE Rs 5.66Bn	19% of PPE Rs 2.98Bn	13% of PPE Rs 1.97Bn
12% of PPE Rs 1.91Bn	9% of PPE Rs 1.38Bn	
		9% of PPE Rs 1.38Bn

The Livestock sector represents the largest share of the Group's Manufactured Capital, accounting for 36% of Property, Plant and Equipment reflecting its scale and strategic importance. The Health & Personal Care sector contributes 18.9% of PPE, underscoring the inherently capital-intensive nature of its operations. The Industrial Solutions sector accounts for 12.5% of PPE, while the Crop Solutions and Agri Produce sector account for 12.1% and 8.8% of PPE respectively, supporting the Group's integrated and diversified portfolio.

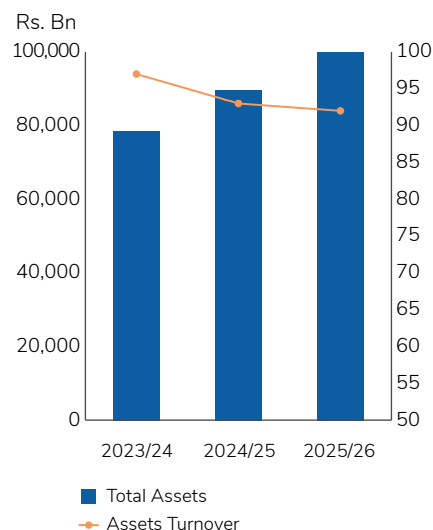
Fixed Assets by Type



Total Fixed Assets of the Group amounted to Rs 15.7Bn as at 31st March 2026.

Land and buildings constitute 71.2% of the Group's manufactured capital, encompassing plantations and farmlands, warehousing infrastructure, manufacturing facilities and other operational premises, reflecting the scale and asset intensity of our operations.

Asset Turnover

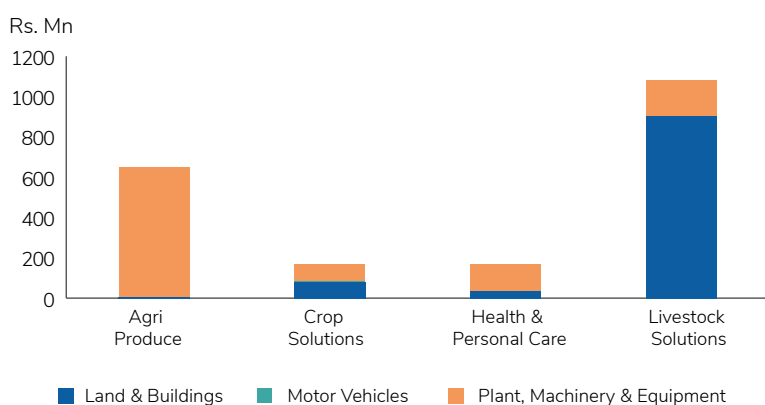


MANUFACTURED CAPITAL

INVESTING FOR RESILIENT GROWTH

The Group continued to invest strategically in capital expenditure to strengthen operational resilience and support long-term growth. Total CAPEX investment amounted to Rs 2Bn during the year, encompassing capacity expansions, upgrades to processing and storage infrastructure and investments in advanced machinery. These investments reflect the Group's ongoing commitment to enhancing production capabilities, improving resilience and supporting sustainable growth across its diversified portfolio. Details of CAPEX investments undertaken across each sector during the year are outlined below:

CAPEX by Sector



CAPEX during the year	
<p>Livestock Solutions 52% of Group CAPEX</p> <p>Capital investments focused on capacity expansion and process efficiency, including the installation of advanced processing machinery, development of breeder houses and feed milling capacity and the strategic acquisition of a 35-acre poultry farm in Madurankuliya, complemented by cold storage infrastructure upgrades.</p>	<p>Agri-Produce 31% of Group CAPEX</p> <p>CIC is strategically focused on the specialty and healthy rice market, where demand is increasing due to economic recovery, tourism growth, and rising health awareness. With its R&D capability CIC Agri Produce Export invested Rs. 583mn to expand the milling capacity at Maho doubling the output from the current levels.</p>
<p>Crop Solutions 8.18% of Group CAPEX</p> <p>Investments were directed towards store expansions and factory upgrades, including new raw material storage facilities, as well as laboratory and production equipment.</p> <p>Strengthened its capabilities through investments in seed processing, drying and cold room modifications, alongside branding initiatives.</p>	

MAINTENANCE AND ASSET INTEGRITY

The Group places strong emphasis on the effective maintenance of its manufactured capital to preserve asset quality and integrity across its diversified operations. This is achieved through well-established maintenance practices, supported by regular inspections and continuous monitoring across all assets and facilities. Continuous investments in upgrades and modernisation further enhance operational resilience and efficiency. These efforts are complemented by adherence to stringent health, safety, environmental and regulatory standards, ensuring that all assets are maintained in a manner that safeguards operational integrity, minimises disruptions and supports sustainable long-term value creation.

(Further details on the standards and certifications adhered to by the Group are available on page 106 Intellectual Capital of this Report)

PROTECTING OUR MANUFACTURED CAPITAL

Protecting manufactured capital is integral to ensuring long-term resilience across the Group's diversified operations. The Group places significant emphasis on safeguarding its physical assets from risks arising from natural disasters and other unforeseen disruptions through comprehensive risk management practices. These include periodic risk assessments, targeted mitigation strategies and scenario-based contingency planning designed to minimise potential damage and enable swift response. This proactive approach ensures that the Group is well-positioned to maintain business continuity in the face of unexpected challenges.

GREENING OUR FOOTPRINT

CIC remains mindful of its environmental impact and integrates sustainability considerations into the management of its manufactured capital. Efforts are focused on advancing energy-efficiency through modern technologies, increasing adoption of renewable energy sources across operational sites and incorporating environmentally responsible design principles into infrastructure development.

In parallel, enhanced waste management practices, including the operation of advanced wastewater treatment facilities, further support responsible resource utilisation. Collectively, these measures contribute to minimising environmental impact while promoting sustainable and efficient operations across the Group's asset base.

OUTLOOK

The Group will continue to strengthen its manufactured capital base through targeted upgrades, capacity enhancements and the adoption of advanced technologies to improve efficiency, quality and operational agility. Focus will extend to optimising asset utilisation, improving energy efficiency and aligning infrastructure development with evolving market demands and sustainability priorities, thereby driving long-term value across the Group's diversified portfolio.

Solar Installations across sectors

330kW
Health & Personal Care

385kW
Agri-Produce

3,860kW
Livestock



INTELLECTUAL CAPITAL

Intellectual Capital is a key contributor to the CIC Group's business growth, resilience and long-term competitiveness, enabling informed decision-making and agile responses to market dynamics. The Group continues to strengthen and nurture its Intellectual Capital base through research, digital transformation and knowledge management, enabling the development of customer-centric and innovative solutions across its diversified portfolio while reinforcing the credibility of the CIC brand.



Key Risks and Opportunities

Key Risks

- Reputational risk across diversified portfolio as issues in one business segment can negatively affect the overall CIC brand
- Knowledge loss due to employee attrition

Key Opportunities

- Opportunity to build brand equity around sustainable farming, food security and responsible science
- Well designed processes enhance continuity during supply disruptions, climate events or policy shocks.

Key Components of our Intellectual Capital



The CIC Brand

Organizational Capital

Deep Tacit Knowledge of the Team

Advanced Research and Development Capabilities

Proprietary IT Systems, Standards and Processes

How we Created Value

Key Highlights



Average Length of Service of an Employee:

8.77 years

Over 40

Product Innovations/Introductions

Ongoing focus on cross sectoral knowledge sharing

Rs 474.1 Mn

Investment in R&D Capabilities

Rs 590.5 Mn

Spend on Brand Awareness

Rs 17.7 Mn

Cost Savings due to Process Improvements



Strategic Focus Areas



Preserving the Groups' status as a top tier conglomerate through the enhancement of brand value



Embedding a culture of innovation to drive sustainable growth.



Driving operational efficiencies through sustained investments in digital and IT capabilities.



Advancing sustainable practices by focusing on resource efficiency, environmental stewardship and long-term value

OUR MANAGEMENT APPROACH

We place significant emphasis on sharpening our intellectual capital base as it plays a critical role in differentiating ourselves in the market. This includes building the brand, harnessing organisational tacit knowledge, investing in advanced technologies and nurturing a culture of continuous learning.

A TRUSTED BRAND

Grounded in its brand promise of “Nurturing Life”, the CIC brand remains a core pillar of the Group’s Intellectual Capital. The Group’s brand promise functions as a unifying philosophy across all subsidiaries, guiding collective efforts towards meaningful socio-economic development and reinforcing a shared sense of purpose. Through this aligned approach, CIC has strengthened its standing as a brand synonymous with trust, reliability and long-term value.

Ongoing investments in brand-building initiatives, including extensive communication and grassroots level customer engagement, continue to enhance awareness of the quality and integrity associated with CIC products. At the same time, a sustained focus on customer centricity, product responsibility, innovation and service excellence has enabled the Group to respond effectively to evolving market expectations, fostering brand loyalty and reinforcing CIC’s position as a trusted brand.

Brand Visibility

The CIC Group continues to maintain strong brand visibility, supported by its long-standing presence, diversified portfolio and consistent engagement across key sectors of the Sri Lankan economy. While a formal monetary brand valuation is not currently published, the Group’s brand strength continues to be independently validated, providing a strong indicator of its value and equity.

CIC Agri cluster was recognised as a Superbrand Sri Lanka in 2025, reflecting the high levels of trust, credibility and stakeholder confidence.

Awards and Accolades significantly impact brand visibility and reinforce CIC’s positioning in the market as a trusted and respected corporate entity.

Total awards (06) won. (refer Our Awards and Accolades below for more details).

The Group continued to strengthen its brand presence through a series of strategic brand -building initiatives, including television and radio campaigns, as well as enhanced digital marketing efforts aimed at expanding customer engagement across key markets. The expansion of its social media presence across multiple platforms further strengthened brand visibility and reach.

A Growing Social Media Footprint



CIC Agri cluster was recognised as a Superbrand Sri Lanka in 2025

INTELLECTUAL CAPITAL

OUR AWARDS AND ACCOLADES

CIC was honoured with several prestigious awards during the year. These accolades reflect achievements across diverse business segments, underscoring the Group’s continued commitment to excellence and a culture of continuous improvement. Key accolades received during the year are mentioned below.

Chemanex PLC

Chemanex PLC was recognised by its principal, BYK Additives & Instruments, with multiple partner excellence awards, including “Partner of the Year”, “Collaborator of the Year”, and “Star Performer”, in recognition of outstanding business performance, strategic collaboration and individual excellence.



Chemanex Award ceremony by BYK

Link Natural Products (Private) Limited

NCE Export Awards
2024/25

Gold Award in the Large Category of Pharmaceutical Products including Medicinal related Ayurvedic & Herbal Products Sector

Presidential Export Awards

Best Exporter 2024/25 under Herbal and Ayurveda Products Category

Responsible Care
Excellence Awards 2025

Silver Award in recognition of our commitment to responsible and sustainable operations across key areas including Material & Resource Efficiency, GHG Emission Reduction and Management, Chemicals Management, Water Efficiency, Energy Efficiency, and Health & Safety Management.



Link Natural-NCE Export Awards 2024/25

CIC Holdings -Public Health Division

Syngenta Professional Solutions Awards
2025 -

Overseas Excellence Award in recognition of outstanding performance and contributions to the sector for the 2nd consecutive year.



Syngenta Professional Solutions Awards
2025



Link Natural-NCE Export Award
2024/25

ORGANISATIONAL TACIT KNOWLEDGE

The Group’s organisational capital, underpinned by the tacit knowledge and experience of its people, plays a critical role in supporting operations by providing deep insights into market dynamics, driving strategic decision-making and fostering long-lasting relationships with key stakeholders.

Expertise of the Management Team

The strategic foresight, diverse expertise and deep industry insight of the Group’s management team enable the Group to navigate evolving market dynamics effectively, supporting sustained long-term growth.

Tenure of Service

Out of our team of 2,360 employees, 50% have completed more than 5 years of service with us, fostering their skills and expertise within the Group.



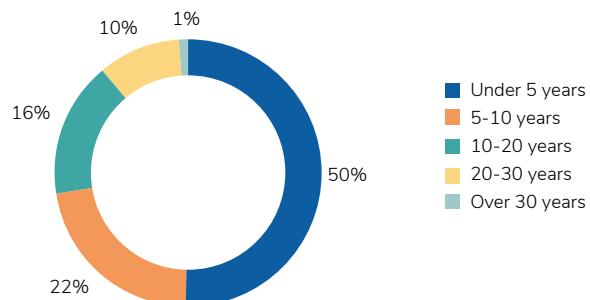
Culture of Integrity

Integrity and ethical conduct are deeply embedded within the Group’s organisational culture. The CIC Group Board sets the tone at the top, supported by a Board-approved Code of Conduct, ensuring that principles of integrity are consistently applied across all levels of the organisation.

Emphasis on Training and Development

The Group continues to harness the knowledge and skills of its workforce through ongoing investments in learning initiatives, talent mobility and the promotion of a mentoring culture that supports capacity building.

Tenure Analysis



INTELLECTUAL CAPITAL

SYSTEMS AND PROCESSES

Over time, the Group has finetuned its systems and processes to improve efficiency, optimise resource utilisation and accelerate the delivery of new products and services to market. We continue to transform how we do things through continuous process improvements and ongoing investments in IT infrastructure, enabling greater operational effectiveness and sustained value creation for customers. During the year, Rs 82.5Mn was invested to enhance our IT infrastructure.

The Group increasingly harnesses data analytics and emerging technologies to deliver timely, actionable insights that support robust decision-making and proactive risk management. This approach reinforces operational performance, ensuring the Group remains well positioned to adapt quickly to evolving market conditions.



Digital Transformation

The Group's ongoing digital transformation focuses on modernising core systems and strengthening process integration to support efficient, data-enabled operations.

- The implementation of a Sales Force Automation (SFA) system has enhanced sales effectiveness by streamlining processes, improving customer relationship management and increasing productivity.
- A comprehensive Human Resource Information System (HRIS) enables efficient people management across the organisation, supporting the employee lifecycle from recruitment through to performance monitoring.
- The integration of Power BI provides real time business intelligence and analytical capabilities, equipping teams with actionable insights to support strategic decision making and improved organisational performance.

Business Continuity

- The Group has established a comprehensive Business Continuity Planning (BCP) framework to manage potential disruptions and ensure uninterrupted operations.
- The framework is aligned with global best practices, and features a Primary Data Centre and a geographically separate Disaster Recovery (DR) Data Centre underpinned by a resilient technology infrastructure.
- This configuration enhances operational resilience, safeguards data integrity and enables swift recovery in the face of unforeseen events.

Cybersecurity & Data Privacy

- Given the increased thrust towards digital transformation, safeguarding our digital investments, ensuring uninterrupted functioning of our systems and maintaining confidentiality of information is a priority. The Group has strengthened its IT security infrastructure through a multi-layered approach, incorporating advanced cybersecurity measures. Key measures include:
 - Firewalls, intrusion detection and encryption protocols to protect against cyber threats
 - Regular security audits and risk assessments to reinforce compliance
 - Ongoing training, awareness programs and mock simulations to promote a culture of vigilance and accountability amongst employees

STANDARDS AND CERTIFICATIONS

The Group has obtained a range of domestic and international accreditations and certifications that span areas relating to product quality, health and safety and sustainability. These certifications serve as reassurance to stakeholders on the credibility of the Group's operating practices and their commitment to delivering high quality products and services. They also enable effective benchmarking against industry best practices and support the continuous enhancement of processes.

Standard/ Certification	Crop Solutions	Agri Produce	Industrial Solutions	Health and Personal Care	Livestock Solutions
ISO 9001:2015 Quality Management Systems	✓		✓	✓	✓
ISO 14001:2015 Environmental Management Systems	✓		✓	✓	✓
ISO 22000:2018 Food Safety Management Systems		✓	✓	✓	✓
ISO 22716:2007 Good Manufacturing Practices				✓	
ISO 45001:2018 Occupational Health and Safety Management Systems	✓		✓	✓	✓
ISO 50001:2018 Energy Management System				✓	
FSSC 22000 Food Safety System Certification		✓	✓	✓	✓
Halal Certification		✓	✓	✓	
Halal for GCC countries				✓	
KOSHER				✓	
FDA Export Certificate		✓		✓	
SMETA Sedex Members Ethical Trade Audit			✓		
EPL (Environmental Protection License)	✓	✓	✓	✓	
Scheduled Waste	✓	✓	✓		
Pest Control Service License		✓			
Trade License	✓		✓	✓	
Fire Certificate	✓		✓	✓	
ROP License for Biocides			✓		
HACCP				✓	
GMP Food			✓		✓
GMP Healthcare				✓	
GMP Cosmetics				✓	
SLS 275:2014, SLS 276: 2013				✓	
SLS 1336 : 2017 Single use containers made of polymeric materials for packaging of drinking water			✓		

INTELLECTUAL CAPITAL

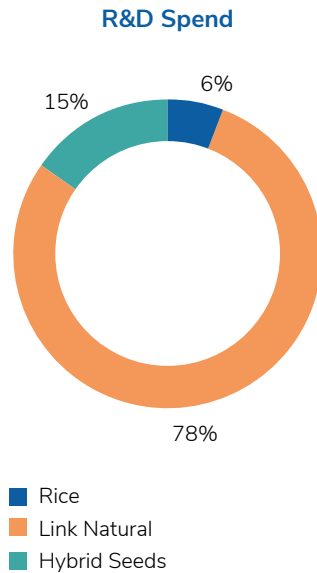
RESEARCH AND DEVELOPMENT CAPABILITIES

The Group's research and development capabilities underpin its ability to sustain innovation and maintain a competitive advantage across its diverse portfolio. Most Strategic Business Units (SBUs) operate dedicated research and development functions, ensuring that innovation initiatives are closely aligned with the specific market dynamics, customer requirements and strategic priorities of each business. Supported by advanced technologies, robust infrastructure and a highly skilled team, the Group's R&D capabilities enable the development of innovative, high-quality products that meet evolving market demands and customer expectations.

Strategic collaborations with academic institutions, research organisations, technology partners and principals further enhance these capabilities by providing access to cutting edge knowledge, technical expertise and global best practices. These partnerships foster continuous innovation, accelerate product development and enhance the delivery of high impact, market relevant solutions. In addition, the Group invests in both local and international training programs for its R&D scientists, further enhancing their technical knowledge and capabilities

(Refer Our Innovation Pipeline below for Product Innovations during the year)

Focused investment in research and development is particularly evident in the health and personal care, rice, and hybrid seed production segments, where innovation plays a critical role in driving differentiation, quality and sustainable growth.



Enhancing R&D Capabilities

Link Natural established a dedicated Biological Assay Unit during the year to conduct in-house efficacy, safety and bioactivity testing of herbal formulations, enhancing product validation and regulatory compliance.

The design of a Sensory Testing Laboratory aimed at supporting New Product Development (NPD) and product enhancement, was also completed during the year and is now ready for construction.

Total R&D Spend in 2025/26:

Rs 474.1Mn

OUTLOOK

The Group will continue to invest in strengthening its digital infrastructure to support innovation, knowledge sharing and operational efficiency. Ongoing adoption of global best practices will drive operational efficiency and product excellence across business segments, while focused efforts to enhance brand visibility will further strengthen the Group's market positioning.

OUR INNOVATION PIPELINE

Besto Omega-3 Eggs

The Poultry segment introduced Besto Omega-3 eggs which are nutrient-dense eggs produced by hens fed and all-vegetarian diet free from antibiotics, hormones and animal by-products.



Hybrid Fertilizer Mixtures

The Group's specialty fertilizer arm Unipower (Private) Limited introduced improved hybrid fertilizer mixtures targeting specific nutrition deficiencies.



Slow-Release Urea

CIC Agri business introduced a treated slow-release urea product, named "Vibelsol", and a product combining compounds and blends for key crop segments during the year.



STG 300

CIC Seeds launched a new corn hybrid, STG 300 during the year. This product is expected to deliver superior yields under local conditions.



Nico

The plant protection segment introduced Nico, a new maize herbicide during the year



Superbond CG33, CG43 and Chemacryl 2010

The above innovative products were introduced by the Industrial Solutions sector during the year.



Sticky Rice (Savandara)

The rice sector expanded its product portfolio through the launch of Sticky Rice, targeting niche market demand.



Earth Essence Herbal Micellar Water

The Personal Care sector launched a unique herbal solution for gently removing makeup and impurities while keeping the skin's natural moisture protected and refreshed.



Jelly Collagen

CIC Diaries launched Jelly Collagen during the year, the latest addition to its dairy dessert range.



WoundClot Surgical and WoundClot Trauma Gauze

CIC Medical Devices unit launched WoundClot Surgical to control bleeding during surgeries and WoundClot Trauma Gauze to stop bleeding from wounds.



Inosita-Plus and Sita-Met

CIC Pharmaceuticals launched Sri Lanka's most anticipated diabetes combination therapy first to the island, reaffirming its leadership in pioneering innovations.





HUMAN CAPITAL

Human Capital is a key driver of long-term value creation for CIC. The skills, expertise and commitment of our people enable the Group to deliver innovative solutions, achieve operational excellence and consistently fulfill the CIC Brand promise across its diverse business portfolio. The Group is committed to attracting, developing and retaining a high-performing and engaged workforce through a holistic employee value proposition that drives performance, resilience and sustainable outcomes for all stakeholders.



Employee related key Risks and Opportunities

Key Risks

- Talent retention in a dynamic and competitive labour market
- Availability and acquisition of specialised talent

Key Opportunities

- Capitalising on the strength of the CIC brand to reinforce employer branding efforts and enhance the attraction of skilled talent
- Leveraging CIC's experienced talent base to accelerate upskilling and reskilling initiatives and build a resilient, future-ready workforce.

Key Components of our Human Capital



Pool of **2,360** employees across diverse

Combined experience and industry knowledge of the CIC team

Rs 68Mn investment in Training and Development

Female representation of **20%**

How we Created Value

Key Highlights



Rs 5.4Bn

as payments to Employees

Rs 38.8Mn

Revenue per Employee



Strategic Focus Areas

4.3

hours of Training per Employee

83%

Employee Retention rate



Ensuring robust HR policies and a structured governance framework that embraces diversity and inclusion across the Group.

Building a strong leadership pipeline through structured succession planning, supported by targeted opportunities for learning and development

Sustaining a motivated workforce through competitive benefits and a performance driven culture where high performers are recognized and rewarded.

Ensuring the overall wellbeing of employees through stringent health and safety measures as well as active employee engagement.

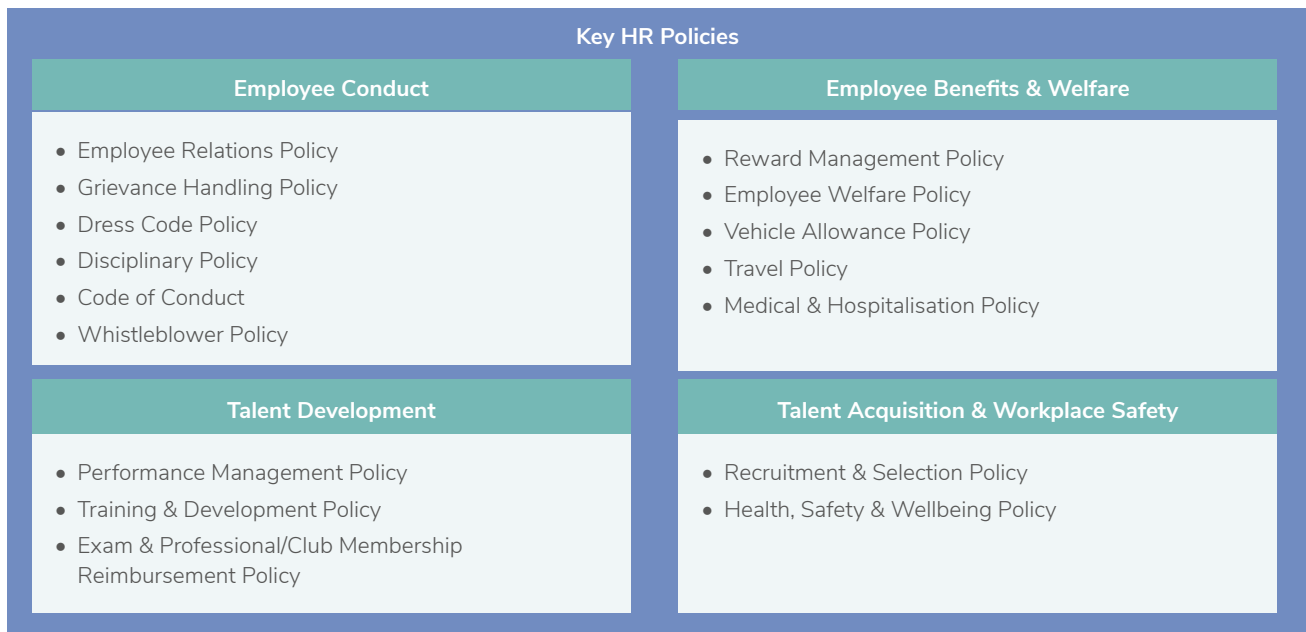
OUR MANAGEMENT APPROACH

The Group's human capital management approach is underpinned by a comprehensive framework of HR policies and procedures benchmarked against industry best practices. HR governance is managed centrally by CIC Group HR, enhancing consistency, effectiveness and alignment of HR practices across the Group. This centralised approach supports the development of a high-performing workforce and reinforces the integration of human capital strategies with the Group's overall strategic objectives.

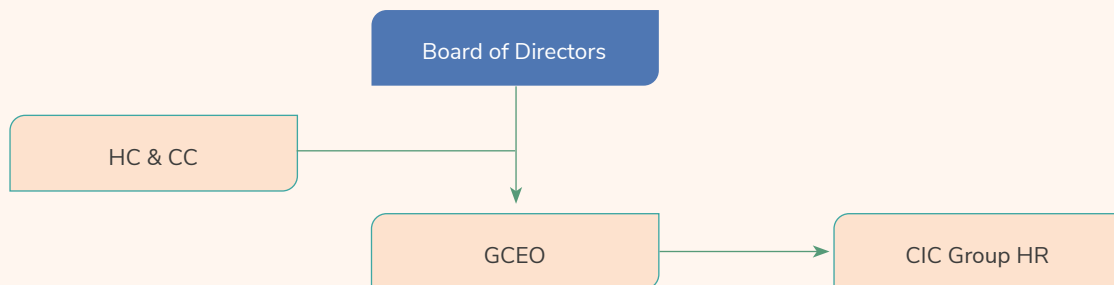
The Group ensures strict regulatory compliance to the following labour laws and regulations.

- Shop and Office Employees (Regulation of Employment and Remuneration) Act, No 19 of 1954 and its amendments
- Factories Ordinance No 45 of 1942 and its amendments
- Employees Provident Fund Act and its amendments
- Payment of Gratuity Act No 12 of 1983
- Maternity Benefits Ordinance No 32 of 1939 and its amendments
- National Minimum Wage of Workers (Amendment) Act No.11 of 2025

There were zero incidents of non-compliance with labour laws, incidents of reported child labour/ forced or compulsory labour during the year.



HR Governance Structure



Group HR is led by the Group Head of HR, who is responsible for the development and execution of the HR strategy and ensuring compliance with applicable labour laws and regulations.

The Group Head of HR provides operational HR updates to the GCEO, while policy and compliance matters are reported to the Board Human Capital & Compensation Committee (HC & CC) and the Board of Directors.

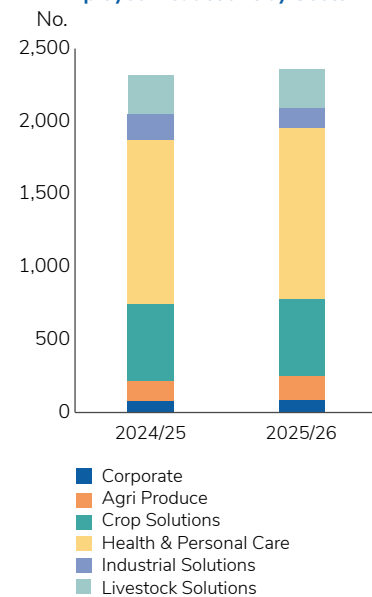
HUMAN CAPITAL

CIC TEAM PROFILE

Comprising over 2300 employees, the CIC team possesses the skills, capabilities and values required to drive the Group's strategic goals. As an equal opportunity employer, the Group is committed to providing a fair and inclusive workplace and does not discriminate against employees on the basis of gender, religion, race or any other personal characteristic. The profile of our team is presented below:

Employment Type	Permanent	Contract	Total
Total	2297	63	2360
By Gender			
Male	1837	53	1890
Female	460	10	470
By Region			
Western	1299	41	1340
Central	306	4	310
Sabaragamuwa	166	0	166
Southern	137	2	139
Eastern	54	1	55
North-Central	107	6	113
Northern	31	1	32
North-Western	134	5	139
Uva	63	3	66

Employee Headcount by Sector

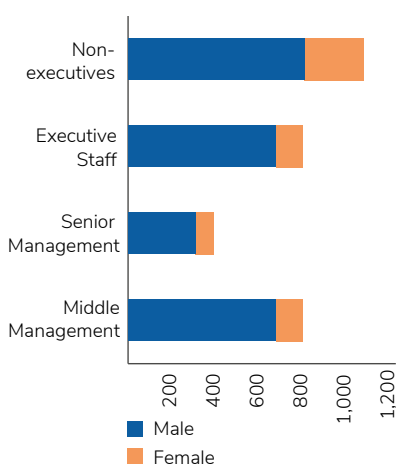


payroll, leave and performance processes. Conducted annually, manpower requirements proposed by cluster heads are reviewed and approved by the Group Head of HR.

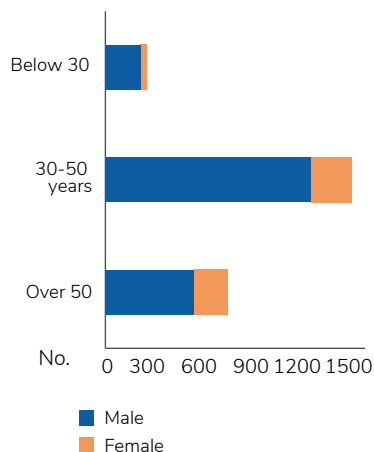
TALENT ATTRACTION, RETENTION AND TURNOVER

Recruitment across the CIC Group is guided by a structured Recruitment Policy designed to attract and retain high-calibre talent, aligned with the Group's core values. Benchmarked against international best practices, the policy emphasises merit-based, equitable and inclusive recruitment. It also outlines specific provisions for local hiring, aiming to ensure that a significant portion of executive and managerial roles at the Group's production facilities are filled by individuals from the surrounding community, while sourcing casual labour locally for farm operations on an as-required basis.

Designation by Gender



Age Analysis by Gender



MANPOWER PLANNING

At CIC, manpower planning is a structured process that ensures business units across the Group are adequately resourced to meet current and future business needs. By assessing existing workforce capabilities and forecasting staffing requirements, the process enables the identification

of skills gaps and informs targeted recruitment, succession planning and employee development initiatives.

This process is supported by the Group's Human Resources Information System (HRIS), which provides reliable workforce data through the effective management of employee records,

The Induction Programme

New employees participate in a structured onboarding and induction programme designed to support effective integration into the organisation. The programme includes a comprehensive corporate orientation, supplemented by role and department specific onboarding, including factory floor orientation where applicable, to ensure employees gain a clear understanding of their responsibilities.

The Group's recruitment policy encourages internal talent mobility by providing existing employees with opportunities to apply for vacant positions, thereby supporting career progression and retention.

In line with international standards, the selection process comprises job analysis, competency based interviews and psychometric assessments to evaluate skills, experience and cultural fit. All new recruits undergo a six month probationary period, after which

employees are either confirmed in their roles or supported through structured mentoring to address development needs.

To meet staffing requirements across its operations, the Group engages multiple labour contractors under formal agreements that are reviewed annually to ensure compliance with applicable labour laws, including the proper handling of all statutory payments and obligations.

Amid trends in overseas labour migration, talent attraction and retention remain key priorities for the Group. During the year under review, the Group successfully met its talent requirements through the provision of meaningful career opportunities, supported by a targeted and structured talent retention strategy.

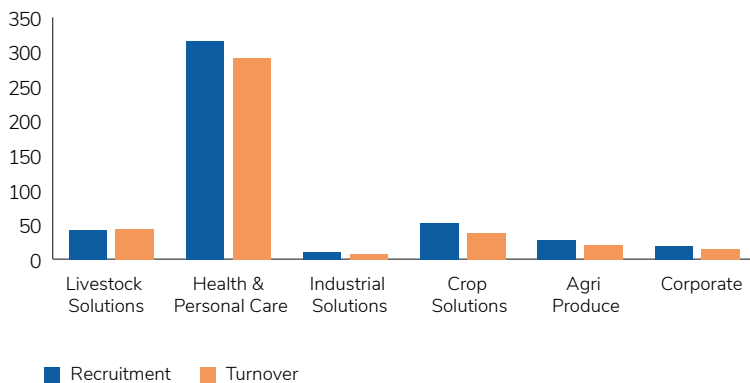
Competitive compensation and benefits benchmarked against industry standards, supported by regular salary reviews to ensure continued market alignment

Local and international learning opportunities designed to enhance employee capabilities, technical expertise and leadership skills

Career progression, promotions and targeted development opportunities aimed at retaining high-potential employees and strengthening the Group's leadership pipeline

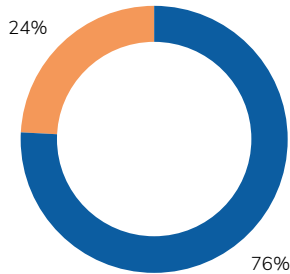
Collaborations with leading local universities to develop a sustainable talent pipeline

Recruitment & Turnover by Sector



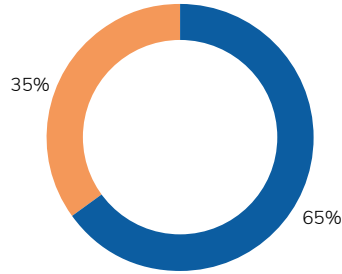
HUMAN CAPITAL

Recruitment by Gender



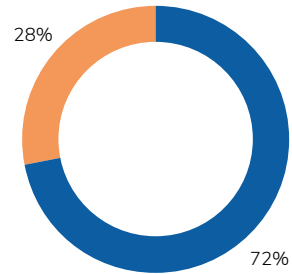
- Male
- Female

Recruitment by Age



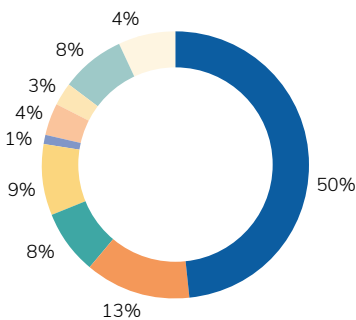
- Below 30
- 30-55
- Over 55

Turnover by Gender



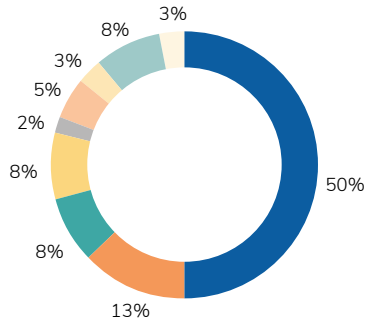
- Male
- Female

Recruitment by Region



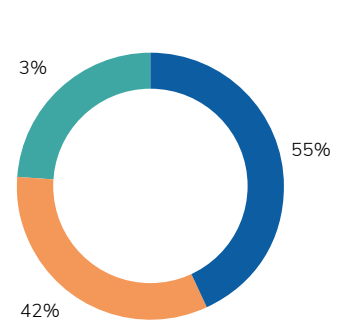
- Western
- Central
- Sabaragamuwa
- Southern
- Eastern
- North-Central
- Northern
- North-Western
- Uva

Turnover by Region



- Western
- Central
- Sabaragamuwa
- Southern
- Eastern
- North-Central
- Northern
- North-Western
- Uva

Turnover by Age



- Below 30
- 30-55
- Over 55

STRENGTHENING REMUNERATION AND REWARDS

CIC adopts a transparent, unbiased and consistent approach to remuneration, integrating both financial and non-financial incentives to recognise, motivate and retain employees. While remuneration structures may vary across business clusters, the Group regularly undertakes market research and benchmarking exercises to ensure its compensation practices remain

competitive and aligned with industry standards. Governance oversight is provided by the Board Human Capital and Compensation Committee, which periodically reviews salary structures and recommends revisions for Board approval prior to implementation.

During the year, the Group progressively recalibrated its total rewards architecture, ensuring that rewards are more closely aligned with

individual performance outcomes, while maintaining robust calibration mechanisms to mitigate rating inflation. In line with this approach, the criteria for annual salary increments have been revised, with increments determined solely by individual performance levels. Complementing remuneration, the Group offers a range of statutory and supplementary benefits designed to enhance overall employee wellbeing.

Supplementary Benefits	
Surgical & Hospitalisation cover and outpatient claims	Vehicle Loans
Life Insurance	Employee Discounts
Annual Health Checkups	Travel Allowances/ Reimbursements
Further studies and Professional membership claims	Foreign Training Opportunities
Funeral Grant Scheme	Recognition for Long Service

PERFORMANCE MANAGEMENT

The Group reinforces a performance-driven culture, with all permanent employees being subject to a structured annual performance appraisal based on pre-determined key performance indicators. The outcomes of the appraisal process directly affect key people decisions, including salary increments, promotions and targeted training and development interventions.

Initiatives are currently underway to digitise the Group's performance management lifecycle, including goal setting and annual appraisals, through the integrated HRIS. This transformation was initiated for AGM and above grades in FY 2025/26 and will be progressively extended across all employee segments in the coming year, enhancing consistency, transparency and data-driven decision making across the Group.

DEVELOPING OUR CAPABILITIES

Providing opportunities for training and development is a key component of the Group's HR strategy. The Group's Training and Development Policy is designed to build a skilled, adaptable and agile workforce

capable of supporting the growth and complexity of CIC's diverse operations. Training and development needs are primarily identified through the annual performance appraisal process, complemented by ongoing performance reviews and evolving business and growth priorities of each SBU, ensuring alignment with both individual and organisational objectives.

During the year, the Group adopted a balanced approach to capability development, with targeted investments in leadership development, business and functional skills and employee wellbeing. These initiatives support the Group's objective of building a future-ready leadership pipeline, strengthening its employer brand and fostering a culture of continuous learning and high performance.

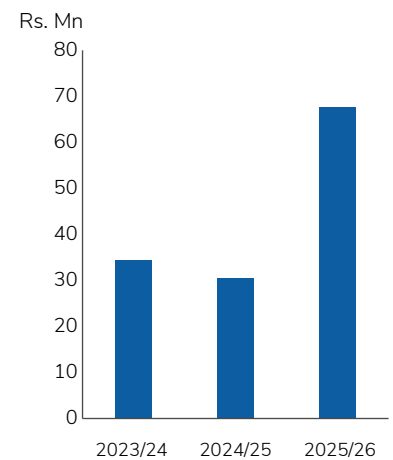
Total Training Hours

10,188

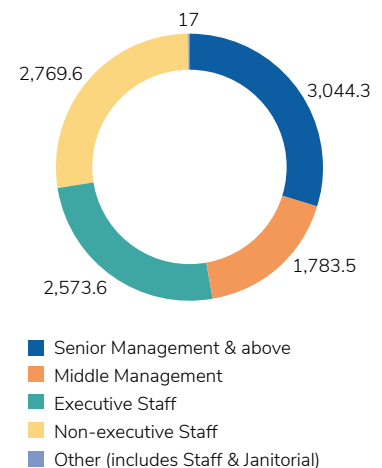
Training Participation

854

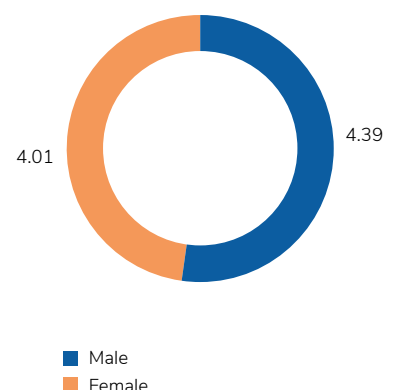
Investment in Training and Development



Total Training Hours by Category



Average Training hours by Gender



HUMAN CAPITAL



For the key leadership team at CIC Pharmaceuticals

- CIC Holdings PLC, in collaboration with the Postgraduate Institute of Management (PIM) implemented the Strategic Leadership Development Program (SLDP) under the theme of 'Agri-innovate: from Soil to Shelf- the Value Creation Journey' featuring an International Exposure Program for selected senior managers of the Agri Cluster, in partnership with Kasetsart University, Thailand, strengthening global insights and sector-specific expertise.
- Marine insurance awareness training conducted by the CIC Logistics team to strengthen understanding of marine and cargo insurance among **cross functional teams engaged in international trade.**
- Structured employee wellness programme promoting physical and mental health **Benefitted over 220 employees across the Group**

Key Training Programs

- Global Business Skills Training Programme delivered by Hardskills Pte. Lt **54 middle management employees from across the CIC Group**
- Global Advanced Management programme jointly offered by Indian School of Business and the National University of Singapore **For selected employees at the senior leadership level**
- Emerging Leaders Programme conducted in collaboration with the Indian School of Business **Conducted for high potential leaders at CIC Health Care**
- Targeted leadership coaching



Emerging Leaders Programme

Succession Planning

Succession planning remains a key focus area for the Group, supporting business continuity through the strengthening of critical talent capability and leadership continuity. During the year, a structured and forward-looking succession planning framework was implemented, with emphasis on identifying high-potential employees and strengthening leadership readiness for critical roles.

ENSURING HEALTH, SAFETY AND WELLBEING

CIC Group is committed to the zero-injury principle, adhering to stringent health and safety policies while taking all possible precautions to reduce workplace risks, in compliance with safety regulations. The Group has implemented a comprehensive Occupational Health and Safety (OHS) management system aligned with the ISO 45001 standard, aimed at safeguarding the health and safety of employees across its diverse business sectors.

Alongside physical health and safety, the Group places particular focus on employee well-being, recognising the challenges posed by the current operating environment and pressures on living standards. During the year, structured wellness initiatives were implemented to sustain employee productivity and engagement, including the introduction of a mental wellness awareness programme in partnership with a local healthcare provider. This holistic approach supports the development of a resilient, well rounded and high performing workforce aligned with the Group’s long term growth objectives.

The OHS framework incorporates systematic risk assessments, proactive hazard identification and effective incident management processes. A strong emphasis is placed on continuous improvement through regular audits, structured training programs and active stakeholder engagement, ensuring the system remains relevant and effective. Implementation of the safety system at plant level is overseen by a cross functional plant safety team, supported by a dedicated safety officer. In addition, employees at production sites are covered under workmen’s compensation insurance.

OUR HEALTH AND SAFETY MECHANISMS

Key Safety Measures

- All Group locations are equipped with mandatory fire safety systems
- Emergency response procedures were strengthened through bi-annual fire drills and evacuation exercise
- Monthly safety toolbox meetings are held to reinforce safe work practices
- PPE compliance was strengthened through real-time monitoring by safety officers.

Training and Awareness

- Regular safety training sessions covering fire safety, first aid, workplace hazards and chemical handling promote a strong culture of safety awareness across the workforce.
- Safety training encompasses all employees, including contracted labour and casual workers.
- Near-miss reporting is actively encouraged and incentivised, supported by employee engagement initiatives aimed at strengthening health and safety awareness.

Health and Safety Record in 2025/26	No.	Rate
Fatalities due to work-related injuries	Nil	0%
High consequence work-related injuries:	Nil	0%
Recordable work-related injuries	Nil	0%
Lost days due to injuries	Nil	0%



Empowering Women at CIC – International Women’s Day 2026

HUMAN CAPITAL

ACTIVE EMPLOYEE ENGAGEMENT

The Group maintains a range of engagement mechanisms to effectively address employee concerns and foster a workplace culture where individuals feel valued and respected.

In addition, the Group actively promotes employee engagement through informal initiatives and events held throughout the year. These activities contribute to enhancing employee motivation, strengthening morale and promoting a healthy work-life balance. A few employee engagement activities conducted during the year are mentioned below.



Breast Cancer Awareness Session



Strategic Leadership Development Program (SLDP) with the Postgraduate Institute of Management (PIM)



Mental Health Awareness Session at CIC Holdings PLC



CIC Holdings PLC shines at 40th Mercantile Athletics



CIC Holdings PLC shines at 30th Thailand Masters Athletics Championships

GRIEVANCE HANDLING

The Group’s Grievance Handling Policy provides a fair, transparent and timely mechanism to identify, assess and resolve employee concerns. A structured escalation process is in place for unresolved grievances, commencing with the immediate supervisor and progressing through higher management levels up to the Group Head of HR for final resolution.

The policy also facilitates the handling of sensitive matters through designated HR representatives, ensuring confidentiality throughout the process. Employees retain the right to withdraw grievances at any stage, while the Group remains committed to achieving equitable and satisfactory outcomes. Line managers play a key role in fostering open communication and proactively addressing concerns, with HR providing oversight to ensure consistency, timely resolution and proper documentation.

LABOUR RELATIONS

During the year under review, there were no material issues relating to employees or industrial relations requiring disclosure. No incidents related to violations of the right to freedom of association were reported. The Group ensures that all employees are given a minimum notice period of 4 weeks prior to any significant operational changes.

DIVERSITY AND INCLUSION

The Group is committed to cultivating a diverse, equitable and inclusive workplace that is free from all forms of discrimination, supported by policies and procedures that ensure fair and consistent treatment for all employees. As a multi-faceted conglomerate, the Group recognises diversity as a key driver of innovation and success, fostering a culture that respects differences and values each individual’s unique perspectives

During the year, there were zero reported incidents of discrimination

OPEN DOOR PHILOSOPHY

The groups open door philosophy encourages employees to freely raise concerns, share feedback and contribute ideas in an environment built on mutual respect and collaboration.

HUMAN CAPITAL

GENDER PARITY AT CIC

Policy and structural enablers that promote gender parity

Our HR policy framework, practices and organisational culture drives gender parity across the organisation. This commitment is reinforced through structured recruitment processes, talent development initiatives and policies that promote fairness, equal opportunity and inclusive career progression.

Conducive Policy Framework

Diversity & Inclusion	Remuneration	Workplace Culture
<ul style="list-style-type: none"> • Equal opportunity employer • Diversity practices in place 	<ul style="list-style-type: none"> • Commitment to fair and equitable pay practices • No discrimination in remuneration between genders 	<ul style="list-style-type: none"> • Open door policy • Formal grievance handling mechanism • Strict policies covering all forms of harassment in the workplace

ENSURING FEMALE REPRESENTATION AT EVERY LEVEL

The Group is committed to fostering an inclusive and enabling workplace that supports female representation at all levels of the organisation. This is facilitated through equitable policies and a progressive work environment.

Parental Leave

We provide maternity leave in line with Sri Lankan labour laws, allowing women the flexibility to remain in the workforce even after childbirth

Parental Leave	Male	Female
Employees entitled to parental leave	481	470
Employees that took parental leave	3	16
Employees that returned to work in the reporting period after parental leave ended	3	10
Employees who are still employed 12 months after their return to work	3	9

New Recruits
350 (19%)

Exits
296 (16%)



New Recruits
113 (24%)

Exits
116 (24%)

DRIVING CHANGE TO CLOSE THE GENDER GAP

CIC is committed to closing the gender gap and encourages discussions on addressing unconscious gender bias. The Group does not engage in any form of gender-based discrimination when determining reward structures or offering promotions.

Promotions
89 (5%)



Promotions
27 (6%)

COMMUNICATING A POSITIVE GENDER NARRATIVE THROUGHOUT THE ORGANISATION AND WIDER COMMUNITY

CIC commitment to embracing diversity and inclusivity extends to external communications, where impact stories and initiatives are presented in a fair and balanced manner, reflecting the diverse communities we serve.

The Group promotes gender parity within its supply chain by fostering inclusive engagement with service providers and stakeholders. This includes recognising and supporting the contributions of women within outsourced functions such as cleaning and security services, while encouraging service partners to uphold inclusive and equitable workplace practices.

OUTLOOK

We will continue to strengthen our holistic employee value proposition in alignment with the Group's business strategy, with a strong focus on fostering a high-performance and engaged culture, accelerating talent and leadership development, and strengthening succession pipelines to build a workforce capable of driving the Group's future growth ambitions.



SOCIAL AND RELATIONSHIP CAPITAL

The CIC Group's Social and Relationship capital reflects the strong, trusted relationships we have cultivated with our diverse stakeholders through transparent engagement, collaborative partnerships and responsible business practices. Guided by our core values, we strive to deliver tailored value to each stakeholder group, fostering meaningful connections and creating a sustainable impact across all sectors in which we operate.



Related key Risks and Opportunities

Key Risks

- Weaknesses in distributor networks or supply chain challenges could affect product availability, service delivery and market reach
- Dependence on smallholder farmers and out-grower networks exposes the Group to risks related to climate impacts, income instability and socio-economic challenges.

Key Opportunities

- Leveraging customer insights to develop innovative, high-quality products and improve service delivery enhances satisfaction and loyalty.
- Capability building, training and incentive programs can enhance distributor performance and strengthen long-term partnerships

Key Components of our Social and Relationship Capital



Customer Relationships

Relationships with Business partners
Suppliers
Farmers/Out growers
Overseas Principals

Network of Distributors

Industry Stakeholders

How we Created Value

Key Highlights



No of Farmers/ Out growers

Amount Paid to them

Dairy	915	389 Mn
Rice	4,500	2,910.4 Mn
Seeds	1,100	699 Mn



Over 700

brands offered to Customers

624

New Customers Acquired

58.4Bn

Spending on Local Suppliers

Rs 19.56 Mn

Investment in CSR Initiatives



Delivering superior customer experiences through high-quality products, reliable service and consistent product availability across all segments.



Collaborating with suppliers and business partners to improve product quality, enhance supply chain resilience and ensure operational continuity.



Strengthening industry engagement to drive greater synergies, address challenges faced by the industry and enhance our social license to operate.



Uplifting local communities through livelihood development and CSR initiatives that create shared value.

SOCIAL AND RELATIONSHIP CAPITAL

OUR MANAGEMENT APPROACH

We manage our Social and Relationship capital through a framework of Group-wide policies, systems and processes. This approach enables us to maintain transparent and consistent engagement with our stakeholders, fostering mutual value creation while delivering meaningful and lasting impact within the communities we serve.

There were no reported incidents of corruption and/or fraud and no fines/penalties for non-compliance with laws and regulations pertaining to socio-economic compliance including customer health and safety, marketing/ labelling information and/or marketing communications during the year.

We manage our Social and Relationship capital through a framework of Group-wide policies, systems and processes.

Our Key Customer Segments

Retail customers across Sri Lanka who purchase our rice, dairy, fresh produce, poultry, personal care and vet care products

Farmers and cultivators across Sri Lanka

Plantation companies and other B2B customers

Poultry integrators and related B2B customers

Paint manufacturers and other industrial B2B customers

Government institutions and private sector organisations

International retail customers who purchase our specialty rice and herbal healthcare products

CUSTOMER RELATIONSHIPS

Strong, value-driven relationships with our customers remain a cornerstone of the CIC Group's business continuity and long-term success. Serving a broad customer base, ranging from individual consumers to large corporates and SME's, across multiple economic sectors, we prioritise a customer-centric culture that underpins all aspects of our operations.

CUSTOMER VALUE PROPOSITION

Our value proposition is focused on delivering high-quality, innovative and sustainable solutions tailored to the diverse needs of each sector that we operate in.



LIVESTOCK SOLUTIONS

- Premium veterinary care products ensuring animal health and wellbeing
- Hygienic poultry products meeting strict quality standards
- Competitive, high-quality animal feed and dairy offerings



HEALTH & PERSONAL CARE

- Ayurvedic and herbal healthcare products, combining traditional knowledge with modern science
- Affordable, high-quality medical devices catering to evolving healthcare needs
- Delivering innovative, reliable, and sustainable pharmaceutical solutions that strengthen customer trust



INDUSTRIAL SOLUTIONS

- Consistent, high-quality industrial raw materials supported by strong technical expertise



AGRI PRODUCE

- Rice and related products that promote health and wellness



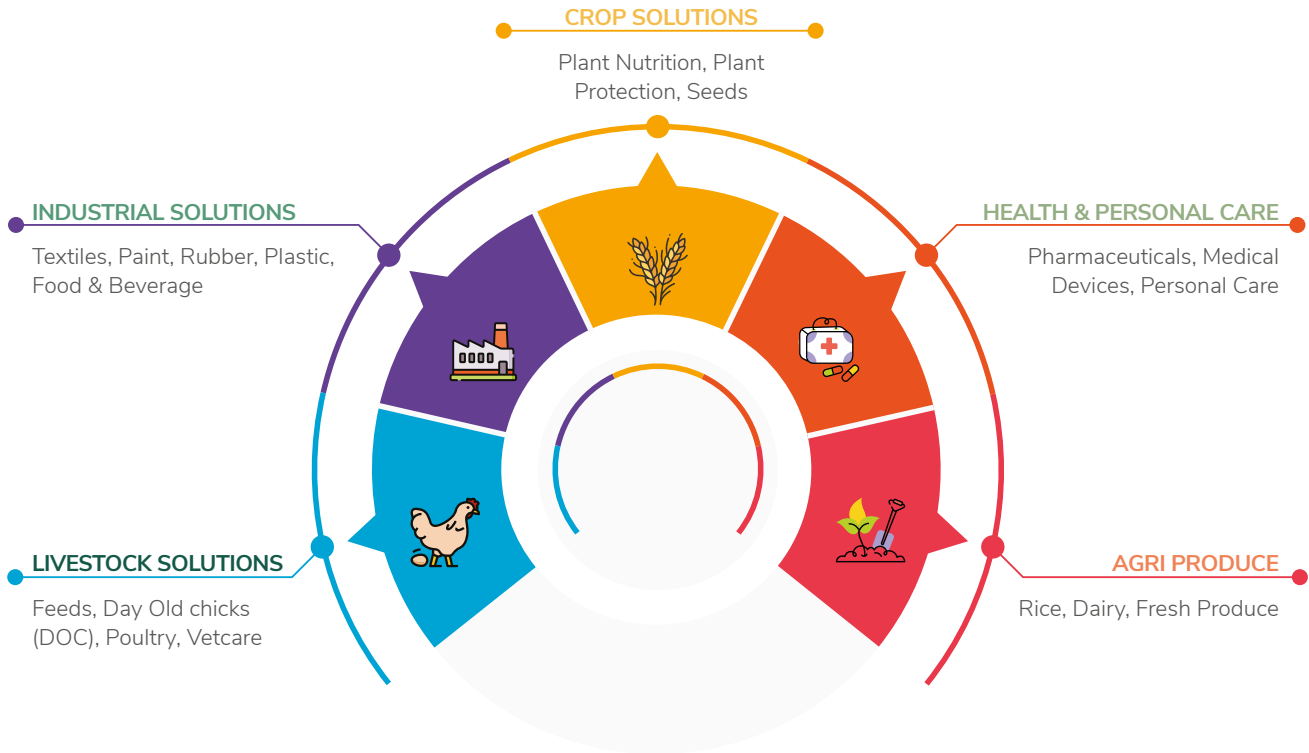
CROP SOLUTIONS

- Cost-effective fertilizer solutions
- Expert-led productivity enhancement
- Plant protection solutions focused on safety, quality and effectiveness



A DIVERSE PRODUCT PORTFOLIO

By leveraging strong global partnerships alongside our trusted in-house brands, CIC offers a diverse portfolio of high-quality products and solutions spanning advanced agricultural technologies, medical devices and industrial chemicals, as outlined below:



OUR BRANDS

Plant Nutrition		Seeds	
 Knowledge grows 	<p>Innovative soil nutrition solutions to maximise farm output, representing top global brands.</p>	 <p>Quality seed varieties for paddy, vegetables, and fruits.</p>	
Dairy			
 		<p>High-quality cultured dairy products and fresh milk, marketed under the iconic "CIC Creamoo" label.</p>	

SOCIAL AND RELATIONSHIP CAPITAL

Plant Protection

Effective solutions to protect crops against insect and pest infestations.



Fresh Produce



The country's leading provider of fresh fruits, vegetables, condiments and essentials, distributed through CIC's Fresheez retail network

Poultry



Specialises in integrated poultry operations, covering broiler farming and chicken processing, with modern facilities ensuring biosecurity, food safety, and consistent quality.

Vetcare



Specialises in importing, distributing and marketing veterinary pharmaceuticals, vaccines and animal health products.

Personal Care

Manufacturing and supplying herbal healthcare and personal care products for local and selected international markets.



Rice



A diverse range of rice, from nutritious health and traditional Sri Lankan varieties to premium specialty rice.

Medical Devices

Importing and supplying surgical implants and medical devices to support both public and private healthcare sectors.

Pharmaceuticals

Importing and manufacturing pharmaceuticals to support the country's healthcare needs.



Oil of Dermae

Industrial Solutions

SOCIAL AND RELATIONSHIP CAPITAL

CUSTOMER ENGAGEMENT

The Group engages with customers through multiple channels, fostering open communication, feedback and collaboration across all touchpoints. Building on this engagement, CIC Group's communication strategy is designed to promote education and informed decision-making, with an emphasis on delivering clear, accurate and timely information through training initiatives, expert guidance and targeted content.

Leveraging digital innovation, the Group continues to enhance its communication platforms, ensuring greater accessibility, responsiveness and convenience for customers. Through open and proactive dialogue, customers are provided with prompt support and practical solutions tailored to their evolving needs.

Recognising customers as valued partners, the Group actively seeks their input to strengthen relationships, co-

create value and consistently enhance its offerings. This ongoing engagement enables the Group to anticipate and respond effectively to customer needs, while refining its products, services and delivery mechanisms to consistently meet and exceed expectations. Key customer engagement, communication and education initiatives undertaken across the Group's sectors are outlined below:



Livestock Solutions

- Awareness programs, exhibitions and advertising campaigns across newspapers, television and social media were conducted to enhance customer outreach and education. (Poultry Segment)
- More than 10 seminars were conducted for poultry farmers, covering topics such as feed products, diseases and best farming practices. (CIC Feeds)
- Targeted pet product promotions were carried out at CIC Seeds outlets in Jawatta and Wattala, alongside customer engagement initiatives by EW Nutrition, Germany representatives, and farmer training and awareness programs on poultry vaccines in the Puttalam area. (CIC Vetcare)



Health & Personal Care

- Executed targeted consumer promotions, trade activations, re-launch campaigns and pharmacist engagement programs to strengthen brand communication, drive awareness and enhance product advocacy.
- Improved in-store visibility and shelf presence across General Trade, Modern Trade, and Pharmacy channels through optimised product placements.
- Expanded distribution and communication into HoReCa, institutional, barber salon, cosmetic and pharmacy channels, improving product accessibility and creating new opportunities (Link Natural Products).
- Conducted a mega scale pharmacy meeting (Pharmaceuticals).



Crop Solutions

- Fully operational Smart Agriculture App and dedicated WhatsApp groups to share technical knowledge and offer timely support among farmer communities.
- Insurance schemes for paddy and corn growers of RanSaruPala campaign
- Conducted a series of productivity enhancement initiatives including targeted programs for key crops such as corn and onion, complemented by field demonstrations, regional farmer awareness programs and participation in agri exhibitions. (Seeds Segment)
- Product awareness campaigns, live demonstrations and technology dissemination events (Unipower)



Industrial Solutions

- Hosted a seminar for key customers aimed at educating them on newly introduced products and innovations.



Agri-produce

- Partnering with Sitha FM for "Sitha Sahana Yathra" for medi campaigns

CUSTOMER EXPERIENCE

Customer experience remains a central focus of the CIC Group, reflecting our commitment to delivering consistent value at every touchpoint. By integrating customer insights into our decision-making processes, we effectively manage our product and service offerings to deliver a distinctive and consistent customer experience, grounded in our brand promise of “Nurturing Life”. We strive to provide a seamless and differentiated experience by ensuring high standards of product quality, reliability and availability across all our operations.

Product Availability

Reliable product availability is a key element of the Group’s customer experience, ensuring customers can consistently access the products they require when they need them. This is supported by a resilient supply chain and an efficient distribution network across all markets served.

Product Quality and Safety

The Group is committed to upholding the highest standards of product quality and safety, ensuring its offerings safeguard the health, safety, and well-being of customers and society at large. This commitment is reinforced through rigorous adherence to internal policies and globally recognised standards, across all business segments.

We ensure that all products are supported by clear, accurate and compliant labelling, providing customers with essential information on product composition, safe use and relevant health, safety and environmental considerations.

Responsible Sourcing	Manufacturing Excellence	Certifications & Compliance
Integrity across the value chain is maintained through stringent procurement practices, sourcing exclusively from licensed brands and globally reputed manufacturers.	Local manufacturing facilities operate in line with international best practices, including ISO 9001 and ISO 22000:2018 standards, supported by HACCP and GMP protocols.	Several facilities are further accredited with Halal certification and US FDA approval, while in-house laboratories function in accordance with both national and international standards, ensuring continuous quality assurance and compliance.

(For a full list of certifications, refer to the Intellectual Capital section on Page 106)

Customer Privacy

We are committed to safeguarding confidential customer-related data and information and have invested in IT infrastructure and process controls, to ensure customer privacy. During the year, there were no complaints concerning breaches of customer privacy and losses of customer data.

Each complaint is acknowledged within 24 hours, with a targeted resolution timeframe of five working days.

Customer Feedback and Satisfaction

The Group monitors customer satisfaction levels through structured feedback mechanisms that are in place. Insights gathered across segments guide product development, improve service delivery and enhance customer experience.

In the fertilizer segment, surveys are conducted at pre-launch, mid-programme and post-programme stages to assess performance and alignment with objectives. In herbal healthcare, product development is guided by insights gathered from focus groups, market research and customer and trade interactions, enabling the Group to respond effectively to evolving preferences such as demand for greater convenience and clearer product differentiation. Across other segments, including medical devices and industrial raw materials, strong partnerships help maintain high levels of product quality and satisfaction. Continuous analysis of feedback and proactive communication enable the Group to refine its offerings, enhance customer experience and sustain long-term customer satisfaction across all divisions.

Managing Complaints

CIC Group regards customer complaints as valuable opportunities to enhance service delivery and drive continuous improvement. Customers can conveniently lodge complaints through multiple channels, including phone, email and online platforms, all of which are systematically recorded and promptly escalated to the relevant teams for effective resolution. Complaints are handled according to industry standards: pharmacovigilance in pharmaceuticals, sales-led responses in veterinary and poultry, CAPA-based feedback in plastics, and personalised, sample-based handling in dairies. Regular analysis of complaint data enables the identification of recurring issues and supports the implementation of effective, organisation-wide improvements, enhancing overall customer satisfaction.

Value Chain Relationships

The CIC Group collaborates closely with a broad ecosystem of business partners including suppliers, farmers and out growers, global principals and distributors. These strong collaborative relationships enable mutual value creation across the value chain by enhancing market access, strengthening market linkages, driving operational synergies and ensuring the resilience and continuity of operations.

SOCIAL AND RELATIONSHIP CAPITAL

OUR STRATEGIC PARTNERSHIPS

Strength of Relationships with Overseas Principals	Health & Personal Care	Industrial Solutions	Crop Protection
	75% of overseas principal relationships in the pharmaceuticals segment and 100% in the Medical Devices segment are more than 10 years.	71% of overseas principal relationships are more than 10 years	70% of overseas principal relationships are more than 10 years



Syngenta Engagement with CIC



CIC with Archroma Principal



CIC with PharmEvo Principal



At Dubai WHX With Elife Orthopedic Taiwan

Several of the Group's key verticals including Crop Solutions, Pharmaceuticals, Medical Devices, Industrial Solutions, and Vet Care are supported by strategic partnerships with globally recognised industry leaders. These collaborations provide access to advanced technologies, innovative products and specialised expertise, enabling the delivery of best-in-class solutions.

They also facilitate the adoption of global best practices, further strengthening the Group's competitiveness and positioning in international markets.

In the pharmaceuticals sector, the Group continued to strengthen its value chain through strategic partnerships with global principals and healthcare stakeholders, enabling the delivery of innovative solutions and improved patient outcomes.

Collaborations with partners such as Abbott Nutrition support the development and dissemination of national nutrition guidelines through engagement with government and health authorities. Partnerships with APO and Square Pharmaceuticals focus on advancing medical education, enhancing healthcare professional capabilities, and supporting public awareness initiatives across key therapeutic areas.

In addition, the Group facilitates the successful market entry and growth of partners such as CCL and PharmEvo by providing regulatory support, targeted healthcare professional engagement, and robust distribution capabilities. These efforts drive early adoption, strengthen market positioning and create long-term value across the healthcare sector.



In association with Abbott India (Private) Limited



Partnering with CCL

INDUSTRY ENGAGEMENT

The Group holds memberships in key industry associations, facilitating collaboration, knowledge exchange and adherence to best practices. As an active participant across multiple sectors, these engagements enable constructive industry dialogue, provide insights into emerging trends and regulatory developments and

strengthen the Group's governance frameworks, supporting the responsible delivery of its products and services.

- Patron Membership at Ceylon Chamber of Commerce
- The Ceylon National Chamber of Industries
- Sri Lanka- Singapore Business Council

- The Import Section of the Ceylon Chamber of Commerce
- Exporters' Association of Sri Lanka
- Industrial Association of Sri Lanka
- The National Chamber of Commerce of Sri Lanka

Responsible Procurement

The Group adopts a responsible procurement approach by building long-term partnerships with leading global suppliers of key raw materials across its business segments. These strong and reliable networks enhance operational resilience and ensure continuity, even under challenging conditions. While procurement practices vary across sectors, all processes are guided by structured, transparent and ethical standards, reinforcing accountability and consistency throughout the value chain, with ongoing monitoring to identify environmental and social risks and implement appropriate mitigation actions.

Procurement practices across the Group are aligned with sector-specific requirements.

- Fertilizer: Supplier evaluations & tender-based procurement
- Pharmaceuticals: Multi-level approval processes
- Medical Devices: Monthly ordering & payment cycles
- Dairy: Strong farmer network & sourcing hubs
- Industrial Solutions: Forecast-driven procurement
- Herbal Healthcare: Focus on sustainability & compliance

SOCIAL AND RELATIONSHIP CAPITAL

SUPPLIER SELECTION AND ASSESSMENT

The Group maintains a robust supplier network for key raw materials, supported by structured procurement planning aligned with market trends, demand forecasts and inventory levels. Procurement decisions are governed through a formal tender process, with supplier selection based on key criteria such as price, quality, lead time and reliability. Suppliers are also assessed against environmental and social criteria to ensure alignment with the Group's ESG priorities. All local purchases are subject to a defined approval matrix, ensuring appropriate oversight and governance.

VALUE CREATED FOR DISTRIBUTORS

Distributor networks are integral to the Group's product and service delivery, with strong relationships supporting mutual growth and long-term value creation. New distributors are selected through a rigorous evaluation process aligned with the Group's commitment to excellence. A robust distributor management framework enables ongoing performance monitoring and continuous improvement. Regular engagement, responsive support and targeted training initiatives further strengthen distributor capabilities and resilience, reinforcing their critical role within the Group's value chain.

OUR DISTRIBUTION NETWORK

The Group utilises a diverse and efficient distribution network tailored to sector-specific requirements, enabling broad market access, timely delivery and sustained business growth across segments. This includes a mix of direct delivery models, distributor and dealer networks, institutional partnerships and modern trade channels, ensuring effective market coverage and timely delivery.

Product Type	Distribution Channel	Network
Fresh fruits and vegetables	Fresheez outlets	7
Rice	Modern trade partners	10
	Hotels/institutions	350
	Export partners	18
CropGuard products	Dealers	190
	Distributors	30
Seed varieties	Dealers/ ASC Centers (Government Institutes)	404
Link Natural products	Herbal Distributors	71
	Herbal Pharmaceuticals Distributors	9
	Modern trade	8
	Export countries	32
Feed products	Dealers	73
	Direct customers	42
Veterinary products	Dealers	54
	Direct customers	86
Processed chicken	Modern trade partners	8 partners (approx. 1,235 outlets)
	Hotels & restaurants	Over 150 approx.
	General Trade	460 approx.
Pharma products	General trade	24
	Modern trade	8
	Private Hospitals and Institutions	38
	Government Hospitals and Institutions	14
	Cash Customers	0

Product Type	Distribution Channel	Network
Surgical products	General trade	16
	Modern trade	3
	Private Hospitals and Institutions	37
	Government Hospitals and Institutions	31
	Cash Customers	7
Agri Businesses products	Dealers and customer network	1300
Crop Solution products	Distributors	30
	Dealers	175
	Modern Trade	7
	Institutes	79
Unipower products	Distributors	11
	Dealers	460
	Institutions	48
Dairy products	Distributors	45
	Direct Operation operate by company	13
	Hotels, Restaurants, and Catering	3
	MT channels	5
	Army / Institutions	6

CREATING VALUE

During the year, the following sector-specific initiatives were implemented to enhance effectiveness and create sustained value across the network.

Seeds	Rs. 73Mn paid as incentives to Seed dealers based on their sales achievements and collections.
	Delivered high-performing seed varieties with strong yield potential and resistance to key crop diseases, validated through rigorous local field testing to ensure reliability and farmer success.
Plant Protection	Healthy profit margins; year-end incentive schemes
Unipower	Special incentives were introduced to strengthen channel distribution, alongside overseas incentive tours for high-performing dealers and targeted sub-dealer training and technical sessions to enhance product knowledge and engagement.
Pharmaceuticals	Supported through a reliable and innovative product portfolio, consistent supply and strong market access, complemented by regulatory, logistical and technical support, enabling effective market reach and sustainable business growth.
Herbal Health Care	A 7% margin structure supported by exclusive rights, complemented by operational, IT and secondary sales support, along with strategic marketing guidance, driving sustainable growth and enhanced market performance.
Medical Devices	Value delivered through good trade practices
Vet Care	Value delivered through good trade practices
Feeds	Delivered superior product quality while creating value through strong and ethical trade practices, supported by specialised technical expertise from veterinary doctors and nutritionists.
Dairy	Trade marketing budgets were increased to counter competition and sustain market share alongside the introduction of a new SKU (Milk Lolly)
Rice	Modern Trade: Retail media investment of Rs. 45Mn to drive category growth. HoReCa – Investments were made through Culinary Art events to support industry development. Export - Special credit facilities to support buffer stock and packaging enhancements to improve global competitiveness.

SOCIAL AND RELATIONSHIP CAPITAL

UPLIFTING COMMUNITIES

Livelihood Development

Socio-economic Upliftment

Capacity Building

CSR Projects

CIC is committed to fostering strong relationships with the communities in which it operates, recognising them as key stakeholders in its long-term success. Several of the Group's business verticals, including Rice, Dairy and Seeds, play a pivotal role in supporting livelihood development for micro-entrepreneurs through close engagement with farmer out-grower networks. By working directly with small-scale farmers, the Group promotes a collaborative ecosystem that facilitates knowledge transfer, capacity building and the adoption of advanced agricultural practices.

In addition, the Group undertakes a range of community development initiatives through the CIC Holdings Charitable Trust Fund, guided by a structured CSR framework and overseen by an independent Board of Trustees. These initiatives are focused on addressing socio-economic inequalities, particularly in areas such as education and poverty alleviation, while creating shared value and strengthening trust within communities.

OUTLOOK

Going forward, CIC Holdings PLC will continue to strengthen its social and relationship capital by deepening engagement with key stakeholders, including customers, business partners and communities. The Group will focus on enhancing collaboration, expanding inclusive value chains and leveraging digital platforms to improve connectivity and responsiveness. Through sustained investments in capacity building and responsible business practices, CIC will aim to create long-term shared value while reinforcing trust, resilience and sustainable growth across its ecosystem.



Productivity enhancement initiatives with farmer and outgrower networks



NATURAL CAPITAL

The CIC Group remains committed to setting a benchmark in environmental stewardship by ensuring its operations work in harmony with nature. Guided by a deep-rooted commitment to sustainable growth, CIC consistently develops environmentally friendly products and innovative solutions while promoting responsible resource use across its diverse business verticals. The Group also actively promotes sustainable farming practices, contributing to the conservation of biodiversity, soil health and ecosystem balance. This integrated approach ensures that value creation is aligned with the preservation of natural capital for future generations.



Related key Risks and Opportunities

Key Risks

- Soil degradation and biodiversity loss linked to intensive agricultural practices and agrochemical usage
- Regulatory compliance risk, including evolving environmental standards on effluents, emissions and chemical usage.
- Climate-related physical risks, such as droughts and changing rainfall patterns, impacting crop yields and resource availability

Key Opportunities

- Expansion of low-toxicity crop solutions would reduce environmental impact while meeting market demand for sustainable agriculture inputs.
- Improved ESG integration, enabling better risk management and investor confidence

Key Natural Capital Inputs



339 Acres
Owned Land Area

1,935 Mn Liters
Water Consumption

172,809 GJ
Energy Consumption

How we Created Value

Key Highlights



4,604,241 kWh

Renewable Energy Generated

51 Mn Liters

water treated for reuse or safe disposal



47,523 Kg

of municipal solid waste diverted from landfills



Focusing on responsible energy use by enhancing efficiency, adopting renewable energy and strengthening energy management practices.

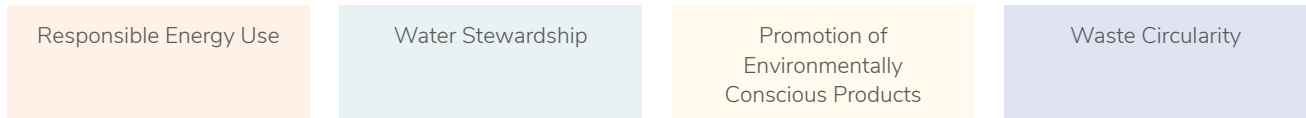
Advancing water stewardship through efficient usage, recycling initiatives and responsible sourcing to safeguard water resources.

Advancing low-toxicity formulations, sustainable inputs and eco-friendly innovations that support responsible consumption.

Reducing waste generation, enhancing reuse and recycling practices and supporting the transition to a more resource efficient, circular economy.

NATURAL CAPITAL

OUR MANAGEMENT APPROACH



The Group recognises that its deep connections to agriculture, food systems and life sciences place it in a unique position to influence environmental outcomes both within its own operations and through the products and services it delivers to customers and farming communities across Sri Lanka.

To manage these impacts, the Group has established a comprehensive sustainability framework that guides the identification, measurement and mitigation of environment-related risks and opportunities. Clearly defined processes, supported by regular monitoring and reporting to Senior Management and the Board of Directors, ensure effective oversight and accountability. This is further supported by structured environmental data collection and reporting across subsidiaries, ensuring consistency in managing environmental performance. In parallel, strong cross-sector collaboration enables a coordinated approach to achieving the Group's ESG goals, further strengthening environmental stewardship and responsible resource management.

Monitoring Our Impacts

A structured quarterly data collection process is in place covering key natural capital indicators, including energy consumption, renewable energy generation, water withdrawal and waste generation.

- Subsidiary-level data is consolidated by the Group sustainability function.
- Year-on-year variance analysis is conducted to identify material changes in performance and underlying drivers across business verticals.

ENVIRONMENTAL COMPLIANCE

CIC ensures adherence to all applicable environmental regulations across its diverse sectors, including the Environmental Protection License issued under the National Environmental Act No. 47 of 1980 and the Scheduled Waste Management License for hazardous waste. These regulatory frameworks mandate the implementation of stringent environmental protocols, supported by annual internal audits and structured compliance reporting. This enables the Group to consistently meet prescribed standards while upholding a strong commitment to environmental responsibility.

During the year, no fines or penalties were incurred for non-compliance with environmental laws or regulations.

MANAGING ENERGY CONSUMPTION

The Group actively manages its energy consumption to improve energy efficiency and minimise environmental impact, while progressively increasing the contribution of renewable energy within its energy mix. Energy requirements are primarily met through

electricity sourced from the national grid, along with fossil fuels including diesel, petrol, LPG and furnace oil. Total energy consumption increased by 9.72% during the year, primarily driven by increased operational intensity across key business segments of the Group.

The Group's approach to energy efficiency is guided by the ISO 50001:2018 framework adopted by several business verticals, which promotes a systematic approach to identifying, prioritising and implementing improvements in energy performance.

During the year, CIC Agri Businesses implemented a capacitor bank system that delivered approximately 25% savings in maximum demand charges, resulting in significant annual cost efficiencies through improved electricity demand management. At the PVA Factory, boiler operations were optimised through precise air-fuel ratio adjustments, enhancing fuel efficiency and contributing to reduced operational emissions.

CIC Feeds Group enhanced energy efficiency by installing a variable frequency driven compressor for pneumatic operations and upgrading its capacitor bank to reduce demand charges. A new VFD-supported pellet mill, expected to be commissioned in June 2026, will further improve capacity and energy performance.

Link Natural Products has identified several energy efficiency initiatives, including steam condensate recovery, installation of an integrated energy monitoring system, a small-scale chiller to reduce line losses, replacement of conventional AC units with inverter systems, and completion of steam line insulation to minimise heat loss.

Energy Consumption by Type

Type	Unit (000)	2025/26	2024/25
Renewable			
Solar	Kwh	2,598,577	3,715,430
Hydro	Kwh	127,021	245,790
Other	Kwh	1,878,643	1,802,483
Non-renewable			
Purchased electricity from National grid	KWh	31,005,554	27,205,955
Diesel Consumption	Litre	353,692	346,293
Furnace Oil	Litre	387,467	265,350
Petrol	Litre	34,096	29,497
LPG	Kg	22,895	20,183
Kerosene	Litre	1,684	195

REDUCING OUR EMISSIONS

The Group recognises the implications of climate change and is committed to reducing its carbon footprint, with greenhouse gas (GHG) emissions reduction identified as a key priority. Efforts are focused on increasing the share of renewable energy within the

overall energy mix, while ensuring compliance with applicable local regulations on emissions, including air quality standards and noise limits.

ISO 50001:2018-aligned energy management practices adopted across

several business verticals support the systematic identification and implementation of energy and emissions reduction opportunities, complementing operational initiatives across the Group.

Decarbonisation Agenda

The Group has established and continues to expand its renewable energy portfolio, with solar photovoltaic systems operational across multiple subsidiaries, complemented by hydro power and other alternative sources such as biogas and biomass. This transition supports a gradual reduction in reliance on grid electricity and fossil fuels, contributing to lower carbon intensity across operations.

The Group will continue to explore opportunities to scale up renewable energy capacity across its manufacturing and processing facilities as part of its broader decarbonisation agenda.

As a Group, inconsistent tariff structures, along with rising fuel and electricity costs, make long-term planning and financial sustainability in renewable energy challenging.

GHG emissions are currently monitored on an annual basis through energy consumption data tracked through subsidiary-level energy records. The Group acknowledges that its emissions monitoring capability is still developing, and that a more robust, formally documented GHG

accounting methodology aligned with internationally recognised standards is required as it progresses its sustainability disclosure obligations. This forms part of the Group's broader roadmap to enhance climate-related disclosures, in line with SLFRS S1 and S2 requirements.

CIC Dairies implemented logistics route optimisation initiatives, including route consolidation and joint distribution for the Eastern Province, resulting in diesel savings of approximately 1,250 litres per month.

NATURAL CAPITAL

MATERIAL AND WASTE MANAGEMENT

In the selection and consumption of raw materials, the Group promotes responsible sourcing practices, optimises material utilisation and

minimises waste, while encouraging sustainable practices among suppliers and farming communities to support long-term ecosystem health. Customer

and market requirements also play a key role in shaping material choices across the Group.

<p>In the Agri-inputs segment, the Group prioritises the development and promotion of low-toxicity formulations, aligned with WHO Class III and Class IV standards,</p>	<p>The Group is actively responding to global market trends, including the growing emphasis on reducing single-use plastics, which is shaping the strategic direction of its packaging portfolio.</p>	<p>The Group has a PET bottle recycling plant located adjacent to its specialty packaging facility, enabling a closed-loop system that converts post-consumer PET waste into raw materials while reducing reliance on virgin plastics.</p>
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Other key initiatives reinforcing this commitment include CISCO Specialty Packaging's introduction of lightweight bottle designs to reduce plastic consumption, RPC Factory's elimination of polyethylene in dust packaging and CIC Dairies' transition to wooden and paper spoons ahead of regulatory requirements, replacing non-degradable plastics.

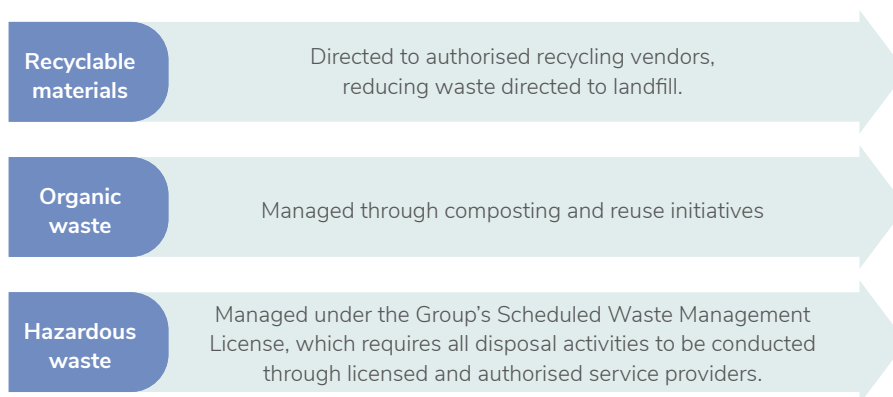
applicable regulatory requirements, with oversight implemented at the subsidiary level to ensure consistency and accountability. Excess raw materials are monitored and managed to reduce unnecessary waste generation, while opportunities for reuse and recovery are assessed where feasible. The Group segregates waste at source to facilitate responsible disposal and recovery.

MANAGING WASTE

A structured waste management approach is in place across the Group to minimise environmental impact, focusing on the safe handling, storage, transportation and disposal of waste. Waste is managed in accordance with

Waste Circularity

- The Group's most significant waste circularity initiative is the PET bottle recycling plant commissioned adjacent to its specialty packaging facility. This facility creates a closed-loop system in which discarded PET bottles are converted into raw materials for the Group's packaging operations, demonstrating leadership in circular economy practices.
- CIC Poultry Processing Plant converts 100% of solid biological waste into feed raw material through a rendering process, creating a fully circular waste stream with zero biological waste to landfill.



During the year, the total volume of waste generated amounted to 7,515MT. Details of waste and disposal methods are given below:

Waste by Type and Disposal Method	2025/26	2024/25
Hazardous waste (MT)	32.2	27.6
Non-hazardous waste (MT)	7,483.3	9,437.7
Waste to Landfill (MT)	47.5	45.4

WATER AND EFFLUENTS

Water stewardship remains a key priority for CIC, particularly given the Group's agri-business operations located around Sri Lanka's agricultural regions, which experience seasonal variability in water resources. While key sites such as CIC Seed Farms' Pelwehera Farm are located in proximity to natural water bodies, surface water is not utilised for cultivation. Instead, groundwater is responsibly extracted during periods of limited rainfall.

Overall, the Group's operations are not situated in areas currently identified as experiencing significant water stress. However, recognising the increasing importance of climate-related water risks, the Group is progressing towards a comprehensive water stress assessment across all operating locations, in line with evolving SLFRS S2 physical risk disclosure requirements. This proactive approach supports informed water stewardship and ensures sustainable resource management.

During the year, volume of water withdrawn for operations decreased by 5.52%. Several subsidiaries have implemented targeted water efficiency and reuse initiatives, reinforcing the Group's commitment to responsible water consumption and resource optimisation.

CISCO Speciality Packaging has adopted a closed-loop chilling system that minimises losses through evaporation, improving overall water-use efficiency.

In the agri-business segment, CIC Seed Farms continues to harvest rainwater through a network of artificial reservoirs to support cultivation, reducing dependence on extracted sources.

The CIC Poultry Processing Plant operates a water purification and reuse system, contributing to lower freshwater intake within processing operations.

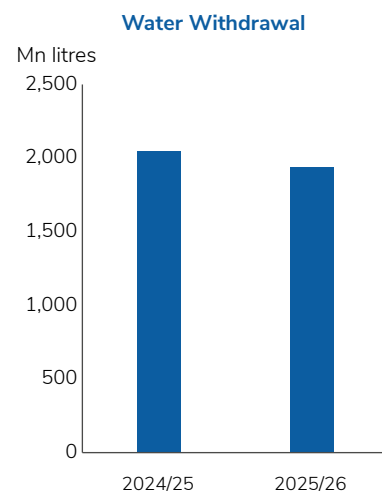
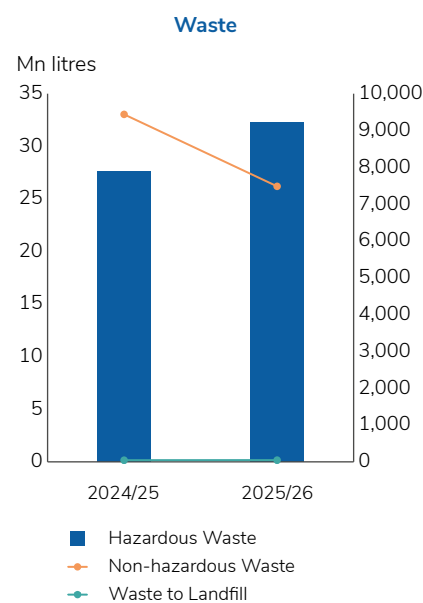
The RPC Factory operates an Effluent Treatment Plant, enabling the treatment and reuse of wastewater for gardening and sanitary purposes.

The PVA Factory similarly treats and repurposes effluent for non-potable applications.

CIC Dairies also partially reuses treated wastewater for non-product-contact uses.

Effluent management is conducted in line with the National Environmental Act No. 47 of 1980 and Central Environmental Authority (CEA) discharge standards. Relevant subsidiaries mainly within chemicals, crop protection and manufacturing operations comply with prescribed limits for parameters such as pH, BOD, COD and other chemicals. The identification and control of priority substances are managed at subsidiary level to ensure regulatory compliance and minimise environmental impact.

There were no material instances of non-compliance with water discharge limits reported by Group subsidiaries during the year.



NATURAL CAPITAL

ECO-SYSTEM PRESERVATION

The CIC Group's close integration with agriculture and natural ecosystems presents both a responsibility and an opportunity to support biodiversity conservation and ecosystem preservation. The following efforts collectively reflect the Group's ongoing commitment to responsible land stewardship and the preservation of natural ecosystems:



RPC Factory - Reuse of wastewater



CIC Seed Farms - Harvesting through rainwater



Link Natural Products - Reuse of wastewater



CIC Poultry - Water purification and reuse system



CIC Dairies Factory - Reuse of wastewater

OUTLOOK

Building on its existing initiatives, CIC will aim to strengthen its natural capital stewardship through the implementation of a comprehensive ESG Framework that standardises environmental management across all business segments. This will enable more structured management of energy, water, waste and emissions, supported by clearly defined, measurable Group-level targets. Looking ahead, the Group's priorities include expanding low-toxicity crop solutions, advancing sustainable packaging, formalising GHG accounting and assessing water stress across operations to support informed, resilient decision-making in an evolving climate landscape.



ADVANCING *Integrity*

Strong governance is the foundation of the trust placed in us by our people and stakeholders. It guides how we act: with accountability, transparency, and care, ensuring every decision supports responsible and inclusive growth. Through this, we safeguard the confidence and well-being of those we serve, upholding the highest standards in all that we do.

CORPORATE GOVERNANCE

The Group/Company ensures to comply with the established best practices in corporate governance and ensures the highest ethical standards in the conduct of its business. The Board adopts core values and standards which set out the conduct of staff in their dealings with shareholders, customers, colleagues, suppliers and other stakeholders. Once the core values are set and communicated to all levels of the Organisation, the Group/ Company is of the belief that the highest standards of integrity will be maintained in business.

GOVERNANCE POLICY AND FRAMEWORK

Framework covers both corporate governance and the business governance. Corporate governance and business governance are interrelated processes, and one process is always linked to and dependent on the other process. Business governance enables us to focus on areas of value creation to business. The Corporate governance process is to safeguard and ensure that the Group/Company achieves business performance maintaining a balance between accountability and assurance of the business process. Thus, we believe our business governance and corporate governance are interlinked to each other.

In line with the above governance framework, the Group/ Company believes that successfully run business enterprises are founded on a set of fundamental qualities – those that embed transparency, accountability, and responsibility within the core of its business operations. Translated into action, the Group's/Company's strong core qualities and guiding corporate governance functions ensure that we remain "law abiding", strictly adhering to the laws and regulations of the country.

Business integrity and accountability to stakeholders are top of the mind factors that we inculcate right across – from the Board of Directors to the field level.

STATEMENT OF COMPLIANCE

CIC Group is fully compliant with the Code of Best Practice of Corporate

Governance issued in year 2017 by the Institute of Chartered Accountants of Sri Lanka as well as the Rules on Corporate Governance published by the Colombo Stock Exchange, except which are specifically mentioned in the Corporate Governance Report

MINIMUM PUBLIC HOLDING

The Company Shares have been traded in the Main Board since 1964 and comply with minimum public holding requirement in terms of Rule 7.13.1 (a) of the CSE Listing Rules. The public holding of the Company as at 31st March 2026 was 46.69% which is above the minimum requirement of 20% as specified by the Listing Rules [Rule 7.13.1 (a)] of the Colombo Stock Exchange (CSE).

BUSINESS GOVERNANCE

Business governance (performance governance) is linked from Company's Vision Statement to Final Objective level at grass root level. Business governance process is started at the point of preparing the annual plan and the annual plan is focused on future strategic direction, long-term objectives, medium- term objectives and short-term set targets. Annual plan is initially approved by the Company and subsequently reviewed and approved by the Board. The Group CEO and Executive Committee review the strategic plan and budgets against the actual performance monthly and at more frequent intervals, as needed and the Chairman and the Board of Directors review actual performance at each Board meeting.

IT GOVERNANCE

The IT governance process of the Company ensures that IT objectives are aligned with the business objectives that will meet its strategic and operational objectives. IT governance is an integral part of the corporate governance process and deals primarily on optimising the linkage between Strategic Directions and Information Management of the Company. Competent and dedicated resources are deployed to support this need. Company investment in IT resources covers resources operated and managed centrally and resources deployed in various places. IT resources include ERP system, other related business systems, internet, emails and other Company-wide data communication systems. Impact of the IT governance to diverse functional areas of the Company is driven by certain core objectives which are set below.

Compliance	Investing in licensed software deployed in compliance with Intellectual Property Law with a view to educate and mandate compliance to such laws throughout the Company/Group.
Operational efficiencies	Streamlining of inventory management, logistic management and credit management process so that integrity is maintained across the value chain through near real-time processing.
Prudent capital expenditure	All major IT investments are carefully evaluated by the IT team and built into the business plan and carefully scrutinised at the planning level and approval is granted by the board
Customer convenience	Ensuring process efficiencies to increase the contribution to customer convenience.
Green IT	Protecting the environment by reducing print through migration to emails, SMS, social media and soft copies.

IT Security	Maintaining robust IT security protocols to protect organisational assets and sensitive information. Our efforts focused on strengthening cybersecurity infrastructure, conducting regular risk assessments, and implementing advanced threat detection systems. ISO 27000 certification process is ongoing.
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GOVERNANCE STRUCTURE

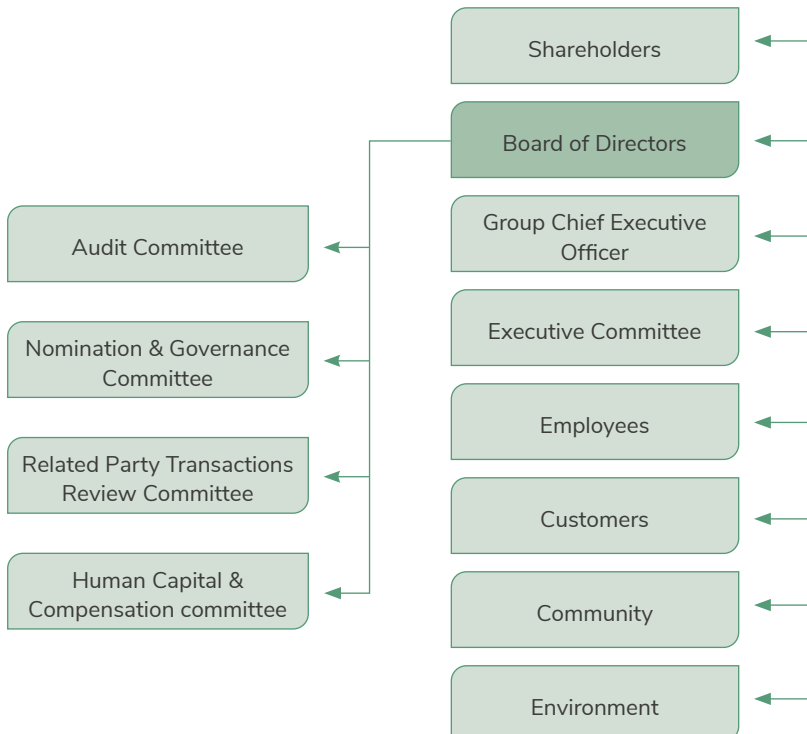
External Regulations	Internal Regulations
Companies Act No. 07 of 2007.	Articles of Association of the Company
Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 continuous Listing Requirements of the Colombo Stock Exchange	Standard Operating Procedure Manual
Code of Best Practice on Corporate Governance issued in year 2017 by the Institute of Chartered Accountants of Sri Lanka with latest update	Code of Ethics & Code Conduct for Employees Human Resources Policies and Procedures
Directives/Regulations of the Securities and Exchange Commission of Sri Lanka.	Information Technology Policies and Other Internal Manuals
Anti Corruption Act No 9 of 2023 and any additional regulatory requirements	Standing Instructions, Policy on Anti-Bribery & Corruption and other internal procedures (P&P)

Group Chief Executive Officer exercises triangular linking role between the Board, Executive Management Committee and other Stakeholders, i.e. shareholders, employees, customers, community and environment. Group's Chief Executive Officer is the main communication link with the Board and Executive Management Committee. He also acts as a de facto officer to maintain a fair role on behalf of shareholders, employees, customers, community and environment.

BUSINESS ETHICS

The Group enshrines the highest ethical standards in the conduct of its business affairs and its Board of Directors are tasked with ensuring that the resultant regime of exemplary governance across all aspects of business are in the best interests of the stakeholders. Ethically correct conduct comprising integrity, honesty, fair play and loyalty pervade all Group actions. Transparency is fostered in all public disclosures, as well as in the way business and communication take place with all stakeholders. A "whistle-blowing policy" introduced internally in 2018 has increased the level of transparency towards a wider dimension. All employees are bound by the Company's written Code of Ethics that includes the following aspects:

- Exercise honesty, objectivity and diligence when performing one's duties.
- Avoid situations where personal interest might conflict with the interest of the Company; and if so, disclose such interest in advance.
- Maintain confidentiality of commercial and price-sensitive information.
- Work within applicable laws and regulations.
- Safeguard the Company's assets.
- Avoid conduct that will reflect badly on the person concerned or the Company's image.
- Strictly avoid giving or accepting any kind of bribe, either directly or indirectly.



As diagrammatically presented above, Group governance structure is set up to create a distinction between the functions of the Board and Management team but ensuring effective co-operations and communication between two groups.

CORPORATE GOVERNANCE

- Strictly avoid making contributions for political funds, either directly or indirectly.
- Strictly avoid any kind of sexual harassment.

The Company has implemented a formal whistle-blowing procedure and encourages any employee who suspect wrongdoing at work, whether by Management, peers or any other employee, to raise their concerns.

OTHER POLICIES

In addition, the Company implements policies covering:

- Recruitment and selection
- Financial integrity
- Use of Company property including computers
- Non-harassment in the workplace environment, safety and health
- Security of IT system
- Environmental , Social and Governance policies

RESPONSIBILITY TO CUSTOMERS

As committed through Company values “The customer comes first; we will not compromise on the standards of our products and services”. The Company maintains an island-wide network of distributors and provides a wide choice of related products to customers, complemented by technical support wherever necessary. What is salient about the widespread nature of our distribution is that in most instances, a consumer living in any part of the country need not travel more to obtain products of the Company.

Products sold by the Company are of the highest quality and are rigorously tested prior to introduction and obtained required regulatory approval wherever necessary. The Company is bound by return policies specially in selling of pharmaceutical products. Customer grievances, if any, are handled promptly and solutions provided with exchange of products in the unlikely event of a manufacturing defect or expiry. Toward serving our differently abled customers,

personalised service is provided by specialised trained team with the utmost care of the life of customers. As the market leader in the crop protection industry, CIC Crop Solutions plays a vital role in supporting the country’s agriculture sector by providing superior quality crop care products for management of weeds, insect pests and other diseases in crop cultivation. Moreover, aiming of securing the main income stream of farmers by improving yields qualitatively and quantitatively. The wide range of product accompanied with field level agriculture extension services along with technical expertise. CIC Crop Solutions products to provide environment friendly crop protection solutions with low toxicity and low post harvest intervals and green agriculture practices.

Offering technical solutions to customers to develop the final products, technical support is extended from point of formulation, monitoring inventory with them and minimise financial losses throughout the value chain. Quality related issues are addressed on urgent basis and focus on locally developed products for unique customer requirements.

Research-based herbal healthcare products represent a unique blend of traditional botanical knowledge and modern scientific advancements. By rigorously studying natural ingredients through clinical trials and advanced laboratory techniques, scientists are validating the safety and effectiveness of these herbal remedies. This innovative approach ensures that consumers benefit from products that are both rooted in nature and backed by reliable scientific evidence.

ENVIRONMENT

Social responsibility is regarded as a fundamental aspect of the Company’s strategy, and it is one of the core values of the business. As always “we are committed to make every effort to ensure that the environment is protected and conserved for future generations” and in line with this core value, the Company is committed to minimise any adverse impact the

activities of the business may have on the environment. Further to that, this core value encourages and ensures our products, processes and business do not unnecessarily damage the environment.

CODE OF BEST PRACTICES ON CORPORATE GOVERNANCE

We set out below the corporate governance practices adopted and practiced by the Company, the extent of adoption of the Code of Best Practices on Corporate Governance issued in year 2017 by the Institute of Chartered Accountants of Sri Lanka and the Section 9 of the Colombo Stock Exchange Listing Rules on Corporate Governance.

SECTION A

This section covers Company’s extent of adherence to the requirements of the Code of Best Practice on Corporate Governance issued in year 2017 by the Institute of Chartered Accountants of Sri Lanka covering following eight fundamental aspects:

- Directors
- Directors’ Remuneration
- Relationship with Shareholders
- Accountability and Audit
- Institutional Investors
- Other Investors
- Internet of things and cyber-security
- Environment, society and governance

Above are discussed in the following sections;

A. THE DIRECTOR

A.1- THE BOARD

Main principle

Every public Company should be headed by an effective Board, which should direct, lead and control the Company.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Board Meeting	A.1.1	The Board should meet regularly, at least once in every quarter of a financial year.	The Board meets at least four times a year and additional meetings are held as necessary. The Board sub-committees also meet on a regular basis. Circular Resolutions are passed as per the requirements. The Board met eight (08) times during the period ended 31st March 2026. Details of the meetings and attendance of the members are set out on page 202 The meetings convened by the Board sub-committees during 2025/26 are also provided on page 202	Complied
		The regularity of Board meetings and the structure and process of submitting information should be agreed to and documented by the Board.	A board pack containing all relevant information is submitted to the Board of Directors.	Complied
Responsibility of the Board	A.1.2	Board should be responsible for matters including: Ensuring the formulation and implementation of a sound business strategy.	The Board is responsible for the strategic planning process of the Company. This includes the responsibility for the formulation of the strategic vision and mission of the Company, setting the overall corporate policy and strategy, monitoring performance and reviewing risks and major investments. The Board also takes on the added responsibility of directing Company performance towards achieving the best results possible and increasing shareholder value. The Board sets the broad parameters of the Company's business. The Company's business units are then tasked with their application, in achieving specific targets and objectives.	Complied
		Appointing the Chair and the Senior Independent Director if relevant	Not applicable since Group CEO is the apex executive in charge of the day-to-day management of operations and business of the Company.	Complied

CORPORATE GOVERNANCE

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
		Ensuring that the CEO and Management Team possess the skill, experience and knowledge to implement strategy.	<p>While the Board of Directors is ultimately responsible for the operations and financial soundness of the Company, the day-to-day management of the Company is entrusted to the Group CEO. There is extensive staff participation in decision-making at all levels, with strategic recommendations on material matters flowing to the Board for final decision.</p> <p>The Group CEO chairs the Executive Committee. The Executive Management Committee, comprising all key senior managers who are divisional heads/subsidiary CEOs and Group CEO meets frequently for performance review and decision making.</p> <p>The Company's Annual Plan addresses the requirements of all business units and divisions. This ensures that the entire Company follows the set plans and objectives as articulated in the Annual Plan. These in turn become the primary objectives of the Management Committee which is represented by all Heads of Divisions, and are shared with Divisional Heads and Heads of all SBUs. The Management Committee together with the Heads of Divisions and SBUs have the autonomy and freedom to translate these objectives to specific goals that are achievable.</p> <p>Key programs are identified by the Group CEO for each year in line with the Annual Plan after they are discussed at Executive Committee meetings. A review of progress on plan implementation is a key item on the agenda of the monthly Management Review meetings.</p>	Complied
		Ensuring the adoption of an effective CEO and Senior Management succession strategy	<p>Succession planning is given due recognition in the corporate culture. Effective succession planning is a criterion in the performance appraisals of the Senior Management and Key Management.</p> <p>Developing a Group wide succession plan considering 3x3x3 is in progress</p>	Complied
		Approving budgets and major capital expenditure.	Budgets and major capital expenditure are reviewed and approved by the Board	Complied
		Determining the matters expressly reserved to the Board and those delegated to the Management including limits of authority and financial delegation.	The Board has agreed and reserved power to determine matters including approving of major capital expenditure, appointing the Secretary to the Board and seeking professional advice as and when needed Limits of authority and financial delegation are agreed by the Board to manage affairs efficiently.	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
		Ensuring effective systems to secure integrity of information, internal control and risk management.	<p>The Board has delegated this responsibility to the Audit Committee.</p> <p>The Audit Committee is empowered to review and monitor the financial reporting process of CIC Group to provide additional assurance on the reliability of Financial Statements through a process of independent and objective review.</p> <p>As such, the Audit Committee acts as an effective forum in assisting the Board of Directors in discharging their responsibilities on ensuring the quality of financial reporting and related communication to the shareholders and the public.</p> <p>Audit Committee framework, composition, responsibilities and duties are given in the Audit Committee Report on page 203</p> <p>Risk Management framework is given in the Risk Management Report appearing from pages 65 to 71</p>	Complied
		Ensuring compliance with laws, regulation and ethical standards.	<p>The Board follows a policy of strict compliance with laws and regulatory requirements and ensures that stakeholder interests are considered in key corporate direction.</p> <p>A compliance checklist is provided to Audit Committee and Board members in every quarter by the Compliance Officer indicating compliance with applicable laws, regulations etc.</p> <p>The Company has also issued a Code of Ethics and Human Resources Policies and Procedures applicable to all employees.</p>	Complied
		Ensuring all stakeholder interests is considered in corporate decisions.	<p>The Board adopted core values and standards which set out the conduct of staff in their dealings with shareholders, customers, community, environment, suppliers and other stakeholders. Once the core values are set and communicated to all levels of the Organisation, there is a belief that the highest standards of integrity are maintained in business.</p> <p>The Board relies on the integrity and due diligence of Key Managers, Senior Managers, Auditors and Advisors to oversee the Group's overall performance objectives, financial plans and annual budgets, investments, financial performance reviews, risk management and corporate governance practices.</p>	Complied

CORPORATE GOVERNANCE

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
		Recognising sustainable business development in corporate strategy, decisions and activities and consider the need for adopting "integrated reporting".	Development of sustainable value is embedded in the corporate strategies.	Complied
		Ensuring that the Company's values and standards are set with emphasis on adopting appropriate accounting policies and fostering compliance with financial regulations.	The Group enshrines the highest ethical standards in the conduct of its business affairs and its Board of Directors are tasked with ensuring that the resultant regime of exemplary governance across all aspects of business are in the best interests of stakeholders. Ethically correct conduct comprising integrity, honesty, fair play and loyalty pervade all Group actions.	Complied
			Accounting policies are reviewed annually in light of changing business requirements, evolving international and local accounting standards and industry best practice. As mentioned above, significant emphasis is placed on compliance with applicable regulations. Group continues to adopt same accounting policies adopted in year 2025/26 and which are given as part of the Financial Reports on pages 239 to 257 and the related changes to significant accounting policies are described in Notes 1 to 4	Complied
		Establish a process of monitoring and evaluation of progress on strategy implementation, budgets, plans and related risks.	Performance and progress of strategy implementation, budgets, plans and risks are monitored through a formal reporting process.	Complied
		Ensuring that a process is established for corporate reporting on annual and quarterly basis or more regularly as relevant to the Company	The Board ensures compliance to annual and quarterly corporate reporting requirements.	Complied
		Fulfilling such other Board functions as relevant to the Organisation.	The Board makes every endeavour to ensure a balanced and objective assessment of the Company's position, performance and prospects. Members from professional accounting bodies are on the Board ensuring financial and economic acumen, knowledge and other Board members from the professional marketing bodies ensure stimulation of marketing knowledge of the Board members.	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Compliance with laws and seeking independent professional advice	A.1.3	The Board collectively, and Directors individually, must act in accordance with the laws of the country and there should be a procedure agreed by the Board of Directors to obtain independent professional advice where necessary, at the Company's expense.	<p>As mentioned above, there is a significant emphasis across the organisation to ensure compliance with applicable laws and regulations.</p> <p>The Board members are permitted to obtain independent professional advice from a third party including the Company's External Auditors and other professional consultants whenever deemed necessary at the expense of the Company</p>	Complied
Company Secretary	A.1.4	All Directors should have access to the advice and service of the Company Secretary, who is responsible to the Board in ensuring, that the Board procedures are followed and that the applicable rules and regulations are complied with. Any question of the removal of the Company Secretary should be a matter for the Board as a whole.	The Company Secretary ensures that all Board Terms of Reference are followed, and applicable rules and regulations are adhered to. The Company Secretary advice the Board and ensures that the Company complies with its Articles of Association, Companies Act and such regulatory publication, Board procedures and other applicable rules and regulations are followed. All Directors have access to the Company Secretary. The Secretary possesses the required qualifications as set out in the Companies Act.	Complied
		The Company should obtain appropriate insurance cover as recommended by the Nomination and Governance Committee for the Board, Directors and Key Management Personnel.	Insurance cover has been obtained.	Complied
Independent judgement of Directors	A.1.5	All Directors should bring independent judgement to bear on issues of strategy, performance, resource allocation, risk management, compliance and standards of business conduct.	<p>The Chairman conducts Board meetings in a manner which ensures that there is effective participation from all Directors, their individual contribution and concerns are objectively assessed prior to making key decisions and that the balance of power is maintained</p> <p>In advance of every Board meeting, each Director receives a comprehensive set of Board papers and any additional information requested by the Directors. It is the Group CEO's duty to ensure that all members are properly briefed.</p> <p>None of the Independent Directors have held executive responsibilities in the Company, and have submitted a declaration confirming their independence in accordance with Section 7 of the CSE Listing Rules on Corporate Governance as at 31st March 2026</p>	Complied

CORPORATE GOVERNANCE

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Dedication of adequate time and effort by the Directors	A.1.6	Every Director should dedicate adequate time and effort to matters of the Board and the Company, to ensure that the duties and responsibilities owned to the Company are satisfactorily discharged	<p>The Board met on eight (08) occasions during the year.</p> <p>The Board is satisfied that the Chairman and the Non-Executive Directors committed sufficient time during 2025/26 to fulfil their duties.</p>	Complied
	A.1.7	One-third of Directors can call for a resolution to be presented to the Board where they feel it is in the best interest to the Company to do so.	As per Articles of Association, resolutions could be passed with majority voting	Complied
Training for new and existing Directors	A.1.8	<p>Every Director should receive appropriate training when first appointed to the Board of a Company, and subsequently as necessary.</p> <p>The training curricular should encompass both general aspects of directorship and matters specific to the particular industry/Company concerned.</p> <p>A Director must recognise that there is a need for continuous training and expansion of the knowledge and skill required to effectively perform his duties as a Director. The Board should regularly review and agree on the training and development needs of the Directors</p>	<p>The Directors are given the opportunities to familiarise and obtain an in-depth understanding of the Company's business, its strategies, risks and processes at their discretion.</p> <p>Training is provided to Executive Directors to equip themselves to discharge their responsibilities effectively. This includes training provided by principles, external and in-house training. Training and development needs are reviewed on a regular basis.</p> <p>Directors are briefed on changes in laws and regulations, tax laws and accounting standards from time to time either during the Board meetings or at specially convened sessions.</p>	Complied

A.2 CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER (GROUP CEO)

Main Principle

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Separation of the roles of Chairman and Group CEO	A.2.1	The positions of Chairman and Group CEO are separated to ensure a balance of power and authority and to prevent any one individual from possessing unfettered decision-making authority	<p>The Chairman acts as Non -Executive – Non -Independent Chairman, the Chairman's and Group CEO's functions are separated to ensure a balance of power of authority and this dual panel structure has been continued throughout the year 2025/26</p> <p>The Chairman of the Board of Directors functions in non -executive capacity. The Group Chief Executive Officer functions as an Ex-Officio Director of the Board and is the apex executive in charge of the day-to-day management of operations and business of the Company, while providing the link between the Board of the Parent Company and Divisional Heads (Key Management).</p>	Complied
		The regularity of Board meetings and the structure and process of submitting information should be agreed to and documented by the Board.	A board pack containing all relevant information is submitted to the Board of Directors.	Complied

A.3 CHAIRMAN'S ROLE

Main principle

The Chairman's role in preserving good corporate governance is crucial. As the person responsible for running the Board, the Chairman should preserve order and facilitate the effective discharge of Board functions.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
		<p>The Chairman should conduct Board proceedings in a proper manner and ensure, inter alia, that:</p> <p>The agenda for Board meetings is developed in consultation with the CEO, Directors and the Company Secretary taking into consideration matters relating to strategy, performance, resource allocation, risk management and compliance</p>	Agenda for Board meetings is developed in consultation with the Group CEO, Directors, Group CFO and the Company Secretary.	Complied

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Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
		Sufficiently detailed information of matters included in the agenda should be provided to Directors in a timely manner.	Required information is provided to Directors in a timely manner.	Complied
		All Directors are made aware of their duties and responsibilities and the Board and Committee structures through which it will operate in discharging its responsibilities	All Directors are aware of their duties and responsibilities and Chairman and Group CEO provide a comprehensive overview of the Company and its operations once a new Director is appointed to the Board.	Complied
		The effective participation of both Executive and Non- Executive Directors is secured.	The Chairman is responsible for leading the Board and for its effectiveness. In practice, this means taking responsibility for the Board's composition, ensuring that the Board focuses on its key tasks and supports the Group CEO in managing the day-to-day running of the Company. The Chairman is also the ultimate point of contact for shareholders, particularly on corporate governance issues.	Complied
		All Directors are encouraged to make an effective contribution, within their respective capabilities, for the benefit of the Company.	The Chairman satisfies himself that the information available to the Board is sufficient to make an informed assessment of the Company's affairs as well as to discharge their duties to all stakeholders.	Complied
		All Directors are encouraged to seek information considered necessary to discuss matters on the agenda of meetings and to request inclusion of matters of corporate concern on the agenda.	Necessary information and presentations are done if necessary to the agenda items. All Directors are free to communicate with Divisional Heads, Group CEO and Group CFO to call additional information necessary.	Complied
		A balance of power between Executive and Non-Executive Directors is maintained.	The Chairman conducts Board meetings in a manner which ensures that there is effective participation from all Directors, their individual contribution and concerns are objectively assessed prior to making key decisions and that the balance of power is maintained.	Complied
		The views of Directors on issues under consideration are ascertained; and	Chairman ensures that regular meetings are conducted at least once a quarter and the minutes of the meetings are accurately recorded.	Complied
		The Board is in complete control of the Company's affairs and alert to its obligations to all shareholders and other stakeholders.	Chairman approves the agenda prepared by the Company Secretary in consultation with Group CEO and consult Directors if necessary.	Complied

A.4 FINANCIAL ACUMEN

Main principle

The Board should ensure the availability within it of those with sufficient financial acumen and knowledge to offer guidance on matters of finance.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Financial acumen and knowledge.	A.4.1	Availability of sufficient financial acumen and knowledge.	The Board includes a member who is a Fellow Member of the Association of Certified Chartered Accountants, UK, a member who is a Fellow Member of The Institute of Chartered Accountants of Sri Lanka and a member of the Institute of Certified Management Accountants of Australia, a member who is an Associate Member of The Institute of Chartered Accountants of Sri Lanka (ACA) and Fellow Member of the Chartered Institute of Management Accountants, UK, (FCMA). Other members of the Board have the ability to offer guidance on matters of finance to the Board.	Complied

A.5 BOARD BALANCE

Main principle

It is preferable for the Board to have a balance of Executive and Non-Executive Directors such that no individual or small group of individuals can dominate the Board's decision-taking.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Presence of strong team of Non-Executive Directors	A.5.1	<p>The Board should include Non-Executive Directors of sufficient calibre and number for their views to carry significant weight in the Board's decisions.</p> <p>The Board should include at least three Non-Executive Directors or such number of Non-Executive Directors equivalent to one-third of total number of Directors, whichever is higher. In the event, the Chairman and Group CEO is the same person, Non-Executive Directors should comprise a majority of the Board.</p>	All seven (07) Board Directors are Non-Executive Directors which is well above the minimum prescribed by the Code. This ensures views of Non-Executive Directors carry a significant weight in the decisions made by the Board.	Complied

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Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Independent Non-Executive Directors	A.5.2	Where the constitution of the Board of Directors includes only Non-Executive Directors, at least three Non-Executive Directors should be "independent". In all other instances three or two-third of Non-Executive Directors appointed to the Board of Directors whichever is higher should be "independent".	Three out of seven Non-Executive Directors on the Board are independent based on the criteria set by this Code and the Listing Rules of the Colombo Stock Exchange.	Complied
Independence of Non- Executive Directors	A.5.3	For a Director to be deemed "independent" such Director should be independent of management and free of any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the exercise of their unfettered and independent judgement.	The Company maintains the "Interest Register" required by the Companies Act No. 07 of 2007, which also shows details of Directors' Interest in Contracts/Company or Group. A disclosure on related party transactions is available on pages 312 to 314	Complied
Annual Declaration	A.5.4	Each Non-Executive Director should submit a signed and dated declaration annually of his/her independence or non-independence against the specified criteria set out in the Specimen in Schedule K of the Code.	Every Non-Executive Independent Director of the Company has made written submissions as to their independence against the specified criteria set out by the Company, which is in line with the requirements of Schedule K of this Code.	Complied
Determination of Independence of Director	A.5.6	The Board should make a determination annually as to the independence or non-independence of each Non-Executive Director based on such a declaration made of decided criteria and other information available to the Board, and should set out in the Annual Report the names of Directors determined to be "independent" The Board should specify the criteria not met and the basis for its determination in the Annual Report, if it determines that a Director is independent notwithstanding the existence of relationships or circumstances which indicate the contrary.	The Board has determined the independence of Directors based on the declarations submitted by the Non-Executive Directors, as to their independence, as a fair representation and will continue to evaluate their independence on this basis annually. No circumstances have arisen for the determination of independence by the Board, beyond the criteria set out in the Code. Independent Non-Executive Directors are: 1. Mr. J. R. Gunaratne 2. Mr. D. T. S. H. Mudalige 3. Ms. K. D Senewiratne	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Requirement to appoint Senior Non-Executive Director	A.5.7	In the event the Chairman and Group CEO is the same person, or the Chairman is not an Independent Director or the Chairman is immediately preceding Group CEO, the Board should appoint one of the Independent Non-Executive Directors to be the "Senior Independent Director" (SID) and disclose this appointment in the Annual Report.	Not applicable since Group CEO is the apex Executive in charge of the day-to-day management of operations and business of the Company.	N/A
Confidential discussion with Senior Independent Director	A.5.8	The Senior Independent Director should make himself available for confidential discussions with other Directors who may have concerns which they believe have not been properly considered by the Board as a whole and which pertain to significant issues that are detrimental to the Company	Not Applicable.	N/A
Chairman's meetings with Non-Executive Directors	A.5.9	The Chairman should hold meetings with the Non-Executive Directors only, without the Executive Directors being present, as necessary and at least once each year.	All the Directors are Non-Executive Directors	Complied
Recording of concerns in Board Minutes	A.5.10	Where Directors have concerns about the matters of the Company which cannot be unanimously resolved, they should ensure their concerns are recorded in the Board minutes.	Concerns raised by the Directors during the period, if any, are recorded in the minutes of Board meetings with adequate details by the Company Secretary	Complied

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A.6 SUPPLY OF INFORMATION

Main principle

The Board should be provided with timely information in a form and of a quality appropriate to enable it to discharge its duties

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Management obligation to provide appropriate and timely information to the Board	A.6.1	Management has an obligation to provide the Board with appropriate and timely information, but information volunteered by Management may not be enough in all circumstances and Directors should make further inquiries where necessary. The Chairman should ensure all Directors are properly briefed on issues arising at Board meetings	<p>The Company ensures that the Directors receive adequate information in a timely manner. On urgent matters, every effort is made to provide the information, as early as possible. The Board receives a standard set of documents, which are timely, accurate, relevant and comprehensive. These papers include a detailed analysis of financial and non-financial information. The Board may call for additional information or clarify issues with any member of the Executive Committee.</p> <p>If necessary, all Directors are adequately briefed by the Group CEO on matters arising at Board meetings. The Secretary and the Compliance Officer ensure that Board papers are circulated in advance prior to Board meeting.</p> <p>If necessary, members of the Executive Committee, External Auditors and outside Consultancies makes presentations on issues of importance.</p> <p>The Chairman ensures that all Directors are briefed adequately on issues arising at Board meetings.</p>	Complied
Adequate time for effective conduct of Board meetings	A.6.2	The minutes, agenda and papers required for a Board meeting should ordinarily be provided to Directors at least seven (7) days before the meeting, and the minutes of the meeting should ordinarily be provided to Directors at least two weeks after the meeting date.	The minutes, agenda and papers required for Board meeting are provided in advance to facilitate its effective conduct.	Complied

A.7 APPOINTMENTS TO THE BOARD

Main Principle

There should be a formal and transparent procedure for the appointment of new Directors to the Board.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Nomination and Governance Committee	A.7.1	<p>A Nomination and Governance Committee should be established to make recommendations to the Board on all new Board appointments. Terms of Reference for Nomination and Governance Committees are set out in Schedule A.</p> <p>The Chairman and members of the Nomination and Governance Committee should be identified in the Annual Report.</p>	<p>The Committee consists of three Independent Non-Executive Director and two Non- Executive Directors. Chairman is an Independent non -Executive Director.</p> <p>Please refer pages 207 to 209 for new appointments in year 25/26</p>	Complied
		<p>A separate section of the Annual Report should describe the work of the Nomination and Governance Committee including the process it has used in relation to Board appointments.</p>	<p>Details of work of the Nomination and Governance Committee are given on pages 207 to 209</p>	Complied
Assessment of Board composition by the Nomination and Governance Committee	A.7.2	<p>The Nomination and Governance Committee should annually assess Board composition to ascertain whether the combined knowledge and experience of the Board matches the strategic demands facing the Company. The findings of such assessment should be taken into account when new Board appointments are considered and when incumbent Directors come up for re-election.</p>	<p>Board as a whole annually assesses the composition of the Board to ensure that the combined knowledge and experience of the Board matches the strategic demand facing the Company. The findings of such assessments are taken into account when new Board appointments are considered.</p>	Complied

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Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Disclose of required details of new Directors to shareholders	A.7.3	<p>Upon the appointment of a new Director to the Board, the Company should forthwith disclose to shareholders:</p> <ul style="list-style-type: none"> - a brief résumé of the Director; - the nature of his expertise in relevant functional areas; - the names of companies in which the Director holds directorships or memberships in Board committees; and - whether such a Director can be considered "independent". 	<p>There were no new appointments to the Board of Directors during the year under review.</p> <p>The details of the current Board of Directors are provided on pages 25 to 28 in this Annual Report.</p>	Complied

A.8 RE-ELECTION

Main principle

All Directors should be required to submit themselves for re-election at regular intervals and at least once in every three years.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Re-election of Non-Executive Directors, Chairman, and CEO	A.8.1	Non-Executive Directors should be appointed for specified terms subject to re-election and to the provisions in the Companies Act relating to the removal of a Director, and their reappointment should not be automatic.	In terms of the Articles of Association, one- third of the Directors, except for Managing Director, retire by rotation and may offer themselves for re-election at the AGM. By virtue of being the Managing Director is not required to make themselves available for re-election as per the Articles of Association. The Company's Articles of Association provides that any Director appointed by the Board during the period to hold office until the next Annual General Meeting and seek re-appointment by the shareholders at the said AGM.	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
	A.8.2	All Directors including the Chairman of the Board, should be subject to election by shareholders at the first opportunity after their appointment, and to re-election thereafter at intervals of no more than three years. The names of Directors submitted for election or re-election should be accompanied by a résumé minimally as set out in paragraph A.7.3 above, to enable shareholders to make an informed decision on their election.	Based on the Articles of Association and the current composition of the Board, a Director has to come forward for re-election, every three years A résumé of the Directors coming up for re-election at the AGM, 2025/26 is available on pages 207 to 209	Complied
Resignation	A.8.3	In the event of a resignation of a Director prior to completion of his appointed term, the Director should provide a written communication to the Board of his reasons for resignation.	Written communications are provided to the Board by Directors who resign prior to completion of his appointed term.	Complied

A.9 APPRAISAL OF BOARD PERFORMANCE

Main principle

Boards should periodically appraise their own performance in order to ensure that Board responsibilities are satisfactorily discharged.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Annual performance evaluation of the Board and its Committee	A.9.1	The Board should have in place a formal and rigorous process for annually reviewing the performance of the Board and its committees and should address any matters that may arise from such review, in the discharge of its key responsibilities as set out in A.1.2.	The performance of the Board and the sub-committee is reviewed and evaluated by the Board and Chairman based on a self-appraisal basis.	Complied

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Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
	A.9.2	<p>The Board should also undertake an annual self-evaluation of its own performance and that of its committees.</p> <p>The evaluation should be carried out by each Director individually. The collective outcome should be compiled and made available to Nomination and Governance Committee, which should make recommendations to the Board on initiatives and actions required to improve the balance of skills, experience, independence, industry and Company knowledge, training of Directors, governance processes, strategy review and other factors relevant to its effectiveness.</p>	Board undertakes an annual self-evaluation of its own performance and that of its committees.	Complied
	A.9.3	The Board should have a process to review the participation, contribution and engagement of each Director at the time of re-election.	Not in place	Not Complied
	A.9.4	The Board should state how such performance evaluations have been conducted, in the Annual Report.	Not in place and not disclosed .	Not Complied

A.10 DISCLOSURE OF INFORMATION IN RESPECT OF DIRECTORS

Main principle

Shareholders should be kept advised of relevant details in respect of Directors.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Details in respect of Directors	A.10.1	The Annual Report of the Company should set out the following information in relation to each Director:		Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
		i. Name, qualifications and brief profile;	Available on pages 27 to 28	Complied
		ii. The nature of his/her expertise in relevant functional areas;	Available on pages 27 to 28	Complied
		iii. Immediate family and/ or material business relationships with other Directors of the Company;	Not Applicable.	N/A
		iv. Whether Executive, Non- Executive and/or Independent Director	Available on pages 27 to 28	Complied
		v. Names of listed companies in Sri Lanka in which the Director concerned serves as a Director;	Available on pages 219 to 221	Complied
		vi. Names of other companies in which the Director concerned serves as a Director, provided that where he/she holds directorships in companies within a Group of which the Company is a part, their names need not be disclosed; it is sufficient to state that he/ she holds other directorships in such companies;	Disclosed through annual declaration of directors	Complied
		vii. Number/percentage of Board meetings of the Company attended during the year;	Available on page 202	Complied
		viii. The total number of Board seats held by each Director indicating listed and unlisted companies and whether in an executive or non-executive capacity;	Not disclosed in the Annual Report. However these information are available with the Company Secretary.	Complied
		ix. Committees in which the Director serves as Chairman or a member;	Available on page 202	Complied

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Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
		x. Number/percentage of Committee meetings attended during the year.	Available on page 202	Complied

A.11 APPRAISAL OF GROUP CHIEF EXECUTIVE OFFICER

Main principle

The Board should be required, at least annually, to assess the performance of the Group CEO

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Setting annual targets and the appraisal of performance of the CEO	A.11.1	At the commencement of every fiscal year, the Board in consultation with the CEO, should set, in line with the short, medium and long-term objectives of the Company, reasonable financial and non-financial targets that should be met by the Group CEO during the year.	The Annual Business Plan is prepared setting up short-term, medium-term and long-term financial and non-financial goals. The Annual Business Plan is initially approved by the Board.	Complied
	A.11.2	The performance of the Group CEO should be evaluated by the Board at the end of each fiscal year to ascertain whether the targets set by the Board have been achieved and if not, whether the failure to meet such targets was reasonable in the circumstances.	Assessment of performance of the Group CEO/Group Head-Human Resources (GHHR)/ Group CFO , Group Chief Strategy Officer and Business Heads are carried out by the Board at the end of each year to ensure that pre-agreed targets and objectives have been achieved or if not whether there are acceptable reasons for not achieving them.	Complied

B. DIRECTORS' REMUNERATION

B.1 REMUNERATION PROCEDURE

Main principle

Companies should establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors. No Director should be involved in deciding his/her own remuneration.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Establishment of the Human Capital and Compensation Committee	B.1.1	<p>To avoid potential conflicts of interest, the Board of Directors should set up a Human Capital and Compensation Committee to make recommendations to the Board, within agreed terms of reference, on the Company's framework</p> <p>of remunerating Executive Directors. (These also include Post-Employment Benefits as well as Terminal Benefits.) Terms of Reference for Human Capital and Compensation Committees are set out in Schedule C.</p>	<p>The scope of the Committee is to consider and recommend to the Board remuneration and perquisites of Independent Directors, Executive Directors of the Board of the Company including Key Managers and approve recommendations made by the Group CEO.</p> <p>Remuneration and perquisites of Group CEO is considered.</p>	Complied
Composition of the Human Capital and Compensation Committee	B.1.2	Human Capital and Compensation Committees should consist exclusively of Non-Executive Directors with a minimum of three Non-Executive Directors of whom the majority should be Independent. The Chairman should be an independent Non-Executive Director and should be appointed by the Board.	The Committee consists of two non-executive directors and three Independent Non-Executive Directors. The Committee is chaired by an independent Non-Executive Director. Company Secretary serves as the Secretary to the Committee. Group CEO and Group HHR/ Group CFO assist the Committee by providing the relevant information and participating in its analysis and deliberations.	Complied
Chairman and Members of the Human Capital and Compensation Committee	B.1.3	The Chairman and members of the Human Capital and Compensation Committee should be listed in the Annual Report each year.	Please refer page 205 for the Human Capital and Compensation Committee Report for details of the Chairman and members of the Human Capital and Compensation Committee.	Complied

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Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Determination of remuneration of Non- Executive Director	B.1.4	The Board as a whole, or where required by the Articles of Association the shareholders, should determine the remuneration of Non-Executive Directors, including members of the Human Capital and Compensation Committee, within the limits set in the Articles of Association. Where permitted by the Articles, the Board may delegate this responsibility to a subcommittee of the Board, which might include the CEO	After consideration of the recommendations made by the Group Chief Executive Officer, the Committee as a whole decides the remuneration of Non-Executive Directors. The Non-Executive Directors receive a fee for being a Director of the Board and separate fee for either chairing or being a member of a Board sub-committee. They do not receive any performance/incentive payments.	Complied
Consultation of the Chairman and access to professional advice	B.1.5	The Human Capital and Compensation Committee should consult the Chairman and/or CEO about its proposals relating to the remuneration of other Executive Directors and have access to professional advice from within and outside the Company, in discharging their responsibilities.	The Committee has the authority to seek internal and external independent professional advice on matters falling within its purview, at the Company's expense. Views of the Chairman and Group CEO are obtained as they too assist and participate in its analysis and deliberations to the said Board sub- committee.	Complied

B.2 LEVEL AND MAKE-UP OF REMUNERATION

Main principle

Levels of remuneration of both Executive and Non-Executive Directors should be sufficient to attract and retain the Directors needed to run the Company successfully. A proportion of Executive Directors' remuneration should be structured to link rewards to corporate and individual performance.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Executive Directors' remuneration package	B.2.1	The Human Capital and Compensation Committee should provide the packages needed to attract, retain, and motivate Executive Directors of the quality required but should avoid paying more than is necessary for this purpose.	The Human Capital and Compensation Committee and the Board ensure that Executive Directors and Key Management are provided with an attractive remuneration package.	Complied
	B.2.2	Executive Directors' remuneration should be designed to promote the long-term success of the Company.	Executive Directors' and Key Management's remuneration is designed to promote the long- term success of the Company/Group	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Comparison of remuneration with other companies/ Other companies in the Group	B.2.3	The Human Capital and Compensation Committee should judge where to position levels of remuneration of the Company, relative to other companies. It should be aware what comparable companies are paying and should take account of relative performance, but should use such comparisons with caution, mindful of the risk that they can result in an increase of remuneration levels with no corresponding improvement in performance.	The primary objective of compensation packages is to attract and retain a highly qualified and experienced workforce and reward performances. These compensation packages should provide compensation appropriate for each business within the Group and commensurate with each employee's level of experience and contribution, bearing in mind the business performance and long-term shareholder returns.	Complied
	B.2.4	The Human Capital and Compensation Committee should be sensitive to remuneration and employment conditions elsewhere in the Company or Group of which it is a part, especially when determining annual salary increases.	Remuneration and annual salary increments are decided considering industry practices, performance of the Company/Group, each employee's level of experience and contribution bearing in mind the business performance and the long-term shareholder returns.	Complied
Performance-based remuneration of Executive Directors	B.2.5	The performance-related elements of remuneration of Executive Directors should be designed and tailored to align their interests with those of the Company and main stakeholders and to give these Directors appropriate incentives to perform at the highest levels. The performance-related elements should be transparent, stretching and rigorously applied.	Objectives for Group CEO, Executive Directors and Key Management are set at the beginning of the year and the remuneration including the performance bonus is decided based upon the degree of achievement of such pre-set targets subject to the remuneration policy.	Complied
Executive share options	B.2.6	Executive share options should not be offered at a discount (i.e. less than market price prevailing at the time the exercise price is determined), save as permitted by the Listing Rules of the Colombo Stock Exchange. Shares granted under share options schemes should not be exercisable in less than three years and the Human Capital and Compensation Committee should consider requiring Directors to hold a minimum number of shares and to hold shares for a further period after vesting or exercise.	Employee Share Option Scheme (ESOS) proposed by the Board of Directors was approved by the shareholders at the Extraordinary General Meeting held on 30th June 2016. The shares under the scheme granted to the eligible employees starting from the financial year 2017/18, based on the results achieved in financial year 2016/17. During the year no options were granted /exercised under ESOS.	Complied

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Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Designing the remuneration of Executive Directors	B.2.7	In designing schemes of performance-related remuneration, Human Capital and Compensation Committees should follow the provisions set out in Schedule E. The schemes should include provisions that would enable the Company to recover sums paid or withhold a portion of such performance-related remuneration and specify the circumstances in which a Company may not be entitled to do so.	Please refer Human Capital and Compensation Committee Report on page 205	Complied
Early termination of Executive Director	B.2.8	Human Capital and Compensation Committee should consider what compensation commitments (including pension contributions) their Directors' contracts of service, if any, entail in the event of early termination. Human Capital and Compensation Committee should in particular, consider the advantages of providing explicitly for such compensation commitments to apply other than in the case of removal for misconduct, in initial contracts.	Not applicable to the Board except for Group CEO and other Executive Directors who are employees of the Company, and their terms of employment are governed by the contract of service/employment.	Complied
	B.2.9	Where the initial contract does not explicitly provide for compensation commitments, Human Capital and Compensation Committees should, within legal constraints, tailor their approach in early termination cases to the relevant circumstances. The broad aim should be, to avoid rewarding poor performance while dealing fairly with cases where departure is not due to poor performance.	Not applicable.	N/A

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Level of remuneration of Non-Executive Directors	B.2.10	<p>Levels of remuneration for Non-Executive Directors should reflect the time commitment and responsibilities of their role, taking into consideration market practices. Remuneration for Non-Executive Directors should not normally include share options. If exceptionally options are granted, shareholder approval should be sought in advance and any shares acquired by exercise of the options should be held until at least one year after the Non-Executive Director leaves the Board.</p> <p>Holding share options could be relevant to the determination of a Non-Executive Director's independence. (as set out in provision A.5.5).</p>	<p>Non-Executive Directors of the Company are paid nominal fees commensurate with their time and role in the Company and taking into consideration market practices.</p> <p>Non-Executive Directors are not included in share options as there is no scheme in existence.</p>	Complied

B.3 DISCLOSURE OF REMUNERATION

Main principle

The Company's Annual Report should contain a Statement of Remuneration Policy and details of remuneration of the Board as a whole.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Disclosure of remuneration	B.3.1	The Annual Report should set out the names of Directors (or persons in the Parent Company's Committee in the case of a Group Company) comprising the Human Capital and Compensation Committee, contain a statement of remuneration policy and set out the aggregate remuneration paid to Executive and Non-Executive Directors	<p>Please refer Remuneration Committee Report on page 205 for disclosure on the names of Human Capital and Compensation Committee members and Remuneration Policy of the Company.</p> <p>Please refer Note 11 to the Financial Statements on page 263 for aggregate remuneration paid to Executive and Non-Executive Directors.</p>	Complied

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C. RELATIONS WITH SHAREHOLDERS

C.1 Constructive use of Annual General Meeting (AGM) and Conduct of General Meetings

Main principle

Boards should use the AGM to communicate with shareholders and should encourage their participation.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Adequate Notice of the AGM	C.1.1	Companies should arrange for the Notice of AGM and related papers to be sent to shareholders at least as determined by statute, before the meeting.	A copy of the Annual Report, Circular to Shareholders, Form of Proxy and the Form of Request are hosted on the Company website as well as on CSE website. Notice of Meeting is sent to shareholders with a QR code enabling the shareholders to scan and access the Annual Report.	Complied
Separate resolution for all separate issues at the AGM	C.1.2	Companies should propose a separate resolution at the AGM on each substantially separate issue and should in particular propose a resolution at the AGM relating to the adoption of the report and accounts. For each resolution, proxy appointment forms should provide shareholders with the option to direct their proxy to vote either for or against the resolution or to withhold their vote. The Proxy Form and any announcements of the results of a vote should make it clear that a "vote withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes for and against the resolution	Company proposes a separate resolution at the AGM on each substantially separate issue. Further, adoption of the Annual Report of the Board of Directors on the affairs of the Company and Audited Financial Statements together with the Report of the Auditors thereon are considered as a separate resolution.	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
	C.1.3	<p>The Company should ensure that all valid proxy appointments received for General Meetings are properly recorded and counted. For each resolution where a vote has been taken on a show of hands, the Company should ensure that the following information is given at the Meeting and made available as soon as reasonably practicable on a website which is maintained by or on behalf of the Company:</p> <ul style="list-style-type: none"> - The number of shares in respect of which proxy appointments have been validly made; - The number of votes for the resolution; - The number of votes against the resolution; and - The number of shares in respect of which the vote was directed to be withheld; <p>When, in the opinion of the Board a significant proportion of votes have been cast against a resolution at any General Meeting, the Board should take steps to understand the reasons behind the vote results and determine if any actions are required.</p>	The Company ensures that all valid proxy appointments received for General Meetings are properly recorded and counted	Complied
Availability of all Subcommittee Chairmen	C.1.4	The Chairman of the Board should arrange for the Chairmen of the Audit, Remuneration, Nomination and Related Parties Transactions Review Committees and the Senior Independent Director where such appointment has been made, to be available to answer questions at the AGM if so requested by the Chairman.	The Chairman of the Company ensures that Chairmen of all Board Subcommittees namely, Audit, Remuneration, Nomination and Related Party Transactions Review Committees are present at the AGM to answer the questions under their purview.	Complied

CORPORATE GOVERNANCE

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Procedures of Voting at AGM	C.1.5	Companies should circulate with every Notice of General Meeting, a summary of the procedures governing voting at General Meetings.	A summary of the procedures governing voting at General Meeting is circulated to shareholders with every Notice of General Meeting	Complied

C.2 COMMUNICATION WITH SHAREHOLDERS

Main principle

The Board should implement effective communication with shareholders.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Channel to reach all shareholders of the Company	C.2.1	There should be a channel to reach all shareholders of the Company in order to disseminate timely information.	<p>The primary modes of communication between Company and the shareholders are the CSE announcements, Interim Financial Statements, Shareholders Circulars/Notices, Annual Report and AGM. Information are provided to the shareholders prior to the AGM to give them an opportunity to exercise the prerogative to raise any issues relating to the business of Company, either verbally or in writing prior to the AGM.</p> <p>The Company used the following channels to disseminate timely information;</p> <ul style="list-style-type: none"> - Shareholders meetings - Financial and other notices as and when required through the Colombo Stock Exchange - Corporate website - Corporate Facebook and LinkedIn pages - Press notices - Investor webinar 	Complied
Policy and methodology for communication with shareholders	C.2.2	The Company should disclose the policy and methodology for communication with shareholders.	The Company will focus on open communication and fair disclosure, with emphasis on the integrity, timeliness and relevance of the information provided. The Company will ensure information are communicated accurately at all times.	Complied
Implementation of the Policy and methodology for communication with shareholders	C.2.3	The Company should disclose how they implement the above policy and methodology.	<p>Printed copies of Annual Report are provided to all shareholders on request without charge and soft copies are available on corporate website.</p> <p>All other announcements are posted on the CSE website.</p>	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Contact person for the communication	C.2.4	The Company should disclose the contact person for such communication.	Details of Company Secretary are disclosed in Corporate Information Section. Shareholders may, at any time, direct questions, request for publicly available information and provide comments and suggestions to Directors or Management of the Company. In addition, Head of Investor Relations is assigned to handle communications related to investor relations. Such questions, requests and comments should be addressed to the Head of Investor Relations and in the absence of him the Group Chief Executive Officer/ Group Chief Financial Officer	Complied
Process to make Directors aware of major issues and concerns of shareholders	C.2.5	The Company should have a process to make all Directors aware of major issues and concerns of shareholders and this process should be disclosed by the Company.	The Company Secretary shall maintain a record of all correspondence received and will deliver as soon as practicable such correspondence to the Board or individual Director/s as applicable. The Board or individual Director/s, as applicable, will generate an appropriate response to all validly received shareholder correspondence and will direct the Company Secretary to send the response to the particular shareholder.	Complied
	C.2.6	The Company should decide the person to contact in relation to shareholders' matters.	Company Secretary or Head of Investor Relations can be contacted in relation to shareholders' matters.	Complied
	C.2.7	The process for responding to shareholders matters should be formulated by the Board and disclosed.	Company Secretary is assigned to respond to shareholders by the Board and update the Board on such matters.	Complied

CORPORATE GOVERNANCE

C.3 MAJOR TRANSACTIONS

Main Principle

Further to compliance with the requirements under the Companies Act No. 7 of 2007, Directors should disclose to shareholders all proposed corporate transactions, which if entered into, would materially alter/vary the Company's net assets base or in the case of a Company with subsidiaries, the consolidated Group net asset base.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Disclosure on "Major Transaction"	C.3.1	Prior to a Company engaging in or committing to a "Major Related Party Transaction", with a related party, involving the acquisition, sale or disposition of greater than one third value of the Company's assets or that of a subsidiary which has a material bearing on the Company and for consolidated net assets of the Company, or a transaction which has or is likely to have the effect of the Company acquiring obligations and liabilities, of greater than one third of the value of the Company's assets, the Directors should disclose to shareholders the purpose and all material facts of such transaction and obtain shareholders' approval by ordinary resolution at an EGM. It also applies to transactions or series of related transactions which have the purpose or effect of substantially altering nature of the business carried on by the Company.	During the year, there were no major transactions as defined by Section 185 of the Company's Act No. 07 of 2007 which materially affect the Net Assets Base of the Company or Consolidated Group Net Asset Base. Transactions which materially affect the net assets base of the Company will be disclosed in the Quarterly/Annual Financial Statements, if any.	Complied
	C.3.2	Public listed companies should in addition comply with the disclosure requirements and shareholder approval by special resolution as required by the Rules and Regulations of the Securities and Exchange Commission and by the Colombo Stock Exchange.	Not applicable since no such transactions were carried out during the period.	Complied

D. ACCOUNTABILITY AND AUDIT

D.1 FINANCIAL REPORTING

Main principle

The Board should present a balanced and understandable assessment of the Company's financial position, performance and prospects.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Board's responsibility for Statutory and Regulatory Reporting	D.1.1	The Board should present an annual report including Financial Statements that is true and fair, balanced and understandable and prepared in accordance with the relevant laws and regulations and any deviation being clearly explained.	An annual report is presented including financial statements that is true and fair, balanced and understandable and prepared in accordance with the relevant laws and regulations.	Complied
	D.1.2	The Board's responsibility to present a balanced and understandable assessment extends to interim and other price-sensitive public reports and reports to regulators, as well as to information required to be presented by statutory requirements.	<p>The Board is well aware of its responsibility to present interim and other price-sensitive public reports and reports to regulators, as well as to information required to be presented by statutory requirements in a balanced and understandable manner and a statement to this effect is given in the Statement of Directors' Responsibility on page confirming this position.</p> <p>The Company had strictly complied with the requirements of the Companies Act No. 07 of 2007 in the preparation of Quarterly and Annual Financial Statements which are prepared and presented in conformity with Sri Lanka Accounting Standards. Further, Company has complied with the reporting requirements prescribed by the regulatory authority such as the Colombo Stock Exchange.</p>	Complied
	D.1.3	The Board should, before it approves the Company's Financial Statements for a financial period, obtain from its Group Chief Executive Officer and Chief Financial Officer a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the Financial Statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and that the system of risk management and internal control was operating effectively.	<p>It is assigned to Group Chief Financial Officer, Compliance Officers of the respective subsidiary companies.</p> <p>Group Chief Financial Officer, and Compliance Officers (financial accountants) review quarterly and year end Financial Statements before submitting to the Audit Committee and Board and ensure that, the financial records of the entity have been properly maintained and that the Financial Statements comply with the appropriate accounting standards and give a true and fair view</p>	Complied

CORPORATE GOVERNANCE

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Directors' Report in the Annual Report	D.1.4	<p>The Directors' Report, which forms part of the Annual Report, should contain declarations by the Directors to the effect that:</p> <ul style="list-style-type: none"> - the Company has not engaged in any activity which contravenes laws and regulations; - the Directors have declared all material interests in contracts involving the Company and refrained from voting on matters in which they were materially interested; - the Company has made all endeavours to ensure the equitable treatment of shareholders; - the Directors have complied with best practices of corporate governance - Property, plant and equipment is reflected at fair value, where it is different from fair value adequate disclosures are made - the business is a going concern, with supporting assumptions or qualifications as necessary; and - they have conducted a review of the internal controls, covering financial, operational and compliance controls and risk management, and have obtained reasonable assurance of their effectiveness and successful adherence therewith, and, if it is unable to make any of these declarations, to explain why it is unable to do so. 	<p>The Annual Report of the Board of Directors on the Affairs of the Company given on page 215 covers all of these requirements.</p> <p>In addition to that Company has established procedures to ensure compliance with all applicable statutory and regulatory requirements. The Accountants of respective companies within the Group act as Compliance Officers and are responsible for ensuring proper compliance with applicable laws and regulations</p> <p>A compliance statement is tabled at each Board meeting by the Compliance Officer</p> <p>The Company's compliance with Section 9 of the Colombo Stock Exchange Listing Rules on Corporate Governance and details of such compliance are discussed on page 144 of this Report.</p>	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Statements of Directors' and Auditors' Responsibility for the Financial Statements	D.1.5	The Annual Report should contain a statement setting out the responsibilities of the Board for the preparation and presentation of Financial Statements, together with a statement by the Auditors about their reporting responsibilities. Further the Annual Report should contain a report/statement on internal control.	<p>The "Statement of Directors' Responsibility on Financial Reporting" is given on page 227</p> <p>The "Independent Auditors' Report" on page 229 Statement of the Auditor's responsibility</p> <p>The Statement on Internal Control is given on page 212 in the Statement of Director's Responsibilities.</p>	Complied
Management Discussion and Analysis	D.1.6	<p>The Annual Report should contain a "Management Discussion and Analysis", discussing, among other issues:</p> <ul style="list-style-type: none"> - business model; - industry structure and developments; - opportunities and threats; - risk management; - - internal control systems and their adequacy; - governance; - stakeholder relationships; - social and environmental protection activities carried out by the Company; - financial performance; - investment in physical and intellectual capital; - human resource/industrial relations activities carried out by the Company; and - prospects for the future. <p>The Management Discussion and Analysis may be structured based on the integrated reporting framework issued by International Integrated Reporting Council and "a preparer's guide to integrated Corporate Reporting" issued by CA Sri Lanka.</p>	<p>Please refer Chairman's Statement on page 18 Group Chief Executive Officer's Review on page 21 and Management Discussion and Analysis on page 34 of this Annual Report.</p> <p>Management Discussion and Analysis is structured based on the Integrated Reporting Framework in this Annual Report.</p>	Complied

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Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Summon on EGM to notify serious loss of capital	D.1.7	In the event the net assets of the Company falling below 50% of the value of the Company's shareholders' funds, the Directors shall forthwith summon an Extraordinary General Meeting of the Company to notify shareholders of the position and of remedial action being taken. The Directors should report periodically to the shareholders progress on these remedial actions	Likelihood of such occurrence is remote. However, should the situation arises, an EGM will be called for and shareholders will be notified.	Complied
Disclosure of related party transaction	D.1.8	<p>The Board should adequately and accurately disclose the Related Party Transactions in its Annual Report:</p> <ul style="list-style-type: none"> - There should be a process to capture related parties and related party transactions. This process needs to be operationalised and related party transactions should be properly documented; - A record/register either in hard or soft form on related party and related party - The Company Secretary keeps a record on related party transactions and make necessary disclosures accordingly; transaction should be maintained by the Company; - This record should ensure that the Company captures information to comply with the respective related party disclosure requirements imposed by SEC/Accounting Standards/ Auditing Standards 	<p>Each Company within the Group to submit signed and dated quarterly declarations mentioning whether they have related party transactions with the Company as defined in this Code;</p> <p>Standards and similar regulations.</p> <p>Related party transactions review committee reviewed related party transactions of the CIC Group which is described in this Annual Report in page 210</p> <p>Related parties and related party transactions are captured and documented by the Company.</p>	Complied

D.2 RISK MANAGEMENT AND INTERNAL CONTROL

Main principle

The Board is responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. The Board should have a process of risk management and a sound system of internal control to safeguard shareholders' investments and the Company's assets. Broadly, risk management and internal control is a process, effected by a Company's Board of Directors and Management, designed to provide reasonable assurance regarding the achievement of Company's objectives.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Annual Review of the effectiveness of Group's system of internal control	D.2.1	The Board should monitor the Company's risk management and internal control systems and, at least annually, carry out a review of their effectiveness, and report on that review in the Annual Report. The monitoring and review should cover all material controls, including financial, operational and compliance controls.	<p>The Company's Directors are responsible for instituting a system of internal controls to ensure the effective implementation of all policies and decisions of the Board. This framework is designed to provide reasonable but not absolute assurance that all aspects are safeguarded.</p> <p>The Company has outsourced internal audit processes which are implemented to ensure that effective controls are in place. These processes extend across all Group Company operations.</p> <p>The Company does have a partially functioning separate internal audit function. Coordination will be handled internally and handled by respective finance heads and reporting to Group CFO.</p>	Complied
			<p>In relation to the subsidiary companies , the internal audit function includes an individual risk assessment for every business unit directly operated by the Company , and when required selected areas will cover deep evaluation basis based on five criteria:</p> <ol style="list-style-type: none"> 1. Receivables management 2. Inventory management 3. Cash management 4. Internal checks and balances 5. Effectiveness of internal controls Each subsidiary is graded by the Internal Auditor based on its adherence to controls and its administrative performance on the management of the five criteria mentioned above 	

CORPORATE GOVERNANCE

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Review the need for internal audit function	D.2.2	The Directors should confirm in the Annual Report that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. The Directors should describe those risks and explain how they are being managed or mitigated.	Please refer page 65 for the Risk Management report.	Complied
	D.2.3	Companies should have an internal audit function	Finance Heads and Internal Auditors are responsible for internal audit functions.	Complied
Review of the process and effectiveness of risk management and internal controls	D.2.4	The Board should require the Audit Committee to carry out reviews of the process and effectiveness of risk management and internal controls, and to document to the Board and Board takes the responsibility for the disclosures on risk management and internal controls.	The Internal Auditors who are appointed by the Audit Committee of the Company carries out regular reviews on the risk management function and internal control system including internal control over financial reporting. The Audit Committee monitors, reviews and evaluates the effectiveness of internal control system including the internal controls over financial reporting. In the reporting period ended 31st March 2026, the Board of Directors was satisfied with the effectiveness of the system of internal controls of the Company. Refer the Directors' Statement on Internal Control on page 212 for details.	Complied

D.3 AUDIT COMMITTEE

Main principle

The Board should establish formal and transparent arrangements for considering how they should select and apply accounting policies, financial reporting, determine the structure and content of corporate reporting, implement internal control and risk management principles and for maintaining an appropriate relationship with the Company's Auditors.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Composition of the Audit Committee	D.3.1	The Board should establish an Audit Committee exclusively of Non-Executive Directors with a minimum of three Non-Executive Directors of whom at least two should be independent. If there are more Non-Executive Directors. The majority should be independent. The Committee should be Chaired by an Independent Non-Executive Director. The Board should satisfy itself that at least one member of the Audit Committee has recent and relevant experience in financial reporting and control.	All members of the Audit Committee are Non- Executive Directors. Out of total four members, three members are Independent Non- Executive Directors. Chairman of the Audit Committee is an independent Non- Executive Director. Details of the members, invitees and Secretary of the Committee are in the Audit Committee Report under the heading "Composition of the Committee" in page 203	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Terms of Reference of the Audit Committee	D.3.2	<p>The Audit Committee should have a written Terms of Reference, dealing clearly with its authority and duties. The Audit Committee's written Terms of Reference must address:</p> <p>The Committee's purpose – which, at minimum, must be to –</p> <p>Assist Board oversight of the:</p> <ul style="list-style-type: none"> - Preparation, presentation and adequacy of disclosures in the Financial Statements, in accordance with the Sri Lanka's Accounting Standards; - Compliance with financial reporting requirements, information requirements of the Companies Act and other relevant financial reporting related regulations and requirements; - Process to ensure that the Company's internal controls and risk management procedures are adequate to meet the requirements of the Sri Lanka Auditing Standards; - Assessing the Company's ability to continue as a going concern in the foreseeable future; - Performance of the Company's internal audit function; - Process to the identification, monitoring and management of significant business/financial risk; and - Independence and performance of the Company's external audit. - The duties and responsibilities of the Audit Committee should at a minimum include those set out below: - Making recommendations to the Board, pertaining to appointment, reappointment and removal of External Auditors and to approve the External Auditors; - To develop and implement policy on the engagement of the External Auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm; and to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken; 	<p>Audit Committee of the Company has a written Terms of Reference. Details are disclosed in Audit committee report on page 203 of this Annual Report.</p>	Complied

CORPORATE GOVERNANCE

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
		<ul style="list-style-type: none"> - To review and monitor the External Auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant Sri Lankan professional and regulatory requirements; - Discussion of the audit plan, key audit issues, their resolution and management responses; - Review the Company's annual Audited Financial Statements and Quarterly Financial Statements with management and the Auditor to ensure compliance with the Sri Lanka Accounting Standards and other relevant laws and regulations; - To review significant financial reporting judgements; - Review the Company's earnings press releases and financial information and earnings guidance provided to analysts and rating agencies; - Discussion of policies and practices with respect to risk assessment and risk management; - Ensuring that a process of sound system of internal control is in place; - Ensuring that at least once in every three years an review of the Board's risk management, internal controls, business continuity, planning and information security systems are carried out and appropriate remedial action recommended to the Board; - Ensuring that an effective internal audit function is in place and monitor and review the internal audit activities; - Meeting separately, periodically, with Management, Auditors and Internal Auditors; - Ensuring that there is a mechanism for the confidential receipt, retention and treatment of complaints alleging fraud, received from internal/ external sources and pertaining to accounting, internal control or other such matters; - Assuring confidentiality to whistle-blowing employees; - Setting clear hiring policies for employees or former employees of the Auditors; and - Reporting regularly to the Board of Directors 		

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Disclosure of names of the members of the Audit Committee	D.3.3	<p>A separate section of the Annual Report should describe the work of the Committee in discharging its responsibilities. The report should include –</p> <ul style="list-style-type: none"> - The names of the Directors (persons in the Parent Company's Committee in the case of a Group Company) comprising the Audit Committee should be disclosed in the Annual Report. - The number of meetings held and attendance of each Director; - The scope of work and how its roles and responsibilities were discharged; - An explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external audit, and information on the length; 	<p>Names of the members of the Audit Committee are given on page 203</p> <p>under "Composition of the Committee" and disclosure on the independence of the Auditors is found on page 215 under the Auditors' in the Annual Report of the Board of Directors on the Affairs of the Company.</p>	
		If the External Auditor provides non-audit services, an explanation of how audit objectivity and independence are safeguarded; and the Committee should also make a determination of the independence of the Auditors and should disclose the basis of such determination in the Annual Report.	Report by the Audit Committee is given on page 203	Complied
		The Annual Report should contain a Report by the Audit Committee, setting out the manner of compliance by the Company, in relation to the above, during the period to which the Annual Report relates	Report by the Audit Committee is given on page 203	Complied

CORPORATE GOVERNANCE

D.4 RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

Main principle

The Board should establish a procedure to ensure that the Company does not engage in transactions with “related parties” in a manner that would grant such parties “more favourable treatment” than that accorded to third parties in the normal course of business.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Disclosure of Related Party Transactions Review Committee	D.4.1	A related party and related party transactions will be as defined in LKAS 24	Related party and related party transactions are defined as per LKAS 24.	Complied
	D.4.2	The Board should establish a Related Party Transactions (RPT) Review Committee consisting exclusively of Non-Executive Directors with a minimum of three Non-Executive Directors of whom the majority should be independent. Executive Directors may attend by invitation. The Chairman should be an Independent Non-Executive Director appointed by the Board.	In compliance with Section 9 of the Listing Rules of the CSE, the Committee comprises four Non-Executive Directors and three are independent non-executive directors. The Committee is chaired by an Independent Non-Executive Director.	Complied
	D.4.3	RPT Review Committee should have written terms of reference dealing clearly with its authority and duties which should be approved by the Board of Directors. The RPT Review Committee's written terms of reference must address – <ul style="list-style-type: none"> - A procedure for documenting related parties in accordance with the definitions in LKAS 24 and the CSE Listing Rules. - A procedure to obtain a statement of related party interest from each such related party at least once in each quarter, when there's a change in the status and in any event prior to entering into any transaction between such related parties and the Company, its parent or any of subsidiaries, sub-subsidiaries, fellow subsidiaries, associates, joint ventures and any other entities which are considered related parties as defined in LKAS 24 unless they are exempted related party transactions as defined in CSE Listing Rules. 	The Related Party Transactions Review Committee Report sets out the functions of the Committee which is given on page 210	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
		<ul style="list-style-type: none"> - Key Management Personnel of the Company responsible for contracting, procurement, payments, and any other channel through which an inflow or outflow of resources can result, should have a list of all related parties and have a process in place to capture and report any related party transaction within their area of responsibility. - A procedure to inform all related parties of what constitutes exempted related party transactions. - A procedure and guideline to delegate to Key Management Personnel to deal with recurrent related party transactions as defined in the CSE Listing Rules. - A procedure for the RPT Review Committee to review and recommend to the Board matters relating to such transactions. - Any interested Directors should not participate at the meeting at which the transaction relating to him/her is discussed unless invited to seek clarification/information. - A procedure and definition of disclosure required to be made by the Company on an annual basis, those requiring immediate disclosure and those requiring shareholder approval. - A procedure to identify related party transactions which require immediate disclosure as per the CSE Listing Rules and to ensure that required disclosures are made by the Company to the Colombo Stock Exchange in accordance with the CSE Listing Rules. - A procedure to identify related party transactions which require shareholder approval by special resolution at an Extraordinary General Meeting. - The Company Secretary should maintain a permanent record in manual or electronic form of such statements, submissions, approvals, and minutes. - Review and recommend to the Board the related party disclosures to be made in the Annual Report of the Company 		Complied

CORPORATE GOVERNANCE

D.5 CODE OF BUSINESS CONDUCT AND ETHICS

Companies must adopt a Code of Business Conduct and Ethics for Directors, Key Management Personnel and all other employees including but not limited to; dealing with shares of the Company; compliance with listing rules; bribery and corruption; confidentiality; encouraging that any illegal, fraudulent and unethical behaviour be promptly reported to those charged with governance. The Company must disclose waivers of the code for Directors, if any –

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Disclosure of Code of Business Conduct and Ethics	D.5.1	<p>All companies must disclose whether they have a Code of Business Conduct and Ethics for Directors and Key Management Personnel and if they have such a code, make an affirmative declaration in the Annual Report that all Directors and Key Management Personnel have declared compliance with such code, and if unable to make that declaration, state why they are unable to do so.</p> <p>Each Company may determine its own policies in the formulation of such a code, but all companies should address the following important topics in their respective codes:</p> <ul style="list-style-type: none"> - Conflict of interest; - Bribery and corruption; - Entertainment and gift; - Accurate accounting and record-keeping; - Fair and transparent procurement practices; - Corporate opportunities; - Confidentiality; - Protection and proper use of Company assets including information assets; 	<p>Company has an internally-developed Code of Conduct. All employees including Directors, Key Managers, Senior Managers and employees are bound by the Company's written Code of Ethics that includes the following aspects:</p> <ul style="list-style-type: none"> - Exercise honesty, objectivity and diligence when performing one's duties. - Avoid situations where personal interest might conflict with the interest of the Company; and if so, disclose such interest in advance. - Maintain confidentiality of commercial and price sensitive information. - Work within applicable laws and regulations. - Safeguard the Company's assets. - Avoid conduct that will reflect badly on the person concerned or the Company's image. - Strictly avoid giving or accepting any kind of bribe, either directly or indirectly. - Strictly avoid making contributions for political funds, either directly or indirectly. - Strictly avoid any kind of sexual harassment. <p>The Company has implemented a formal whistle-blowing procedure and encourages any employee who suspects wrongdoing at work, whether by Management, peers or any other employee, to raise their concerns</p>	Complied

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
		<ul style="list-style-type: none"> - Compliance with laws, rules and regulations (including insider trading laws); and - Encouraging the reporting of any illegal, fraudulent or unethical behaviour. 	<p>Other Policies</p> <p>In addition, the Company implements policies covering:</p> <ul style="list-style-type: none"> - Recruitment and selection - Financial integrity/Financial Manual - Use of Company property including computers - Non-harassment in the workplace - Environment, safety and health - Security of IT system 	
	D.5.2	The Company should have a process in place to ensure that material and price sensitive information is promptly identified and reported in accordance with the relevant regulations	Company has an established policy and process to ensure that material and price sensitive information are immediately disclosed to the shareholders via Colombo Stock Exchange immediately after relevant decisions are made by the Board of Directors. This task is assigned to the Company Secretary and it is a prime responsibility of the Company Secretary	Complied
	D.5.3	The Company should establish a policy, process for monitoring and disclosure of shares purchased by any Director, Key Management Personnel or any other employee involved in financial reporting	The policy is in place and any share transaction done by Board Director need to be immediately disclosed to the Company Secretary and Company Secretary inform such transactions to the shareholders through Colombo Stock Exchange. Any share transaction done by Key Management Personnel other than Board Directors should inform such transactions to Compliance Officer of the Company.	Complied
Affirmative Statement by the Chairman	D.5.4	The Chairman must affirm in the Company's Annual Report that a code of conduct and ethics has been introduced Company-wide and the procedure for disseminating monitoring and compliance with that code. He must also disclose that he is not aware of any violation of any of the provisions of the code of business conduct and ethic	Please refer Chairman's statement on page 18 in this Report.	Complied

CORPORATE GOVERNANCE

SHAREHOLDERS

E. INSTITUTIONAL INVESTORS

E.1 SHAREHOLDER VOTING

Main principle

Institutional shareholders have a responsibility to make considered use of their votes and should be encouraged to ensure their voting intentions are translated into practice.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Communication with Shareholders	E.1.1	A listed Company should conduct a regular and structured dialogue with shareholders based on a mutual understanding of objectives. Arising from such dialogue, the Chairman should ensure the views of shareholders are communicated to the Board as a whole.	<p>In order to avoid conflict of interest by nurturing the mutual understanding, the Board carries out dialogues with its shareholders at General Meetings. In this regards, the Annual General Meeting (AGM) and Extraordinary General Meetings (EGM) of the Company plays a critical role. Voting of the shareholders is crucial in carrying a resolution at the AGM/EGM. The Chairman who plays the role of the agent and communicates the views and queries of the shareholders to the Board and the Key and Senior Management in order to ensure that the views are properly communicated to the Board and the Management.</p> <p>Head of Investor Relations is a dedicated position to communicate with shareholders if necessary. Investors and shareholders can directly communicate and share their views and it will be communicated to the Board for necessary actions Shareholders are provided with Quarterly Financial Statements and the Annual Report, which the Company considers as its principal communication with them and other stakeholders. These reports are also available on the Company's website – www.cic.lk and are provided to the Colombo Stock Exchange.</p> <p>Any information that the Board considers as price sensitive is disseminated to the shareholders as necessary.</p>	Complied

E.2 EVALUATION OF GOVERNANCE DISCLOSURES

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Due weight by Institutional Investors	E.2.1	When evaluating Companies' governance arrangements, particularly those relating to Board structure and composition, institutional investors should be encouraged to give due weight to all relevant factors drawn to their attention.	The Institutional Investors are at liberty to give due weight to matters relating to the Board structure and composition, when they consider resolutions relating to Board structure and composition.	Complied

F. OTHER INVESTORS

F.1 INVESTING/DIVESTING DECISION

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
Individual Shareholders	F.1	Individual shareholders, investing directly in shares of companies should be encouraged to carry out adequate analysis or seek independent advice in investing or divesting decisions.	Individual investors are encouraged to carry out adequate analysis or seek independent advice when reaching investing or divesting decisions.	Complied
Individual Shareholder Voting	F.2	Individual shareholders should be encouraged to participate in General Meetings of companies and exercise their voting rights.	Individual shareholders are encouraged to participate in General Meetings of the Company and exercise their voting rights.	Complied

G. INTERNET OF THINGS AND CYBER-SECURITY

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
	G.1	The Board should have a process to identify how in the organisation's business model, IT devices within and outside the organisation can connect to the organisation's network to send and receive information and the consequent cyber-security risks that may affect the business. Internal and external parties could have computing devices embedded in everyday objects which may enable them to interconnect with the Company's network to send and receive data. Such access could be authorised or unauthorised.	<p>The Board assigned this responsibility to the IT Steering Committee Information Technology Division and Divisional Director- IT is mainly assigned to complete this task.</p> <p>IT policy and Cyber-security policies have been developed required approvals have been obtained</p> <p>These Policies are included to the code of conduct of the Company</p>	

CORPORATE GOVERNANCE

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
	G.2	<p>The Board should appoint a Chief Information Security Officer (CISO) with sufficient expertise, authority and budgetary allocation to introduce and implement a cybersecurity risk management policy which should be approved by the Board.</p> <p>The policy should include a robust cyber security risk management process, incident response system, vendor management system, disaster recovery plan and a governance structure to monitor effective implementation, reporting and the need for cyber security insurance.</p>	<p>Head of Group IT- Divisional Director functions as the Chief Information Security Officer and separate dedicated Information security officer is appointed and employed as a further strengthening of IT Security aspects and to maintain accountability on IT Security surveillance system</p> <p>IT policy and cyber security policy have been developed and approved by the board</p>	Complied
	G.3	<p>The Board should allocate regular and adequate time on the Board meeting agenda for discussions about cyber risk management:</p> <ul style="list-style-type: none"> - The matters taken up for the discussion on the Board meeting agenda may include; Potential cyber security risks in the Company's business model. - CISO's security strategy and status of the current projects. - Compliance with the cyber security risk management process and incident report. - Findings and recommendations from independent reviewers. 	<p>IT policies and Cyber security policies are presented to the Board and obtained approval , IT Steering Committee meets regularly to discuss and update all new developments and measures taken</p>	Complied
	G.4	<p>The Board should ensure the effectiveness of the cyber security risk management through independent periodic review and assurance.</p> <p>The scope and the frequency of the independent periodic reviews could be determined based on the industry vulnerability, Company's business model and incident findings.</p>	<p>Independent Security assessments have been carried out by an independent auditor and corrective actions are taken, and progress reports are circulated periodically . IT Steering committee overlook such progress and report</p>	Complied
	G.5	<p>The Board should disclose in the Annual Report, the process to identify and manage cyber-security risks.</p>	<p>The Board of Directors shall be updated regarding the controls in place to mitigate cyber risks, and on possible cyber risks that the Company is exposed to.</p>	Complied[E

H. ENVIRONMENT SOCIETY AND GOVERNANCE (ESG)

H.1 ESG REPORTING

Main principle

The Company's Annual Report should contain sufficient information to enable investors and other stakeholders to assess how ESG risks and opportunities are recognised, managed, measured and reported.

Environmental, social and governance considerations can affect a Company's ability to execute its business strategy and create value. While many ESG factors are "non-financial", their management and likely impact have financial consequences. Hence, they are important factors to be built into a Company's business model, strategy, governance and risk management framework. ESG factors relevant to the Company could impact the followings:

- Access to financial capital
- Cost savings and productivity
- Brand value and reputation
- Employee recruitment
- Employee retention
- Access to markets
- License to operate
- Market capitalisation

Integrating ESG policies and practices into a Company's strategy, business model, governance and risk management and reporting its likely impact and implications are increasingly seen by investors as material to their investment decisions. Further, investors want to understand how well companies are managing the risk associated with ESG issues, as this is seen as a key test of the long-term sustainability of the Company. They are also increasing interested in the opportunities presented by the low carbon economy and are allocating capital to companies that are well equipped to benefit from this.

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
	H.1.1	<p>Companies should provide information in relation to –</p> <ul style="list-style-type: none"> - The relevance of environmental, social and governance factors to their business models and strategy. - How ESG issues may affect their business. - How risks and opportunities pertaining to ESG are recognised managed, measured and reported. 	Sustainability principles related to ESG factors are embedded in the operations of the Company and initiatives implemented to ensure the adherence of the Company.	Complied

CORPORATE GOVERNANCE

H.1.2 ENVIRONMENTAL FACTORS

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
	H.1.2	<p>Environmental governance of an organisation should adopt an integrated approach that takes into consideration the direct and indirect economic, social, health and environmental implications of their decisions and activities, including:</p> <ul style="list-style-type: none"> - pollution prevention. - sustainable resource use (e.g. water, energy). - climate change. - protection of environment. - biodiversity. - restoration of natural resources. 	<p>Sustainability principles related to environmental factors are embedded in the operations of the Company and initiatives implemented to ensure adherence to environmental governance by the Company are discussed in the Management Discussion and Analysis and Compliance section of this report in page 34</p>	

H.1.3 SOCIAL FACTORS

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
	H.1.3.1	<p>Social governance of an organisation should include its relationship with the community, customers, employees, suppliers, outsourced providers, and any other party that can influence or be influenced by the organisation's business model.</p> <ul style="list-style-type: none"> - The organisation should adopt an integrated approach to building a relationship with the community and striving for sustainable development including responsible community engagement, fair competition, thereby demonstrating corporate social responsibility <p>The organisation should adopt an integrated approach to building a relationship with customers. This includes establishing a process for customer engagement, product responsibility and product recall and other matters relevant to the organisation's business model.</p> <ul style="list-style-type: none"> - The labour practice related governance of an organisation should encompass all policies and practices in relation to work performed by or on behalf of the organisation in accordance with its business model, and should also include policies and practices such as equal opportunity, career development and training, reward and recognition, conditions of work, work-life balance and industrial relations. - The organisation should have policies and procedures to ensure that suppliers and outsourced providers comply with social governance norms of the Company 	<p>Sustainability principles related to social factors are embedded in the operations of the Company and initiatives implemented to ensure adherence to social governance by the Company are discussed in the Management Discussion and Analysis and Compliance section of this report.</p>	Complied

H.1.4 GOVERNANCE

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
	H.1.4.1	<ul style="list-style-type: none"> - Companies should establish a governance structure to support its ability to create value and manage risks in the short, medium and long-term, recognising managing and reporting on all pertinent aspects of ESG. - The Company should recognise the key resources/ capitals deployed in its business and establish financial and non-financial measures for resource/capital management and related outputs and outcomes. - The Company should have a process to ascertain, assess and manage risks which have an impact on the sustainability of the Company - The Company should have a process to recognise material matters relating to significant stakeholders and a method of engagement relevant to their level of interest and influence. - The disclosures should deal with how the Company has complied with the mandatory and voluntary codes of corporate governance and how its leadership structure, organisational culture, code of conduct and business model supports sustainability of the Company in the short, medium and long term. 	Process of managing risks in line with ESG aspects is discussed in the Risk Management Report and ESG report and required governance section and disclosed SRROs and CRROs accordingly under S 1 and S 2	Complied

H.1.5 BOARD'S ROLE ON ESG FACTORS

Corporate Governance Principle	CA Sri Lanka Code reference	Requirement of the code	Compliant with the code	Compliance
	H.1.5.1	<p>ESG reporting is a Board's responsibility, and it is designed to add value by providing a credible account of the Company's economic, social and environmental impact. ESG reporting and disclosure should be formalised as part of the Company's reporting process and take place on a regular basis. ESG reporting should link sustainable issues more closely with strategy.</p> <p>ESG reporting may be built on a number of different guidelines, such as –</p> <ul style="list-style-type: none"> - Integrated Reporting Framework - The Global Reporting Initiative Guidelines 	The Company initiated implementing ESG reporting in line with Global Reporting Initiatives (GRI) guidelines.	Complied

CORPORATE GOVERNANCE

SECTION B

This section covers the Company's extent of adherence to the requirements under Section 9 on Corporate Governance Rules for Listed Companies issued by the Colombo Stock Exchange. This reflects the Company's level of conformity to CSE's Listing Rules which comprise the following fundamental principles:

- Policies
- Board Committees
- Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with Shareholders
- Policy on matters relating to the Board of Directors
- Chairperson & CEO
- Fitness of Directors and CEOs
- Board Composition
- Alternate Directors
- Disclosures Relating to Directors
- Nominations & Governance Committee
- Human Capital and Compensation Committee
- Audit Committee
- Related Party Transactions Review Committee

The following table presents the details of the Company's compliance with Section 9 of the CSE Listing Rules on Corporate Governance as at 31st March 2026:

Section	Rule No	Corporate governance rule	Details of compliance	Compliance
Board of Directors				
Policies	9.2	Establish & maintain the Policies listed under Section 9.2.1 of SEC Rules	The Company has adopted the list of Policies under Section 9.2.1 of the Listing Rules and published in Company website www.cic.lk w.e.f 1st October 2024.	Complied
Board Committees	9.3	Establish & maintain; <ul style="list-style-type: none"> • Nominations & Governance Committee • Human Capital and Compensation Committee • Audit Committee • Related Party Transactions Review Committee 	The Company has established the Board Committees mentioned under Section 9.3 and the said committees are functioning effectively.	Complied
Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with Shareholders	9.4	Maintaining records of all resolutions and the information relating to adoption of resolutions at General meetings of the Company	The Company is maintaining all records pertaining to its resolutions and resolutions adopted at General Meetings of the Company	Complied

Section	Rule No	Corporate governance rule	Details of compliance	Compliance
Board of Directors				
Policy on matters relating to the Board of Directors	9.5	Establish & maintain a formal Policy on matters relating to the Board of Directors	The Company adopted a formal Policy on matters relating to the Board of Directors w.e.f. 01/10/2024 and published the same on Company website. The Company is in compliance with requirements of the Policy referred to in Rule 9.5.1 of CSE.	Complied
Chairperson & CEO	9.6	Chairperson to be Non-Executive Director and Chairperson & CEO shall not be the same person	Chairperson is a Non-Executive Director & the positions of Chairperson & CEO is not held by the same person	Complied
Fitness of Directors and CEO's	9.7	Assessment of Directors and CEO are fit proper at all times & adoption of Fit & Proper Assessment Criteria to evaluate fitness and propriety of Directors & CEO	Directors and CEO of the Company have satisfied the Fit and Proper criteria stipulated in the Listing Rules of the CSE	Complied
Board Composition	9.8.1	The Board shall consist of minimum 5 directors	The Board of Directors comprises Seven (07) directors	Complied
	9.8.2	The Board shall include minimum 2 independent Directors or 1/3 of the total number of Directors, whichever is higher	The Board is comprised of three (03) independent directors	Complied
	9.8.3	Each Independent Director should submit a declaration of independence/ non-independence.	All Directors have submitted declarations against the criteria specified under Rule 9.8.3 and in the format in Appendix 9A of Listing Rules.	Complied
Disclosures relating to Directors	9.8.5(c)	Names of Independent Directors should be disclosed in the Annual Report.	Please refer pages 27 to 28	Complied
	9.8.5(b)	The Board shall make a determination annually as to the independence or non-independence of each Non-Executive Director.	The Board has made an annual determination as to the independence or non-independence of each independent director, based on the declarations submitted by them.	Complied
	9.9	Alternate Directors	Relevant changes to be made to the provisions relating to Alternate Directors in the Articles of Association at the Annual General Meeting to be held on 30th June 2026	
	9.10.1	Policy on the maximum number of directorships permitted to be held by the Board members	Company Policy on matters relating to the Board of Directors states that the maximum number of directorships can be held by a Director in listed entities is ten (10).	Complied
	9.10.4	A brief résumé of each Director should be included in the Annual Report including the area of experience.	Please refer pages 27 to 28	Complied

CORPORATE GOVERNANCE

Section	Rule No	Corporate governance rule	Details of compliance	Compliance
Board of Directors				
	9.10.2	Provide a brief résumé and capacity of any new Director appointed to the Board.	Immediate market announcement is made through the CSE upon appointment of a new director to the board with a brief resume and the capacity of the directorship	Complied
Market Announcements	9.10.3	Immediate market announcement on any changes to the composition of the Board and Board Committees	Company has made timely announcements to CSE regarding changes to the Board and Board Committees	Complied
Process & Procedures for the Nominations & Governance Committee	9.11	Establish & maintain a Nominations and Governance Committee and adopt a formal procedure for appointment and re-election of Directors and Governance Committee and adopt a formal procedure for appointment and re-election of Directors	Nominations and Governance committee is in place and has a written terms of reference and follows a formal procedure for appointment /re – appointment of directors	Complied
Composition	9.11.4	Nominations and Governance Committee shall comprise of minimum three (03) directors of which minimum two (02) shall be independent including the Chairman. The Committee should not comprise of Executive Directors	The Committee is Comprise of five (05) directors of which three (03) are independent. Chairman is an independent Non-Executive Director	Complied
Functions	9.11.5	Functions of Nominations and Governance Committee includes evaluation of appointments to the Board, consider and recommend re- appointment /re- election etc.-Nominations and Governance Committee shall comprise of minimum three directors of which minimum two (02) shall be independent including the Chairman. The Committee should not comprise of Executive Directors Functions of the Nominations and Governance Committee includes evaluation of appointments to the Board, consider and recommend re-appointment/re-election etc.	Functions stipulated under Rule 9.11.5 are effectively discharged by the Nominations and Governance Committee The Committee is comprised of five (05) directors of which three (03) are independent. Chairman is and independent director. Functions stipulated under Rule 9.11.5 are effectively discharged by the Nominations and Governance Committee	Complied

Section	Rule No	Corporate governance rule	Details of compliance	Compliance
Human Capital and Compensation Committee				
Composition	9.12	Number of Directors in the Committee to be –		
		<ul style="list-style-type: none"> a minimum of three (03) Directors 	The Committee comprises Five (5) Non-Executive Directors.	Complied
		<ul style="list-style-type: none"> two (02) out of three (03) directors shall be independent. 	Three (3) out of five (05) of them are independent Directors	Complied
		Separate committee to be formed for the Company	A separate Human Capital and Compensation Committee was formed for the Company.	Complied
		Chairman of the Committee to be an independent Non- Executive Director.	The Committee is chaired by an independent Non- Executive Director.	Complied
Functions	9.12.7	Functions of the Committee	The Human Capital and Compensation Committee Report sets out the functions of the Committee Please refer page 205	Complied
Disclosure in the Annual Report	7.12.8	The Annual Report should set out –		
		<ul style="list-style-type: none"> Names of Directors comprising the Human Capital and Compensation Committee 	Please refer page 205	
		<ul style="list-style-type: none"> Statement of Remuneration policy 	Please refer Human Capital and Compensation Committee report on page	
		<ul style="list-style-type: none"> Aggregate remuneration paid to Executive and Non-Executive Directors 	Please refer page 263	Complied

Section	Rule No	Corporate governance rule	Details of compliance	Compliance
Audit Committee				
Composition	9.13	Number of Independent Non- Executive Directors in the Committee to be –		
		<ul style="list-style-type: none"> a minimum of three (03) directors of which minimum of two shall be independent 	The Committee comprises four (04) Non-Executive Directors. Three (03) of them are independent non executive directors	Complied
		Separate committee to be formed for the Company or the Listed Parent's Committee to be used.	A separate Audit Committee was formed for the Company and the Group.	Complied
		Chairman of the Committee to be an independent Non- Executive Director.	The Committee is chaired by an independent Non- Executive Director.	Complied

CORPORATE GOVERNANCE

Section	Rule No	Corporate governance rule	Details of compliance	Compliance
Audit Committee				
		Chairman of the Committee to be a member of a recognised professional accounting body.	The Chairman of the Committee is a member of a recognised professional accounting body	Complied
		CEO and CFO to attend Committee meetings, unless otherwise determined by the Audit Committee.	Group CEO/Group CFO attend Committee meetings by invitation.	Complied
Functions	9.13.4	Function of the Committee.	The Audit Committee report sets out the functions of the Committee.	Complied
Disclosure in the Annual Report	9.13.5	Names of Directors comprising the Audit Committee	Please refer page 203	Complied
		The Audit Committee shall make a determination of the independence of the Auditors and disclose the basis for such determination	Please refer Audit committee report on page 203	Complied
		The Annual report shall contain a Report of the Audit Committee in the prescribed manner.	Please refer Audit committee report on page 203	Complied

Section	Rule No	Corporate governance rule	Details of compliance	Compliance
Related party transactions review committee				
Composition	9.14	The Committee shall comprise of a minimum of three (03) Directors of which two (02) shall be independent.	The Committee comprises of four (04) Non-Executive Directors, three (03) are independent non -executive directors	Complied
	9.14.1	Separate committee to be formed for the Company or the Listed Parent's Committee to be used.	A separate Related Party Transactions Review Committee was formed for the Company	Complied
	9.14.3	Function of the Committee.	The Related party transactions review committee Report sets out the functions of the Committee.	Complied
Disclosure in the Annual Report	9.14.8(3)	The Annual Report shall contain a Related Party Transactions Review Committee Report in the prescribed manner.	Please refer Related Party Transactions Review Committee Report on page 210	Complied

The following table presents the details of the Company's compliance with Section 7.6 of the CSE Listing Rules on Annual Report Disclosure as at 31st March 2025;

Rule No	Applicable requirement	Details of compliance	Compliance
Audit Committee			
7.6 (i)	Names of persons who were Directors of the Entity.	Share Information on page 222	Complied
7.6 (ii)	Principal activities of the entity and its subsidiaries during the year, and any changes therein	Management Discussion and Analysis on page 34 and Notes to the Financial Statements on pages 239 to 325	Complied

Rule No	Applicable requirement	Details of compliance	Compliance
Audit Committee			
7.6 (iii)	The names and the number of shares held by the 20 largest holders of voting and non-voting shares and the percentage of such shares held.	Share Information on pages 327 to 328	Complied
7.6 (iv)	The float adjusted market capitalisation, public holding percentage (%), number of public shareholders and under which option the Listed Entity complies with the Minimum Public Holding requirement.	Share Information on page 329	Complied
7.6 (v)	A statement of each Director's holding and Group Chief Executive Officer's holding in shares of the Entity at the beginning and end of each financial year.	Annual Report of the Board of Directors on the Affairs of the Company on page 215	Complied
7.6 (vi)	Information pertaining to material foreseeable risk factors of the Entity	Risk Management report on page 65	Complied
7.6 (vii)	Details of material issues pertaining to employees and industrial relations of the Entity.	Management Discussion and Analysis on page 34	Complied
7.6 (viii)	Extents, locations, valuations and the number of buildings of the Entity's land holdings and investment properties.	Information on the Freehold Land and Buildings of the Group/Company on page 272	Complied
7.6 (ix)	Number of shares representing the Entity's stated capital.	Share Information on page 326	Complied
7.6 (x)	A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings.	Share Information on page 326	
7.6 (xi)	Financial ratios and market price information	Financial Highlights on page 14 and Share Information on page 326	Complied
7.6 (xii)	Significant changes in the Company's or its subsidiaries' fixed assets, and the market value of land, if the value differs substantially from the book value as at the end of the year.	Notes to the Financial Statements on pages 239 to 325	Complied
7.6 (xiii)	Details of funds raised through a public issue, rights issue and a private placement during the year.	Not Applicable for the year under review	N/A
7.6 (xiv)	Information in respect of Employee Share Ownership or Stock Option Schemes.	Not Applicable for the year under review	N/A
7.6 (xv)	Disclosures pertaining to Corporate Governance practices in terms of Rule 9 of the Listing Rules.	Corporate Governance on pages 144 to 202	Complied
7.6 (xvi)	Related Party transactions exceeding 10% of the equity or 5% of the total assets of the Entity as per audited financial statements, whichever is lower.	Notes to the Financial Statements on pages 239 to 325	Complied

CORPORATE GOVERNANCE

SECTION C

This section covers the adherence to the requirements of the Companies Act No. 07 of 2007 on Annual Report disclosure.

The following table presents the details of the Company's compliance pertaining to Companies Act No. 7 of 2007 on Annual Report Disclosure as at 31st March 2026:

Rule No	Applicable requirement	Details of compliance	Compliance
168 (1) (a)	The nature of the business of the Group and the Company together with any change thereof during the accounting period.	Notes to the Financial Statements on pages 239 to 325	Complied
168 (1) (b)	Signed Financial Statements of the Group and the Company for the accounting period completed.	Financial Statements on pages 232 to 238	Complied
168 (1) (c)	Auditors' Report on Financial Statements of the Group and the Company.	Independent Auditors' Report on page 229	Complied
168 (1) (d)	Accounting Policies and any changes therein	Notes to the Financial Statements on pages 239 to 325	Complied
168 (1) (e)	Particulars of the entries made in the Interests Register during the accounting period	Annual Report of the Board of Directors on the Affairs of the Company on pages 215	Complied
168 (1) (f)	Remuneration and other benefits paid to Directors of the Company during the accounting period.	Notes to the Financial Statements on pages 239 to 325	Complied
168 (1) (g)	Corporate donations made by the Company during the accounting period.	Notes to the Financial Statements on pages 239 to 325	Complied
168 (1) (h)	Information on the Directorate of the Company and its Subsidiaries during and at the end of the accounting period.	Annual Report of the Board of Directors on the State of Affairs of the Company on pages 215 to 226	Complied
168 (1) (i)	Amounts paid/payable to the External Auditor as audit fees and fees for other services rendered during the accounting period.	Notes to the Financial Statements on pages 239 to 325	Complied
168 (1) (j)	Auditors' relationship or any interest with the Company and its Subsidiaries.	Annual Report of the Board of Directors on the Affairs of the Company on pages 215 to 226	Complied
168 (1) (k)	Acknowledgement of the contents of this Report and Signatures on behalf of the Board.	Annual Report of the Board of Directors on the State of Affairs of the Company on pages 215 to 226	Complied

Board, Audit Committee, Human Capital and Compensation Committee, Nomination and Governance Committee & Related Party Transactions Review Committee Attendance

The number of meetings of the Board, Audit Committee, Human Capital and Compensation Committee and Related Party Transactions Review Committee and individual attendance by members are as follows:

NUMBER OF MEETINGS AND DATES

Board Meetings	8
Audit Committee Meetings	6
Human Capital and Compensation Committee Meetings	3
Nomination and Governance Committee Meetings	–
Related Party Transactions Review Committee Meetings	4

Board Meetings	Audit Committee Meetings	Related Party Transaction Review Committee Meetings	Nomination and Governance Committee Meetings	Human Capital and Compensation Committee Meeting
30.05.2025	26.05.2026	30.05.2025	No meetings	12.08.2025
06.06.2025	30.05.2026	05.08.2025		05.02.2025
05.08.2025	05.08.2025	06.11.2025		04.03.2026
07.08.2025	06.11.2025	02.02.2026		
06.11.2025	02.02.2026			
10.11.2025	24.03.2026			
02.02.2026				
06.02.2026				
8 Meetings	6 Meetings	4 Meetings		3 Meetings

CORPORATE GOVERNANCE

Name of Director	Directorship status	Board Meetings	Audit Committee Meetings	Related party transaction review committee Meetings	Nomination and Governance Committee Meetings	Human Capital and Compensation Committee
Mr. S. H. Amarasekera	Chairman, Independent, Non-Executive Director	8/8			0/0	3/3
Mr. R. S. Captain	Non Independent, Non - Executive Director	8/8			0/0	
Mr. S. M. Enderby	Independent, Non-Executive Director	8/8		4/4		
Mr. J. R. Gunaratne	Independent, Non-Executive Director	8/8	6/6	4/4*	0/0	3/3*
Mr. M. P. Jayawardena	Non Independent, Non-Executive Director	8/8	5/6			3/3
Mr. D. T. S. H. Mudalige	Independent, Non-Executive Director	8/8	6/6*	4/4	0/0*	
Mr. P. R. Saldin	Non Independent, Non - Executive Director	6/6	4/4			
Mr. K. D. Senewiratne	Independent, Non-Executive Director	8/8	5/6	4/4	0/0	3/6

* Chairman of the Board/ Committee

REPORT OF THE AUDIT COMMITTEE

PREAMBLE

The Audit Committee is empowered to review and monitor the financial reporting process of CIC Holdings PLC and its group to provide additional assurance on the reliability of the Financial Statements through a process of independent and objective review. As such, the Audit Committee acts as an effective forum in assisting the Board of Directors in discharging its responsibilities on ensuring the quality of financial reporting and related communications to the shareholders and the public.

COMPOSITION OF THE COMMITTEE

The Audit Committee consists of three Independent Non-Executive Directors and one Non-Independent Non-Executive Director as of the end of the reporting period, 31st March 2026.

The following Directors serve on the Committee:

Name of Director	Nature of Directorship
D T S H Mudalige (Chairman)	Independent Non-Executive
M P Jayawardena	Non-Independent Non-Executive
J R Gunaratne	Independent Non-Executive
K D Senewiratne	Independent Non-Executive

P. R. Saldin served as a member of the Audit Committee until his demise on 16th January 2026.

Brief profile of the Directors are given on pages 27 to 28 of this Annual Report. Ms. Thilini Wegodapola, General Manager-Legal of the Company, functions as the Secretary to the Committee. The Group Chief Financial Officer/Compliance Officer, Audit Staff, Representatives of External Auditors and when necessary, the Chairman, the Group Chief Executive Officer and relevant Operational Directors and Managers attend the meetings by invitation.

RESPONSIBILITIES AND DUTIES OF THE COMMITTEE

The Audit Committee's authority, responsibilities and specific duties have been formalised through an Audit Committee Charter. By this, the Audit Committee is empowered among other things, to examine any matters relating to the financial affairs of CIC Group and to review the adequacy of internal control procedures, coverage of internal and external audit programs, disclosure of accounting policies and compliance with statutory and corporate governance requirements.

ACTIVITIES IN 2025/26

Financial Reporting

The Committee along with the Board, Internal Auditors and External Auditors reviewed the Interim Financial Statements and the Annual Financial Statements to ensure compliance with mandatory, statutory and other regulatory requirements laid down by the authorities, prior to publication.

The Audit Committee is satisfied that for the period under review, the Company is in compliance with financial reporting requirements, information requirements under the Rules of the Colombo Stock Exchange, the Companies Act No.7 of 2007 and the Securities & Exchange Commission Act and other relevant financial reporting related regulations and requirements.

Internal Audit, Risk and Control

The Committee also provides a forum for the impartial review of the reports of internal and external audits and to take into consideration findings and recommendations stated therein relating to significant business risks and control issues. The Committee reviewed the Group Audit Plan for the year and agreed its budget and resource requirements. It reviewed interim and year-end summary reports and management's responses. The Committee carried out an evaluation of the performance of the internal audit function and was satisfied with the effectiveness of the function. The Committee reviewed the Compliance Officer's Report on the CIC Group's compliance with the applicable laws and regulations, including internal policy codes of conduct of its employees.

The scope of the Audit Committee has been extended to function as a Risk Committee of the Board, tasked with the critical responsibility of periodically reviewing the risk grid of the Group, assessing the impact and advising the Board on critical risk elements that require urgent attention and resolution.

The scope of the Audit Committee has been broadened to also serve as the Environmental, Social and Governance (ESG) Committee of the Board. The Committee will assess the significance and potential impact of ESG risks and will provide the Board with informed recommendations on critical ESG matters that may require immediate attention.

Meetings of the Committee

During the reporting period, six Audit Committee meetings were held to discuss the Reports of the Internal and External Auditors and Interim Financial Statements. The Financial Statements for the 12 months period ended 31st March 2026 were also discussed at the meeting held on the 26th May 2026. The minutes of the meetings were tabled at the meetings of the Board of

REPORT OF THE AUDIT COMMITTEE

Directors for information and necessary action. The attendance of the Audit Committee meetings held during the reporting period ended 31st March 2026 under review is given on page 202 of this Annual Report.

External Audit

The external audit approach and scope was reviewed and discussed by the Committee with the External Auditors and Management prior to the commencement of the audit. The External Auditors informed the Committee on an ongoing basis regarding matters of significance that were pending resolution. Before the conclusion of the audit, the Committee met with the External Auditors without Management being present. External Auditors discussed the audit issues with the Audit Committee and the Management to agree on audit issues. The Audit Committee has reviewed the other services provided by the External Auditors to the Group to ensure that their independence as Auditors has not been compromised.

The Audit Committee has made a determination that the external auditors of the Company, Messrs. KPMG, Chartered Accountants, has acted independently relating to their audit of the Financial Statements of the Company as of 31st March 2026. This determination is based on the Declaration of Independence issued by Messrs. KPMG under Section 163(3) (a) & (B) of the Companies Act No.7 of 2007 and the confirmations given by M/s. KPMG in their Audit Results of CIC Holdings PLC for the FY ended 31st March 2026 presented to the Audit Committee. The Committee further confirms that Messrs. KPMG are independent chartered accounts in terms of the Sri Lanka Auditing Standards and the code of ethics issued by the Institute of Chartered Accountants of Sri Lanka.

KPMG adopts a seven-year partner rotation policy to ensure independence. Audit Partner is engaged with the Company since 2023. Audit Committee has evaluated all services provided by KPMG to ensure such services are not in conflict with their independence.

The Audit Committee recommended to the Board of Directors that Messrs KPMG, Chartered Accountants be reappointed as the External Auditors for the financial year 2026/27, subject to the approval of the shareholders at the Annual General Meeting (AGM) and the required resolution will be put to the shareholders at the AGM.

Sri Lanka Accounting Standards

The Committee reviewed the revised policy decisions relating to the adoption of new and revised Sri Lanka Accounting Standards (SLFRS/LKAS) applicable to the Group companies and made recommendations to the Board of Directors.

The Committee would continue to monitor the compliance with relevant Accounting Standards and keep the Board of Directors informed at regular intervals.

The Committee has pursued the support of KPMG to assess and review the existing SLFRS policies and procedures adopted by the Group.

The Audit Committee is satisfied that the Committee has discharged its duties effectively during the Financial Year ended 31st March 2026

I wish to thank all members who served on the Committee during the period and for their contribution to the deliberations of the Committee including participation in meetings with Management, Internal Auditors/External Auditors as necessary to carry out the assigned duties.



D T S H Mudalige
Chairman
Audit Committee

03rd June 2026

REPORT OF THE HUMAN CAPITAL AND COMPENSATION COMMITTEE

COMPOSITION

The Human Capital & Compensation Committee consists of three Independent Non-Executive Directors and two Non-Independent Non-Executive Directors as of the end of the reporting period, 31st March 2026. The Committee was reconstituted with effect from 1st January 2025 in accordance with the latest Listing Rules of the Colombo Stock Exchange, and is now chaired by an Independent Non-Executive Director.

The Committee comprises the following Members:

Name of Director	Nature of Directorship
J R Gunaratne (Chairman)	Independent Non-Executive
D T S H Mudalige	Independent Non-Executive
K D Senewiratne	Independent Non-Executive
R S Captain	Non-Independent Non-Executive
S H Amarasekera	Non-Independent Non-Executive

The Company Secretaries, P W Corporate Secretarial (Pvt) Ltd function as the Secretaries to the Committee. The Group Chief Executive Officer and Group Head of HR attend the meetings by invitation.

FUNCTIONS

The Human Capital & Compensation Committee (HC & CC) operates under a Board-approved written Terms of Reference (ToR), which defines the Committee's scope, authority, responsibilities, and matters relating to the conduct and quorum of meetings, in compliance with the Listing Rules of the Colombo Stock Exchange.

The Committee is responsible for developing the Group's remuneration policy and determining the remuneration packages of executive employees of the Group. The Committee recommends to the Board and its subsidiaries the remuneration to be paid to Key Management Personnel. The Committee reviews HR policies and the policies pertaining to remuneration and perquisites of the executives of the Company annually. The Committee also reviews the Human Resource Strategies of the Company.

MEETINGS

The Committee meets on a need basis and convened three meetings during the year ended 31st March 2026. The attendance of the members for the meetings was as follows:

Member	Attendance
J. R. Gunaratne (Chairman)	3/3
D. T. S. H. Mudalige	3/3
K. D. Senewiratne	3/3
R. S. Captain	1/3
S. H. Amarasekera	3/3

The Chairman of the Committee can convene a special meeting in the event a requirement arises, provided all members are given sufficient notice of such special meeting. The quorum for a meeting is two members. The GCEO/ GCFO/ GHHR are invited to participate in the Committee meetings as and when required by the Chairman considering the topics for deliberation at such meetings. The proceedings of the Committee meetings are regularly reported to the Board of Directors.

REMUNERATION

The Committee believes that the Group's remuneration strategy is paramount to differentiating the Group within a competitive talent market and retaining high-performing employees. Accordingly, the Group's remuneration philosophy is anchored on a total rewards framework. The remuneration strategy has been designed to enable the Group to develop, motivate and retain internal talent pipeline; and when necessary to attract key talent externally to sustain the performance of the Group.

The Committee devoted considerable attention during the year to ensuring that the Group's Remuneration Policy remains fair, transparent, and market-competitive, with a clear linkage to the Group's strategic objectives and a focus on driving sustainable performance and an entrepreneurial culture.

In addition, the Committee reviewed the compensation and benefits structures of Key Management Personnel and recommended appropriate adjustments to kept abreast of the dynamic challenges and changes required during the year.

REPORT OF THE HUMAN CAPITAL AND COMPENSATION COMMITTEE

Non-Executive Directors receive a fee for serving on the Board and serving on sub committees. They do not receive any performance related incentive payments.

The aggregate remuneration paid to Non-Executive Directors is given in Note 11 to the Financial Statements in page 263.

PERFORMANCE CULTURE

The Committee reviewed the HR Strategic Plan to ensure alignment with the Group's strategic priorities. Further, enhancements were made to the performance-based rewards scheme, with a clear emphasis on differentiating and rewarding exceptional performance against stretched targets.

The Committee strengthened the performance management approach by refining goal-setting guidelines to ensure the consistent adoption of SMART objectives aligned with the Group's growth priorities. This was further supported by tighter alignment of senior leadership KPIs with the strategic plan, reinforcing a stronger performance-driven culture.

The Key Performance Indicators of the GCEO and Key Management Personnel were agreed at the commencement of the financial year and formally evaluated at year-end after reviewing the targets in compliance with the strategic plan of the Company. The outcomes of these evaluations formed the basis for remuneration decisions, including salary adjustments and performance-based rewards.

CAPABILITY DEVELOPMENT

CIC Group HR Objective is to create a conducive environment to ensure availability of future ready leadership pipeline to achieve strategic objectives and enhance the employer brand of CIC.

The committee approached capability development as an ongoing investment to create a robust work environment and a learning culture that will equally challenge and motivate employees to

align their personal career pathway in line with the Company's growth strategies.

During the year under review, the Group continued to invest in targeted talent development initiatives aimed at building leadership capability, enhancing critical business skills, and promoting employee wellbeing, with interventions aligned to strategic priorities.

Leadership pipeline development remained a key focus, with high-potential talent participating in structured development initiatives designed to build strategic thinking and leadership capability. At the senior leadership level, capability building was further strengthened through participation in executive education programs and targeted leadership coaching interventions, enhancing overall leadership effectiveness and readiness for future challenges. Selected members of the senior leadership team participated for the Global Advanced Management Programme, jointly offered by the Indian School of Business and the National University of Singapore.

In addition, senior managers from the Agri Cluster participated in an international exposure programme under the Senior Leadership Development Programme (SLDP), delivered in collaboration with the Postgraduate Institute of Management (PIM) and Kasetsart University, Thailand. Conducted under the theme "Agri-Innovate: From Soil to Shelf – The Value Creation Journey," this initiative strengthened global perspectives and deepened sector-specific expertise across the value chain.

Overall, these initiatives reflect the Group's continued commitment to developing a high-performing, future-ready workforce, while fostering a strong culture of continuous learning and leadership excellence.

SUCCESSION PLANNING

The HC & CC continued to review and strengthen the Group's succession planning process, with a focus on ensuring seamless leadership transitions across the second and third tiers of leadership. Succession planning remained a key priority during the year under review, with the Committee undertaking in-depth talent reviews across critical roles within the Group. This included a comprehensive assessment of current incumbents and the identification of potential successors, thereby ensuring leadership continuity and the sustained availability of a robust leadership pipeline aligned with the Group's strategic objectives.

Succession planning within the Group is treated as a continuous and dynamic process, designed to respond to evolving business needs while ensuring business continuity. The Committee regularly reviews the effectiveness of the succession planning framework to ensure a robust pipeline of high-potential talent is aligned to future leadership and critical roles. This approach supports the mitigation of talent-related risks while safeguarding the retention and development of critical organisational human capital.

Finally, I would like to thank my colleagues in the Committee for their valuable contribution towards the progress of the Committee.



J R Gunaratne
Chairman

Human Capital and Compensation
Committee

03rd June 2026

REPORT OF THE NOMINATIONS AND GOVERNANCE COMMITTEE

COMPOSITION OF THE COMMITTEE

The Nominations and Governance Committee of CIC Holdings PLC was reconstituted by the Board with effect from 1st January 2025. The primary purpose of the Committee is to establish and maintain a formal and transparent procedure for the appointment, re-election, and continuation of Directors to the Board, while ensuring that the Board maintains an appropriate balance of skills, experience, knowledge, independence, and diversity to effectively discharge its responsibilities in the best interests of the Company.

The Committee comprises three Independent Non-Executive Directors (including the Chairperson) and two Non-Executive Directors and is chaired by an Independent Non-Executive Director in compliance with Section 9.11 of the Listing Rules of the Colombo Stock Exchange.

Name of Director	Nature of Directorship	Date of Appointment to the Committee
D T S H Mudalige (Chairman)	Independent Non-Executive	30-09-2024
S H Amarasekera	Non-Independent Non-Executive	05-02-2008
J R Gunaratne	Independent Non-Executive	01-01-2025
R S Captain	Non-Independent Non-Executive	06-02-2015
K D Senewiratne	Independent Non-Executive	30-09-2024

[Brief profiles of the Members of the NGC who held office as of 31st March 2026 appear on page 27]

The Company Secretaries, P W Corporate Secretarial (Pvt) Ltd function as the Secretaries to the Committee. The Committee operates under Board-approved Terms of Reference (ToR), which clearly define its purpose, scope, composition, quorum, authority, responsibilities, duties, and matters relating to the conduct of meetings.

MEETINGS OF THE COMMITTEE

There were no formal meetings of the Committee convened during the period, however the Committee discharged its responsibilities through Board engagement and circulation of papers, where applicable.

POLICY AND PROCESSES FOR DIRECTORS' NOMINATIONS

The NGC operates under a documented policy and defined processes for the nomination, appointment, re-election and continuation of Directors. These processes include :

- Overseeing the identification, assessment, selection, and nomination of suitable candidates to be appointed as Directors to fill any vacancy on the Board, howsoever created and/or as additional Directors based on the business requirements of the Company;
- Assessing the skills, knowledge, experience, expertise, diversity, and levels of independence necessary that will best complement the effectiveness of the Board;
- Ensuring that the Director nominees accord with the fit and proper criteria under Rule 9.7.3 of the Listing Rules and obtaining a declaration to that effect from the candidate and;

- Where a Director nominee is to be appointed as an Independent Director, identifying any potential conflicts of interest and assessing the independence of the candidate, and overseeing that he / she satisfies the criteria for independence as per Rule 9.8.5 of the Listing Rules and obtaining a duly completed declaration to that effect from the said party.
- Based on the assessment as aforesaid making recommendations to the Board on appointment, re-election or continuation of Directors.

RETIREMENT AND RE-ELECTION OF DIRECTORS

In accordance with the Company's Articles of Association, one-third of the Directors shall retire from office provided that Directors appointed to the office of Managing Director shall not while holding that office be subject to retirement by rotation or be taken into account in determining the Directors to retire in each year. Retiring Directors are eligible for re-election in accordance with the Articles of Association of the Company.

RE-ELECTION OF DIRECTORS AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 9.11.5(ii) of the Listing Rules of the Colombo Stock Exchange, the Committee recommended that Mr. R S Captain and Ms. K D Senewiratne, who retire in terms of the Article 26(6), be re-elected to the Board at the Annual General Meeting to be held on 30th June 2026.

The Committee further recommended to the Board and the Board approved the re-appointment of Mr. M P Jayawardena who is over 70 years of age and due to retire in terms of Section 210 of the Companies Act No. 07 of 2007. Accordingly, the said Director is to be appointed for a further period of one year from the conclusion of the AGM and the age limit referred to in Section 210 of the Companies Act No.7 of 2007 shall not be applicable to Mr. M P Jayawardena.

REPORT OF THE NOMINATIONS AND GOVERNANCE COMMITTEE

In terms of Article 26(2) 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. No new Directors were appointed to the Board during the financial year.

Disclosed in terms of Rule 9.11.6(g) of the Listing Rules of the CSE – Information of Directors who are proposed to be re-elected at the Annual General Meeting – 2026

Name	Membership of Board Sub Committees	Date of Appointment to the Board	Date of last Re-appointment
Mr. R S Captain	Audit Committee	10/03/2008	30.06.2023
Ms. K D Senewiratne	Audit Committee Human Capital & Compensation Committee Related Party Transaction Review Committee Nomination and Governance Committee	01/01/2023	30.06.2023
Mr. M P Jayawardena	Audit Committee	21/05/2022	30/06/2025

Directorships/Chairmanships and other principal commitments present and those held over the preceding three years in other Listed Entities are disclosed under profiles of Directors from page 27 to 28

Further, the Directors proposed for re-election do not have any relationships, including close family relationships, with other Directors, the Company, or shareholders holding more than ten per-centum (10%) of the shares of the Company.

EFFECTIVE IMPLEMENTATION OF POLICIES AND PROCESSES FOR APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

The effectiveness of the policies and processes relating to the appointment and re-appointment of Directors is demonstrated by the following:

The NGC reviews the criteria for fitness and propriety, independence and other compliance requirements for individual Directors at the time of their initial appointments to the Board and through annual review. Such a review also covers the general disclosure of interests, declarations and other information provided by Director nominees and by individual Directors in accordance with the Listing Rules, Companies Act and the Company's Articles of Association.

- The Nominations and Governance Committee evaluates candidates based on qualifications, experience, leadership capabilities, and independence, ensuring alignment with the Company's strategic objectives.
- Director nominees are subject to reference checks and reviews of their past performance, particularly if the candidate has prior Board experience, and also interviews with the Management.
- A process has been established for Board evaluations, including attendance, engagement and effective contribution as a Board member, to ensure that each Director continues to add value to the Company to achieve its objectives, before the NGC recommends the re-election / re-appointment of a Director.

PERIODIC EVALUATIONS ON THE PERFORMANCE OF THE BOARD AND THE EXECUTIVE DIRECTORS.

As per the Rules on Corporate Governance embodied in the Listing Rules and the Policy on Corporate Governance, Nomination and Re-election adopted by the Company with effect from 1st October 2024, it is necessary that periodic evaluation of the performance of the Board of Directors and the Chief Executive Officer (CEO) of the Company are carried out, through a scheme of self-assessment to be undertaken by each Director and the CEO to ensure that their responsibilities were satisfactorily discharged. The NGC is responsible for such an assessment and to submit a report on the matter to the Board.

The NGC confirms that the annual evaluation of the performance of the Board of Directors and the CEO has been conducted. This assessment ensures alignment with the organisation's strategic objectives and supports continuous improvement in governance and leadership effectiveness.

PROCESS ON THE FLOW OF INFORMATION TO INDEPENDENT DIRECTORS ON MAJOR ISSUES

The Company ensures that Independent Directors are informed through a structured communication framework, including regular Board and Committee meetings, with detailed agenda and relevant documents shared in advance. Directors receive periodic updates on key financial, operational and strategic matters, with direct access to the Senior Management and the Company Secretaries to seek clarifications on matters falling under the purview of the Board.

Special briefings are provided to the Directors through the Managing Director and/or the Company Secretaries in dealing with important matters. Strategy sessions, orientation, and training programs keep Directors informed on industry trends and governance. Crisis communication processes ensure timely updates during significant events, supporting effective oversight and contribution to the Company's objectives.

BOARD DIVERSITY

The Board of Directors recognises diversity in experience, skills, professional backgrounds, age, and gender as an important element of effective governance and strategic oversight. The Board comprises individuals with varied expertise and perspectives, which support balanced decision-making and the effective discharge of its responsibilities. The Company remains committed to maintaining an appropriate level of Board diversity in line with applicable Listing Rules and governance best practices. Profiles of the Directors containing relevant details are set out on pages 27 to 28 of this Report.

INDUCTION AND ORIENTATION PROGRAMS

The Company provides induction programs for newly appointed Directors, covering operations, governance, regulations, strategic objectives, financial performance and key policies.

Updates are also provided to the Board on corporate governance, regulatory developments and relevant laws, ensuring compliance, effective risk management, and alignment with legislative amendments to protect shareholder interests.

DETERMINATION OF INDEPENDENCE OF INDEPENDENT DIRECTORS

As required under Rule 9.8.5 (a) of the Listing Rules of the Colombo Stock Exchange, the Independent Non-Executive Directors of the Company have submitted signed and dated declarations of independence in accordance with the criteria specified under Appendix 9A of the Listing Rules.

Following a review of the said declarations, it was ascertained that as of the reporting date, the Independent Non-Executive Directors of the Company, namely Ms. K. D. Senewiratne, Mr. J. R. Gunaratne and myself, have satisfied the criteria for determining independence as specified under Rule 9.8.5 of the Listing Rules.

STATEMENT ON DIRECTORS' FITNESS AND PROPRIETY

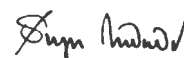
In accordance with Section 9.7.4 of the Listing Rules of the Colombo Stock Exchange, declarations have been obtained from all seven (07) Directors and the Chief Executive Officer of the Company as at 31 March 2026, confirming that they have continuously satisfied the Fit and Proper Assessment Criteria set out in the Listing Rules throughout the financial year and continue to meet the said criteria as at the date of confirmation.

Based on the above declarations and the review conducted, the Committee confirms that the Directors and Joint Chief Executive Officers of the Company have met the Fit and Proper Assessment Criteria stipulated in the Listing Rules of the Colombo Stock Exchange as at the reporting date.

COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS STIPULATED UNDER THE LISTING RULES

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.

On behalf of the Board Nominations and Governance Committee,



D T S H Mudalige
Chairman – Nominations and Governance Committee

03rd June 2026

REPORT OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

PREAMBLE

The Board established the Related Party Transactions Review Committee (RPTRC) in terms of the Code of Best Practice on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka (the "Code") and Section 9 of the Listing Rules of the Colombo Stock Exchange (the "Rules").

COMPOSITION OF THE COMMITTEE

The Related Party Transactions Review Committee consists of three Independent Non-Executive Directors and one Non-Executive Director as of the end of the reporting period, 31st March 2026. The Committee is constituted in accordance with Section 9.14 of the Listing Rules of the Colombo Stock Exchange, and is chaired by an Independent Non-Executive Director, with its composition being in compliance with the provisions of the Code.

The Committee comprises the following Members:

J. R. Gunaratne (Chairman)
Independent Non-Executive Director

K. D. Senewiratne
Independent Non-Executive Director

D. T. S. H. Mudalige
Independent Non-Executive Director

S. M. Enderby
Non-Independent, Non-Executive Director

Brief profile of the members are given on pages 27 to 28 of this Annual Report.

The Company Secretaries, P W Corporate Secretarial (Private) Limited functions as the Secretary to the Related Party Transactions Review Committee.

MEETINGS OF THE COMMITTEE

During the year ended 31st March 2026, the Committee met four (04) times and the attendance of the Members for meetings was as follows:

Member	Attendance	
J. R. Gunaratne (Chairman)	-	4/4
K. D. Senewiratne	-	4/4
D. T. S. H. Mudalige	-	4/4
S. M. Enderby	-	4/4

ROLE AND RESPONSIBILITIES

The mandate of the Committee is derived from the provision of the Code and the Listing Rules of the Colombo Stock Exchange and is to ensure effective oversight of Related Party Transactions on behalf of the Board.

Accordingly, the Committee is responsible for the following:

- To review in advance all proposed Related Party Transactions of the Group either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such review, prior to the completion of the transaction.
- Seek any information the Committee requires from Management, employees or external parties with regard to any transaction entered into with a related party.
- Obtain knowledge or expertise to assess all aspects of proposed related party transactions where necessary, including obtaining appropriate professional and expert advice from suitably qualified persons.
- To recommend, where necessary, to the Board and obtain their approval prior to the execution of any related party transaction.
- To monitor that all related party transactions of the entity are

transacted on normal commercial terms and are not prejudicial to the interests of the entity and its minority shareholders.

- To review the transfer of resources, services or obligations between related parties regardless of whether a price is charged.
- To review the economic and commercial substance of both recurrent/non-recurrent related party transactions.
- To monitor and recommend the acquisition or disposal of substantial assets between related parties, including obtaining "competent independent advice" from independent professional experts with regard to the value of the substantial assets of the related party transaction.

POLICIES AND PROCEDURES ADOPTED BY THE RPTRC FOR REVIEWING RELATED PARTY TRANSACTIONS (RPTS)

The Company has established a structured framework to ensure accurate identification, monitoring, and reporting of Related Party Transactions, including:

1. Relevant information to capture RPTs is fed into the Company Data Collection System.
2. All officers concerned are informed of the applicable regulatory requirements relating to the reporting of RPTs.
3. Key Management Personnel (KMPs) and their Close Family Members (CFMs) are identified on a half-yearly basis together with their National Identity Card numbers and this information is maintained in the system.
4. The system is updated with KMP and their CFM details on a half-yearly basis or as and when the need arises in the event of a material change.
5. Data is extracted from the system, verified and validated.

6. All Managers are advised to report RPTs to the Group Chief Financial Officer who has been identified as the focal point for this purpose.
7. Data is shared with the Group Chief Financial Officer and the Company Secretaries to meet the regulatory requirements if required.

TASK OF THE COMMITTEE

The Committee reviews all Related Party Transactions and their compliance and communicates its observations and recommendations to the Board.

The Committee, in its review process has recognised the adequacy of the content and quality of the information forwarded to its members by the Management and has confirmed compliance with Section 9 of the CSE Listing Rules.

Related Party Transactions reported during the reporting period ended 31st March 2026 are disclosed in the Note 43 to the Financial Statements.

REPORTING TO THE BOARD

The minutes of the RPTRC meetings are tabled at the Board meetings to ensure transparency and full Board awareness of Related Party Transactions.

REVIEW OF RELATED PARTY TRANSACTIONS

DECLARATION

As required by Rule 9.14.8 (4) of the Listing Rules of the Colombo Stock Exchange, an affirmative declaration by the Board of Directors confirming compliance with the Rules pertaining to Related Party Transactions is captured in the "Annual Report of the Board of Directors on the Affairs of the Company" of this Report on page 215 to 226

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 such 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 31 March 2026.

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 such Transactions exceeded 10% of the gross revenue/income (or equivalent term in the Income Statement, and in the case of group entity, consolidated revenue) as per the latest Audited Financial Statements as at 31 March 2026.

I wish to take this opportunity to thank all members who served in the Committee and for their contribution to the deliberations of the Committee during the period.



J R Gunaratne
Chairman

Related Party Transactions Review
Committee

03rd June 2026

BOARD OF DIRECTORS' STATEMENT ON INTERNAL CONTROLS

REQUIREMENT

The Code of Best Practice on Corporate Governance 2017 issued jointly by the Securities and Exchange Commission and the Institute of Chartered Accountants, Sri Lanka, recommends Board to present a statement on internal controls.

RESPONSIBILITY

The Board of Directors is responsible for the adequacy and effectiveness of the Group's system of internal controls. However, such a system is designed to manage the Group's key exposure areas within an acceptable risk profile rather than eliminating the risk of failure to achieve the Group's objectives. Accordingly, the system of internal controls can only provide a reasonable assurance but not absolute against the material misstatement of management and financial information and records or against financial losses or fraud. The Board has established an ongoing process for identifying, evaluating and managing the significant exposures faced by the Company and this process includes enhancing the system of internal controls as and when there are changes for the business environment or regulatory framework.

The Board has assessed the internal control system taking into account principles for the assessment of internal control systems as given in that guidance. The Board is of the view that the system of internal controls in place is sound and adequate to provide reasonable assurance regarding the reliability of financial reporting and that the preparation of Financial Statements for external purposes is in accordance with relevant accounting principles and regulatory requirements.

The management assists the Board in implementation of the Board policies and procedures.

KEY INTERNAL CONTROL PROCESSES

The key processes that have been established in reviewing the adequacy and integrity of the system of internal controls with respect to financial reporting includes the following:

The Board sub-committees are established to assist the Board in ensuring the effectiveness of the Group's operations and that they are in accordance with corporate objectives, strategy, annual budget, policies and business environment.

The Group's internal audit functions provide comfort on the efficiency and effectiveness of the internal control system. It monitors compliance on policies and procedures and highlights significant findings in respect of non-compliance. Audits are carried out on all subsidiaries and frequency of which is determined by the level of risk assessed. The annual audit plan is reviewed and approved by the Audit Committee.

The Audit Committee reviews internal control issues identified by the Group's internal auditors/external auditors, regulatory authorities and the management and evaluates the adequacy of internal controls.

In assessing the internal control systems, the management of the Company continued to review and update all procedures and controls that are connected with significant accounts and disclosures of the Financial Statements of the Company/ Group.

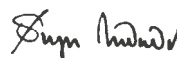
CONFIRMATION STATEMENT

The Board of Directors of CIC Holdings PLC (Group) confirm that the financial reporting system has been designed to provide reasonable assurance regarding the reliability of financial reporting system and the preparation of Financial Statements for external purposes has been done in accordance with Sri Lanka Accounting Standards, Companies Act No. 7 of 2007, Listing Rules of the Colombo Stock Exchange, requirements of Security and Exchange Commission of Sri Lanka and other regulatory requirements.

By order of the Board



S H Amarasekera
Chairman



D T S H Mudalige
Chairman - Audit Committee

03rd June 2026

ADVANCING *Value*

Our financial performance reflects more than resilience and stability, it reflects the value we create for people. Guided by prudence and clarity, we build a strong foundation for sustainable growth that supports livelihoods, empowers communities, and strengthens the nation. Each outcome is a result of responsible choices, ensuring that progress is not only measured in numbers, but in the lasting well-being we deliver.

FINANCIAL CALENDAR 2025/26

Interim Financial Statements

Interim financial statements for the three months ended on 30th June 2025	Released on 05th August 2025
Interim financial statements for the six months ended on 30th September 2025	Released on 08th November 2025
Interim financial statements for the nine months ended on 31st December 2025	Released on 06th February 2026
Interim financial statements for the year ended on 31st March 2026	Released on 29th May 2026

Audited Financial Statements

Audited financial statements for the year ended on 31st March 2026	03rd June 2026
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Dividends

2025/26 Final Dividend payment date if approved at AGM	20th July 2026
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Annual General Meeting

63rd Annual General Meeting	30th June 2026
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ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The Board of Directors of CIC Holdings PLC has pleasure in presenting their Report to the Shareholders on the Affairs of the Company, together with the Audited Financial Statements of CIC Holdings PLC and the Audited Consolidated Financial Statements of the Group for the 12 months ended 31st March 2026

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

GENERAL

CIC Holdings PLC (the Company) was incorporated as a limited liability company on 12th May 1964 under the Companies' Ordinance, No. 51 of 1938 under the name of 'Chemical Industries (Colombo) Limited'.

The ordinary shares of the Company are listed on the Main Board of the Colombo Stock Exchange since 1964. The Company was re-registered under the Companies Act, No. 07 of 2007 on 21st November 2007 under Registration No. PQ88 and subsequently changed its name to CIC Holdings PLC in 2014

The Registered Office of the Company is at "CIC House" 199, Kew Road, Colombo 02.

PRINCIPAL ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES

The Company carries the business of merchandising and manufacturing as its principal activities. There were no significant changes in the activities of the Company during the year under review. The Group is engaged in Agri Produce, Crop Solutions, Livestock Solutions and Health & Personal Care market segments. During the year under review, there were no changes in the business of the Company and those of its subsidiary companies.

REVIEW OF THE YEAR

Chairman's Statement, (pages 18), and the Group Chief Executive Officer's Review, (pages 21) describe the Company's affairs and the Group's business. Financial results of the Company/Group are elaborated on pages 232 to 325 These reports, together with the Audited Financial Statements reflect the state of affairs of the Company/Group.

INDEPENDENT AUDITORS' REPORT

The Independent Auditors' report on the Financial Statements is given on pages 229 to 231 in this Annual Report.

FINANCIAL STATEMENTS

The Financial Statements for the 12 months ended 31st March 2026 have been prepared in accordance with the Sri Lanka Accounting Standards

comprising Sri Lanka Financial Reporting Standards (SLFRS) and the Sri Lanka Accounting Standards (LKAS) laid down by the Institute of Chartered Accountants of Sri Lanka and comply with the requirements of Section 151 (and Section 153 for consolidated entity) of the Companies Act No. 07 of 2007 and the Listing Rules of the Colombo Stock Exchange.

The aforesaid Financial Statements duly signed by the Group Chief Financial Officer and two Directors on behalf of the Board are provided on pages 232 to 325 in this Annual Report and form an integral part of this Annual Report of the Board of Directors.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Financial Statements are provided in detail in the Notes to the Financial Statements on pages 239 to 257 The Company/Group has consistently applied the accounting policies as set out in Note 1 to 4 to all periods presented in these Consolidated Financial Statements.

As at 31st March	Company		Group	
	2026	2025	2026	2025
	Rs. 000	Rs. 000	Rs. 000	Rs. 000
Profit for the year after depreciation	1,553,854	1,621,861	11,418,496	9,210,523
From which a deduction is made for taxation and	(131,329)	(273,455)	(3,172,990)	(2,877,071)
For discontinued operations	(1,172)	(1,433)	8,261	296,028
	1,421,353	1,346,973	8,253,767	6,629,480
From which a deduction is made for non- controlling Interest	-	-	(1,348,320)	(1,187,063)
	1,421,353	1,346,973	6,905,447	5,442,417
To which must be added/(deducted) other comprehensive income	(15,828)	(40,096)	212,922	21,585
Total comprehensive income	1,405,525	1,306,877	7,118,369	5,464,002

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

As at 31st March	Company		Group	
	2026	2025	2026	2025
	Rs. 000	Rs. 000	Rs. 000	Rs. 000
To which must be added the unappropriated profit brought forward from the previous years and	9,510,157	9,150,980	35,289,971	30,785,659
Derecognition of fair value reserve due to disposal of investments	24,892	-	125,230	
Adjustment to non-controlling interest of a subsidiary	-	-	(185,388)	(11,990)
Making available for appropriation amount of	10,940,574	10,457,857	42,348,182	36,237,671
Out of which a dividend was paid Rs.2.50 (2024 - Rs 2.50)	(947,700)	(947,700)	(947,700)	(947,700)
so that the unappropriated profit carried forward will be	9,992,874	9,510,157	41,400,482	35,289,971

PROPERTY, PLANT AND EQUIPMENT

During the financial year, the Company and the Group invested a sum of Rs. 179.50Mn (Rs. 122.31Mn in 2024/25) and Rs. 1,434.89Mn - (1,194.04Mn in 2024/25) in property, plant and equipment. Details of property, plant and equipment and intangible assets and their movements are given in Notes 16 to the Financial Statements respectively. Details of freehold land and buildings are given in Note 16 to the Financial Statements.

MARKET VALUE OF PROPERTIES

The freehold property of the Company/ Group is revalued by an Independent Qualified Valuer when there is a substantial difference between the fair value and the carrying amount of the freehold property. The Company/ Group reviews its assets once in each reporting date.

The most recent valuation was carried out as at 31st March 2025. The details of the valuation are given in Note 16 to the Financial Statements on page 272 in this Annual Report.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

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

The Directors are of the view that the Statement of Financial Position, Statement of Profit or Loss, Statement

of Changes in Equity, Cash Flow Statement and Notes to Financial Statements appearing on pages 232 to 325 have been prepared in conformity with the requirements of the Sri Lanka Accounting Standards, Companies Act, No. 7 of 2007, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 and the amendments thereto and the Listing Rules of the Colombo Stock Exchange.

The Statement of Directors' Responsibility for Financial Reporting is given on page 227.

DIVIDENDS

In terms of Article 39(i) of the Articles of Association of the Company, a first and final dividend of Rs 0.50 per share has been proposed by the Directors for the financial year ended 31st March 2026. The Board has reasonable grounds for believing that the Company would satisfy the Solvency Test immediately after the distribution is made and accordingly, the Board of Directors has signed the Certificate of Solvency in accordance with Section 57 of the Companies Act No. 07 of 2007.

The Board of Directors will obtain a Certificate of Solvency from the Auditors prior to the date of dispatch of the dividend payment.

RESERVES (EXCLUDING NON-CONTROLLING INTEREST)

Group reserves and retained equity as at 31st March 2026 amounted to Rs. 45,184 Mn vs Rs. 39,111 Mn as at

31st March 2025. The break-up and movement are shown in the Statement of Changes in Equity in the Financial Statements.

STATED CAPITAL

Stated Capital of the Company as at 31st March 2026 was Rs. 1,008.45 Mn. At the Extra Ordinary General Meeting held on 13th October 2025, a Special Resolution was duly passed by the shareholders to subdivide shares of the Company. Accordingly, the number of shares of the Company is changed and value of the stated capital remained unchanged during the year. Details are given in Note 30 to the Financial Statements on page 301.

EARNINGS, DIVIDENDS AND NET ASSETS VALUE OF SHARES

Earnings per share, dividends per share, dividend payout and net assets value per share are given in the Highlights on page 14 of this Annual Report and prior year figures are adjusted in line with the subdivision.

COMMITMENTS AND CONTINGENCIES

Commitments and Contingent Liabilities of the Group are disclosed in the Note 40 to the Financial Statements.

DIRECTORS

The following were the Directors of the Company as at 31st March 2026 and their brief profiles are set out in page 27 to 28

Mr. S H Amarasekera (Chairman)
- Non-Independent, Non-Executive Director

Mr. R S Captain
- Non-Independent, Non-Executive Director

Mr. S M Enderby
- Non-Independent, Non-Executive Director

Mr. M P Jayawardena
- Non-Independent, Non-Executive Director

Mr. J R Gunaratne
- Independent, Non-Executive Director

Mr. D T S H Mudalige
-Independent, Non-Executive Director

Ms. K D Senewiratne
- Independent, Non-Executive Director

Mr. P R Saldin
- Non-Independent, Non-Executive Director (Deceased on 16/01/2026)

CHANGES TO THE BOARD DURING THE YEAR

Mr. P. R. Saldin served as a Non-Independent, Non-Executive Director of the Company and ceased to hold office upon his demise on 16th January 2026.

There have been no appointments or resignations of Directors during the year ended 31st March 2026.

RETIREMENT BY ROTATION AND RE-ELECTION OF DIRECTORS / ANNUAL ASSESSMENT OF CONTINUING DIRECTORS

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 Ms. K. D. Senewiratne and Mr. R. S. Captain who retire by rotation in terms of Article 26(6) of the Articles of Association of the Company. Further, in terms of Rule 9.7.2 of the Listing Rules of the Colombo Stock Exchange, the Board has ensured that Ms. K. D. Senewiratne and Mr. R. S. Captain are fit and proper based on the 'Fit and Proper Criteria stipulated in the Listing Rules.

Accordingly, in terms of Article 25(3) Articles of Association of the Company, shareholder approval is sought to re-elect Ms. K. D. Senewiratne and Mr. R. S. Captain, who retire by rotation and, being eligible, offer themselves for re-election.

Mr M. P. Jayawardena who is 75 years of age and vacates office at the conclusion of the Annual General Meeting in terms of Section 210(2)(b) of the Companies Act No. 7 of 2007, is recommended by the Board, for re-appointment as a Director under Section 211 of the Companies Act, specially declaring that the age limit stipulated in Section 210 of the Companies Act shall not apply to the said Director.

INDEPENDENCE OF DIRECTORS

Mr. D T S H Mudalige
Independent, Non-Executive Director

Mr. J R Gunaratne
Independent, Non-Executive Director

Ms. K D Senewiratne
Independent, Non-Executive Director

The Board, based on the Declarations submitted by the Independent Directors declaring his/her independence against the criteria specified in the Listing Rules and such other information available to the Board that could reasonably be constructed to have a bearing on the independence of such Directors, determined that the three (3) Independent Directors namely Mr. D T S H Mudalige, Mr. J. R Gunaratne and Ms. K. D. Senewiratne are 'Independent' in terms of the Listing Rules.

CORPORATE GOVERNANCE

The Board of Directors confirm that the Company has complied with Corporate Governance Rules laid down by the Institute of Chartered Accountants of Sri Lanka, and Section 9 of the Listing Rules of the Colombo Stock Exchange. The Corporate Governance Section on pages 144 to 202 describes the good Corporate Governance Principles adopted by the Company.

The Corporate Governance Report is given under the Governance Section of the Annual Report.

POLICIES IN TERMS OF RULE 9.2 OF THE LISTING RULES

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

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

FIT AND PROPER ASSESSMENT OF DIRECTORS

In terms of Rule 9.7.4 of the Listing Rules of the Colombo Stock Exchange, declarations were obtained from the Directors who confirmed that they have continuously satisfied the Fit and Proper Assessment Criteria set out in the Listing Rules during the Financial Year under review and as at the date of such Declarations. These Declarations were placed before the Nominations and Governance Committee, and upon review by the Nominations and

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

Governance Committee, where no member participated in decisions relating to his/her continuation, were then presented to the Board.

The Board determined that all Directors satisfy the fit and proper assessment criteria stipulated in the Listing Rules and qualify to continue as Directors in their respective capacities, subject to those who retire by rotation and over 70 years of age, being re-elected / re-appointed by the shareholders at the forthcoming Annual General Meeting.

POLICY ON RELATIONS WITH SHAREHOLDERS AND INVESTORS

The Company has established a process for effective communication and relations with shareholders and investors. Accordingly, the shareholders have access to the Company as set out in the Corporate Governance Report ["Stakeholder Engagement"] on page 144 to 202 of this Report.

BOARD MEETINGS

Eight (8) Board Meetings of the Company were held during the year under review and for the Directors' attendance refer on page 201 of this Report.

BOARD SUB COMMITTEES

The Board of Directors has formed four Board Sub Committees in terms of the Listing Rules of the Colombo Stock Exchange, namely, Audit Committee, Human Capital and Compensation Committee (acting as the Remuneration Committee), Related Party Transactions Review Committee and Nominations and Governance Committee.

The composition of the said Board Sub Committees appears on pages 203 to 211 and as required by the Listing Rules, the Reports of the Audit Committee, Related Party Transactions Review Committee, Remuneration Committee and the Nominations and Governance Committee appear on pages 203 to 211 respectively.

Declaration under the Listing Rules, on Related Party Transactions

The Directors declare that the Company is in compliance with the Listing Rules of the Colombo Stock Exchange pertaining to Related Party Transactions during the Financial Year ended 31st March 2026.

DIRECTORS' INTERESTS IN CONTRACTS AND INTEREST REGISTER

The Company, in compliance with the Companies Act No. 07 of 2007, maintains an Interests Register.

All Directors have made declarations as provided for in Section 192(2) of the said Act. As per the particulars of entries in the Interests Register. There were no share purchases during the financial year under review.

All related party transactions which encompasses the transactions of Directors who were directly or indirectly interested in a contract or a related party transaction with the Company during the accounting period are recorded in the Interests Register in due compliance with the provisions of the Companies Act.

The Directors declare that all material interests in contracts involving the Company have been disclosed to the

DIRECTORS' INTEREST IN SHARES

The Directors' holding in shares of the Company are as follows:

CIC HOLDINGS PLC

As at 31st March	Ordinary shares		Non-Voting (Class X)	
	2026	2025	2026	2025
Mr. S H Amarasekera - Chairman	-	-	-	-
Mr. R S Captain	1,600	320	2,780	556
Mr. S M Enderby	-	-	-	-
Mr. J R Gunaratne	-	-	-	-
Mr. D T S H Mudalige	-	-	-	-
Mr. M P Jayawardena	-	-	25,000	5,000
Ms. K D Senewiratne	-	-	-	-
	1,600	320	27,780	5,556

Board and wherever any Director was materially interested in a contract or a proposed contract with the Company, they have refrained from voting on such contracts. It is further declared that during the year under review, the Company did not enter into any contracts in which any Director was materially interested.

DIRECTORS' REMUNERATION

Executive Directors remuneration is structured within an established framework by the Board's Remuneration Committee to whom this task has been entrusted. The Directors are of the opinion that the framework assures appropriateness of remuneration and fairness for the Company. The total remuneration of the Directors for the year ended 31st March 2026 is given in Note 11 includes the value of perquisites (if any) granted to them as part of their terms. of service.

The Directors' fees of Non-Executive Directors for the reporting year ended 31st March 2026 given in Note 11 is determined according to the scales of payment decided upon by the Board. The Board is satisfied that the payment of remuneration is fair to the Company.

No Director is involved in deciding his or her own remuneration.

DIRECTORS' INDEMNITY AND INSURANCE

The Company has obtained a Directors' and Officers' Liability Insurance from a reputed insurance company in Sri Lanka providing worldwide cover to indemnify all past, present and future Directors and Officers of the Group.

SHARE INFORMATION AND SUBSTANTIAL SHAREHOLDINGS

The distribution of shareholdings, public holding percentage, market value of shares, 20 largest shareholders and record of scrip issues are given on pages 326 to 331

DETAILS IN RESPECT OF DIRECTORATES

Name of the Director	Listed Entity	Unlisted Entity/Other institution	Position Held
Mr. S H Amarasekera	Sampath Bank PLC		Non Executive Independent Chairman
	Lanka Tiles PLC		Non-Executive Director
	Lanka Walltiles PLC		Non-Executive Director
	Vallibel Power Eratne PLC		Non Executive Chairman
	Swisstek (Ceylon) PLC		Non Executive Chairman
	Royal Ceramic Lanka PLC		Non Executive Co Chairman
		Swisstek Aluminium Limited	Non Executive Chairman
		Expolanka Holdings Limited	Non Executive Independent Director
		CIC Agri Businesses (Private) Limited	Non Executive Chairman
		Colombo Port City Economic Commission	Chairman
		Galleface Management Com.(Pvt) Ltd	Non Executive Director
		Link Natural Products (Pvt) Ltd	Non Executive Director
		Millennium Airlines Ltd	Non Executive Director
		Millennium Investments Lanka (Pvt) Ltd	Non Executive Director
		Ceylon Hotel Holdings (Pvt) Ltd	Non Executive Director
		EFL Global Logistics (PTE) Ltd	Non Executive Director
		Silver Aisle (Pvt) Ltd	Non Executive Director
Mr. M P Jayawardena		CIC Vetcare (Private) Limited	Director
		CIC Bio Security Breeder Farms Limited	Director
		CIC Poultry Farms Limited	Director
		CAL Exports Lanka (Private) Limited	Chairman
		Chemanex Exports (Private)Limited	Director

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Name of the Director	Listed Entity	Unlisted Entity/Other institution	Position Held
Mr. R S Captain		Link Natural Products (Private) Limited	Non-Executive Director
		Cisco Specialty Packaging (Private) Limited	Non-Executive Director
		Chacra Capital Holdings (Private) Limited	Executive Director
		Propertex Development Limited	Executive Director
		Austin Gloves (Ceylon) Ltd	Executive Director
		CEI Plastics Ltd	Executive Director
		Body Bar Ltd	Executive Director
		Horahena Investments Ltd	Executive Director
		Paints & General Industries Ltd	Executive Director
		Paints & General (Exports) Ltd	Executive Director
		Polypak Secco Ltd	Executive Director
		Polytex Properties & Investments Ltd	Executive Director
Mr. S M Enderby	Printcare PLC		Independent Non-Executive Director
		Aramuna Investments (Private) Ltd	Chairman/Director
		PH Resorts (Private) Ltd	Non-Executive Director
		Ironwood Capital Advisors (Private) Ltd	Chairman/Director
		Ironwood Education Holding (Private) Ltd	Director
		Ironwood Investment Holding (Private) Ltd	Director
		Ironwood Restaurant Holding (Private) Ltd	Director
		Ironwood Services Holding (Private) Ltd	Director
		Ironwood Travel Holding (Private) Ltd	Non-Executive Director
		Link Natural Products (Private) Ltd	Director
		Eduko Lanka (Private) Ltd	Director
		Eduko Pathways (Private) Ltd	Director
		Universal College Lanka (Private) Ltd	Director
		Akzo Nobel Paints Lanka (Pvt) Ltd	Non-Executive Director
		International Education Development Centre (Private) Ltd	Non-Executive Director

Name of the Director	Listed Entity	Unlisted Entity/Other institution	Position Held
Mr. D T S H Mudalige	Ambeon Capital PLC		Independent Non-Executive Chairman
	Ambeon Holdings PLC		Independent Non-Executive Chairman
	National Development Bank PLC		Independent Non-Executive Director
	R I L Property PLC		Independent Non-Executive Director
	Cargo Boat Development PLC		Independent Non-Executive Director
	Galadari Hotels Lanka PLC		Independent Non-Executive Director
		CIC Feeds (Private) Limited	Independent Non-Executive Director
		CIC Vetcare (Private) Limited	Independent Non- Executive Director
		CIC Bio Security Breeder Farms Limited	Independent Non-Executive Director
		CIC Poultry Farms Limited	Independent Non-Executive Director
		Link Natural Products (Private) Limited	Independent Non-Executive Director
		Mahindra Ideal Finance Limited	Independent Non-Executive Director
		NSBM Green University	Independent Non-Executive Director
		MIT ESP (Private) Limited	Independent Non-Executive Chairman
		Maliban Biscuits Manufactories (Pvt) Ltd	Independent Non-Executive Director
		Allianz Insurance Lanka Ltd	Independent Non-Executive Director
	Akzo Nobel Paints Lanka (Pvt) Ltd	Non-Executive Director	
	Sherwood Capital (Private) Limited	Independent Non-Executive Chairman	
Ms. K D Senewiratne		Hemas Outreach Foundation	Trustee
Mr. J R Gunaratne	Royal Ceramics Lanka PLC		Independent Non-Executive Director
	Lanka Tiles PLC		Independent Non-Executive Director
	The Fortress Resorts PLC		Independent Non-Executive Chairman
		Asiavet (Pvt) Ltd	Non – Executive Director
		CIC Feeds (Private) Limited	Non – Executive Director
		CIC Poultry (Pvt) Ltd	Non – Executive Director
		CISCO Speciality Packaging (Pvt) Ltd	Non – Executive Deputy Chairman
		Delmege Limited	Non-Executive Chairman
		Link Natural Products (Private) Limited	Non-Executive Deputy Chairman

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

DIRECTORATES OF SUBSIDIARIES AND THEIR SHAREHOLDING

The names of the Directors holding office at the end of the year in subsidiary companies and their shareholding in the respective companies are given below:

Company	Directors	Shareholding as at 31/03/2025	Shareholding as at 31/03/2026
Chemanex PLC	S A B Ekanayake	NIL	NIL
	R P Bandaranayake	NIL	NIL
	T K D A P Samarasinghe	NIL	NIL
	P A Seresinhe	NIL	NIL
	W P Madawanarachchi (Appointed w.e.f 16th January 2026)	NIL	NIL
	P R Saldin (Deceased on 16th January 2026)	NIL	NIL
Chemanex Exports (Private) Limited	M P Jayawardena	NIL	NIL
	S A B Ekanayake	NIL	NIL
Chemcel (Private) Limited	S A B Ekanayake	NIL	NIL
	P A Seresinhe	NIL	NIL
Link Natural Products (Private) Limited	S H Amarasekera	NIL	NIL
	D Nugawela	NIL	NIL
	P R Saldin (Deceased on 16/01/2026)	NIL	NIL
	S A B Ekanayake	NIL	NIL
	R S Captain	NIL	NIL
	D T S H Mudalige	NIL	NIL
	J R Gunaratne	NIL	NIL
	S M Enderby	NIL	NIL
T M S G Tennakoon	NIL	NIL	

Company	Directors	Shareholding as at 31/03/2025	Shareholding as at 31/03/2026
CISCO Speciality Packaging (Private) Limited	J R Gunaratne	NIL	NIL
	R S Captain	01	01
	D P G C P Wegiriya	NIL	NIL
	L A Captain	13,000	13,000
	P R Saldin (Deceased on 16/01/2026)	NIL	NIL
CIC CropGuard (Private) Limited	V L R Gamage	NIL	NIL
	R Ganesalingam	NIL	NIL
	W P Madawanarachchi	NIL	NIL
	P A Seresinhe	NIL	NIL
Crop Management Services (Private) Limited	W P Madawanarachchi	NIL	NIL
	H A C K Leelarathna	NIL	NIL
Colombo Industrial Agencies Limited	L I Fernando	45,076	45,076
	K A V Manatunga	NIL	NIL
	H C Ahangama	NIL	NIL
CIC Lifesciences Limited	K A V Manatunga	NIL	NIL
	H C Ahangama	NIL	NIL
Cropwiz (Private) Limited	K A V Manatunga	NIL	NIL
	E Shaked	NIL	NIL
	H A C K Leelarathna	NIL	NIL
CIC Properties (Private) Limited	K A V Manatunga	NIL	NIL
	W P Madawanarachchi	NIL	NIL
	H A C K Leelarathna	NIL	NIL
Chiron Medtech (Private) Limited	K A V Manatunga	NIL	NIL
	P A Seresinhe	NIL	NIL
CIC Precision Agricultural Technologies (Private) Limited	S P S Ranatunga	NIL	NIL
	P W M B B Marambe	NIL	NIL
	M S Gunawardana	01	01
	A Hettiarachchi	NIL	NIL
	K A Rutnam	NIL	NIL
Akzo Nobel Paints Lanka (Private) Limited	S M Enderby	NIL	NIL
	M D A Indika	NIL	NIL
	D T S H Mudalige (appointed w.e.f 16/01/2026)	NIL	NIL
	R A P Kumara	NIL	NIL
	Rajiv Rajgopal	NIL	NIL
	P R Saldin (deceased on 16/01/2026)	NIL	NIL

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

Company	Directors	Shareholding as at 31/03/2025	Shareholding as at 31/03/2026
CIC Feeds (Private) Limited	D A Cabraal	NIL	NIL
	D T S H Mudalige	NIL	NIL
	J R Gunaratne	NIL	NIL
	L D A Weerasinghe	NIL	NIL
CIC Vetcare (Private) Limited	D A Cabraal	NIL	NIL
	M P Jayawardena	NIL	NIL
	D T S H Mudalige	NIL	NIL
	L D A Weerasinghe	NIL	NIL
CIC Poultry Farms Limited	D A Cabraal	NIL	NIL
	D T S H Mudalige	NIL	NIL
	M P Jayawardena	NIL	NIL
	R R Anthony	NIL	NIL
	J R Gunaratne	NIL	NIL
	L D A Weerasinghe	NIL	NIL
CIC Bio Security Breeder Farms Limited	D A Cabraal	NIL	NIL
	D T S H Mudalige	NIL	NIL
	M P Jayawardena	NIL	NIL
CIC Agri Businesses (Private) Limited	S H Amarasekera	NIL	NIL
	W P Madawanarachchi	NIL	NIL
	J D Peiris	NIL	NIL
	J M Swaminathan	NIL	NIL
	K J M De A Rajapakse	NIL	NIL
	H A C K Leelarathna	NIL	NIL
CIC Dairies (Private) Limited	W P Madawanarachchi	NIL	NIL
	D P G C P Wegiriya	NIL	NIL
	H A C K Leelarathna	NIL	NIL
	P A Seresinhe	NIL	NIL
CIC Grains (Private) Limited	W P Madawanarachchi	NIL	NIL
	H A C K Leelaratna	NIL	NIL
	P A Seresinhe	NIL	NIL
CIC Seeds (Private) Limited	W P Madawanarachchi	NIL	NIL
	H A C K Leelarathna	NIL	NIL
	P A Seresinhe	NIL	NIL
CIC Retail Management (Private) Limited	S. S. Wijeweera	NIL	NIL
	W P Madawanarachchi	NIL	NIL

Company	Directors	Shareholding as at 31/03/2025	Shareholding as at 31/03/2026
CIC Agri Produce Marketing (Private) Limited	W P Madawanarachchi	NIL	NIL
	H A C K Leelarathna	NIL	NIL
CIC Agri Produce Export (Private) Limited	W P Madawanarachchi	NIL	NIL
	S S Wijeweera	NIL	NIL
Wayamba Agro Fertilizer Limited	W P Madawanarachchi	NIL	NIL
	S S Wijeweera	NIL	NIL
CIC Agri Biotech (Private) Limited	W P Madawanarachchi	NIL	NIL
	S S Wijeweera	NIL	NIL
Biosystems Technologies Limited	W P Madawanarachchi	NIL	NIL
	H A C K Leelarathna	NIL	NIL
	S A D N Senevirathne	6,512,132	6,512,132
Unipower (Private) Limited	K J M De A Rajapakse	NIL	NIL
	W P Madawanarachchi	NIL	NIL
	W M M P K Wanninayake	NIL	NIL
	H M R Bandara	NIL	NIL
	P A Seresinhe	NIL	NIL
Asiavet Lifesence (Private) Limited	J R Gunaratne	NIL	NIL
	L D A Weerasinghe	NIL	NIL
	P A Seresinhe	NIL	NIL
	H C Ahangama	NIL	NIL

HUMAN RESOURCES

The number of persons employed by the Group and the Company as at 31st March 2026 was 2,360 (2,313 in 2025) and 605 (588 in 2025), respectively.

MATERIAL ISSUES PERTAINING TO EMPLOYEES AND INDUSTRIAL RELATIONS OF THE COMPANY

No material issues pertaining to employees and industrial relations of the Company occurred during the year under review which require disclosure under Rule 7.6 (vii) of the Listing Rules.

EMPLOYEE SHARE OPTION SCHEME (ESOS)

ESOS of the Company was approved by the shareholders of the Company on 30th June 2016. Under this plan, the Company was authorised to issue up to 20% of Non-Voting shares and offered to eligible employees. The option granted under this plan has to be exercised within 10 years of such grant.

No employees have been provided with any financial assistance to exercise the option.

MATERIAL FORESEEABLE RISK FACTORS

Financial Risks Management objectives and policies are set out in Note 44 on page 314

Risks that Company and its subsidiaries are exposed to are set out in the Report on Risk Management on page 314

Donations (for approved and non-approved charities/ organisations)

During the year, donations amounting to Rs. 5.10Mn (2024/25 – Rs.2.72 Mn) were made by the Group and donations made by the Company were Rs 1Mn (2024/25 – Rs.1Mn). Donations made by the Group and Company are given in Note 11.

At the last Annual General Meeting shareholders approved a sum not exceeding Rs.1Mn in respect of donations.

AUDITORS

Company

The Financial Statements for the period under review were audited by Messrs KPMG, Chartered Accountants who have offered themselves for reappointment for the ensuing year. Based on the recommendations of the Audit Committee, a resolution to re-appoint the Auditors for the financial year 2026/27 and authorising the Directors to determine their remuneration, will be proposed at the forthcoming Annual General Meeting.

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

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

The audit and non-audit fees paid to the Auditors by the Company are disclosed in Note 11 on page 263 in this Annual Report.

As far as the Directors are aware, the Auditors do not have any relationship or interest in the Company or its subsidiaries. The Auditors have confirmed that they do not have any relationship (other than that of Auditors) with or interest in the Company or any of its subsidiaries other than those disclosed above.

Group

The audits of subsidiary companies are handled by firms of Chartered Accountants in Sri Lanka.

Details of payments to such audit firms on account of audit fees and for permitted non audit services are set out in Note 11 to the Financial Statements on page 263.

ADDITIONAL DISCLOSURES PERTAINING TO DIRECTORS

The Directors having considered all information and explanations made available to them have made following disclosures:

- (i) Material Interests in Contracts involving the Company

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

- (ii) Material Business Relationships with each other

None of the Directors or close family members have any material business relationships with the other Directors of the Company.

- (iii) Other Directorships held by the Directors

Other Directorships held by Directors are disclosed on pages 219 to 221.

- (iv) Review of Internal Controls

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

- (v) Applicable Laws Rules and Regulations

The Directors have made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of the changes, particularly to Listing Rules and applicable capital market provisions.

- (vi) Going Concern

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that it has resources to continue in business for the foreseeable future.

EVENTS AFTER THE REPORTING PERIOD

The Board of Directors by a resolution passed on 28th May 2026 recommended the payment of a final dividend of Rs. 0.50 per share to be paid to the shareholders on 20th July 2026 if approved by the shareholders at the AGM to be held on 30th June 2026.

No circumstances have arisen since the reporting date, which would require adjustment or disclosure except for the details given in Note 41 to the Financial Statements on page 308.

STATUTORY PAYMENTS

The declaration relating to statutory payments is made in the Statement of Directors' Responsibility on page 27.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best of knowledge and belief of the Directors, the Company has complied with applicable Laws, Rules and Regulations made thereunder and there was no material non-compliance with laws or regulations and there were no fines imposed on the Company by any government or regulatory authority in the country.

ANNUAL GENERAL MEETING

The 63rd Annual General Meeting will be held on 30th June 2026 at 9th Floor, Commercial Bank Building, No.1, Union Place, Colombo 02 at 9.00 am

The Notice of the Annual General Meeting to the shareholders is given on page 334

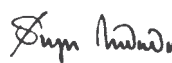
ACKNOWLEDGEMENT

The Board of Directors have approved the Audited Financial Statements together with the Annual Report of the Board of Directors and the Reviews which form part of the Annual Report on 03rd June 2026.

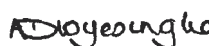
This Annual Report is signed for and on behalf of the Board of Directors by.



S H Amarasekera
Chairman



D T S H Mudalige
Director



P W Corporate Secretarial (Pvt) Ltd
Company Secretaries

03rd June 2026

STATEMENT OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The following statement sets out responsibility of the Board of Directors in relation to the Financial Statements of the Company and its subsidiaries prepared in accordance with the provisions of the Companies Act No. 07 of 2007.

The responsibility of the Independent Auditors in relation to the Financial Statements is set out in the Report of the Auditors given on page 229 to 231 of the Annual Report.

As per the provisions of sections 151, 153(1) and (2), 150(1) and 152(1) of the Companies Act No. 07 of 2007, the Directors are required to prepare Financial Statements for each financial year, which should give a true and fair view of the state of affairs of the Company and its subsidiaries as at the reporting date and its profit or loss for the financial year then ended, ensure that they are completed within six months or such extended period as may be determined by the Registrar of Companies, certified by the person responsible for the preparation of the Financial Statements that it is in compliance with the said Companies Act and dated and signed on behalf of the Board by two Directors of the Company.

In terms of Section 166(1) read together with Sections 168(1)(b) and (c) and Section 167(1) of the Companies Act, the Directors shall cause a copy of the aforesaid Financial Statements together with the Annual Report of the Board of Directors of the Company prepared as per Section 166(1) of the Companies Act to be sent to every shareholder of the Company not less than fifteen working days before the date fixed for holding the Annual General Meeting. The above obligation is discharged by the Directors by making available the Annual Report on the Company's official website and the Colombo Stock Exchange website in terms of Rule 7.5(b) of the Listing Rules of the Colombo Stock Exchange. As per the said Rule, printed copies of the Annual Report will be made available to the shareholders on request.

In preparing the Financial Statements, the Directors are responsible to ensure that appropriate accounting policies have been selected and applied consistently, reasonable and prudent judgments and estimates have been made and all applicable accounting standards have been complied with.

The Directors are also required to ensure that the Company and its subsidiaries have adequate resources to continue in operation to justify applying the going concern basis in preparing these Financial Statements.

Further, the Directors have a responsibility to ensure that the Companies within the Group maintain sufficient accounting records to disclose with reasonable accuracy, the financial position of the Company and the subsidiaries.

The Financial Statements prepared and presented in this Report have been prepared based on Sri Lanka Accounting Standards (SLFRS/LKAS) and are consistent with the underlying books of account and are in conformity with the requirements of Sri Lanka Accounting Standards, Companies Act No. 07 of 2007, Sri Lanka Accounting and Auditing Standards Act, No. 15 of 1995 and the Listing Rules of the Colombo Stock Exchange.

The Directors have also implemented effective and comprehensive systems of internal control for identifying, recording, evaluating and managing the significant risks faced by the Company throughout the year, which is primarily handled through the Audit Committee.

The Directors have taken appropriate steps to ensure that the Company and its subsidiaries maintain proper books of accounts and the financial reporting system is directly reviewed by the Directors at their regular meetings and also through the Board Audit Committee.

The Directors have also taken proper and sufficient measures to safeguard the assets of the Group and the

Company and, in that context, have instituted appropriate systems of internal control and accounting records to prevent and detect frauds and other irregularities. These have been reviewed, evaluated and updated on an ongoing basis.

The Board of Directors also approves the Interim Financial Statements prior to their release following a review and recommendation by the Audit Committee.

The Board of Directors accepts responsibility for the integrity and objectivity of the Financial Statements presented in this Annual Report.

The Financial Statements of the Company and its subsidiaries have been certified by the Chief Financial Officer of the Company, the officer responsible for their preparation as required by the Sections 150(1)(b) and 152 (1) (b) of the Companies Act and they have also been signed by two Directors of the Company as required by Sections 150(1)(c) and 152 (1) (c) of the Companies Act.

The Directors, to the best of their knowledge and belief, are satisfied and all statutory payments in relation to all relevant regulatory and statutory authorities, which were due and payable by the Company and its subsidiaries as at the reporting date have been paid and where relevant, provided for.

Accordingly, the Board of Directors are of the view that they have discharged their responsibilities as set out in this Statement.

By Order of the Board
CIC Holdings PLC



P W Corporate Secretarial (Pvt) Ltd
Secretaries

03rd June 2026

CHIEF EXECUTIVE OFFICER'S AND CHIEF FINANCIAL OFFICER'S RESPONSIBILITY STATEMENT

The Financial Statements of CIC Holdings PLC and the Consolidated Financial Statements of the Group are prepared in conformity with requirements of ;

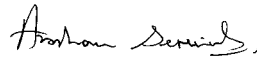
Sri Lanka Accounting Standards issued by The Institute of Chartered Accountants of Sri Lanka,

- Companies Act No. 07 of 2007,
- Sri Lanka Accounting & Auditing Standards Act No 15 of 1995,
- Listing Rules of the Colombo Stock Exchange and
- Code of Corporate Governance issued by Securities and Exchange Commission of Sri Lanka.

The Board of Directors and the management of our Company accept responsibility for the integrity and objectivity of these Financial Statements. The estimates and judgements relating to the Financial Statements were made on a prudent and reasonable basis, in order that the Financial Statements reflect in a true and fair manner, the form and substance of transactions, and reasonably present the Company's state of affairs. To ensure this, the Company has taken proper and sufficient care in installing a system of internal controls and accounting records, for safeguarding assets, and for preventing and detecting frauds as well as other irregularities, which is reviewed, evaluated and updated on an ongoing basis. Our Internal Auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed. However, there are inherent limitations that should be recognised in weighing the assurances provided by any system of internal controls and accounting.

The Financial Statements were audited by Messrs. KPMG, Chartered Accountants, the Independent Auditors.

The Audit Committee of our Company meets periodically with the Internal Auditors and the Independent Auditors to review the manner in which these auditors are performing their responsibilities, and to discuss auditing, internal control and reporting issues. To ensure complete independence, the Independent Auditors and the Internal Auditors have full and free access to the members of the Audit Committee to discuss any matter of substance.



P A Seresinhe
Group Chief Executive Officer



Erandi Wickramaarachchi
Group Chief Financial Officer

03rd June 2026

INDEPENDENT AUDITOR'S REPORT



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

Tel +94 - 11 542 6426
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Internet www.kpmg.com/lk

To the Shareholders of CIC Holdings PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CIC Holdings PLC ("the Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group"), which comprise the statement of financial position as at March 31, 2026, and the statement of profit or loss and 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 as set out in pages 239 to 325.

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, 2026, 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.

1. Allowance for impairment of Trade Receivables

Refer to the significant accounting policy in Note 3.14.4 and explanatory Note 26 to the financial statements.

Risk Description

The Group and Company has recognised a trade receivable balance of Rs. 14.24 Bn and Rs. 5.66 Bn respectively as at 31st March 2026, after provision for impairment of Rs. 1,214 Mn and Rs. 840 Mn respectively.

As described in Note 3.14.4 to the financial statements, management's provisioning methodology is based on an

expected credit loss model as required under SLFRS 9 'Financial Instruments'. The Group's customers operate in number of sectors, having different credit profiles. The determination of provision for impairment using expected credit loss model is subject to number of key judgments and assumptions such as forward-looking probability of default (PD), loss given default (LGD), macroeconomic scenarios including their weighting and judgments over the use of data inputs required.

Impairment of trade receivables remains one of the significant judgements made by management particularly in light of the prevailing volatile macro-economic environment in Sri Lanka on each sectors the Group operates.

We identified impairment of trade receivables as a key audit matter for our audit, as it requires management to exercise subjective judgment in making assumptions and estimates for the assessment of allowance for impairment of trade receivables.

Our audit procedures included:

- Evaluating the appropriateness of the impairment methodology adopted by the Group in accordance with SLFRS 9 and challenging the key assumptions and evaluating the reasonableness of the key judgments and methodology used by the management.

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.

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

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

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

INDEPENDENT AUDITOR'S REPORT



- Evaluating the completeness, accuracy, and relevance of data used in preparation of the impairment provision.
- Comparing the economic factors used in the models to market information to assess whether they are aligned with the market and economic development.
- Evaluating the adequacy of the disclosures in the financial statements in accordance with the relevant accounting standards.

Other Information

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

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

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

Responsibilities of Management and Those Charged with Governance for the

Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance

with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure

about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

Colombo, Sri Lanka
3rd June 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March	Company		Group		
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	
Continuing operations					
Revenue	6	21,160,558	20,629,090	91,753,745	83,291,872
Cost of sales		(14,942,953)	(14,570,108)	(67,666,229)	(61,069,650)
Gross profit		6,217,605	6,058,982	24,087,516	22,222,222
Other operating income	7	1,479,121	1,062,212	970,531	730,185
Selling expenses		(3,153,735)	(2,691,591)	(8,411,814)	(7,673,129)
Impairment loss on trade receivables		(176,246)	(139,832)	(174,670)	(233,461)
General and administrative expenses		(1,145,259)	(1,000,231)	(4,573,588)	(4,199,172)
Other operating expenses	8	-	(30,888)	(1,290)	(69,580)
Results from operating activities		3,221,486	3,258,652	11,896,685	10,777,065
Finance income	9.1	120,533	95,330	361,111	408,922
Finance cost	9.2	(1,788,165)	(1,732,121)	(2,662,749)	(2,367,087)
Finance cost (net)	9	(1,667,632)	(1,636,791)	(2,301,638)	(1,958,165)
Gain on bargain purchase	23.1	-	-	214,655	440,096
Loss on dilution of investment in associate	23.2	-	-	(21,703)	(946,269)
Share of profit of equity accounted investees (net of tax)	10	-	-	1,630,497	897,796
Profit before income taxes	11	1,553,854	1,621,861	11,418,496	9,210,523
Income tax expense	12	(131,329)	(273,455)	(3,172,990)	(2,877,071)
Profit from continuing operations		1,422,525	1,348,406	8,245,506	6,333,452
Discontinued operations					
(Loss) /Gain from discontinued operations (net of tax)	13	(1,172)	(1,433)	8,261	296,028
Profit for the year		1,421,353	1,346,973	8,253,767	6,629,480
Other comprehensive income					
Items that will never be reclassified to profit or loss					
Actuarial losses on retirement benefit obligations	34	(22,612)	(57,280)	(83,895)	(68,515)
Surplus on revaluation of land		-	297,103	-	958,950
Deferred tax charge on revaluation surplus		-	(89,131)	-	(277,107)
Income tax on other comprehensive income		6,784	17,184	24,662	20,510
Net gain from fair value change in financial assets		26,065	27,580	142,541	206,244
Equity-accounted investees- share of OCI		-	-	279,747	55,690
Other comprehensive income for the year		10,237	195,456	363,055	895,772
Total comprehensive income for the year		1,431,590	1,542,429	8,616,822	7,525,252
Profit attributable to :					
Equity holders of the Company		1,421,353	1,346,973	6,905,447	5,442,417
Non- Controlling interests		-	-	1,348,320	1,187,063
Profit for the year		1,421,353	1,346,973	8,253,767	6,629,480
Total comprehensive income attributable to :					
Equity holders of the Company		1,431,590	1,542,429	7,205,549	6,186,130
Non- Controlling interests		-	-	1,411,273	1,339,122
Total comprehensive income for the year		1,431,590	1,542,429	8,616,822	7,525,252
Earnings per share					
Basic/diluted earnings per share (Rs.)	14	0.75	0.71	3.64	2.87
Earnings per share -continuing operations					
Basic/diluted earnings per share (Rs.)		0.75	0.71	3.64	2.87

Notes from pages 239 to 325 form an integral part of the Financial Statements

Figures in brackets indicate deductions

STATEMENT OF FINANCIAL POSITION

For the year ended 31st March	Note	Company		Group	
		2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
ASSETS					
Non- current assets					
Property, plant & equipment	16	2,787,592	2,638,256	15,726,105	14,052,964
Investment property	17	-	-	2,400	2,400
Capital work-in-progress	18	767	20,128	68,402	495,640
Biological assets	19.1	-	-	510,671	420,937
Intangible assets	20	15,877	23,777	591,947	598,205
Deferred tax assets	21	73,756	-	249,773	18,081
Investment in subsidiaries	22	3,767,260	3,767,260	-	-
Equity accounted investees	23	17,123,199	17,123,199	34,787,276	29,350,818
Equity investments at fair value through OCI	24	-	-	151	150
Deposits with banks	29.2	-	-	291	291
		23,768,451	23,572,620	51,937,016	44,939,486
Current assets					
Inventories	25	5,819,783	6,081,943	21,322,211	20,718,991
Biological assets	19.7	-	-	339,251	247,327
Income tax receivables	37	-	-	268	31,318
Trade receivables	26	5,664,432	5,144,811	14,236,504	11,987,868
Other assets	27	1,377,618	826,116	4,105,359	4,054,194
Equity investments at fair value through OCI	28	47,615	68,382	112,242	496,002
Deposits with banks	29.2	2,595,757	1,658,796	2,800,095	1,683,269
Cash and cash equivalents	29.1	1,053,271	1,359,854	4,628,312	5,045,473
		16,558,476	15,139,902	47,544,242	44,264,442
Assets classified as held for sale	13.2	146,266	146,266	187,951	187,951
Assets classified as held for distribution	13.5	197	197	77,670	64,404
		16,704,939	15,286,365	47,809,863	44,516,797
Total assets		40,473,390	38,858,985	99,746,879	89,456,283
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the company					
Stated capital	30	1,008,450	1,008,450	1,008,450	1,008,450
Capital reserves	31	1,158,212	1,158,212	3,013,269	3,013,269
Revenue reserves	32	10,801,089	10,317,199	42,170,323	36,097,862
		12,967,751	12,483,861	46,192,042	40,119,581
Non controlling Interests	22	-	-	7,592,692	6,307,242
Total Equity		12,967,751	12,483,861	53,784,734	46,426,823

STATEMENT OF FINANCIAL POSITION

For the year ended 31st March	Note	Company		Group	
		2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Non-current liabilities					
Loans and borrowings	33.1	1,259,030	1,554,569	2,218,660	1,900,909
Retirement benefit obligations	34	588,853	472,914	1,968,489	1,609,745
Grants	35	-	-	1,018	1,195
Deferred tax liabilities	21	-	57,642	1,636,003	1,660,611
		1,847,883	2,085,125	5,824,170	5,172,460
Current Liabilities					
Trade payables	36	2,970,316	2,728,857	5,569,956	6,427,227
Income tax payable	37	148,993	386,395	1,403,748	1,368,624
Accruals and other liabilities	38	1,749,615	1,401,179	5,108,565	3,616,424
Contingent consideration payable		108,052	108,052	108,052	108,052
Loans and borrowings	33.4	20,680,780	19,665,516	27,945,630	26,334,758
		25,657,756	24,289,999	40,135,951	37,855,085
Liabilities classified as held for sale	13.2	-	-	-	-
Liabilities classified as held for distribution	13.5	-	-	2,024	1,915
		25,657,756	24,289,999	40,137,975	37,857,000
Total Liabilities		27,505,639	26,375,124	45,962,145	43,029,460
Total equity and liabilities		40,473,390	38,858,985	99,746,879	89,456,283
Net assets per share Rs.		6.84	6.59	24.37	21.17

Notes from pages 239 to 325 form an integral part of the Financial Statements.

It is certified that the Financial Statements have been prepared in accordance with the requirements of the Companies Act No 07 of 2007.

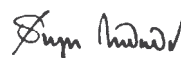


Erandi Wickramaarachchi
Group Chief Financial Officer

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



S H Amarasekera
Chairman



D T S H Mudalige
Director

03rd June 2026
Colombo

STATEMENT OF CHANGES IN EQUITY

Company

(In Rs.'000)	Stated Capital	Revaluation Reserve	General Reserves	Fair Value Reserve	Retained Earnings	Total
Balance as at 1st April 2025	1,008,450	1,158,212	782,604	24,438	9,510,157	12,483,861
Profit for the year	-	-	-	-	1,421,353	1,421,353
Other comprehensive income	-	-	-	26,065	(15,828)	10,237
Total comprehensive income	-	-	-	26,065	1,405,525	1,431,590
Dividends (Note 15)	-	-	-	-	(947,700)	(947,700)
Total contributions by and distribution to the owners of the Company	-	-	-	-	(947,700)	(947,700)
Derecognition of fair value reserve due to disposal of investments	-	-	-	(24,892)	24,892	-
As at 31st March 2026	1,008,450	1,158,212	782,604	25,611	9,992,874	12,967,751
Balance as at 1st April 2024	1,008,450	950,240	782,604	(3,142)	9,150,980	11,889,132
Profit for the year	-	-	-	-	1,346,973	1,346,973
Other comprehensive income	-	-	-	27,580	(40,096)	(12,516)
Surplus on revaluation	-	297,103	-	-	-	297,103
Deferred tax on revaluation	-	(89,131)	-	-	-	(89,131)
Total comprehensive income	-	207,972	-	27,580	1,306,877	1,542,429
Dividends (Note 15)	-	-	-	-	(947,700)	(947,700)
Total contributions by and distribution to the owners of the Company	-	-	-	-	(947,700)	(947,700)
As at 31st March 2025	1,008,450	1,158,212	782,604	24,438	9,510,157	12,483,861

Notes from pages 239 to 325 form an integral part of the Financial Statements.

Figures in brackets indicate deductions.

STATEMENT OF CHANGES IN EQUITY

Group

(In Rs.'000)	Attributable to the equity holders of the company					Total	Non-controlling interest	Total Equity
	Stated Capital	Revaluation Reserve	General Reserves	Fair Value Reserve	Retained Earnings			
Balance as at 1st April 2025	1,008,450	3,013,269	720,306	87,585	35,289,971	40,119,581	6,307,242	46,426,823
Profit for the year	-	-	-	-	6,905,447	6,905,447	1,348,320	8,253,767
Other comprehensive income	-	-	-	87,180	212,922	300,102	62,953	363,055
Total comprehensive income for the year	-	-	-	87,180	7,118,369	7,205,549	1,411,273	8,616,822
Transactions with shareholders								
Dividend paid to equity holders of the parent (Note 15)	-	-	-	-	(947,700)	(947,700)	-	(947,700)
Subsidiary dividend to non controlling-interest	-	-	-	-	-	-	(385,463)	(385,463)
Transaction with owners of the Company	-	-	-	-	(947,700)	(947,700)	(385,463)	(1,333,163)
Derecognition of fair value reserve due to disposal of investments	-	-	-	(125,230)	125,230	-	-	-
Adjustment due to change in equity accounted investee	-	-	-	-	(185,388)	(185,388)	259,640	74,252
As at 31st March 2026	1,008,450	3,013,269	720,306	49,535	41,400,482	46,192,042	7,592,692	53,784,734
Balance as at 1st April 2024	1,008,450	2,412,465	720,306	(33,740)	30,785,659	34,893,140	5,101,736	39,994,876
Profit for the year	-	-	-	-	5,442,417	5,442,417	1,187,063	6,629,480
Other comprehensive income	-	-	-	121,325	21,585	142,910	71,019	213,929
Surplus on revaluation	-	843,376	-	-	-	843,376	115,574	958,950
Deferred tax on revaluation	-	(242,572)	-	-	-	(242,572)	(34,535)	(277,107)
Total comprehensive income for the year	-	600,804	-	121,325	5,464,002	6,186,131	1,339,121	7,525,252
Dividend paid to equity holders of the parent (Note 15)	-	-	-	-	(947,700)	(947,700)	-	(947,700)
Subsidiary dividend to non controlling-interest	-	-	-	-	-	-	(168,664)	(168,664)
Transaction with owners of the Company	-	-	-	-	(947,700)	(947,700)	(168,664)	(1,116,364)
Adjustment due to change in equity accounted investee	-	-	-	-	21,448	21,448	1,611	23,059
Adjustment on non-controlling interest	-	-	-	-	(33,438)	(33,438)	33,438	-
As at 31st March 2025	1,008,450	3,013,269	720,306	87,585	35,289,971	40,119,581	6,307,242	46,426,823

Notes from pages 239 to 325 form an integral part of the Financial Statements.

Figures in brackets indicate deductions.

STATEMENT OF CASH FLOWS

For the year ended 31st March	Note	Company		Group	
		2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Cash flow from operating activities					
Cash generated from operations (Note A)		2,223,597	792,472	11,501,376	8,811,699
Interest paid		(1,788,165)	(1,732,122)	(2,662,749)	(2,361,426)
Retirement benefits paid	34	(9,434)	(11,481)	(46,232)	(48,889)
Income tax paid	37	(493,345)	(74,975)	(3,338,615)	(2,711,205)
Net cash (outflow)/ inflow from operating activities		(67,347)	(1,026,106)	5,453,780	3,690,179
Cash flow from investing activities					
Additions to property, plant & equipment	16	(179,497)	(122,308)	(1,434,885)	(1,194,037)
Additions to right-of-use assets		-	-	(17,092)	-
Additions to capital work-in-progress	18	-	(47,841)	(778,703)	(643,313)
Additions to intangible assets	20	-	-	(22,588)	(216)
Additions to biological assets	19.1	-	-	(548,541)	(534,269)
Proceeds from disposal of property, plant & equipment		1,484	2,106	22,988	11,592
Proceeds from sale of biological assets		-	-	4,812	684
Proceeds from disposal of investments		46,832	-	523,010	-
Disposal of rights	7	-	48,005	-	-
Further investment in subsidiary	22	-	(5)	-	-
Further investment in associate		-	(811,180)	(4,117,314)	(4,259,093)
Short term investments	28	-	(743)	-	(5,294)
Investment in bank deposits		(936,961)	(47,552)	(1,116,826)	(64,559)
Dividends received from subsidiaries	7	387,571	155,850	-	-
Dividends received from equity accounted investees	7	670,948	363,260	858,304	584,771
Dividends received from other financial assets	7	2,948	165,670	21,407	11,031
Subsidiary dividends to non-controlling interest		-	-	(385,463)	(168,664)
Interest income received		120,533	95,330	370,665	408,922
Net cash inflow/(outflow) from investing activities		113,858	(199,408)	(6,620,226)	(5,852,445)
Net Cash inflow/ (outflow) before financing activities		46,511	(1,225,514)	(1,166,446)	(2,162,266)
Cash flow from financing activities					
Dividends paid to equity holders of the parent		(947,700)	(947,700)	(947,700)	(947,700)
Lease rental payments	33.3	(20,633)	(3,128)	(68,902)	(64,476)
Repayment of long-term borrowings	33.2	(360,487)	(154,716)	(471,487)	(218,764)
Long-term borrowings obtained	33.2	-	2,000,000	925,000	2,000,000
Net cash (outflow)/ inflow from financing activities		(1,328,820)	897,584	(563,089)	833,536

STATEMENT OF CASH FLOWS

For the year ended 31st March	Note	Company		Group	
		2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Net decrease in cash & cash equivalents during the Period		(1,282,309)	(327,930)	(1,729,535)	(1,328,730)
Cash & cash equivalents at the beginning of the Period		(17,941,687)	(17,613,757)	(20,827,211)	(19,498,481)
Cash & cash equivalents at the end of the period (Note B)		(19,223,996)	(17,941,687)	(22,556,746)	(20,827,211)
Note A - Cash generated from operations					
Profit before tax from continuing businesses		1,553,854	1,621,861	11,418,496	9,210,523
(Loss)/ Profit before interest and tax from discontinued operations		(1,172)	(1,433)	8,421	296,816
Adjustments for:					
Depreciation on property, plant & equipment	16	152,750	138,592	1,068,130	913,140
Impairment of property, plant & equipment	8	-	-	-	1,814
Impairment of investment in subsidiary	8	-	30,500	-	-
Capital work-in-progress expensed		-	-	2,478	-
Gain on lease settlement (net)	7	-	-	(18,640)	-
(Gain) /loss on disposal of property, plant & equipment	7,8	(979)	388	(11,253)	(752)
Gain on discontinuation of consolidation of subsidiary		-	-	-	(288,326)
Provision for retirement benefit	34	102,761	87,384	321,081	289,425
Provision reversal for impairment of investment against subsidiaries		-	(62,800)	-	-
Amortisation of intangible assets	20	7,900	7,900	28,847	27,223
Amortisation of right-of-use assets	42.1.1	33,274	5,522	111,784	103,575
Amortisation of biological assets	19.1	-	-	461,952	637,207
Provision for impairment of trade receivables	26.2	176,246	139,832	174,670	233,461
Provision for write-down of inventories	25.1	172,432	130,718	742,957	424,194
(Gain)/ loss on change in fair value of biological assets	7,8	-	-	(35,826)	20,127
Grants amortised	7	-	-	(176)	(176)
Profits from sale of Rights		-	(48,005)	-	-
Share of profit of equity accounted investees	10	-	-	(1,630,497)	(897,796)
Gain on bargain purchase	23.1	-	-	(214,655)	(440,096)
Loss on dilution of investment in associate	23.2	-	-	21,703	946,269
Interest income	9.1,13.1	(120,533)	(95,330)	(370,665)	(420,951)
Interest expense	9.2	1,788,165	1,732,121	2,662,749	2,367,087
Dividend income	7	(1,061,467)	(684,780)	(21,407)	(11,031)
Operating profit before working capital changes		2,803,231	3,002,470	14,720,149	13,411,733
Increase in trade and other receivables		(1,259,257)	(1,573,403)	(2,443,518)	(3,563,577)
Decrease/ (Increase) in inventories		89,728	(1,027,948)	(1,410,232)	(2,682,025)
Increase in trade and other payables		589,895	391,353	634,977	1,645,568
Cash generated from operations		2,223,597	792,472	11,501,376	8,811,699
Note B - Analysis of cash & cash equivalents at the end of the year					
Favourable cash and cash equivalents	29.1.1	1,053,271	1,359,854	4,693,622	5,100,805
Unfavourable cash and cash equivalents	29.1.2	(20,277,267)	(19,301,541)	(27,250,368)	(25,928,016)
		(19,223,996)	(17,941,687)	(22,556,746)	(20,827,211)

Notes from pages 239 to 325 form an integral part of the Financial Statements.

Figures in brackets indicate deductions.

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

CIC Holdings PLC (formerly known as Chemical Industries (Colombo) PLC) is a limited liability Company incorporated and domiciled in Sri Lanka. The address of the Company's registered office and the principal place of business is 199, Kew Road, Colombo 2.

The Consolidated Financial Statements of CIC Holdings PLC, as at and for the year ended 31 March 2026 comprise of Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities') and the Group's interest in equity accounted investees. Descriptions of the nature of the operations and principal activities of the Company, its subsidiaries and equity accounted investees are given on pages 156 to 159.

Ultimate Parent Company of CIC is Paints & General Industries Limited; a Company domiciled in Sri Lanka.

The Financial Statements of all Companies in the Group as mentioned in Notes 22 and 23 to the Financial Statements are prepared for a common financial year, which ends on 31 March.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

The Financial Statements of the company, have been prepared in accordance with Sri Lanka Accounting Standards (SLFRSs/LKASs), laid down by The Institute of Chartered Accountants of Sri Lanka. These Financial Statements except for information on cash flow, have been prepared following accrual basis accounting.

2.1.1 Statement of Presentation

The Financial Statements of the Company have been presented in compliance with the requirements of the Companies Act No 07 of 2007 and provide appropriate disclosures as required by the listing rule of the Colombo Stock Exchange.

2.2 Basis of Measurement

The Consolidated Financial Statements have been prepared on the historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

Items	Measurement Basis
Freehold lands	Fair value (as explained in Note 3.8.3)
Debt and equity securities at FVTOCI	Fair value
Contingent consideration assumed in a business combination	Fair Value
Biological assets	Fair value less costs to sell
Retirement benefit obligations	Present value of the retirement benefit obligation (as explained in Note 3.18)
Assets classified as held for sale and distribution	Lower of carrying amount and fair value less costs to sell/distribute

that land and biological assets, assets held for sale and distribution and short-term & long-term investments are measured at fair value and the retirement benefit obligations are measured at the present value of the defined benefit plans as explained in the respective Notes to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

2.3 Functional and Presentation Currency

The Consolidated Financial Statements are presented in Sri Lankan Rupees, which is the Group's functional currency. All financial information presented in Sri Lankan Rupees has been rounded to the nearest thousand, unless stated otherwise.

2.4 Use of Judgments and Estimates

In preparing the consolidated financial statements, management has made judgements and estimates about the future, including climate-related risks and opportunities that affect the application of the Group's 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 and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to estimates are recognised prospectively.

2.4.1 Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 07 – commission income: whether the Group acts as an agent in the transaction rather as a principal
- Note 23 – equity accounted investees: whether the Group has significant influence over an investee
- Note 22 – consolidation: whether the group has control over an investee and
- Note 33 – lease term: whether the Group is reasonably certain to exercise extension options

2.4.2 Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the

carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note 34 – measuring of defined benefit obligations: key actuarial assumptions
- Note 21 – recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.
- Note 19 – determining the fair value of biological assets on the basis of significant unobservable inputs
- Note 13.2 – determining the fair value less cost to sell of the disposal group on the basis of significant unobservable input data
- Note 20 - impairment test of the intangible assets and goodwill: key assumptions underlying recoverable amounts, including recoverability of development costs
- Note 40 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude
- Note 44 - measurement of ECL allowance for trade receivables and contract assets: key assumptions in determining the weighted- average loss rate
- Note 22 – acquisition of subsidiary: fair value measured on a provisional basis
- Note 3.9 - leases (incremental borrowing rate) – the basis used when determining the incremental borrowing rate used to measure the lease liability is described in the Note 3.9 to these Financial Statements.
- Note 06 – revenue recognition: estimate of expected return

2.4.3 Measurement of Fair Values

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

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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, and reports directly to the Group Chief Financial Officer.

When measuring fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a 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 inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is 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.

Further information about the assumptions made in measuring fair values included in the following notes;

- Note 19 - Biological Assets
- Note 13 - Disposable Group Held for Sale and Distribution
- Note 44 – Financial Instruments.
- Note 16 – Revaluation of Lands
- Note 22 – Acquisition of subsidiary

2.4.4 Retirement Benefits

The cost of defined benefit plan is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the long-term bond rate. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases are based on expected future inflation rates for the respective country.

2.4.5 Fair Value of Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from the active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in the assumptions about these factors could affect the reported fair value of financial instruments.

2.4.6 Development Costs

Development costs are capitalised in accordance with the accounting policy. Initial capitalisation of cost is based on management's judgment that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

2.4.7 Recognition of Deferred Tax Assets

Management applies significant judgement on the extent to which deferred tax assets can be recognised based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilised. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various future tax jurisdictions.

2.5 Comparative Information

Comparative information including quantitative, narrative, and descriptive information as relevant is disclosed in respect of previous period in the Financial Statements.

2.6 Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are treated immaterial as permitted by the Sri Lanka Accounting Standard – IAS 1 on "Presentation of Financial Statements".

Understandability of the Financial Statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different nature or functions. Notes to the Financial Statements are presented in a systematic manner that ensures the understandability and the comparability of Financial Statements.

2.7 Going Concern Basis of Accounting

The Directors have made an assessment of the Group's ability to continue as a going concern in the foreseeable future, and they do not intend either to liquidate or cease trading.

In determining the basis of preparing of the Financial Statements for the year ended 31 March 2026, based on available information, the management has assessed the prevailing macroeconomic conditions and its effect on the Company and the appropriateness of the use of the going concern basis.

The management has formed judgement that the Group, has adequate resources to continue in operational existence for the foreseeable future driven by the continuous operationalisation of risk mitigation initiatives and monitoring of business continuity and response plans at each business unit level along with the financial strength of the Group.

NOTES TO THE FINANCIAL STATEMENTS

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Changes in Material Accounting Policies

The accounting policies set out below have been consistently applied to all periods presented in these Consolidated Financial Statements. The nature and effect of this material change are detailed in Note 2.1.1.

Set out below is an index reference of material accounting policies,		
A.	Basis of Consolidation	3.1
B.	Foreign Currency	3.2
C.	Revenue from Contract with Customers	3.3
D.	Government Grants	3.4
E.	Finance Income and Finance Costs	3.5
F.	Tax	3.6
G.	Discontinued Operations and Assets Held for Sale/Distribution	3.7
H.	Property, Plant & Equipment	3.8
I.	Leases	3.9
J.	Borrowing Costs	3.10
K.	Investment Properties	3.11
L.	Intangible Assets	3.12
M.	Impairment of Non-Financial Assets	3.13
N.	Financial Instruments	3.14
O.	Biological assets	3.15
P.	Inventories	3.16
Q.	Provisions	3.17
R.	Employee Benefits	3.18
S.	Share-based Payment Transactions - ESOS	3.19
T.	Expenditure Recognition	3.20
U.	Earnings Per Share	3.21
V.	Cash Flow Statement	3.22
W.	Operating Segments	3.23
X.	Events Occurring after the Reporting Date	3.24
Y.	Share Capital	3.25
Z.	Operating Profit	3.26
AA.	Contingent Liabilities and Contingent Assets	3.27
AB.	Cash and Cash Equivalents	3.28
AC.	Current Vs. Non-Current Classification	3.29
AD.	New Accounting Standards, Amendments Issued but Not Effective as at the Reporting Date	4

3.1. Basis of Consolidation

3.1.1 Business Combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meet the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an 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 asset.

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 acquire; less
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquire; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

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

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the 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 remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

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

3.1.2 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.

The acquisition of an additional ownership interest or a disposal of ownership interest in a subsidiary without a change of control is accounted for as an equity transaction. Any excess or deficit of consideration paid over the carrying amount of the non-controlling interests is recognised in equity of the parent. No adjustment is made to goodwill as a result of such transactions.

3.1.3 Subsidiaries

Subsidiaries are entities controlled by the Group. 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. The financial statements of subsidiaries are included

in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

The Group considers all relevant facts and circumstances in assessing whether it has power over an investee which includes the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements and the Group's voting rights and potential voting rights over the investee.

The Group re-assesses whether 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.

Summarised financial information in respect of subsidiaries that have non-controlling interests that are material to the reporting entity (i.e., the group) are disclosed separately when applicable.

3.1.4 Loss of Control

On the loss of control, the Group derecognises 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 as at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an FVOCI depending on the level of influence retained.

3.1.5 Interests in Equity Accounted Investee

An associate is an entity in which the Group has significant influence, but no control over the financial and operating policies. Significant influence is the

power to participate in the financial and operating policy decisions of the investee but does not have the control or joint control over those policies.

Joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group determines significant influence or joint control by taking into account similar considerations necessary to determine control over subsidiaries.

The Group's investment in associate and joint venture are accounted for using the equity method and are recognised initially at cost which includes the transaction cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Statement of Profit or Loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

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The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group.

When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

At each reporting date, the Group determines whether there is objective evidence that the investment in associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the Income Statement.

When the Group's share of losses exceeds its interest in the associate, the carrying amount of that interest, including any long-term investments, is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The Group discontinues the use of the equity method from the date that it ceases to have significant influence over an associate or joint control over the joint venture and accounts for the investment in accordance with the Group's accounting policy for financial instruments. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

There are no significant restrictions on the ability of the associate to transfer funds to the Group in the form of cash dividends or repayment of loans and advances.

Details of the associates within the Group are provided in Note 23 to the Financial Statements and the details of the joint venture are provided in Note 23 to the Financial Statements.

3.1.6 Intra-Group Transactions

Pricing policies of all intra-group sales are identical to those adopted for normal trading transactions, which are at market prices.

3.1.7 Transactions Eliminated on Consolidation

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

3.2 Foreign Currency

3.2.1 Foreign Currency Transactions

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date. All differences arising on settlement or translation of monetary items are taken to the profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed, at which time, the cumulative amount is reclassified to the Income Statement. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit, or loss is also recognised in other comprehensive income or profit or loss, respectively).

3.3 Revenue from Contract with Customers

A. Revenue Streams

The Group generates revenue primarily from sale of goods under revenue from contracts with customers. The rental income and repair income are the other sources of income included under revenue.

B. Disaggregation of Revenue from Contract with Customers

Revenue from contract with customers (including revenue related to a discontinuing operation) is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition under Note 06.

C. Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or services to a contract.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of product / service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Sale of goods & services	The Group operates in different divisions and engages in varieties of sale of goods under each division / cluster.	The revenue is recognised based on the identified performance obligation. The transaction price is determined taking into account of variable considerations. The transaction price is allocated to performance obligations and recognised the revenue point in time upon analysis of each sale of goods under separate divisions.
Distributor & dealer volume rebates	Distributors and dealers are entitled to volume rebates. Volume rebates are given based on the yearly and daily sales quantities over different slabs.	The Group estimates the amount of variable consideration to which it expects to be entitled, giving consideration to the risk of revenue reversal in making the estimate for volume rebates. The transaction price under revenue is adjusted for the provision of volume rebates and recognised as revenue.
Issue of free goods	The Group offers free goods to their dealers as a promotion.	The free goods granted to customer is a material right of the customer and is accounted as a separate performance obligation. The revenue is allocated for the performance obligation on their relative stand-alone selling price, and the revenue is recognised at the point in time when the performance obligation is met.
Distributor allowance on transportation	The Group pays an agreed daily distribution allowance to its distributors on an agreed distribution value. This allowance is paid for the transportation cost incurred from the point of distributor to end consumer location.	The transport cost paid to the dealer / distributor is not in exchange for a distinct goods or services and it is recognised as a reduction to transaction price under revenue recognition.
Slotting Fees	The Group pays slotting fees to identified supermarket chains for use of shelf spaces. The Slotting fees are either incurred by the Company or reimbursed by the principal.	The slotting fees are identified as a variable consideration payable to customer and recognised as a reduction to the transaction price for the slotting fees incurred by the Company. A receivable from principal is recognised for the slotting fees which are reimbursed by the principal.

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D. Other Operating Income Sources

3.3.1 Dividend Income

Dividend Income is recognised when the Group's right to receive the payment is established.

3.3.2 Rental Income

Rental income arising from operating leases on investment properties or renting out of premises are recognised as revenue on a straight-line basis over the term of the lease or agreement.

3.3.3 Commissions

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

3.3.4 Foreign Currency Gain

Foreign currency gains and losses are reported on a net basis as either other operating income or other operating expense depending on whether the foreign currency movements are in net gain or net loss position.

3.3.5 Others

Other income is recognised on an accrual basis.

Net gains and losses on the disposal of property, plant & equipment and other non-current assets including investments have been accounted for in profit or loss, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

3.4 Government Grants

The Group recognises an unconditional government grant related to a biological asset in profit or loss as other income when the grant becomes receivable. Other government grants related to assets are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants related to the acquisition of assets are recognised in profit or loss as other income on a systematic basis over the useful life of the asset. Grants related to emissions allowances are

recognised in profit or loss as a reduction of emissions expense in cost of sales as the Group emits pollutants.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3.5 Finance Income and Finance Costs

The Group's finance income and finance costs include

- Interest income,
- Interest expenses

Interest income or expense is recognised using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial assets; or
- The amortised cost of the financial liability.

3.6 Tax

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

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

3.6.1 Current Income Tax

Current tax is recognised in 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.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates and tax

laws enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends, if applicable.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3.6.2 Deferred Tax

Deferred tax is recognised in respect of the temporary differences between the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is recognised for all taxable temporary differences, except for:

- Temporary differences on the initial recognition of asset or liability in a transaction that is not a business combination, and at the time of the transaction, that affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- Temporary differences related to investments in subsidiaries and associates and joint arrangements to the extent that the group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates (and tax laws) enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or in profit or loss.

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.

3.7 Discontinued Operations and Assets Held for Sale/Distribution

3.7.1 Discontinued Operations

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

- represents a separate major line of business or geographical area of operations.
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to re-sale.

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

When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

3.7.2 Assets Held for Sale

Before the classification as held for sale non-current assets and liabilities in the disposal group are measured in accordance with relevant LKAS/ SLFRSs.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets are classified as held for distribution when the Company/ Group committed to distribute the assets or disposal group to its owners.

Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss. Property, plant & equipment and intangible assets once classified as held for sale are not depreciated or amortised.

3.7.3 Cease to be Classified as Assets Held for Sale and Distribution

When an operation is ceased to classify as held for sale, the results of the operations of the component previously presented in discontinued operations shall be reclassified and included in income from continuing operations for all presented periods. The amounts for prior periods shall be described as having been re-presented.

The amounts presented for the assets and liabilities of the disposal group classified as held for sale in the comparative Statements of Financial Position shall not be reclassified or re-presented.

3.8 Property, Plant & Equipment

3.8.1 Initial Recognition and Measurement

Items of property, plant & equipment are measured at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset and includes the cost of replacing part of the property, plant & equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

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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 and
- capitalised borrowing costs

When significant parts of property, plant & equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

3.8.2 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.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to Significant accounting judgements, estimates and assumptions (Note 2.4) and Provisions (Note 3.17) for further information about the recorded decommissioning provision.

3.8.3 Revaluation

Land is measured at fair value. Valuations are performed frequently (maximum of every three years) to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any revaluation surplus is recorded in other comprehensive income and hence, credited to the asset revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the profit or loss, in which case, the increase is recognised in the profit or loss. A revaluation deficit is recognised in the profit or loss, except to the extent that it offsets an existing

surplus on the same asset recognised in the asset revaluation reserve.

3.8.4 Depreciation

Items of property, plant & equipment are depreciated on a straight-line basis over the estimated useful lives of each component.

Items of property, plant & equipment are depreciated from the month that they are installed and are ready for use, or in respect of internally constructed assets, from the month that the asset is completed and ready for use.

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

- Buildings 10 - 40 years
- Plant and equipment 5 - 50 years
- Computers and allied equipment 3-8 years
- Motor Vehicles 3-30 years
- Furniture & Fittings 5-20 years

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.8.5 De-recognition

An item of property, plant & equipment is de-recognised upon disposal of or when no future economic benefits are expected from its use or disposal. Gains and losses arising on de-recognition of assets are determined by comparing the proceeds from the disposal with the carrying amount of property, plant & equipment and are recognised net within "Other Income" in profit or loss.

3.8.6 Capital Work-in-Progress

These are expenses of a capital nature directly incurred in the constructions, awaiting capitalisation. These are stated in the Statement of Financial Position at cost less any accumulated impairment losses. Capital work-in progress is transferred to the relevant asset when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management (i.e. available for use).

3.9 Leases

At inception of 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 identifiable asset for a period of time in the exchange of for consideration. This policy is applied to contracts entered into on or after 01 April 2019.

3.9.1 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 stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group 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 in 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 premeasurements 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 rate from various external financial 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 of 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 the rate as at the commencement date
- Amounts expected to be payable under a residential value guarantee and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an option renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under the residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is 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 that do not meet the definition of net investment in sublease in "property, plant & equipment" and lease liabilities in "loans and borrowings" 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 straight-line basis over the lease term.

3.9.2 As a Lessor

At inception 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 their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease. If not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the

exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies SLFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in SLFRS 9 to the net investment in the lease. The Group further regularly reviews the estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "other income".

Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from SLFRS 16 except for the classification of the sub-lease entered into during current reporting period that resulted in a finance lease classification.

3.10 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.11 Investment Properties

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

The Group adopts cost model to measure investment. Investment properties are measured initially at cost. Subsequently to initial recognition investment property is measured at cost less accumulated depreciation and impairment losses.

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Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. When an investment property that was previously classified as property, plant & equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant & equipment up to the date of change in use.

3.12 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Expenditure on internally generated intangible assets, excluding capitalised development costs, is recognised in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Except for goodwill, intangible assets with finite lives are amortised on a straight-line basis in profit or loss over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period, residual value and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted accordingly. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

3.12.1 ERP Implementation Cost

The initial cost incurred for ERP implementation has been capitalised and amortised over a period of 10 years.

3.12.2 Research and Development Costs

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- The intention to complete and the ability to use or sell the asset
- Probability of generating future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is completed, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

3.13 Impairment of Non-Financial Assets

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

An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. (A cash generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets)

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit or loss. Impairment losses recognised in respect of cash generating units on acquisition of subsidiaries are allocated first to reduce the carrying amount of any goodwill allocated to the unit, and then to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in expense categories consistent with the function of the impaired asset, except for a property previously revalued and the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An impairment loss in respect of goodwill is not reserved. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer

exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

The following assets have specific characteristics for impairment testing:

A) Goodwill

Goodwill is tested for impairment annually (as at 31 March) and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

B) Intangible Assets

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March either individually or at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

C) Biological Assets

Biological assets are measured at fair value less cost to sell, with any changes there in recognised in profit or loss.

3.14. Financial Instruments

3.14.1 Recognition and Initial Measurement

Trade receivables 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 trade receivable without a significant financing component) or financial liabilities initially measured at fair value plus or minus for an item not at FVTPL, transaction costs that are directly attributable to its acquisitions or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

3.14.2 Classification and Subsequent Measurement

A) Financial Assets Classification

On initial recognition a financial asset is classified as measured at amortised cost, FVOCI - debt investment; FVOCI - equity investments; or 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 changes in the business model.

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

- It is held within the business model whose objective is to hold asset 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.

NOTES TO THE FINANCIAL STATEMENTS

On initial recognition of 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.

B) 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 include;

- 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 income, maintain a particular interest rate profile, matching the duration of the financial asset to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the asset.
- How the performance of the portfolio is evaluated and reported to the Group's management.
- The risk 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 business are compensated – eg: 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 reason for such sales are expectations about future sales activity.

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

C) Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition, "interest" is defined as the 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 cost (example 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 assets contain a

contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition in making assessment, the Group considers:

- Contingent events that would change the amount and the timing if cash flows
- Terms that may adjust the contractual coupon rate, including variable rate features
- Prepayment and extension feature and
- Terms that limit the Group's claim to cash flows from specified assets (example non recourse features)

A prepayment feature is consistent with the solely payments of principal and interest's criterion if the prepayment amounts 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 prepayments 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.

D) Financial Asset – Subsequent Measurement and Gain and Losses

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss de-recognition is recognised in profit or loss.
Equity investment 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.

E) Financial Liabilities- Classification, Subsequent Measurement and Gains and Losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.14.3 De-recognition

A) Financial Asset

The Group de recognises a financial asset when the contractual rights to the cash flow from the financial assets expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial assets.

The Group enters into transaction whereby it transfers assets recognised in its statements of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

B) Financial Liabilities

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.

3.14.4 Impairment of Financial Assets

A) Non-Derivative Financial Assets

i. Financial instruments and contract assets

The Group recognises a loss allowance for ECLs on:

- Financial assets measured at amortised cost
- Contract assets

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

- 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 the initial recognition.

Loss allowance for trade receivables measured at an amount equal to lifetime ECLs.

When determining whether a credit risk of 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 of effort. This includes both quantitative and qualitative information and analysis, based on Group's historical experience and informed credit assessment and including forward – looking information.

The Group assumes that a credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Group considers financial asset to be in default when:

- The borrower 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 365 days past due.

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

12 months 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.

B) Measurement of ECLs

ECLs are a probability- weighted estimate of credit loss. 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 rates of the financial asset.

C) Credit-impaired Financial Assets

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

NOTES TO THE FINANCIAL STATEMENTS

Evidence that a financial asset is credit impaired includes the following observable data;

- Significant financial difficulty of the borrower or the issuer
- A breach of contract such as default or being more than 365 being 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 enters bankruptcy or other financial reorganisation or
- The disappearance of the active market for a security because of financial difficulty

D) 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 asset.

E) Write off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectation of recovery of financial asset in its entirety or a portion thereof. 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 written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group procedures for recovery of amounts due.

3.15 Biological assets

The Group's biological assets consist of poultry, teak and livestock. Biological assets are measured at fair value less cost to sell, with any change therein recognised in profit or loss

3.16 Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of finished goods is computed, based on the weighted average cost method and includes material, labour and appropriate share of production overheads, based on normal operating capacity. In the case of purchased inventories, cost includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. The cost of raw material is computed at weighted average cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Provision for obsolete and slow-moving inventory

Specific provisions are made giving considerations to the condition of inventory held by the Company/Group.

3.17 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that an outflow of economic benefits will be required to settle the obligations.

3.18 Employee Benefits

3.18.1 Short-Term Employee Benefits

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

3.18.2 Post-Employment Benefits

A) 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 calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted.

The calculation is performed annually by a qualified actuary using the projected unit credit method.

The Group recognises all actuarial gains and losses arising from defined benefit plans immediately in other comprehensive income and all expenses related to defined benefit plans in personnel expenses in profit or loss.

Provision has been made for retirement gratuities from the first year of service of all employees, in conformity with LKAS 19" Employee Benefit". However, under the Payment of Gratuity Act No.12 of 1983, the liability to an employee arises only on completion of five years of continued service.

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 or losses on settlement of a defined benefit plan when a settlement occurs.

Gratuity was calculated based on the below basis.

Period of service (Years)	Basis
5-9 inclusive	½ month salary for each completed year
10-14 inclusive	¾ months' salary for each completed year
15-16 inclusive	15 months' salary in total
17-18 inclusive	16 months' salary in total
19-20 inclusive	17 months' salary in total
21-22 inclusive	18 months' salary in total
23-24 inclusive	19 months' salary in total
25-40 inclusive	20 months' salary in total
41 years and over	½ month salary for each completed year

B) Defined Contribution Plan - Employees' Provident Fund/ Mercantile Services Provident Society and Employees' Trust Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no further legal or constructive obligation to pay further amounts. The Group contributes 12%, 12% and 3% of gross emoluments of employees to the Employees' Provident Fund, Mercantile Services Provident Society and the Employees' Trust Fund respectively. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

3.19 Share-based Payment Transactions - ESOS

Shareholders of the Company resolved on 30th June 2016 the issue of Four Million Three Hundred Seventy Four Thousand Non-Voting (Class X), Ordinary Shares (constituting approximately 20% of the issued Non-Voting (Class X) shares as at 24th May 2016) to all executive officers in the level premier managers and above in CIC Group under and Employee Share Option Scheme (ESOS). Options were granted for no consideration. The shares would be issued to employees during a period of 5 years commencing from 2017. The shares under ESOS were priced at average of volume weighted average market price of the Company's shares for thirty (30) market days immediately preceding the grant date.

There will be no financial assistance granted to employees with regard to the ESOS.

"Group" for the purpose of ESOS will consist of CIC Holdings PLC, CIC Agri businesses Group, CIC Crop Guard (Private) Limited and CIC Feeds (Private) Limited and its subsidiaries.

The cost of equity – settled transactions is recognised, together with a corresponding increase in other capital reserves in equity if management intends that the eligible employees will exercise the option right in foreseeable future.

During the year no options were granted/exercised under

ESOS.

3.20 Expenditure Recognition

Expenses are recognised in profit and loss on the basis of direct association between the cost incurred and the earning of specific item of income. All expenditure incurred in the running of the business and in maintaining the property, plant & equipment in a state of efficiency has been charged to income arriving at the profit for the year.

For the purpose of presentation of the profit or loss, the Directors are of the opinion that "function of expense method" presents fairly the elements of the Group's performance and hence such presentation method is adopted.

3.21 Earnings Per Share

3.21.1 Basic Earnings Per Share

The Group presents basic Earnings Per Share (EPS) for its Ordinary Shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted number of ordinary shares outstanding during the period.

3.21.2 Diluted Earnings Per Share

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. The Group's potential ordinary shares comprise the share options granted to employees under the Employee Share Option Scheme (ESOS).

Potential ordinary shares are treated as dilutive only when their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

3.22 Cash Flow Statement

The Cash Flow Statement has been prepared using the indirect method. Cash and cash equivalents comprise short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS

3.23 Operating Segments

A. Basis for Segmentation

The Group has five strategic business segments, which are its reportable segments. These business segments offer different products and services and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations of each reportable segment.

Segment	Product and services
Crop Solutions	Lawn and garden, Plant nutrition, Seeds
Agri Produce	Agri Produce retail chain, Agri resort, Dairy, Farms, Fruit and Vegetables, Grains, Rice
Livestock Solutions	Feeds, Poultry, Vet care, Dairy breeding
Industrial Solutions	Construction Materials, Industrial Raw Material, Packaging
Health & Personal care	Herbal Care, Medical Devices, Personal Care, pharmaceuticals

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

B. Information about Reportable Segments

A summary describing the operations of each reportable segment is given in page 188.

3.24 Events Occurring after the Reporting Date

All material events occurring after the reporting date have been considered and where appropriate adjustment or disclosures have been made in these Financial Statements.

3.25 Share Capital

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with LKAS 12.

3.26 Operating Profit

Operating profit is the result generated from the continuing principal revenue-producing activities of the group as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, share of profit of equity accounted investees and income taxes.

3.27 Contingent Liabilities and Contingent Assets

3.27.1 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes to the Financial Statements unless the possibility of an outflow of resources embodying economic benefits is remote.

3.27.2 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognised in the Statement of Financial Position but are disclosed in the notes to the Financial Statements when an inflow of economic benefits is probable. If the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

3.28 Cash and Cash Equivalents and Deposits with bank

A) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balances with banks, and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Financial Position, cash and cash equivalents comprise cash in hand, deposits held at call with banks, and other short-term highly liquid investments. Bank overdrafts that are repayable on demand are presented as current liabilities in the Statement of Financial Position.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts, as they are considered an integral part of the Group's cash management.

A) Deposits with bank

Deposits with bank comprise fixed deposits, treasury bills and REPO investments with original maturities over three months.

3.29 Current vs. Non-Current Classification

The Group presents assets and liabilities in the Statement of Financial Position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

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

The Group has not adopted any standard, interpretation or amendment that has been issued but is not yet effective, which has been early adopted as disclosed in Note 2.1.1.

4.1. Standards Issued but not yet Effective

The following standards and amendments have been issued but are not yet effective as at 31 March 2026. Based on the assessment performed to date, the Group does not expect these standards and amendments to have a material impact on its financial statements.

- Amendment to SLFRS 9 and SLFRS 7: Classification and Measurement of Financial Instruments
- IFRS 19: Subsidiaries without Public Accountability: Disclosures
- SLFRS 18: Presentation and Disclosure in Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

5. SEGMENTAL INFORMATION

For the year ended 31st March	Crop Solutions		Agri Produce		Live Stock Solutions	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Revenue	38,644,271	33,844,700	6,347,140	5,835,650	19,863,567	18,052,954
Inter segmental Revenue	(1,283,218)	(651,151)	(3,148)	(2,070)	(170,122)	(313,701)
Total revenue to external customers	37,361,053	33,193,549	6,343,992	5,833,580	19,693,445	17,739,253
Segmental results	4,603,144	4,676,631	313,739	569,940	2,391,857	1,997,738
Finance cost (net)	(400,494)	(26,139)	(188,939)	(60,886)	(7,696)	(150,248)
Gain on bargain purchase	-	-	-	-	-	-
Loss on dilution of investment in associate	-	-	-	-	-	-
Share of profit of equity accounted investees	-	-	-	-	-	-
Profit/(loss) before tax	4,202,650	4,650,492	124,800	509,054	2,384,161	1,847,490
Income Tax	(1,281,006)	(1,495,213)	(70,747)	(150,289)	(808,558)	(559,147)
Profit/(loss) after tax	2,921,644	3,155,279	54,053	358,765	1,575,603	1,288,343
Profit/(loss) from discontinued operations	(60)	(100)	-	296,522	-	-
Profit/(loss) for the year	2,921,584	3,155,179	54,053	655,287	1,575,603	1,288,343
Attributable to :						
Equity Holders of the company	2,492,907	2,651,685	37,124	509,363	1,435,794	1,228,227
Non-Controlling Interests	428,677	503,494	16,929	145,924	139,809	60,116
Profit/(loss) for the year	2,921,584	3,155,179	54,053	655,287	1,575,603	1,288,343
Assets and Liabilities						
Non -current assets						
Property, Plant and equipment	1,907,338	1,470,377	1,383,523	936,363	5,662,175	4,899,485
Unallocated property, plant and equipment	-	-	-	-	-	-
Other non-current assets	3,612,024	2,253,815	11,130	5,978	454,023	632,447
Total non -current assets	5,519,362	3,724,192	1,394,653	942,341	6,116,198	5,531,932
Current assets	19,371,626	17,144,391	3,654,415	3,689,810	6,295,557	5,972,146
Total assets	24,890,988	20,868,583	5,049,068	4,632,151	12,411,755	11,504,078
Non -current liabilities	1,330,885	1,172,383	718,945	114,952	1,193,166	1,269,122
Current Liabilities	8,584,334	6,933,277	2,491,073	2,800,029	1,688,341	2,289,940
Total Liabilities	9,915,219	8,105,660	3,210,018	2,914,981	2,881,507	3,559,062

Inter segment pricing on the basis of arm's length transactions.

Secondary geographical segmentation is not given since the dispersion of the group operations does not construe an objective segmentation.

	Industrial Solutions		Health & Personal Care		Others		GROUP	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
	9,161,711	8,395,626	19,846,300	19,124,184	-	-	93,862,989	85,253,114
	(274,829)	(319,747)	(377,927)	(674,573)	-	-	(2,109,244)	(1,961,242)
	8,886,882	8,075,879	19,468,373	18,449,611	-	-	91,753,745	83,291,872
	1,790,004	1,569,718	3,215,153	2,273,612	(417,212)	(310,574)	11,896,685	10,777,065
	(21,397)	(42,326)	57,844	(73,597)	(1,740,956)	(1,604,969)	(2,301,638)	(1,958,165)
	-	-	-	-	214,655	440,096	214,655	440,096
	-	-	-	-	(21,703)	(946,269)	(21,703)	(946,269)
	605,542	528,469	-	-	1,024,955	369,327	1,630,497	897,796
	2,374,149	2,055,862	3,272,997	2,200,015	(940,261)	(2,052,388)	11,418,496	9,210,523
	(553,762)	(476,926)	(1,115,441)	(763,303)	656,524	567,807	(3,172,990)	(2,877,071)
	1,820,387	1,578,936	2,157,556	1,436,712	(283,737)	(1,484,583)	8,245,506	6,333,452
	8,321	(394)	-	-	-	-	8,261	296,028
	1,828,708	1,578,542	2,157,556	1,436,712	(283,737)	(1,484,583)	8,253,767	6,629,480
								-
	1,354,019	1,180,365	1,965,958	1,357,495	(380,355)	(1,484,719)	6,905,447	5,442,417
	474,689	398,177	191,598	79,217	96,618	135	1,348,320	1,187,063
	1,828,708	1,578,542	2,157,556	1,436,712	(283,737)	(1,484,584)	8,253,767	6,629,480
	1,972,833	2,017,453	2,976,543	2,966,215	-	-	13,902,412	12,289,893
	-	-	-	-	-	-	1,823,693	1,763,071
	6,538,368	5,392,963	3,593,135	1,468,318	22,002,231	21,133,001	36,210,911	30,886,522
	8,511,201	7,410,416	6,569,678	4,434,533	22,002,231	21,133,001	51,937,016	44,939,486
							-	-
	4,437,586	4,851,787	10,580,768	10,019,129	3,469,911	2,839,534	47,809,863	44,516,797
	12,948,787	12,262,203	17,150,446	14,453,662	25,472,142	23,972,535	99,746,879	89,456,283
	821,162	598,703	1,760,012	2,017,300	-	-	5,824,170	5,172,460
	1,822,531	1,781,063	4,870,916	4,390,662	20,680,780	19,662,029	40,137,975	37,857,000
	2,643,693	2,379,766	6,630,928	6,407,962	20,680,780	19,662,029	45,962,145	43,029,460

NOTES TO THE FINANCIAL STATEMENTS

6. REVENUE

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Revenue	21,160,558	20,629,090	91,753,745	83,291,872
Net Revenue	21,160,558	20,629,090	91,753,745	83,291,872
Local	21,160,558	20,629,090	89,202,449	81,652,662
Exports	-	-	2,551,296	1,639,210
Total	21,160,558	20,629,090	91,753,745	83,291,872

6.1 Disaggregation of Revenue from Contracts with Customers

For the year ended 31st March	Crop Solutions		Agri Produce		Live Stock Solutions	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Primary geographical markets						
Local	37,361,053	33,193,549	6,149,500	5,651,615	19,693,445	17,739,253
Export	-	-	194,492	181,965	-	-
	37,361,053	33,193,549	6,343,992	5,833,580	19,693,445	17,739,253
Major product lines						
Agro chemicals	11,134,731	11,171,210	-	-	-	-
Fertilizer	22,260,232	18,153,305	-	-	-	-
Grains	-	-	4,318,826	3,883,407	-	-
Feeds	-	-	-	-	14,908,856	13,655,438
Pharmaceuticals and medical devices	-	-	-	-	-	-
Herbal health and personal care	-	-	-	-	-	-
Industrial chemicals	-	-	-	-	-	-
Consumer & packaging	-	-	-	-	-	-
Others	3,966,090	3,869,034	2,025,166	1,950,173	4,784,589	4,083,815
	37,361,053	33,193,549	6,343,992	5,833,580	19,693,445	17,739,253
Timing of revenue recognition						
Products transferred at a point in time	37,361,053	33,193,549	6,343,992	5,833,580	19,693,445	17,739,253

6.2 Disaggregation of Export Revenue from Contracts with Customers

For the year ended 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
Asia	545,077	530,949
Europe	1,557,386	718,602
Middle East	91,276	72,595
USA/Canada	224,545	198,301
Australia	111,066	107,482
Others	21,946	11,281
	2,551,296	1,639,210

Industrial Solutions		Health & Personal Care		Total	
2026	2025	2026	2025	2026	2025
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
8,874,965	8,075,879	17,123,486	16,992,366	89,202,449	81,652,662
11,917	-	2,344,887	1,457,245	2,551,296	1,639,210
8,886,882	8,075,879	19,468,373	18,449,611	91,753,745	83,291,872
-	-	-	-	11,134,731	11,171,210
-	-	-	-	22,260,232	18,153,305
-	-	-	-	4,318,826	3,883,407
-	-	-	-	14,908,856	13,655,438
-	-	11,373,159	11,171,591	11,373,159	11,171,591
-	-	8,095,214	7,278,020	8,095,214	7,278,020
4,170,055	4,037,101	-	-	4,170,055	4,037,101
4,716,827	4,038,778	-	-	4,716,827	4,038,778
-	-	-	-	10,775,845	9,903,022
8,886,882	8,075,879	19,468,373	18,449,611	91,753,745	83,291,872
8,886,882	8,075,879	19,468,373	18,449,611	91,753,745	83,291,872

NOTES TO THE FINANCIAL STATEMENTS

7. OTHER OPERATING INCOME

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Rent	27,925	26,713	1,200	8,526
Dividend Income				
Quoted	245,537	154,380	21,407	11,031
Unquoted	815,930	530,400	-	-
Net gain on disposal of property, plant & equipment	979	-	12,543	2,910
Changes in fair value of biological assets	-	-	35,826	6,739
Grants amortised	-	-	176	176
Inter company provision reversal	-	62,800	-	-
Direct sales commission	185,320	108,299	254,902	177,305
Sale of rights	-	48,005	-	-
Exchange Gain	203,430	131,615	347,475	340,575
Gain on lease settlement (net)	-	-	18,640	-
Sundry income	-	-	278,362	182,923
Total	1,479,121	1,062,212	970,531	730,185

8. OTHER OPERATING EXPENSES

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Impairment loss on property, plant & equipment	-	-	-	1,814
Loss on disposal of property, plant & equipment	-	388	1,290	2,158
Changes in fair value of biological assets	-	-	-	26,866
Write off of inter company receivable	-	-	-	33,691
Provision for advance given to Rainforest Ecolodge (Private) Limited	-	-	-	5,051
Impairment of investment in CIC Dairies (Private) Limited	-	30,500	-	-
Total	-	30,888	1,290	69,580

9. Finance Cost (Net)

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
9.1 Total interest income arising from financial assets				
Staff loans	-	-	72	1,175
Interest on repo investments	-	-	127,255	259,500
Deposits	120,533	95,330	233,784	148,247
	120,533	95,330	361,111	408,922
9.2 Finance cost-Other				
Long-term loans	196,491	131,930	280,465	169,537
Lease Interest	19,924	7,805	61,149	53,954
Short-term loans and overdrafts	1,571,750	1,592,386	2,321,135	2,143,596
	1,788,165	1,732,121	2,662,749	2,367,087
	(1,667,632)	(1,636,791)	(2,301,638)	(1,958,165)

10. SHARE OF PROFIT OF EQUITY ACCOUNTED INVESTEEES (NET OF TAX)

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Akzo Nobel Paints Lanka (Private) Limited	-	-	605,742	528,469
John Keells Holdings PLC	-	-	1,024,955	369,327
Total	-	-	1,630,497	897,796

11. PROFIT BEFORE TAX

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Stated after charging all expenses including the following:				
Directors' emoluments and retirement benefits	-	-	44,511	45,172
Depreciation on property, plant & equipment and amortisation of right of use asset	186,024	144,114	1,179,914	1,016,715
Directors' fees	71,143	70,173	99,623	107,878
Donations	1,000	1,000	5,095	2,720
Legal fees	9,411	16,848	16,279	23,327
Auditors' remuneration				
Statutory audit fees	4,803	4,366	24,889	23,408
Audit related fees	1,532	112	16,343	10,920
Non- audit fees	10,651	5,296	13,367	8,598
Professional fees	9,371	4,314	76,033	34,800
Provision for obsolete and slow moving inventories	172,432	130,718	742,957	424,194
Personnel Costs * (Note 11.1)	1,372,577	1,218,033	5,442,712	4,803,751

*Includes Director' emoluments and retirement benefits

NOTES TO THE FINANCIAL STATEMENTS

11.1 Personnel Costs

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Salaries	867,391	745,740	3,614,391	3,058,518
EPF/MSPS - Defined contribution plan	108,880	94,685	363,599	424,681
ETF - Defined contribution plan	27,214	23,671	94,777	92,203
Bonus	266,331	266,553	1,048,864	934,913
Provision for retirement benefits (Note 34)	102,761	87,384	321,081	289,425
Voluntary retirement scheme	-	-	-	4,011
Total	1,372,577	1,218,033	5,442,712	4,803,751
Number of employees as at the end of the year	605	588	2,360	2,313

11.2 Reconciliation of adjusted EBITDA to profit from continuing operation

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Profit from continuing operations	1,422,525	1,348,406	8,245,506	6,333,452
Income tax expense	131,329	273,455	3,172,990	2,877,071
Profit before tax	1,553,854	1,621,861	11,418,496	9,210,523
Adjustment for:				
Net Finance cost	1,667,632	1,636,791	2,301,638	1,958,165
Depreciation	152,750	138,592	1,068,130	913,140
Amortisation	41,175	13,422	594,622	768,004
Impairment losses on PPE	-	-	-	1,814
Share of profit of equity accounted investees	-	-	(1,630,497)	(897,796)
Gain on bargain purchase	-	-	(214,655)	(440,096)
Loss on dilution of investment in associate	-	-	21,703	946,269
Adjusted EBITDA	3,415,411	3,410,666	13,559,437	12,460,023

12. INCOME TAX EXPENSE

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Current tax expenses on ordinary activities for the year				
Current tax expenses on profit for the year (Note 12.2)				
Continued Operations	257,175	415,885	3,145,966	3,032,432
Over provision in respect of previous years	(1,232)	(36,689)	124,512	(35,954)
Tax on dividend income	-	-	134,150	93,600
	255,943	379,196	3,404,628	3,090,078
Deferred Tax reversals				
Origination of temporary differences (Note 12.1)				
Continued Operations	(124,614)	(105,741)	(231,638)	(213,007)
	(124,614)	(105,741)	(231,638)	(213,007)
Total	131,329	273,455	3,172,990	2,877,071

12.1 Deferred Tax Expense/(Reversal)

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Income Statements				
Deferred tax reversal arising from :				
Property, plant & equipment	(2,138)	(4,541)	12,511	(14,540)
Intangible assets	-	-	(1,591)	(3,998)
Biological assets	-	-	31,101	(30,973)
Provision for impairment of trade receivables	(39,674)	(41,949)	(37,082)	(61,066)
Provision for obsolete and slow moving inventories	(45,140)	(17,177)	(140,621)	(3,022)
Provision for others	(9,438)	(18,585)	(10,370)	(18,538)
Contract assets	-	-	(1,047)	1,645
Right-of-use assets	31,120	(1,656)	26,004	(789)
Lease liability	(31,346)	938	(30,509)	(7,581)
Contract liability	-	-	(293)	(3,907)
Employee benefits	(27,998)	(22,771)	(79,741)	(70,238)
	(124,614)	(105,741)	(231,638)	(213,007)
Other Comprehensive Income				
Deferred tax expense/ (reversal) arising from :				
Actuarial gain on defined benefit Obligations	(6,784)	(17,184)	(24,662)	(20,510)
Revaluation of property, plant and equipment	-	89,131	-	277,107
	(6,784)	71,947	(24,662)	256,597
Total	(131,398)	(33,794)	(256,300)	43,590

12.1.1 Deferred Tax Charge/ (Reversal) recognised Through

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Statement of Profit or Loss				
Charge arising on during the year movement	(124,614)	(105,741)	(231,638)	(213,007)
Total	(124,614)	(105,741)	(231,638)	(213,007)
Other Comprehensive Income				
Charge arising on during the year movement	(6,784)	71,947	(24,662)	256,597
	(6,784)	71,947	(24,662)	256,597

NOTES TO THE FINANCIAL STATEMENTS

12.1.2 Reconciliation of Effective Tax rate

For the year ended 31st March	Company		Group		Company		Group	
	2026	2025	2026	2025	2026	2025	2026	2025
	%	%	%	%	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Profit before tax-continuing operations					1,553,854	1,621,861	11,418,496	9,210,523
Profit/ (loss) before tax-discontinued operations					(1,172)	(1,433)	8,261	296,816
Intra - group adjustments					-	-	(5,000)	245,000
					1,552,682	1,620,428	11,421,757	9,752,339
Tax using the Company's domestic tax rate	30%	30%	33%	33%	3,746,225	3,216,830	-	-
Share of profit of equity accounted investee	0%	0%	-4%	-3%	(489,150)	(269,338)	-	(1,275,833)
Gain on bargain purchase	0%	0%	-	-1%	(64,395)	(132,028)	-	(214,650)
Loss on dilution of investment in associate	0%	0%	-	3%	6,510	283,880	-	21,700
Other sources of income	-21%	0%	-	0%	(319,331)	48,061	(1,061,717)	74
Disallowable expenses	20%	-1%	-	7%	2,092,101	704,204	1,023,605	(64,016)
Tax deductible expenses	-10%	1%	-	-7%	(1,758,198)	(644,754)	(537,037)	78,096
Tax exempt income	-2%	-5%	-	-2%	(61,743)	(178,850)	(248,296)	(205,441)
Tax loss for the year	0%	0%	-	0%	12,507	17,265	-	41,691
Tax loss utilised during the year	0%	0%	-	0%	(18,671)	(12,050)	-	(117,826)
Taxable Profit	17%	25%	-	30%	3,033,220	857,253	1,386,286	10,682,492
Income tax @ 15%					-	-	190,356	45,000
Income tax @ 30%					257,175	415,885	3,089,612	2,987,432
Current tax expense on continued operations					-	-	-	-
Current tax expense on Discontinued operations					257,175	415,885	3,145,966	3,032,432
Accumulated tax losses					-	-	160	788
Tax loss brought forward					-	-	830,300	1,401,614
Adjustment to brought forward tax losses					-	-	(27,293)	(588,667)
Tax loss for the year					-	-	41,691	57,523
Tax loss utilised during the year					-	-	(117,828)	(40,170)
Tax loss carried forward					-	-	726,870	830,300
Effective tax rate					30%	30%	29%	25%
Effective tax rate as a percentage of profit before tax					17%	25%	27%	30%

12.2 Tax have been provided as per the Inland revenue Act No 24 of 2017 and any subsequent amendments therto, including any amendments legislated by the inland Revenue (Amendment) Act No 45 of 2022.

12.3 Group's tax expense is based on the taxable profit of each Company in the Group. At present the tax laws of Sri Lanka do not provide for Group Taxation.

12.4 Irrecoverable Economic Service Charge (ESC) has been charged to the Profit or Loss.

12.5 Details of the Current Tax Computation

CIC Dairies (Private) Limited, a BOI Company, engaged in the production of Yogurt, which was exempt from Income tax up to 31 March 2021, became liable for Income tax at the rate of 18% after expiration of the exemption period. From the second half of 2022/23 the Company was liable for Income Tax at the rate of 30%. However, due to Tax losses it was not Taxed for the current year.

CIC Poultry Farms Limited was subject to a concessionary income tax rate of 15%, in accordance with the agreement entered with the Board of Investment of Sri Lanka. Any income not covered under this agreement was taxed at the standard corporate income tax rate. With effect from 1st April 2024, CIC Feeds (Private) Ltd became liable for income tax at the standard corporate income tax rate of 30%. CIC Vetcare (Private) Limited and CIC Bio Security Breeder Farms Limited were also liable for income tax at the standard corporate rate of 30%.

13. DISCONTINUED OPERATIONS

Discontinued operations include CIC Agri Biotech (Private) Limited, Chemanex Export (Private) Limited, Chemcel (Private) Limited, and consumer product lines of CIC Holdings PLC. Previously these businesses were categorised under "agri produce", "industrial solutions", and "Health and Personal Care" segments.

Further in 2019/20, Board of Directors of Cropwiz (Private) Limited had resolved to discontinue its operations and accordingly it is classified as held for sale. Previously this business was classified under "Agri Produce" segment.

13.1 The results of aforesaid operations for the year are presented below:

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Profit/(loss)after tax from discontinued operations				
Revenue	-	-	-	-
Overhead charges	(53)	(31)	(53)	(31)
Gross loss	(53)	(31)	(53)	(31)
Other income	-	-	457	288,422
Administrative expenses	(1,081)	(1,355)	(1,499)	(3,557)
Distribution expenses	(38)	(47)	(38)	(47)
Finance cost (net)	-	-	9,554	12,029
Profit/(loss) before tax from a discontinued operations	(1,172)	(1,433)	8,421	296,816
Tax expense	-	-	(160)	(788)
Profit/(loss) for the year from a discontinued operations	(1,172)	(1,433)	8,261	296,028

NOTES TO THE FINANCIAL STATEMENTS

13.2 Major Classes of Assets and Liabilities Classified as held for sale:

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Assets				
Property, plant & equipment	146,266	146,266	187,951	187,951
Trade receivables	-	-	-	-
Cash in hand and cash at bank**	-	-	-	-
Assets classified as held for sale	146,266	146,266	187,951	187,951
Liabilities				
Trade and other payables	-	-	-	-
Liabilities directly associated with assets classified as held for sale	-	-	-	-
Net assets directly associated with disposal group	146,266	146,266	187,951	187,951

* Investment in Cropwiz (Private) Limited amounting to Rs.125.11 Mn is fully impaired in the company financials.

** Restricted cash at bank amounts to Rs.60Mn.

Property, plant & equipment include a land belonging to CIC Holdings PLC and the last valuation was performed on 31st March 2022 out of which part is disposed during the financial year 2024/25. No decrease in fair value was identified. Further, the land belonging to CIC Properties (Private) Limited has been classified as held for sale during the year 2021/22 at a value of Rs. 174.75 Mn and a part of it was disposed during the financial year 2022/23.

In 2022/23 CIC Properties (Private) Limited transferred free of charge its right title and interest in (20) acres from and out of the land and premises located at Katuwahenawatta, Agalegedara, Walpita. And accordingly, on 21st October 2022, Hatton National Bank PLC issued a letter stating that unconditionally and irrevocably acknowledge and agree that: the recovery of Rs.275Mn by the sale of assets shall be considered as full and final settlement against the total liability of loans, together with interests accrued up to that date, granted to Cropwiz (Private) Limited.

Accordingly, Cropwiz (Private) Limited wrote back its loans together with the interest and recognised the disposal loss of assets which were transferred amounting to Rs.49.15Mn.

In 2022/23 CIC Properties (Private) Limited further disposed 38 acres and 5 perches for a consideration of Rs.67Mn which generated a total disposal loss of Rs.66Mn included in other expenses. Below are the details of the remaining land.

Location	Land extent in Acres/Perches/Roods	Date of revaluation	Significant unobservable inputs- Estimated price	Revalued Amount Rs.Mn	Sensitivity fair value to unobservable inputs
Katuwahenawatte, Walpita, Waradala	13 acres and 39.5 perches	30th November 2021	Per acre Rs.1,200,000- Rs.3,600,000	46.25	Positively correlated sensitivity

Property, plant & equipment include a land belonging to CIC Holdings PLC and the last valuation was performed on 30th September 2017. No change in fair value was identified.

13.3 Cash Flows Generated from/(Used in) Discontinued Operations

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Net cash generated from operating activities	-	-	-	(100)
Net cash from investing activities	-	-	9,978	2,232
Net cash inflow	-	-	9,978	2,132

13.4 Earnings/(Deficit) per Share:

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Basic/diluted earnings/(loss) per share for the year, from discontinued operations (Rs.)	(0.00)	(0.01)	0.00	0.16

13.5 Assets classified as held for distribution

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Major classes of assets and liabilities classified as held for distribution Assets				
Investments	197	197	12,361	9,072
Cash in hand and at bank	-	-	65,309	55,332
Asset Classified as held for distribution	197	197	77,670	64,404
Liabilities				
Trade and other payables	-	-	2,024	1,915
Liabilities directly associated with assets classified as held for distribution	-	-	2,024	1,915

Assets and liabilities which belong to CIC Agri Biotech (Private) Limited , Chemanex Exports (Private) Limited and Chemcel (Private) Limited have been categorised under "assets and liabilities held for distribution".

NOTES TO THE FINANCIAL STATEMENTS

13.6 Discontinuation of consolidation of Cropwiz (Private) Limited

With relating to Cropwiz (Private) Limited, a liquidator was appointed by the court on 12th July 2024 and process is being done by the liquidator. Hence as per the section 292 (1) & (2) of the Companies Act No.07 of 2007, liquidator has the control over the assets and liabilities of the company as they are legally bound to sell or realise the assets to raise the funds to settle liabilities of the company. Accordingly Company discontinued the consolidation of Cropwiz (Private) Limited. The said discontinuation resulted in a profit of LKR 288.33Mn in Financial Year 2024/25.

Profit from discontinuation of consolidation of Cropwiz (Private) Limited

	Amount Rs.000
Trade receivables	91,257
Cash in hand and at bank	73,715
	164,972
Trade and other payable	(404,774)
Inter company trade payable	(9,380)
Inter company borrowing	(27,240)
Inter company other payable	(11,904)
Gain	(288,326)

14. EARNINGS PER SHARE

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Profit attributable to equity holders of the Company	1,421,353	1,346,973	6,905,447	5,442,417
Profit continuing operation	1,422,525	1,348,406	6,897,186	5,146,389
Profit/(loss) - discontinued operation	(1,172)	(1,433)	8,261	296,028
Total	1,421,353	1,346,973	6,905,447	5,442,417
The share capital is as follows :				
Ordinary Shares				
Weighted average number of shares	1,458,000,000	1,458,000,000	1,458,000,000	1,458,000,000
Non-Voting (Class X) Shares				
Weighted average number of shares	437,400,000	437,400,000	437,400,000	437,400,000
Total weighted average number of shares	1,895,400,000	1,895,400,000	1,895,400,000	1,895,400,000
Basic / Diluted earnings per share (Rs.)	0.75	0.71	3.64	2.87

Basic Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and the weighted average number of shares outstanding during the year.

Diluted Earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary shares outstanding after adjustment for the effect of all potentially dilutive ordinary shares.

There were no potentially dilutive ordinary shares at any time during the year/previous year.

There is no material impact on diluted earnings per share arising from Employee Share Option Scheme.

15. GROSS DIVIDEND

For the year ended 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Interim Dividend				
Ordinary Shares				
Interim dividend paid per share Nil (2024/25), Rs.Nil (2023/24)	-	-	-	-
Non-Voting (Class X) Shares				
Interim dividend paid per share Nil (2024/25), Rs.Nil (2023/24)	-	-	-	-
Final Dividends				
Final dividend proposed and paid Rs.2.50 (2024/25) Rs.2.50 (2023/24)				
Ordinary Shares	729,000	729,000	729,000	729,000
Non-Voting (Class X) Shares	218,700	218,700	218,700	218,700
	947,700	947,700	947,700	947,700
Total	947,700	947,700	947,700	947,700
Post sub-division no. of shares				
Ordinary Shares	1,458,000,000	1,458,000,000	1,458,000,000	1,458,000,000
Non-Voting (Class X) Shares	437,400,000	437,400,000	437,400,000	437,400,000
	1,895,400,000	1,895,400,000	1,895,400,000	1,895,400,000
Dividend per share	0.50	0.50	0.50	0.50

During the year, before the sub-division Rs.2.50 dividend was paid to the shareholders (2024/25 - Rs.2.50).

Directors have recommended the payment of a final dividend of Rs.0.50 per share on Ordinary and Non-Voting (Class x) shares for the year ended 31st March 2026. This proposed dividend has not yet been recognised as a liability as at 31st March 2026

This would result in a total dividend per share of Rs.0.50 (2024/25 - Rs.0.50) once it is approved at the Annual General Meeting.

* Refer note 30: Stated Capital for the information on sub-division.

NOTES TO THE FINANCIAL STATEMENTS

16. PROPERTY, PLANT & EQUIPMENT

A. Company

As at 31st March	Land Rs.'000	Buildings Rs.'000	Plant & Machinery Rs.'000	Equipment Rs.'000	Computers Rs.'000	Furniture & Fittings Rs.'000	Motor Rs.'000	Total 2026 Rs.'000	Total 2025 Rs.'000
Freehold									
Cost/Valuation									
At the beginning of the year	1,712,696	1,119,021	316,898	718,560	325,487	50,541	16,120	4,259,323	3,853,413
Additions	-	42,084	55,420	38,387	28,174	15,432	-	179,497	122,308
Transferred from capital work in progress (Note 18)	-	19,361	-	-	-	-	-	19,361	27,713
Revaluation surplus	-	-	-	-	-	-	-	-	297,103
Disposals	-	(30,000)	-	-	(924)	(1,355)	-	(32,279)	(41,214)
At the end of the year	1,712,696	1,150,466	372,318	756,947	352,737	64,618	16,120	4,425,902	4,259,323
(b) Depreciation/Impairment									
At the beginning of the year	-	537,160	160,739	638,684	272,528	43,237	16,120	1,668,468	1,568,596
Depreciation	-	53,453	29,278	25,257	40,205	4,557	-	152,750	138,592
On disposals	-	(30,000)	-	-	(736)	(1,038)	-	(31,774)	(38,720)
At the end of the year	-	560,613	190,017	663,941	311,997	46,756	16,120	1,789,444	1,668,468
Leasehold									
Cost/Valuation									
At the beginning of the year	-	94,164	-	-	-	-	-	94,164	94,164
Additions	-	114,968	-	-	-	-	22,039	137,007	-
At the end of the year	-	209,132	-	-	-	-	22,039	231,171	94,164
Depreciation/Impairment									
At the beginning of the year	-	46,763	-	-	-	-	-	46,763	41,241
Amortisation	-	31,070	-	-	-	-	2,204	33,274	5,522
At the end of the year	-	77,833	-	-	-	-	2,204	80,037	46,763
Carrying value as at 31st March 2026	1,712,696	721,152	182,301	93,006	40,740	17,862	19,835	2,787,592	
Carrying value as at 31st March 2025	1,712,696	629,262	156,159	79,876	52,959	7,304	-		2,638,256

- i Carrying amount of property, plant & equipment is not pledged as securities for bank facilities obtained.
- ii Property, plant & equipment includes right-of-use assets of Rs 151.13 Mn (2025- Rs.47.40 Mn) related to leased properties that do not meet the definition of the investment property.

16. Property, Plant & Equipment

B. Group

As at 31st March	Land Rs.'000	Buildings Rs.'000	Plant & Machinery Rs.'000	Equipment Rs.'000	Computers Rs.'000	Furniture & Fittings Rs.'000	Motor Rs.'000	Total 2026 Rs.'000	Total 2025 Rs.'000
(a) Cost/Valuation									
At the beginning of the year	5,691,698	6,098,448	6,202,378	2,773,278	703,592	442,634	673,466	22,585,494	20,328,369
Additions	166,093	406,652	402,642	230,159	81,826	61,045	76,332	1,424,749	1,173,990
Revaluation surplus	-	-	-	-	-	-	-	-	958,950
On disposals	-	(32,585)	(34,801)	(45,620)	(19,375)	(5,383)	(19,807)	(157,571)	(85,298)
Write-off	-	-	-	(12,091)	(916)	(353)	-	(13,360)	-
Transferred from capital work in progress (Note 18)	-	412,422	655,680	120,964	2,204	12,193	-	1,203,463	241,957
Impairment	-	-	(36,319)	-	(560)	-	-	(36,879)	(32,474)
At the end of the year	5,857,791	6,884,937	7,189,580	3,066,690	766,771	510,136	729,991	25,005,896	22,585,494
(B) Depreciation/Impairment									
At the beginning of the year	-	2,272,717	3,716,569	2,113,773	523,109	261,145	511,342	9,398,655	8,609,491
Depreciation	-	254,948	427,340	176,212	103,083	38,383	46,849	1,046,815	894,907
Impairment	-	-	(36,319)	-	(560)	-	-	(36,879)	(30,660)
Write-off	-	-	-	(3,169)	(529)	(121)	-	(3,819)	-
On disposals	-	(32,417)	(29,771)	(45,226)	(17,337)	(4,421)	(16,808)	(145,980)	(75,083)
At the end of the year	-	2,495,248	4,077,819	2,241,590	607,766	294,986	541,383	10,258,792	9,398,655
Leasehold									
Cost/Valuation									
At the beginning of the year	401,143	1,370,159	-	-	-	-	31,911	1,803,213	1,715,891
Additions to right-of-use assets	-	318,281	-	-	-	-	22,039	340,320	79,109
Additions	-	10,136	-	-	-	-	-	10,136	20,047
Derecognition of right-of-use assets	-	(239,360)	-	-	-	-	-	(239,360)	-
On disposals	-	(2,927)	-	-	-	-	-	(2,927)	(11,834)
At the end of the year	401,143	1,456,289	-	-	-	-	53,950	1,911,382	1,803,213
Depreciation/Impairment									
At the beginning of the year	112,604	796,717	-	-	-	-	27,767	937,088	826,489
Depreciation	2,570	18,745	-	-	-	-	-	21,315	18,233
Amortisation	7,571	100,543	-	-	-	-	3,670	111,784	103,575
Derecognition of right-of-use assets	-	(135,023)	-	-	-	-	-	(135,023)	-
On disposals	-	(2,783)	-	-	-	-	-	(2,783)	(11,209)
At the end of the year	122,745	778,199	-	-	-	-	31,437	932,381	937,088
Carrying value as at 31st March 2026	6,136,189	5,067,779	3,111,761	825,100	159,005	215,150	211,121	15,726,105	
Carrying value as at 31st March 2025	5,980,237	4,399,173	2,485,809	659,505	180,483	181,489	166,268		14,052,964

NOTES TO THE FINANCIAL STATEMENTS

- i Carrying amount of property, plant & equipment pledged as securities for bank facilities obtained amounted to Rs492.08 Mn.(2025 Rs.368.76 Mn).
- ii During the year Group has not capitalised the borrowing cost.(2025 - Nil).
- iii Unexpired lease period of land belonging to CIC Agri Businesses (Private) Limited is 65 years
- iv Property, plant & equipment includes right-of-use assets of Rs 581.66Mn (2025- Rs.457.46 Mn) related to leased properties that do not meet the definition of the investment property.

C. Carrying value for the property, plant & equipment

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
At Cost	923,762	878,159	9,058,568	7,498,303
At Valuation	1,712,696	1,712,696	5,688,536	5,688,536
On Finance Lease	151,134	47,401	979,001	866,125
Total	2,787,592	2,638,256	15,726,105	14,052,964

D. The values of the lands if it had been carried under cost model

As at 31st March	Company		Group	
	2026 Rs.Mn.	2025 Rs.Mn.	2026 Rs.Mn.	2025 Rs.Mn.
Land	138.72	138.72	1,178.54	1,012.45
Total	138.72	138.72	1,178.54	1,012.45

E. Value of land and ownership

Company	Location	Land Extent in Acres/Perches/Roods	Number of buildings	Carrying Value Rs Mn
CIC Holdings PLC	Kew Road, Colombo 02	1 rood and 30.25 perches	1	1,264.50
	Lenagala Estate, Dedigamuwa	13 acres, 3 roods and 33.5 perches	20	441.67
	Lenagala Estate, Dedigamuwa	1 rood and 25 perches	-	6.52
CIC Agri Businesses (Private) Limited	Mahiella, Kurunegala	2 acres, 3 roods and 31.25 perches	4	235.63
Wayamba Agro Fertilizer Company Limited	Maho	16 acres and 30.8 perches	15	248.20
CISCO Speciality Packaging (Private) Limited	Pellanwatta, Pannipitiya	4 acres, 3 roods and 28.80 perches	14	368.76
CIC Vetcare (Private) Limited	Madampalle Estate, Madampalle	15 acres	-	67.50
	Galla Estate, Ekala	3 roods and 1.00 perch	3	57.54
CIC Poultry Farms Limited	Molahena Estate, Badalgama	25 acres and 29.95 perches	31	113.34
	Iswetiya Elies, Horakandawila, Dunagaha	17 acres and 16.8 perches	17	260.20
	Amunuwela Estate, Kuliypitiya	48 acres 1 roods and 19.63 perches	25	224.70
CIC Bio Security Breeder Farms Limited	Molahena Estate, Badalgama	28 acres and 39.49 perches	-	127.11
CIC Feeds (Private) Limited	Galla Estate, Ekala	6 acres and 32.9 perches	17	422.77
	Heeralugedara, Kotadeniyawa	18 acres and 2 roods	17	83.25
	Madampalle Estate, Madampalle	25 acres	25	112.50
	Madampalle Estate, Madampalle	3 acres	-	4.96
	Nabirithankadawara, Welipennagahamulla, Pannala	50 acres and 18.0 perches	18	236.09
Colombo Industrial Agencies Limited	Temple Lane, Ekala	3 acres, 2 roods, 7.62 perches	4	352.00
Link Natural Products (Private) Limited	Malinda, Kapugoda	13 acres, 3 roods and 10.95 perches	39	909.41
	Kapugoda, Giridara	39.1perches	-	19.60
	Dambukanda	20 acres, 5 roods and 64 perches	2	105.60
	Kahatagahawatta	22.1perches	-	17.50
	Parakaduwa	23 acres, 2 roods and 5.8 perches	-	12.35
				5,691.70

NOTES TO THE FINANCIAL STATEMENTS

Last valuation of lands has been as follows.

Company	Date of Revaluation	Significant unobservable inputs estimated price	Revalued Amount Rs. Mn	Sensitivity of fair value to unobservable inputs
CIC Holdings PLC	31st March 2025	Per perch Rs.18,000,000	1,264.50	Positively correlated sensitivity
	31st March 2025	Per perch Rs.32,500 - Rs.276,250	441.67	Positively correlated sensitivity
	31st March 2025	Per perch Rs.32,500	6.52	Positively correlated sensitivity
CIC Agri Businesses (Private) Limited	31st March 2025	Per perch Rs.500,000	235.63	Positively correlated sensitivity
Wayamba Agro Fertilizer Company Limited	31st March 2025	Per perch Rs.97,500	248.20	Positively correlated sensitivity
CISCO Speciality Packaging (Private) Limited	31st March 2025	Per perch Rs.420,000	368.76	Positively correlated sensitivity
CIC Vetcare (Private) Limited	31st March 2025	Per perch Rs.475,000 - Rs.500,000	57.54	Positively correlated sensitivity
	31st March 2025	Per perch Rs. 28,125	67.50	Positively correlated sensitivity
CIC Poultry Farms Limited	31st March 2025	Per perch Rs. 28,125 - Rs.140,000	598.24	Positively correlated sensitivity
CIC Bio Security Breeder Farms Limited	31st March 2025	Per perch Rs. 28,125	127.11	Positively correlated sensitivity
CIC Feeds (Private) Limited	31st March 2025	Per perch Rs.425,000 - Rs.450,000	422.77	Positively correlated sensitivity
	31st March 2025	Per perch Rs. 26,250 - Rs.72,000	436.80	Positively correlated sensitivity
Colombo Industrial Agencies Limited	31st March 2022	Per perch Rs.550,000 - Rs.625,000	352.00	Positively correlated sensitivity
Link Natural Products (Private) Limited	31st March 2025	Per perch Rs.3,281	12.35	Positively correlated sensitivity
	31st March 2025	Per perch Rs.800,000	17.50	Positively correlated sensitivity
	31st March 2025	Per perch Rs.26,563 - Rs.32,813	105.60	Positively correlated sensitivity
	31st March 2025	Per perch Rs.400,000 - Rs.500,000	929.01	Positively correlated sensitivity

All above revaluations are based on market value and were carried out by Perera Sivaskantha & Company, an incorporated valuer.

The revalued figures were incorporated in these Financial Statements.

Market Comparable Method

This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of the property being revalued.

This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for differences in size, nature, location, condition of specific property.

In this process, outlier transactions, indicative of particularly motivated buyers or sellers are too compensated for since the price may not adequately reflect the fair market value.

F Depreciation has been provided on a straight-line basis at the following rates:

Company	Buildings Years	Plant & Machinery Years	Equipment Years	Computers Years	Furniture & Fittings	Motor Vehicles Years
CIC Holdings PLC	20	8,15,30,40	4,5,8,10,15,30	3	5,10	5
Chemnex PLC	10-20	20	3	3	4	4
CISCO Speciality Packaging (Private) Limited	20	12,10,5	10,5,3	3	10	5
CIC Agri Businesses (Private) Limited and Subsidiaries*	20,30	5,15	3,20	3,8	5,10	3,5
Colombo Industrial Agencies Limited	20	-	-	-	-	-
CIC Feeds (Private) Limited and Subsidiaries	10,20,40	10,15,20	5,8,10,12,5	5	5,8	4,5
Link Natural Products (Private) Limited	40,25	10,15,20,40	5,8,10,25	3	10	4,8,10,20,25
CIC CropGuard (Private) Limited	-	-	5	5	10	5
CIC Lifesciences Limited	-	8	4	4	4	-
Unipower (Private) Limited	10-20	-	5-10	4,5	5-10	7
Asiavet Lifesence (Private) Limited	-	-	5,12	5,8	5,8	-
CIC Precision Agricultural Technologies (Private) Limited	-	-	3-8	3-8	-	-

* Land development cost is depreciated over 30 years.

G. Cost of fully depreciated property, plant & equipment still in use at the reporting date as follows:

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Buildings	50,686	50,686	449,244	524,850
Plant & Machinery	87,018	87,018	1,395,664	1,014,730
Equipment	589,474	588,185	1,631,077	1,612,318
Computers	164,496	165,226	384,249	379,164
Furniture & Fittings	37,596	36,906	143,974	91,637
Motor Vehicles	16,115	16,115	400,674	277,020
Leased hold land improvements	-	-	11,745	11,745
Total	945,385	944,136	4,416,627	3,911,464

H. Lands transferred to held for sale

Company	Location	Land extent in Acres/ Perches/ Roods	Date of revaluation	Significant unobservable inputs- Estimated price	Revalued amount Rs. Mn	Sensitivity of fair value to unobservable inputs
CIC Holdings PLC	Sri Sarana Jothi Mawatha, Rathmalana	11 perches	30th September 2017	Per perch Rs.1,100,000	12.10	Positively correlated sensitivity
	Pellanwatta, Piliyandala	1 acres,2 roods and 9.83 perches	30th September 2017	Per perch Rs.227,500 - Rs.450,000	71.95	Positively correlated sensitivity
CIC Properties (Private) Limited	Katuwahanawatta, Walpita, Waradala	13 acres and 39.50 perches	30th November 2021	Per acre Rs.1,200,000- Rs.3,600,000	45.07	Positively correlated sensitivity

NOTES TO THE FINANCIAL STATEMENTS

17. INVESTMENT PROPERTY

As at 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
Cost	2,400	2,400
Carrying value	2,400	2,400

A . Details of investment property

Ownership	Location	Land extent	Number of buildings	Market Value	Carrying value	
				2026 Rs.'000	2026 Rs.'000	2025 Rs.'000
CIC Agri Businesses (Private) Limited	Bogahapitiya estate, Kengalle	12.0 perches and 2 roods	-	6,300	2,400	2,400
Total				6,300	2,400	2,400

B. During the year, no income was generated or expenses were incurred with relating to the above investment property.

C. Fair Value

The fair value of the investment property determined by external valuer M/s Sivaskantha and Company, an incorporated external valuer.

Valuation Technique	Significant unobservable inputs estimated price	Inter-relationship between key unobservable inputs and fair value measurements
Market comparable method	Per perch Rs. 525,000	Positively correlated
Total		

18 . CAPITAL WORK-IN-PROGRESS

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	20,128	-	495,640	94,555
Amount capitalised in property, plant & equipment	(19,361)	(27,713)	(1,203,463)	(241,957)
Transferred to expenditure	-	-	(2,478)	(271)
Additions during the year	-	47,841	778,703	643,313
As at the end of the year	767	20,128	68,402	495,640

Capital work-in-progress comprised of the expenditure incurred relating to building, machinery and furniture

During the year Group has not capitalised borrowing cost (2025-Nil).

19. BIOLOGICAL ASSETS

19.1 Non-current biological assets

As at 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	420,937	504,362
Additions	548,541	534,269
Gain/(loss) from changes in fair value		
Due to Price change	1,218	12,774
Due to physical change	6,739	6,739
Disposals	(4,812)	-
Amortisation	(461,952)	(637,207)
At the end of the year (Note 19.3)	510,671	420,937

19.2 Measurement of Fair Values

a) Fair Value Hierarchy

The fair value measurements of the standing biological assets have been categorised as under Level 3 fair value hierarchy.

b) Level 3 Fair Values

The break down of the total gains (losses) in respect of Level 3 fair values is shown below.

For the year ended 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
Gains included in other income		
Change in fair value (Unrealised)	1,218	6,739
Change in fair value (realised)	6,739	12,774

19.3 Biological Assets

As at 31st March	Buffaloes	Poultry Breeder	Highland Crops	Teaks	Total
Matured (Rs.'000)	19,212	235,144	28,165	7,555	290,076
Immature (Rs.'000)	7,913	192,824	-	19,858	220,595
Total	27,125	427,968	28,165	27,413	510,671

19.4 Nature of Group's Biological Assets

The Group has biological assets comprising poultry breeder for producing Day Old Chicks (DOC), cattle for raw milk and teak for timber.

NOTES TO THE FINANCIAL STATEMENTS

19.5 Non-Financial Measures of Biological Assets

Quantities

At the end of the period	Buffaloes No. of animals	Poultry No. of birds	Teak cubic meters
2026	145	75,254	4.07
2025	170	96,804	4.07

Quantities

Produced during the year	Buffaloes No. of animals	Poultry No. of birds	Breeder No. of Eggs
2026	28	5,599,740	17,004,662
2025	33	5,703,013	20,409,302

19.6 Valuation of biological assets

CIC Group uses the following valuation techniques to measure their biological assets.

Description	Valuation Technique	Valuation Input	Discount Rate	Inter-relationship between key unobservable inputs and fair value measurements
Cattle	Weight in relation to category	weight and rate published by NLDB	-	positively correlated with weight and negative correlation with rate
Teak	Discounted cashflow	Annual marginal increase of timber content (0.55-1.5cm per year for a tree of diameter girth over 10cm)	22.00%	positively correlated with diameter and negative correlation with interest
Poultry breeder bird	Present value of future cash flows	No. of birds	25.13%	positively correlated
		No. of eggs per bird		positively correlated
		Weight of cull birds		positively correlated
		Selling price per DOC		positively correlated
		Cost per DOC		positively correlated
		Hatchability		positively correlated

19.7 Current biological assets

As at 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	247,327	299,770
Additions during the year	5,792,806	5,614,119
Disposals	(5,728,751)	(5,626,922)
Gain from change in fair value	27,869	(39,640)
	339,251	247,327

Part of these consumables biological assets represent growing birds (Broilers) which are usually processed and sold within 40 to 42 days. Age group of 1 to 28 days are valued at cost. Birds aging from 29 to 42 days are valued based on fair value which is determined based on the market value prevailing as at the reporting date. The valuation basis and the significant unobservable data used for the valuations are given below.

Type	Valuation Techniques	Significant Unobservable Data	Inter-relationship between key unobservable inputs and fair value measurements
Consumable biological assets	The Company has identified six aging categories such as 1-7, 8-14, 15-21, 22-28, 29-35, 36-42 and depending on the aging, the standard weight per bird is identified. Average cost is calculated for each category according to the age by analysing the Feed, DOC, Drug Vaccine and other overhead usages. Fair Value is calculated by using the prevailing market price per bird and Cost to sell includes commission expenditure made for marketing representatives. However, the market prices for the first four age categories are not available and therefore those age categories are measured at cost. Further, a positive yield can be determined only for the last two categories that is 29-35 and 36-42 and therefore those age categories are measured at fair value.	Selling price Rs.490 per Kg	Increase when selling price increases. Decrease when selling price decreases
Growing birds (broilers)		Average bird weight (1.90Kg)	Increase when average weight increases. Decrease when average weight decreases

19.8 Sensitivity Analysis

Sensitivity variation on selling price values as appearing in the Statement of Financial Position are sensitive to sales price changes with regard to the average price applied. Simulations made for livestock show that an increase or a decrease by 10% of the estimated future selling price has the following effect on the net present value of biological assets.

As at 31st March	Group 2026	
	-10% Rs.'000	10% Rs.'000
Biological assets	19,328	19,328

Sensitivity Variation on average animal weight values as appearing in the statement of Financial Position are sensitive to average animal weight changes. Simulations made for livestock show that an increase or a decrease by 10kg of average animal weight has the following effect on the net present value of biological assets.

As at 31st March	Group 2026	
	-10% Rs.'000	10% Rs.'000
Biological assets	12,069	12,069

Risk Management strategies relating agricultural activities are described in the risk report to the annual report.

20. INTANGIBLE ASSETS

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Goodwill				
Gross amount	-	-	673,088	673,088
Less: provision for impairment	-	-	(139,610)	(139,610)
Net Goodwill (20.1)	-	-	533,478	533,478
Software cost capitalised	23,777	31,677	64,727	91,733
During the year additions	-	-	22,588	216
Amortisation for the year	(7,900)	(7,900)	(28,847)	(27,222)
Net ERP cost capitalised	15,877	23,777	58,469	64,727
Total	15,877	23,777	591,947	598,205

NOTES TO THE FINANCIAL STATEMENTS

20.1 Aggregate carrying amounts of goodwill allocated to each unit are as follows:

As at 31st March	Group	
	2026 Rs.Mn	2025 Rs.Mn
Unipower (Private) Limited	208.08	208.08
Chemanex PLC	11.06	11.06
CIC Feeds (Private) Limited	16.62	16.62
BioSystems Technologies Limited	8.48	8.48
Asiavet Lifesence (Private) Limited	289.24	289.24
	533.48	533.48

The recoverable amounts of all cash generating units have been determined based on the fair value, less cost to sell or the value in use (VIU) calculation.

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

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

Gross margins

The basis used to determine the value assigned to the budgeted gross margins is the gross margins achieved in the year preceding the budgeted year adjusted for projected market conditions.

Discount rates

The discount rate used is the risk free rate, adjusted by the addition of an appropriate risk premium.

Inflation

The basis used to determine the value assigned to the budgeted cost inflation, is the inflation rate, based on projected economic condition.

Volume growth

Volume growth has been budgeted on a reasonable and realistic basis by taking into account the industry growth rates of one to four years immediately subsequent to the budgeted year. Cash flows beyond the five year period are extrapolated using 1% - 3% growth rate.

Recoverable values measured with reference to the value in use

Investee	Significant unobservable inputs	Value of the inputs
Unipower (Private) Limited	Average growth rate	5%-10%
	Discount rate	10.50%
	Term	5 years (terminal value thereafter)
	Terminal growth rate	1%
CIC Feeds (Private) Limited	Average growth rate	8% -10%
	Discount rate	15.57%
	Term	5 years (terminal value thereafter)
	Terminal growth rate	3%
ChemaneX PLC	Average growth rate	10%-15%
	Discount rate	11%
	Term	5 years (terminal value thereafter)
	Terminal growth rate	1%
BioSystems Technologies Limited	Average growth rate	10%-15%
	Discount rate	10%
	Term	5 years (terminal value thereafter)
	Terminal growth rate	1%
Asiavet Life Science (Private) Limited	Average growth rate	5%-30%
	Discount rate	15.59%
	Term	5 years (terminal value thereafter)
	Terminal growth rate	3%

20.2 The Company/Group capitalised the ERP implementation cost as at the year-end. This will be depreciated over 10 years.

20.3 There has been no permanent impairment of intangible assets that requires provision.

NOTES TO THE FINANCIAL STATEMENTS

21. DEFERRED TAX

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	57,642	91,436	1,642,530	1,598,940
Amount origination / (reversal) of temporary differences				
Recognised in profit or loss	(124,614)	(105,741)	(231,638)	(213,007)
Recognised in other comprehensive income	(6,784)	71,947	(24,662)	256,597
At the end of the year	(73,756)	57,642	1,386,230	1,642,530
Deferred tax asset	73,756	-	249,773	18,081
Deferred tax liabilities	-	57,642	1,636,003	1,660,611
Net (assets)/liabilities	(73,756)	57,642	1,386,230	1,642,530

B. Movement in Deferred Tax Balances

Company

2026	Net balances as at 01st April Rs'000	Recognised in Profit or loss Rs'000	Recognised in OCI Rs'000	Balance at 31 March		
				Net Rs'000	Deferred tax assets Rs'000	Deferred tax liabilities Rs'000
Property plant & equipment	192,091	(2,138)	-	189,953	-	189,953
Revaluation reserves	472,190	-	-	472,190	-	472,190
Right-of-use assets	14,222	31,120	-	45,342	-	45,342
Lease liability	(21,039)	(31,346)	-	(52,385)	(52,385)	-
Provision for impairment of trade receivables	(145,965)	(39,674)	-	(185,639)	(185,639)	-
Provision for obsolete and slow moving inventories	(173,280)	(45,140)	-	(218,420)	(218,420)	-
Other provisions	(138,705)	(9,438)	-	(148,143)	(148,143)	-
Retirement benefit obligations	(141,872)	(27,998)	(6,784)	(176,654)	(176,654)	-
Net (assets)/liabilities	57,642	(124,614)	(6,784)	(73,756)	(781,241)	707,485

Company

2025	Net balances as at 01st April Rs'000	Recognised in Profit or loss Rs'000	Recognised in OCI Rs'000	Balance at 31 March		
				Net Rs'000	Deferred tax assets Rs'000	Deferred tax liabilities Rs'000
Property plant & equipment	196,632	(4,541)	-	192,091	-	192,091
Revaluation reserves	383,059	-	89,131	472,190	-	472,190
Right-of-use assets	15,878	(1,656)	-	14,222	-	14,222
Lease liability	(21,977)	938	-	(21,039)	(21,039)	-
Provision for obsolete and slow moving inventories	(156,103)	(17,177)	-	(173,280)	(173,280)	-
Provision for impairment of trade receivables	(104,016)	(41,949)	-	(145,965)	(145,965)	-
Other provisions	(120,120)	(18,585)	-	(138,705)	(138,705)	-
Retirement benefit obligations	(101,917)	(22,771)	(17,184)	(141,872)	(141,872)	-
Net (assets)/liabilities	91,436	(105,741)	71,947	57,642	(620,861)	678,503

Deferred tax rate is 30%

Movement in deferred tax balances

Group

2026	Net balances as at 01st April Rs'000	Recognised in Profit or loss Rs'000	Recognised in OCI Rs'000	Balance at 31 March		
				Net Rs'000	Deferred tax assets Rs'000	Deferred tax liabilities Rs'000
Property plant & equipment	1,307,575	12,507	-	1,320,084	-	1,320,084
Revaluation reserves	1,422,331	-	-	1,422,331	-	1,422,331
Intangible assets	(486)	(1,591)	-	(2,077)	(2,077)	-
Right-of-use assets	50,153	26,004	-	76,157	-	76,157
Lease liability	(23,817)	(30,509)	-	(54,326)	(54,326)	-
Biological assets	100,340	31,101	-	131,441	-	131,441
Provision for impairment of trade receivables	(271,658)	(37,082)	-	(308,740)	(308,740)	-
Provision for obsolete and slow moving inventories	(311,922)	(140,621)	-	(452,543)	(452,543)	-
Contract Assets	17,379	(1,047)	-	16,332	-	16,332
Contract Liability	(33,344)	(293)	-	(33,637)	(33,637)	-
Other provisions	(150,833)	(10,370)	-	(161,205)	(161,203)	-
Retirement benefit obligations	(463,188)	(79,741)	(24,662)	(567,591)	(567,591)	-
Net (assets)/liabilities	1,642,530	(231,638)	(24,662)	1,386,230	(1,580,116)	2,966,346

NOTES TO THE FINANCIAL STATEMENTS

Group

2025	Net balances as at 01st April Rs'000	Recognised in Profit or loss Rs'000	Recognised in OCI Rs'000	Balance at 31 March		
				Net Rs'000	Deferred tax assets Rs'000	Deferred tax liabilities Rs'000
Property plant & equipment	1,322,115	(14,540)	-	1,307,575	-	1,307,575
Revaluation reserves	1,145,224	-	277,107	1,422,331	-	1,422,331
Intangible assets	3,512	(3,998)	-	(486)	(486)	-
Right-of-use assets	50,942	(789)	-	50,153	-	50,153
Lease liability	(16,236)	(7,581)	-	(23,817)	(23,817)	-
Biological assets	131,313	(30,973)	-	100,340	-	100,340
Provision for impairment of trade receivables	(210,592)	(61,066)	-	(271,658)	(271,658)	-
Provision for obsolete and slow moving inventories	(308,900)	(3,022)	-	(311,922)	(311,922)	-
Other provision	(132,295)	(18,538)	-	(150,833)	(150,833)	-
Contract assets	15,734	1,645	-	17,379	-	17,379
Contract liability	(29,437)	(3,907)	-	(33,344)	(33,344)	-
Retirement benefit obligation	(372,440)	(70,238)	(20,510)	(463,188)	(463,188)	-
Net (assets)/liabilities	1,598,940	(213,007)	256,597	1,642,530	(1,255,248)	2,897,778

The rate use for Deferred Tax computation given in Note 12.5

Deferred Tax Effect of Temporary Differences

Company	2026		2025	
	Temporary Difference Rs.'000	Tax Effect Rs.'000	Temporary Difference Rs.'000	Tax Effect Rs.'000
Property plant and equipment	633,176	189,953	640,305	192,091
Revaluation reserves	1,573,967	472,190	1,573,969	472,190
Right-of-use assets	151,140	45,342	47,400	14,222
Other provisions	(493,810)	(148,143)	(70,132)	(21,040)
Provision for impairment of trade receivables	(618,797)	(185,639)	(486,554)	(145,966)
Provision for obsolete and slow moving inventories	(728,067)	(218,420)	(577,598)	(173,280)
Retirement benefit obligations	(588,847)	(176,654)	(472,913)	(141,874)
Lease liability	(174,618)	(52,385)	(70,132)	(21,040)
Net (assets)/liabilities		(73,756)		57,642

Group	2026		2025	
	Temporary Difference Rs.'000	Tax Effect Rs.'000	Temporary Difference Rs.'000	Tax Effect Rs.'000
Property plant and equipment	4,931,504	1,320,084	5,028,223	1,307,575
Revaluation reserves	4,971,249	1,422,331	4,857,097	1,422,331
Intangible assets	(7,212)	(2,077)	(693)	(486)
Biological assets	455,672	131,441	338,065	100,340
Other provisions	(412,351)	(161,203)	(502,930)	(150,833)
Right-of-use assets	259,777	76,157	185,433	50,153
Lease liability	(181,087)	(54,326)	(79,390)	(23,817)
Contract liability	(112,122)	(33,637)	57,932	(33,344)
Contract assets	54,440	16,332	(111,146)	17,379
Provision for impairment of trade receivables	(1,013,793)	(308,740)	(995,262)	(271,658)
Provision for obsolete and slow moving inventories	(2,285,712)	(452,543)	1,087,342	(311,922)
Retirement benefit obligations	(1,912,771)	(567,591)	(1,543,960)	(463,188)
Net liabilities		1,386,230		1,642,530

Deferred tax has been computed using respective income tax rates of the companies within the group.

D. Unrecognised Deferred Tax Assets

As at 31st March	2026		2025	
	Temporary Difference Rs.'000	Tax Effect Rs.'000	Temporary Difference Rs.'000	Tax Effect Rs.'000
Company/Group				
Accumulated tax losses	726,870	218,061	830,300	249,090

Accumulated tax losses will be expired by 31.03.2027

Deferred tax asset has not been recognised in respect of the Group's brought forward tax losses as at 31st March 2026 amounting to Rs.726.87Mn (2025-Rs.830.30Mn) since it is not probable that the future taxable profit will be available against which the Group can use the benefit therein.

Recognised deferred tax asset on accumulated tax losses has been recognised only upto the extent of forecasted future taxable profit.

E. Unremitted income from subsidiaries and associates

The Group has determined that the undistributed profits of its subsidiaries or associate will not be distributed in the foreseeable future. The Group has an agreement with its associate that the profit of the associate will not be distributed until it obtains the consent of the Group. The Group does not anticipate giving such consent at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

22. INVESTMENT IN SUBSIDIARIES

Acquisition of subsidiary

Identifiable assets acquired and liabilities assumed

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows.

Assets acquired	Valuation technique
Property, Plant & Equipment	Market comparison technique and cost technique: The valuation model considers market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Intangible Assets	The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer relationships, by any cash flows related to contributory assets.
Inventories	Market comparison technique: The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

A

As at 31st March	Market Value Rs. Mn	Holding %	2026		2025	
			No. of Shares	Cost Rs. '000	No. of Shares	Cost Rs. '000
Company						
Quoted						
ChemaneX PLC	1294.04	50.55	8,164,321	136,683	7,939,373	136,683
	1294.04		8,164,321	136,683	7,939,373	136,683
Unquoted - Subsidiaries						
Crop Management Services (Private) Limited.		100.00	780,000	202,144	780,000	202,144
CISCO Speciality Packaging (Private) Limited.		50.00	5,525,005	55,250	5,525,005	55,250
CIC Agri Businesses (Private) Limited		67.68	10,720,001	263,135	10,720,001	263,135
Colombo Industrial Agencies Limited.		85.56	855,598	15,505	855,598	15,505
CIC Feeds (Private) Limited		82.44	3,710,000	217,434	3,710,000	217,434
Link Natural Products (Private) Limited.		86.13	6,833,834	1,937,600	6,833,834	1,937,600
CIC CropGuard (Private) Limited		100.00	500,001	5,005	500,001	5,005
CIC Lifesciences Limited		99.89	132,625,435	191,205	132,625,435	191,205
Unipower (Private) Limited		100.00	538,000	427,675	538,000	427,675
CIC Properties (Private) Limited		100.00	4,500,000	45,000	4,500,000	45,000
Asiavet Lifesence (Private) Limited		100.00	2,750,100	463,824	2,750,100	463,824
CIC Dairies (Private) Limited		14.15	8,050,000	80,500	8,050,000	80,500
Precision Agricultural Technologies (Private) Limited		60.00	840,000	8,400	840,000	8,400
				4,049,360		4,049,360
Provision for impairment of subsidiaries				(282,100)		(282,100)
Total				3,767,260		3,767,260

- (i) During the year 2023/24, the Company capitalised an advance of Rs. 80.5 Mn granted to CIC Dairies (Private) Limited. With the negative net asset position of CIC Dairies (Private) Limited, the Company recognised an impairment provision of Rs. 50.0 Mn against this investment during the same year. During the year 2024/25, an additional provision of Rs. 30.5 Mn was made, increasing the total provision against the investment to Rs. 80.5 Mn.
- (ii) With the reduction in the net asset position of CIC Properties (Private) Limited, the Company recognised impairment provisions aggregating Rs. 8.0 Mn during the year 2018/19. During 2020/21, a further provision of Rs. 37.0 Mn was recognised, bringing the total provision against the investment to Rs. 45.0 Mn.
- (iii) In 2017/18, 2018/19 and 2019/20, the Company has made a provision of Rs. 148.2Mn on investment in Crop Management Services (Private) Limited due to reduction of net assets.
- (iv) In 2017/18, the Company made a provision of Rs.8.4Mn on the investment of CIC Precision Agricultural Technologies (Private) Limited due to the re-assignment of promotion of latest agricultural technologies to the respective entities of CIC Agri Businesses Group.
- (v) Other investments were also tested for impairment, and no provision was required.
- (vi) Breakup of the provision for impairment of subsidiaries is as follows

As at 31st March	Group	
	2026 Rs. '000	2025 Rs. '000
Crop Management Services (Private) Limited	148,200	148,200
Precision Agriculture Technologies (Private) Limited	8,400	8,400
CIC Properties (Private) Limited	45,000	45,000
CIC Dairies (Private) Limited	80,500	80,500
Total	282,100	282,100

vii) The subsidiaries of the Company are incorporated in Sri Lanka.

viii) The company has neither contingent liabilities nor capital commitment in respect of subsidiaries.

ix) The main activities of the subsidiary companies are given in page 222 to 225.

B. Inter Company Shareholdings

As at 31st March	Investee	2026		2025	
		% Holding	Number of Shares	% Holding	Number of Shares
Chemanex PLC	CIC Feeds (Private) Limited	11.11	500,000	11.11	500,000
CIC Agri Businesses (Private) Limited	Chemanex PLC	2.84	444,604	2.84	444,604
Crop Management Services (Private) Limited	CIC Feeds (Private) Limited	6.44	290,100	6.44	290,100

NOTES TO THE FINANCIAL STATEMENTS

C. Material Non Controlling Interest

The group has assessed each subsidiary that has non-controlling interest based on contributions made to the group revenue, profit, total assets and net assets. Following table summarises the information relating to the subsidiary which has a material non-controlling interest.

As at 31st March	CIC Agri Businesses (Private) Limited GROUP	
	2026 Rs. '000	2025 Rs. '000
NCI percentage	32.30%	32.30%
Non-current assets	3,778,440	2,572,190
Current assets	15,104,660	13,753,698
Non - current liabilities	1,382,657	760,539
Current liabilities	8,458,971	7,758,283
Profit after tax	1,396,568	1,648,356
Net cash flows generated from/(used in) operating activities	(468,147)	866,810
Net cash flows used in investing activities	(1,535,102)	(460,698)
Net cash flows used in financing activities	481,224	(48,634)
Net assets attributable to non-Controlling interest	2,920,456	2,521,744

D. Other individually immaterial subsidiaries

The group has assessed each subsidiary that has non-controlling interest based on contributions made to the group revenue, Following table summarises the information relating to the subsidiary which do not have a material non-controlling interest.

As at 31st March	2026 Rs. '000	2025 Rs. '000
Non-current assets	13,254,165	11,016,739
Current assets	10,945,676	11,067,642
Non-current liabilities	2,354,831	2,278,505
Current liabilities	4,636,870	5,086,504
Profit after tax	3,606,959	2,437,601
Net cash flows generated from/(used in) operating activities	5,647,144	3,146,053
Net cash flows used in investing activities	(3,907,211)	(2,987,848)
Net cash flows (used in)/ generated financing activities	(460,304)	429,649
Net assets attributable to non-Controlling interest	4,672,236	3,785,498

23. EQUITY ACCOUNTED INVESTEEES

As at 31st March	Holding %	2026		2025	
		No. of Shares	Cost Rs.'000	No. of Shares	Cost Rs.'000
Company					
Unquoted					
Akzo Nobel Paints Lanka (Private) Limited					
Ordinary Shares	49.37	2,340,000	23,400	2,340,000	23,400
Non-Voting Shares	100.00	1,260,000	12,600	1,260,000	12,600
CIC Grains (Private) Limited	49.00	26,313,000	263,131	26,313,000	263,131
Quoted					
John Keells Holdings PLC	5.12	902,870,000	17,087,199	902,870,000	17,087,199
Provision for impairment of equity accounted investees			(263,131)		(263,131)
Total			17,123,199		17,123,199
Group					
Unquoted					
Akzo Nobel Paints Lanka (Private) Limited					
Ordinary Shares		2,340,000	23,400	2,340,000	23,400
Non-Voting Shares		1,260,000	12,600	1,260,000	12,600
Group share of net assets on deemed disposal			280,922		280,922
Rainforest Ecolodge (Private) Limited.		9,950,868	99,510	9,950,868	99,510
Rahimafrooz CIC Agro Limited		212,928	32,573	212,928	32,573
Quoted					
John Keells Holdings PLC		1,424,332,478	27,533,968	1,237,358,093	23,416,654
			27,982,973		23,865,659
Share of equity accounted investees retained earnings			2,860,217		1,734,025
Share of equity accounted investees other reserves			14,875		14,875
Share of losses absorbed -Rahimafrooz CIC Agro Limited			(32,573)		(32,573)
Gain on bargain purchase of John Keells Holdings PLC			6,010,313		5,795,658
Loss on dilution of investment in John Keells Holdings PLC			(2,048,529)		(2,026,826)
Total			34,787,276		29,350,818

NOTES TO THE FINANCIAL STATEMENTS

23.1 Investment in John Keells Holdings PLC (JKH)

CIC Holdings PLC has entered into an agreement on the 06th October 2023 with Paints & General Industries Limited and its major shareholder Mr. Sohli Captain and several companies held by him and Mr.Rusi Captain whereby they have granted CIC an irrevocable unconditional proxy over their voting rights from their shareholdings in John Keells Holdings PLC to CIC for a period of ten (10) years. The shares which are the subject matter of this agreement aggregate at present to approximately 15.87% of the issued shares of JKH.

Accordingly with the said agreement CIC approximately holds 23.92% of the voting rights in JKH As at 31st March 2026.

As per paragraph 5 of LKAS 28 - Investments in Associates and Joint Ventures, Significant Influence is presumed to exist when an investor holds, directly or indirectly (e.g. through subsidiaries), 20 percent or more of the voting power of another entity. As described in the proceeding paragraph, CIC now holds approximately 23.92% of the voting rights in JKH through the contractual agreement. Accordingly, CIC has determined that CIC exercises significant influence on JKH and therefore, permitted to treat JKH as an associate company in terms of Sri Lanka Accounting Standards, only to the extent of the percentage of shares effectively held by CIC in JKH.

Thus, CIC applied equity accounting only in respect of CIC and its subsidiaries' holding in JKH, from the quarter ending 31st December 2023. During the year 2025/26 Gain on bargain purchase amounting to Rs.214 Mn as given below.

Rs'000	Stated capital	Revenue reserves	Other components of equity	Net assets
As at 30th June 2025	133,078,290	133,284,940	132,431,010	398,794,240
Net assets attributable to CIC Group - 30th June 2025	127,877	128,076	127,255	383,208
As at 30th September 2025	133,341,090	135,118,360	132,167,560	400,627,010
Net assets attributable to CIC Group - 30th September 2025	184,880	187,340	183,250	555,470
As at 31st December 2025	133,604,330	140,046,260	136,831,870	410,482,460
Net assets attributable to CIC Group - 31st December 2025	820,010	859,550	839,820	2,519,380
As at 31st March 2026	133,797,590	144,883,740	136,083,570	414,764,900
Net assets attributable to CIC Group - 31st March 2026	277,860	300,880	282,600	861,340
Net assets attributable				4,319,398
Cost of the investment				4,117,314
Difference				202,084
Goodwill on acquisition				12,571
Gain on bargain purchase				214,655

23.2 Loss on dilution of investment in John Keells Holdings PLC

John Keells Holdings PLC has exercised its share option scheme and executed share based payments. Accordingly, CIC Holdings Group's shareholding percentage was diluted, and a loss on dilution of Rs. 15.25 Mn (30th June 2025), Rs. 4.57 Mn (30th September 2025) and Rs.1.89 Mn (31st March 2026) was charged to the Income Statement.

Quarter ended Rs. '000	As at 30th June 2025	As at 30th September 2025	As at 31st March 2026
Net assets applicable to CIC Group before dilution	28,021,851	28,329,707	32,200,615
Net assets applicable to CIC Group after dilution	28,006,604	28,325,139	32,198,726
Loss on dilution of investment in John Keells Holdings PLC	(15,246)	(4,568)	(1,889)

23.3 Except for Rahimafrooz CIC Agro Limited incorporated in Bangladesh, all the other equity accounted investees are incorporated in Sri Lanka.

23.4 Though the Group continues to hold 49% of Rahimafrooz CIC Agro Limited, management has decided to withdraw from the operations carried out by the investee. In having withdrawn from the joint venture, the Group has been unable to obtain the information pertaining to the losses incurred by Rahimafrooz CIC Agro Limited as well as information pertaining to assets/ liabilities as at the reporting date and for the previous year, amounts relating to the year 2015 have been disclosed herein.

As at 31st March	2015 Rs. '000
Current assets	356,699
Non current assets	10,920
Current liabilities	(473,943)
Non current liabilities	(124,089)
Net assets	(230,413)

23.5 The main activities of the equity accounted investees are given in pages 222 to 225. Registered business place of Rainforest Ecolodge (Private) Limited is Aitken Spence Tower 02, Vauxhall Street, Colombo 02 and AkzoNobel Paints Lanka (Private) Limited is located at Level 10, Maga one,200, Nawala Road, Narahenpita, Colombo 05.

23.6 The Group has neither contingent liabilities nor capital commitments in respect of equity accounted investees.

23.7 CIC Grains (Private) Limited made losses which reduced its net assets to negative Rs.170.85Mn. Therefore in 2017/18 the Directors of CIC Holdings PLC and CIC Agri Businesses (Private) Limited decided to fully impair the investment made in the respective entities i.e. Rs. 263.13Mn and Rs. 273.87Mn respectively.

NOTES TO THE FINANCIAL STATEMENTS

23.8 Summarised financial information of equity accounted investees.

As at 31st March Group	2026			2025		
	John Keells Holdings PLC	AkzoNobel Paints Lanka (Private) Limited	Total	John Keells Holdings PLC	AkzoNobel Paints Lanka (Private) Limited	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Revenue	528,850,693	9,126,248	537,976,941	317,377,726	8,325,954	325,703,680
Expenses	(506,769,185)	(8,117,012)	(514,886,197)	(310,453,462)	(7,359,193)	(317,812,655)
Profit after tax	22,081,508	1,009,236	23,090,744	6,924,264	966,761	7,891,025
Non- current assets	694,455,643	530,964	694,986,607	658,605,823	858,921	659,464,744
Current assets	234,667,658	4,560,356	239,228,014	187,312,258	4,158,415	191,470,673
Total assets	929,123,301	5,091,320	934,214,621	845,918,081	5,017,336	850,935,417
Non- current liabilities	266,580,588	157,918	266,738,506	274,463,865	638,037	275,101,902
Current liabilities	222,837,178	2,603,152	225,440,330	152,651,508	2,418,383	155,069,891
Total liabilities	489,417,766	2,761,070	492,178,836	427,115,373	3,056,420	430,171,793
Net assets	439,705,535	2,330,250	442,035,785	418,802,708	1,960,916	420,763,624

23.9 The below table reconciles the summarised financial information to the carrying amount of the Groups' interest in Associates.

As at 31st March	Group	
	2026 Rs. '000	2025 Rs. '000
At the beginning of the year	29,350,818	25,206,124
Transferred from fair value through OCI	-	-
Addition	4,117,314	4,259,093
Gain on bargain purchase	214,655	440,096
Loss on dilution of investment	(21,703)	(946,269)
Share of profit of equity accounted investees	1,630,497	897,796
Share of other comprehensive income	279,747	55,690
Dividend received	(858,304)	(584,771)
Adjustment on dividend to NCI	74,252	23,059
At the end of the year	34,787,276	29,350,818

24. EQUITY INVESTMENT AT FAIR VALUE THROUGH OCI

The Company designated the investments shown below as equity investments at FVOCI because these equity investments represent investments that the Company intends to hold for strategic purpose. No strategic investment were disposed during 2024/25 and 2025/26, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Carrying value at the beginning of the year	-	-	150	150
Additions	-	-	-	-
Fair value gain/ (loss)	-	-	1	-
Transfer to equity accounted investee	-	-	-	-
Carrying value at the end of the year	-	-	151	150

As at 31st March	2026			2025		
	No of shares	Share Price (Rs)	Fair Value Rs. '000	No of shares	Share Price (Rs)	Fair Value Rs. '000
Group						
Quoted						
Muller & Phipps (Ceylon) PLC	300	2.00	1	300	1.20	-
John Keells Holdings PLC	-	-	-	-	-	-
			1			-
Unquoted						
Equity Investments (Lanka) Limited	15,000	10.00	150	15,000	10.00	150
			150			150
Total			151			150

The fair value of financial instruments traded in active market is based on quoted market prices as at the reporting date. The disclosures relating to fair value measurement are given in Note 3.14 to the Financial Statements.

25. INVENTORIES

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Raw materials and consumables	1,095,974	1,395,456	11,104,857	10,538,964
Packing Materials	-	-	634,650	555,158
Work-in-progress	22,024	20,949	1,071,381	823,826
Finished goods	4,586,654	4,880,907	8,535,743	8,692,362
Goods-in-transit	843,194	362,228	1,834,693	1,579,975
	6,547,846	6,659,540	23,181,324	22,190,285
Provision for obsolete and slow moving inventories (Note 25.1)	(728,063)	(577,597)	(1,859,113)	(1,471,294)
Total	5,819,783	6,081,943	21,322,211	20,718,991

Inventories are stated at cost or net realisable value, whichever is lower. The breakup of the carrying value of inventories is as follows::

NOTES TO THE FINANCIAL STATEMENTS

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
At cost	5,819,783	6,081,943	21,322,211	20,718,991
At net realisable value	-	-	-	-
Total	5,819,783	6,081,943	21,322,211	20,718,991

25.1 Provision for obsolete and slow moving inventories

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	577,597	520,339	1,471,292	1,364,564
Provision made during the year	172,432	130,718	742,957	424,194
Write off during the year	(21,966)	(73,460)	(355,136)	(317,464)
At the end of the year	728,063	577,597	1,859,113	1,471,294

25.2 The Group has obtained bank facilities on the negative pledge on inventories.

26. TRADE RECEIVABLES

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Trade receivables from Group Companies (Note 26.1)	2,218	74,673	-	-
Trade receivables - Other than from Group Companies	6,502,065	5,780,522	15,216,584	12,871,328
Bills receivable	-	-	233,956	257,472
Total	6,504,283	5,855,195	15,450,540	13,128,800
Less : Provision for impairment for trade receivables (Note 26.2)	(839,851)	(710,384)	(1,214,036)	(1,140,932)
Total	5,664,432	5,144,811	14,236,504	11,987,868

* Bank facilities have been obtained on negative pledge on trade receivables.

** Trade receivables have increased mainly due to the increase in turnover and it does not have a material impact on the loss allowance as the debtors are within the average credit period.

26.1 Trade Receivables from Group Companies

As at 31st March	Company	
	2026 Rs.'000	2025 Rs.'000
CIC Agri Businesses (Private) Limited	-	14,891
Link Natural Products (Private) Limited	-	57,910
CIC Diaries (Private) Limited	-	794
CIC Feeds (Private) Limited	271	30
CIC Poultry Farms Limited	1,198	587
CISCO Specialty Packaging (Private) Limited	749	461
Total	2,218	74,673

26.2 Provision for impairment for trade receivables

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	710,384	570,552	1,140,931	930,382
Provision made during the year	176,246	139,832	174,670	233,461
Written off during the year	(46,779)	-	(101,565)	(22,911)
At the end of the year	839,851	710,384	1,214,036	1,140,932

There is no material expense incurred for the recovery of written off debtors

26.3 Trade Receivables Currency-wise

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Sri Lankan Rupees	6,260,815	5,721,039	14,830,600	12,716,030
US Dollars	243,468	134,156	473,883	268,974
Euro	-	-	146,057	143,796
Total	6,504,283	5,855,195	15,450,540	13,128,800

27. OTHER ASSETS

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Non trade receivables from Group companies (Note 27.1)	181,213	86,896	-	-
Other non trade receivables (Net)	1,189,549	720,308	2,706,161	2,464,122
Subsidy receivable	-	-	1,261,749	1,437,448
VAT Receivable	-	5,677	93,072	94,859
Loans to employees	8,014	10,317	45,770	29,346
Pre-paid staff cost	-	-	13,242	6,697
Contract assets	205,719	166,728	260,152	224,657
	1,584,495	989,926	4,380,146	4,257,129
Less : Provision for impairment of other receivables (note 27.3)	(206,877)	(163,810)	(274,519)	(202,935)
Total	1,377,618	826,116	4,105,359	4,054,194

NOTES TO THE FINANCIAL STATEMENTS

27.1 Short term loans granted to subsidiaries include Rs. 55Mn of CIC Properties (Private) Limited at an interest rate of 12.26% which is payable on demand. This is loan has been fully impaired.

27.2 Non Trade Receivable from Group Companies

As at 31st March	Company	
	2026 Rs.'000	2025 Rs.'000
Chemanex PLC	15,508	13,531
CIC Agri Businesses (Private) Limited	20,977	16,711
CIC Feeds (Private) Limited	27,409	2,527
CIC CropGuard (Private) Limited	23,481	27,499
Crop Management Services (Private) Limited	11	-
CIC Vetcare (Private) Limited	8,654	1,714
CIC Lifesciences Limited	37,088	5,214
CIC Agri Produce Export (Private) Limited	8,140	1,817
CIC Agri Produce Marketing (Private) Limited	969	176
CIC Grains (Private) Limited	2,363	2,363
CIC Seeds (Private) Limited	20,200	1,723
CIC Dairies (Private) Limited	9,033	7,783
CIC Dairy Breeding & Management (Private) Limited	2,238	2,238
CIC Poultry Farms (Private) Limited	3,709	734
Link Natural Products (Private) Limited	1,521	3,722
BioSystems Technologies Limited	179	-
Unipower (Private) Limited	5,422	4,833
Total	186,902	92,585
Less: Provision for impairment	(5,689)	(5,689)
Total	181,213	86,896

27.3 Provision for impairment of non-trade receivable from Group Companies

As at 31st March	Company	
	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	5,689	2,934
Provision made during the year	-	2,755
At the end of the year	5,689	5,689

27.4 Provision for impairment of other receivables

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	163,810	149,074	202,935	160,959
Provision made during the year	43,067	14,736	71,584	41,976
At the end of the year	206,877	163,810	274,519	202,935

27.5 Inter company loan

As at 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
CIC Properties (Private) Limited	55,000	55,000
	55,000	55,000
Less: Provision for impairment	(55,000)	(55,000)
Total	-	-

Company has lent its funds at opportunity interest rate plus additional 1% to its group companies.

A. CIC Properties (Private) Limited inter Company receivables

As at 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
Balance as at		
Payment	194	1,143
Provision (charge)/ reversal	(194)	(1,143)
Closing Balance	-	-

28. Equity Investment at Fair value through OCI

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Carrying value at the beginning of the year	68,382	40,059	496,002	287,267
Additions	-	743	-	5,294
Fair value gain/(loss)	26,065	27,580	139,251	203,441
Disposal	(46,832)		(523,011)	
Carrying value at the end of the year	47,615	68,382	112,242	496,002

As at 31st March	2026			2025		
	Share Price (Rs.)	No of shares	Fair value 'Rs. '000	Share Price (Rs.)	No of shares	Fair value 'Rs. '000
Company						
Quoted						
Ceylon Hospitals PLC	60.00	23,916	1,435	127.50	5,979	762
Renuka Agri Foods PLC	12.50	155,611	1,945	3.40	155,611	529
Hatton National Bank PLC- Voting	410.75	103,872	42,666	305.00	202,120	61,647
Hatton National Bank PLC - Non-Voting	354.25	4,430	1,569	255.25	21,330	5,444
Total			47,615			68,382

NOTES TO THE FINANCIAL STATEMENTS

As at 31st March	2026			2025		
	Share Price (Rs.)	No of shares	Fair value 'Rs. '000	Share Price (Rs.)	No of shares	Fair value 'Rs. '000
Group						
Quoted						
Ceylon Hospitals PLC	60.00	23,916	1,435	127.50	5,979	762
Renuka Agri Foods PLC	12.50	155,611	1,945	3.40	155,611	530
Hatton National Bank PLC- Voting	410.75	261,211	107,293	305.00	1,604,148	489,266
Hatton National Bank PLC - Non-Voting	354.25	4,430	1,569	255.25	21,330	5,444
Total			112,242			496,002

All fair value through OCI financial assets are designated as level 1 in the fair value hierarchy as the mentioned short term investments are all quoted and actively traded in the Colombo Stock Exchange. There have been no transfers between level 1 and level 2 during the year.

29. CASH AND CASH EQUIVALENTS AND DEPOSITS WITH BANK

29.1 Cash and cash equivalents

29.1.1 Favourable cash and cash equivalents

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Cash and bank balances	1,053,271	1,359,854	2,629,275	2,771,636
Short term deposits	-	-	1,999,037	2,273,837
	1,053,271	1,359,854	4,628,312	5,045,473
Cash and cash equivalents classified as assets held for sale	-	-	-	-
Cash and cash equivalents classified as assets held for distribution	-	-	65,310	55,332
	1,053,271	1,359,854	4,693,622	5,100,805

29.1.2 Unfavourable cash and cash equivalents

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Bank overdraft	(160,474)	(313,417)	(738,671)	(1,368,958)
Money market borrowings			(90,000)	
Short term bank loans	(20,116,793)	(18,988,124)	(26,421,697)	(24,559,058)
	(20,277,267)	(19,301,541)	(27,250,368)	(25,928,016)
Interest bearing short-term borrowings for the purpose of cash flow statement				
Cash and cash equivalents for the purpose of cash flow statements	(19,223,996)	(17,941,687)	(22,556,746)	(20,827,211)

29.2 Deposits with bank

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Fixed Deposits	2,595,757	1,658,796	2,623,719	1,683,560
REPO	-	-	43,667	-
Treasury Bills	-	-	133,000	-
Total	2,595,757	1,658,796	2,800,386	1,683,560

30. STATED CAPITAL

As at 31st March	Company			
	2026 No. of Shares	2026 Rs.	2025 No. of Shares	2025 Rs.
Ordinary Shares				
As at the beginning of the year	291,600,000	789,750,000	291,600,000	789,750,000
As at the end of the year	1,458,000,000	789,750,000	291,600,000	789,750,000
Non-Voting (Class X) Shares				
As at the beginning of the year	87,480,000	218,700,000	87,480,000	218,700,000
As at the end of the year	437,400,000	218,700,000	87,480,000	218,700,000
Total	1,895,400,000	1,008,450,000	379,080,000	1,008,450,000

The holders of Ordinary shares (Voting) are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the Company.

On 13th October 2025, a special resolution stating sub-division of shares has been duly passed by the shareholders unanimously at the Extra Ordinary General Meeting of the Company held on the said date. Accordingly, number of shares of the Company, after the subdivision is as follows:

As at 31st March	Ordinary Shares	Non-Voting (Class-X) Shares	Total Shares
No of shares prior to the sub-division	291,600,000	87,480,000	379,080,000
No of shares after the sub-division	1,458,000,000	437,400,000	1,895,400,000

31. CAPITAL RESERVES

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	1,158,212	950,240	3,013,269	2,412,465
Surplus on revaluation	-	297,103	-	843,376
Deferred tax on revaluation of land	-	(89,131)	-	(242,572)
At the end of the year	1,158,212	1,158,212	3,013,269	3,013,269

Capital reserves consist of revaluation reserve and reserve on scrip issue.

Revaluation reserves relates to revaluation of lands and represents the increase in the fair value of the lands.

Reserves on scrip issue is originated from post-acquisition scrip issues made by the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

32. REVENUE RESERVES

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Summary				
General reserves	782,604	782,604	720,306	720,306
Retained earnings	9,992,874	9,510,157	41,400,482	35,289,971
Fair value reserves	25,611	24,438	49,535	87,585
	10,801,089	10,317,199	42,170,323	36,097,862

Revenue reserves comprises of retained earnings, general reserves and fair value reserves.

General reserve is the amount appropriated by the Board of Directors.

The fair value reserve arises on the fair value change of financial assets recognised in the other comprehensive income.

33. LOANS AND BORROWINGS

33.1 Loans and borrowings repayable after one year

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Bank loans (Note 33.2)	1,112,104	1,487,926	1,738,132	1,487,926
Lease liabilities relating to right of use asset (Note 33.3)	146,926	66,643	480,528	412,983
	1,259,030	1,554,569	2,218,660	1,900,909

33.2 Bank Loans

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	1,848,412	-	1,848,412	2,700
Obtained during the year	-	2,000,000	925,000	2,000,000
Repayments during the year	(360,487)	(151,588)	(471,487)	(154,288)
At the end of year	1,487,925	1,848,412	2,301,925	1,848,412
Less: Repayable within one year	(375,821)	(360,486)	(563,793)	(360,486)
Repayable after one year	1,112,104	1,487,926	1,738,132	1,487,926

There are no bank loans payable after five years in the Company or Group.

33.3 Lease liability relating to ROU asset

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	70,132	73,260	459,239	444,606
New lease additions	125,119	-	311,337	79,109
Interest charge	19,924	7,805	61,149	53,954
Derecognition	-	-	(89,677)	-
Payments	(40,557)	(10,933)	(130,051)	(118,430)
At the end of the year	174,618	70,132	611,997	459,239
Less: Repayable within one year	(27,692)	(3,489)	(131,469)	(46,256)
Repayable after one year	146,926	66,643	480,528	412,983

33.4 Loans and borrowings repayable within one year from the year end

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Bank loans	375,821	360,486	563,793	360,486
Lease liabilities relating to right-of-use asset	27,692	3,489	131,469	46,256
Bank overdrafts	160,474	313,417	738,671	1,368,958
Short term loans	20,116,793	18,988,124	26,421,697	24,559,058
Money market borrowings	-	-	90,000	-
Total	20,680,780	19,665,516	27,945,630	26,334,758

33.5 Analysis of loans and borrowings

Company	Lender	Interest Rate (Fixed)	Repayment Term	2026 Rs.Mn	2025 Rs.Mn	Security
CIC Holdings PLC	Amana Bank	11.75%	Monthly	1,487	1,848	JKH Shares
CIC Agri Produce Export (Private) Limited	Amana Bank	10.00%	Monthly	525	-	
CISCO Speciality Packaging (Private) Limited	Commercial Bank	10.50%	Monthly	400	-	

34. RETIREMENT BENEFIT OBLIGATIONS

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Present value of the gratuity				
At the beginning of the year	472,914	339,731	1,609,745	1,300,694
Current service cost	50,741	43,220	195,735	130,291
Benefits paid by the plan	(9,434)	(11,481)	(46,232)	(48,889)
Interest cost	52,020	44,164	125,346	159,134
Actuarial losses	22,612	57,280	83,895	68,515
As at the end of the year	588,853	472,914	1,968,489	1,609,745

A Retirement benefit cost is recognised in the following line items in the Statements of Profit or Loss and Other Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Cost of Sales	1,900	1,236	53,924	50,150
Distribution expenses	39,361	22,603	72,212	63,355
Administrative expenses	61,500	63,545	194,945	175,920
	102,761	87,384	321,081	289,425
Other comprehensive income	22,612	57,280	83,895	68,515
Total	125,373	144,664	404,976	357,940

A The gratuity liability of the Company, and the Group is based on the actuarial valuation carried out by Actuarial and Management Consultants (Private) Limited, a firm of defined benefit plan. professional actuaries. The liability is not externally funded and it is a non-contributory defined benefit plan.

B LKAS 19 requires the use of actuarial techniques to make a reliable estimate of the amount of retirement benefits that employees have earned in return for their service in the current and prior periods and discount that benefit using projected unit credit method in order to determine the present value of the retirement benefit obligation and the current service cost. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates about demographic variables and financial variables that will influence the cost of the benefit. The following key assumptions were made in arriving at the above figure.

As at 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
Rate of discount	10%	11%
Salary increase	9%	10%
Retirement age	60 years	60 Years
Staff turnover rate-up to age 54+	14%	14%
Staff turnover rate-after age 54+	0%	0%

Weighted average retirement age of the company is 11.79 Years

Assumptions regarding future mortality are based on a 67/70 mortality table, issued by Institute of Actuaries, London.

A long-term Treasury Bond rate of 10 % p.a. (2025 – 11% p.a.) has been used to discount future liabilities taking into consideration remaining working life of eligible employees. Further, the salary increment rate of 9% is considered appropriate to be in line with the Company's targeted future salary increments when taking into account the current market conditions and inflation rate. The demographic assumptions underlying the valuation with respect to retirement age, early withdrawals from the services and retirement on medical grounds.

C. Sensitivity of Assumptions Used

A change in discount rate and in salary increase would change in the present value of the retirement benefit obligations as follows:

As at 31st March 2026	Increase by 1%		Decrease by 1%	
	Discount Rate Rs.'000	Future Salary Growth Rs.'000	Discount Rate Rs.'000	Future Salary Growth Rs.'000
Company - The present value change in retirement benefit obligation	(26,876)	31,940	29,334	(29,732)
Group - The present value change in retirement benefit obligation	(101,751)	121,057	112,892	(110,978)

As at 31st March 2025	Increase by 1%		Decrease by 1%	
	Discount Rate Rs.'000	Future Salary Growth Rs.'000	Discount Rate Rs.'000	Future Salary Growth Rs.'000
Company - the present value change in retirement benefit obligations	(22,791)	27,069	24,979	(25,091)
Group - the present value change in retirement benefit obligations	(73,503)	84,261	81,160	(78,062)

D. Below table summarises the maturity profile of the defined benefit obligation

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Within the next 12 months	76,622	62,895	319,769	225,274
Between 1-2years	-	-	93,115	46,491
Between 2-5 years	281,997	187,476	659,661	524,958
Between 5-10 years	150,820	151,719	507,716	455,128
Beyond 10 years	79,414	70,824	388,228	357,894
Total	588,853	472,914	1,968,489	1,609,745

E. Employee benefit expenses

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Wages & Salaries	867,391	745,740	3,614,391	3,058,518
Contributions to defined contributions plan	136,094	118,356	458,376	516,884
Provision for retirement benefits	102,761	87,384	321,081	289,425
	1,100,246	951,480	4,393,848	3,864,827

NOTES TO THE FINANCIAL STATEMENTS

35. GRANTS

As at 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
At the beginning of the year	1,195	1,372
Amortised during the year	(177)	(177)
At the end of the year	1,018	1,195

Grants are amortised over the useful life of the asset. Details of grants are as follows;

Beneficiary	Purpose	Grantor	Carrying Value	
			2026 Rs.'000	2025 Rs.'000
CIC Agri Business (Private) Limited	Dairy development in the Eastern Province	Land O'Lakes, Inc	1,018	1,195
			1,018	1,195

36. TRADE PAYABLES

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Trade payables to Group Companies (Note 36.1)	96,368	109,420	-	-
Bills payable	2,833,773	2,597,719	4,482,480	5,094,768
Other trade payables	40,175	21,718	1,087,475	1,332,459
Total	2,970,316	2,728,857	5,569,956	6,427,227

36.1 Trade Payables to Group Companies

As at 31st March	Company	
	2026 Rs.'000	2025 Rs.'000
CISCO Speciality Packaging (Private) Limited	338	-
Link Natural Products (Private) Limited	34	39,621
CIC Seeds (Private) Limited	1,084	1,116
CIC Lifesciences Limited	94,912	68,683
	96,368	109,420

36.2 Currency-wise Trade Payable

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
US Dollars	2,697,356	1,857,411	3,741,102	4,154,352
Euros	106,921	37,327	163,095	157,764
Singapore Dollars	58,429	118,815	91,296	118,815
Sri Lankan Rupees	107,610	715,304	1,574,463	1,996,296
	2,970,316	2,728,857	5,569,956	6,427,227

37. INCOME TAX PAYABLE/ (RECEIVABLE)

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
As at the beginning of the year	386,395	82,174	1,337,306	1,019,745
Provision made during the year				
- continuing operations	257,175	415,885	3,280,116	3,126,032
- discontinued operations	-	-	160	788
Under provisions in respect of previous year	(1,232)	(36,689)	124,512	(35,954)
Irrecoverable ESC written off			(2,054)	
Tax on dividend Income	-	-	(76,516)	(62,100)
Payments made during the year	(493,345)	(74,975)	(3,260,045)	(2,711,205)
As at the end of the year	148,993	386,395	1,403,480	1,337,306
Income tax payable	148,993	386,395	1,403,748	1,368,624
Income tax receivable	-	-	(268)	(31,318)
Total net balance	148,993	386,395	1,403,480	1,337,306

38. ACCRUALS AND OTHER LIABILITIES

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Other payables to Group Companies (Note 38.1)	57,772	51,625	-	-
Other payables	738,411	512,221	2,645,453	1,769,530
Accruals	632,504	595,017	2,030,059	1,493,429
Contract liabilities	320,928	242,316	433,053	353,465
Total	1,749,615	1,401,179	5,108,565	3,616,424

38.1 Other payables to Group Companies

As at 31st March	Company	
	2026 Rs.'000	2025 Rs.'000
Colombo Industrial Agencies Limited	57,274	50,690
CISCO Speciality Packaging (Private)Limited	498	935
	57,772	51,625

39. CAPITAL COMMITMENT

There were no capital commitments, which have been approved or contracted as for the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

40. CONTINGENT LIABILITIES

CIC Feeds (Private) Limited provided Corporate Guarantee of Rs.600Mn to Bank of Ceylon on behalf of its subsidiary CIC Poultry Farms Limited.

1. VAT Assessment Under Tax Appeal Commission (TAC)

The Company has received Value Added Tax (VAT) assessments from the Department of Inland Revenue amounting to Rs.1.2Bn, relating to the years of 2018/19, 2019/20, 2020/21, and 2021/22. The assessment primarily concerns the claim of VAT exemption under the First Schedule (xxxiv) (Supply of Ayurvedic preparations) of the VAT Act No.14 of 2002.

The Company has duly appealed against all the assessments to the Commissioner General of Inland Revenue Department (IRD) and has received Determination of Appeals for nine periods of the year 2018/19, ten periods of the year 2019/20 and twelve periods of the year 2020/21 as at 31st March 2026. The company has duly appealed to the Tax Appeal Commission for the determinations which were received for the years 2018/19 and 2019/20. TAC hearing was completed for the year 2018/19. Three determinations were received in favour of the company (Link Natural Products (Pvt.) Ltd for the year 2018/19 and balance six determinations are to be issued by the TAC. The TAC hearings are in progress for the year 2019/20. The TAC appeal is to be submitted for the year 2020/21 subsequent to the balance sheet date. Based on legal advice and the merits of the case, the Board of Directors believes that it is not probable that an outflow of economic resources will be required to settle the obligation. Accordingly, no provision has been recognised in these financial statements.

- Bank Guarantee submitted to the TAC

Year	Submitted Amount Rs. Mn	Released Amount Rs. Mn	Balance Amount Rs. Mn
2018/19	156	17	139
2019/20	147	0	147

- Uncertainties: The timing and outcome of the appeal process remain uncertain.

2. Corporate Income Tax (CIT) Assessment under Commissioner General Level

R&D Concession Claim Under Review

The Company has received Corporate Income Tax (CIT) assessments from the Department of Inland Revenue amounting to Rs.1.1Bn, relating to the periods of 2018/19, 2019/20, 2020/21 and 2021/22. This is mainly due to disallowing the claim under the R&D concession in line with the section 15 and the sixth schedule of the Inland Revenue Act, No.24 of 2017. The decisions of administrative review under the CGIR were received for the years 2019/20, 2020/21 and 2021/22. The company has duly appealed to the Tax Appeal Commission (TAC) against the CGIR decisions for the years 2019/20, 2020/21 and 2021/22. The CGIR hearing is in progress for the year 2018/19.

The Company is confident that the claim has been made in accordance with the applicable tax laws and regulations. However, as the matter is still under review and subject to interpretations, the outcome remains uncertain. Based on current legal and tax advice, the Directors are of the view that it is not probable the liability will arise.

- Uncertainties: The review process is ongoing, and the final determination may take time.

41. EVENTS AFTER THE REPORTING DATE

Final dividend declaration

The Board of Directors has recommended a final dividend of Rs. 0.50 per share amounting to Rs.947.70 Mn on the issued capital of both Ordinary and Non-Voting (Class X) shares which is payable on 20th July 2026, if approved by the Shareholders at the Annual General Meeting.

There are no other material events have taken place as at the reporting date, which require adjustment and/or disclosure in the Financial Statements.

42. LEASES

See accounting policy in Note 3.9.

42.1 Leases as lessee (SLFRS 16)

Group has entered in to lease agreements with several parties to use their lands, buildings. A subsidiary has rented out its leased premises to outsiders for a shorter period.

Lessee	Location	Nature	Period
CIC Holdings PLC	Peliyagoda	Store	01/04/2025 - 30/09/2029
CIC Holdings PLC	VH/01/0/010310/C	Motor Vehicle	07/10/2025 - 06/10/2030
CIC Agri Businesses (Private) Limited	Rathanapura	Office Premises	04/01/2012 - 03/31/2027
CIC Agri Businesses (Private) Limited	Gall	Office Premises	06/01/2024 - 05/30/2026
CIC Agri Businesses (Private) Limited	Oliyamura	Office Premises	03/01/2026 - 02/28/2028
CIC Agri Businesses (Private) Limited	PB- 7995 CAB	Motor Vehicle	02/01/2023 - 01/01/2028
CIC Agri Produce Marketing (Private) Limited	Pelwehera	Land (100 acres)	07/02/2008 - 07/02/2038
CIC Seeds (Private) Limited	Hingurakgoda	Land/Farm	17/08/1998 - 16/08/2048
CIC Seeds (Private) Limited	Pelwehera	Land/Farm	31/08/2001 - 30/08/2051
CIC Seeds (Private) Limited	Talawa	Land/Farm	13/11/2002 - 12/11/2032
CIC Seeds (Private) Limited	Jawatta	Sales Outlet	01/05/2021 - 30/04/2026
CIC Seeds (Private) Limited	NCC	Sales Outlet	01/07/2022 - 30/06/2027
CIC Seeds (Private) Limited	Ex way Side A	Sales Outlet	01/04/2022 - 31/03/2027
CIC Seeds (Private) Limited	Ex way Side B	Sales Outlet	01/04/2022 - 31/03/2027
CIC Seeds (Private) Limited	Embilipitiya	Store	01/07/2025 - 30/06/2029
CIC Seeds (Private) Limited	Wattala	Sales Outlet	01/11/2024 - 31/10/2034
CIC Dairies (Private) Limited	Dambulla	Factory Land	09/09/2011 - 09/08/2041
Link Natural Products (Private) Limited	Colombo	Experience centre	01/12/2022 - 01/12/2027
Link Natural Products (Private) Limited	Nallathanniya - Sripada	Samahan Relief Zone-Sripada	21/01/2026 - 21/01/2031
Link Natural Products (Private) Limited	Malinda - Kapugoda	Bicycle Parking Land	01/12/2021 - 01/12/2026
Link Natural Products (Private) Limited	Jaffna	Agriculture Land	10/03/2021 - 09/03/2026
Link Natural Products (Private) Limited	Jaffna	Agriculture Land	01/08/2022 - 01/08/2027
Link Natural Products (Private) Limited	Mahawalawatta	Agriculture Land	01/06/2022 - 01/06/2027
Link Natural Products (Private) Limited	Kottawa	Sales Outlet	01/06/2025 - 01/06/2027
Link Natural Products (Private) Limited	Pugoda	Store	20/03/2024 - 20/03/2026
Link Natural Products (Private) Limited	Malinda - Kapugoda	Store	15/12/2024 - 15/12/2026
Link Natural Products (Private) Limited	Giridara	Staff Accommodation	15/01/2026 - 15/01/2028
Link Natural Products (Private) Limited	Malinda - Kapugoda	Record Room	08/09/2023 - 08/09/2025
Link Natural Products (Private) Limited	Dambukanda	Project Land	08/08/2024 - 08/08/2026
CIC CropGuard (Private) Limited	Colombo 10	Office Premises	01/01/2024 - 31/12/2034
CIC Poultry Farms Limited	Moratuwa	Distribution Centre	15/08/2023 - 14/08/2028
CIC Poultry Farms Limited	Kandy	Distribution Centre	01/08/2024 - 31/07/2029
CIC Poultry Farms Limited	Welisara	Store	01/11/2024 - 31/10/2026
CIC Poultry Farms Limited	Mundel, Madurankuliya	Land & Poultry Cages	31/01/2021 - 10/04/2025
Unipower (Private) Limited	Ekala	Store	01/12/2025 - 30/11/2030
Unipower (Private) Limited	Colombo 10	Office Premises	01/01/2024 - 31/12/2028
Unipower (Private) Limited	Ekala	Land for store	28/06/2011 - 27/06/2041
Unipower (Private) Limited	Ekala	Factory building	26/08/2016 - 25/08/2036

NOTES TO THE FINANCIAL STATEMENTS

42.1.1 Right-of-use-assets

Right-of-use-assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment. (See Note 16).

Company 2026	Buildings Rs.'000	Motor Vehicles Rs.'000	Total Rs.'000
Balance as at 01 April 2025	47,401	-	47,401
Addition to right-of-use assets	114,967	22,040	137,007
Depreciation charge for the year	(31,070)	(2,204)	(33,274)
Balance as at 31 March 2026	131,298	19,836	151,134

Company 2025	Buildings Rs.'000	Total Rs.'000
Balance as at 01 April 2024	52,923	52,923
Depreciation charge for the year	(5,522)	(5,522)
Balance as at 31 March 2025	47,401	47,401

Group 2026	Lands Rs.'000	Buildings Rs.'000	Motor Vehicle Rs.'000	Total Rs.'000
Balance as at 01 April 2025	126,882	326,432	4,143	457,457
Addition to right-of-use assets	-	318,281	22,039	340,320
Derecognition during the year	-	(104,337)	-	(104,337)
Depreciation charge for the year	(7,571)	(100,543)	(3,670)	(111,784)
Balance as at 31 March 2026	119,311	439,833	22,512	581,656

Group 2025	Lands Rs.'000	Buildings Rs.'000	Motor Vehicle Rs.'000	Total Rs.'000
Balance as at 01 April 2024	134,102	342,216	5,605	481,923
Addition to right-of-use assets	-	79,109	-	79,109
Depreciation charge for the year	(7,220)	(94,893)	(1,462)	(103,575)
Balance as at 31 March 2025	126,882	326,432	4,143	457,457

42.1.2 Amounts recognised in profit or loss

	Company Rs.'000	Group Rs.'000
2026-Leases under SLFRS 16		
Interest on lease liabilities	19,924	61,149
Expenses relating to short-term leases	-	71,648
Amortisation of right-of-use asset	33,274	111,780

	Company Rs.'000	Group Rs.'000
2025-Leases under SLFRS 16		
Interest on lease liabilities	7,804	53,955
Expenses relating to short-term leases	(16,413)	(32,826)
Amortisation of right-of-use asset	(5,522)	(103,575)

42.1.3 Amounts recognised in statement of cash flows

	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Payment of lease rentals - Capital	20,633	(3,126)	68,902	(46,952)
Payment of lease rentals - Interest	19,924	(7,805)	61,149	(53,954)
Expenses relating to short term leases	-	(16,413)	71,648	(32,826)

42.1.4 Extension options

Some property leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within the control.

42.1.5 Maturity analysis - Contractual undiscounted cash flows

	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Less than one year	46,009	10,931	185,674	136,861
Later than one year and not later than five years	151,716	51,192	483,204	318,258
More than five years	33,885	47,003	376,623	377,284
Total undiscounted lease liability	231,610	109,126	1,045,501	832,403

42.2 Leases as lessor

The Group leases out its leased properties. All leases are classified as operating leases from a lessor perspective with the exception of a sub-lease, which the Group has classified as a finance sub-lease.

42.2.1 Lease

During 2020, the Group has sub-leased a building that has been presented as part of right-of-use asset, property, plant & equipment. In mid 2021, Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets and the lease period is also for a shorter term.

Rental income recognised by the Group during 2026 was Rs. 1.2Mn (2025-Rs. 8.53Mn)

NOTES TO THE FINANCIAL STATEMENTS

43. RELATED PARTY DISCLOSURE

The Company carried out transactions in the ordinary course of the business on an arm's length basis at commercial rates with parties who are defined as Related Parties as per the Sri Lanka Accounting Standard - LKAS 24 'Related Party Disclosures', except for the transactions that the Key Management Personnel (KMP) have availed under schemes uniformly applicable to all staff at concessionary rates.

43.1 Parent and Ultimate Controlling Party - Paints & General Industries Limited

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Statement of Profit or Loss and Other Comprehensive Income				
Sale of goods	479,394	545,008	485,443	548,254
Purchase of goods	4,125	1,330	4,125	1,330
Statement of Changes in Equity				
Dividend paid	395,867	395,867	395,867	395,867
Statement of Financial Position				
Trade receivables	130,798	138,325	132,395	139,338

Company/ Group neither obtained nor granted any corporate guarantees to Paints and General Industries Limited.

43.2 Key Management Personnel (KMP)

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly.

KMP of the Company

The Board of Directors of the Company have been classified as KMP of the Company.

KMP of the Group

The Board of Directors (including Executive and Non-Executive) of the Company and the Board of Directors of the holding company have been classified as KMP of the Group. The officers who are only Directors of subsidiaries and not of the company have been classified as KMP for that subsidiary.

43.2.1 Transactions with KMP

Loans to Directors

No loans have been granted to the Directors of the Company/ Group

Key Management Personnel Compensation

The details of short term benefits are given in note 11 to the Financial Statements.

Other Transactions with Key Management Personnel

The names of Directors of CIC Holdings PLC, who are also Directors of subsidiaries, sub-subsidiaries and the equity accounted investees, are as follows:

Mr. S.H. Amarasekera
 Mr. R.S. Captain
 Mr. M.P. Jayawardena
 Mr. P.R. Saldin (Demise on 16.01.2026)
 Mr. J.R. Gunaratne
 Mr. D.T.S.H. Mudalige
 Mr. S.M. Enderby
 Ms. K.D. Senewiratne

Details of Directors and their spouses' shareholdings are given in the Annual Report of the Directors' on the Affairs of the Company on page 218.

43.3 Transactions with Subsidiaries

Nature of transaction	Company	
	2026 Rs.'000	2025 Rs.'000
Statement of Profit or Loss and Other Comprehensive Income		
Handling commission	137,236	140,808
Purchase of goods	458,416	886,829
Rent paid	10,931	10,931
Rent received	26,952	25,918
Sale of goods	29,690	29,942
Service Charge	304,135	271,147
Staff cost paid	162,907	140,333
Staff cost received	72,723	71,617
Statement of Changes in Equity		
Dividend received	387,571	198,348
Statement of Financial Position		
Payables - Non Trade	57,772	51,625
Payables -Trade	96,368	109,420
Receivable - Non Trade	181,213	86,896
Receivables - Trade	2,218	74,673

Transactions relating to Corporate Guarantees have been disclosed under Contingent Liabilities Note 40.

- (i) Companies within the Group engage in trading transactions under normal commercial terms and conditions.
- (ii) Company provides office space to some of its subsidiaries and charge rent. In addition, the Company provides certain shared services such as data processing and administration functions. The related costs are allocated to subsidiaries and equity accounted investees.

NOTES TO THE FINANCIAL STATEMENTS

43.4 Transactions with Other Related Companies

As at 31st March	Company		Group	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Statement of Profit or Loss and Other Comprehensive Income				
Purchases of goods	74,746	67,216	442,212	500,504
Sale of Goods	288,673	306,876	4,900,511	4,739,192
Interest income	8,128	6,827	9,267	6,827
Interest expense	167,440	-	177,613	-
Rent received	157	161	157	161
Statement of Changes in Equity				
Dividend received (Net)	673,871	484,906	796,754	522,581
Dividend paid (Gross)	-	-	2,553	1,235
Statement of Financial Position				
Receivables - Non Trade	-	48	-	48
Receivables - Trade	101,041	70,914	1,328,616	932,777
Payables -Trade	-	10,566	273,562	83,134

(i) Transactions relating to Corporate Guarantees have been disclosed in Contingent Liabilities Note 40.

(ii) During the year, there were no recurring related party transactions of the Company which require disclosure in Annual Report as per the requirements of section 9.3.2(b) of the CSE Listing Rules.

43.5 Non recurring related party transactions

There were no non-recurring related party transactions which in aggregate value exceeds 10% of the equity (Rs. 4.6 Bn) or 5% of total assets, (Rs. 5.0 Bn) whichever is lower, of the Company as at 31st March 2026 audited Financial Statements, which require additional disclosure in the 2025/26 Annual report under Colombo Stock Exchange Listing Rule 9.3.2 and Code of Best Practice on Related Party Transactions issued by the Securities and Exchange Commission.

44. FINANCIAL INSTRUMENTS

Risk Management

The Group's principal financial liabilities comprise of loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group has trade and other receivables and cash and cash equivalents that derive directly from its operations. The Group also holds equity instruments as investments. Therefore, the Group is exposed to market risk, credit risk and liquidity risk.

Risk Management Framework

The Group's senior management oversees the management of these risks. The Group's senior management is supported by a Board of Directors that advise on financial risks and appropriate financial risk governance framework for the Group. The Board of Directors review and agree policies for managing each of these risks which are summarised below.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Exposure to credit risk As at 31st March	Company	
	2026 Rs.'000	2025 Rs.'000
Trade receivable	5,664,432	5,144,811
Contract assets	205,719	166,728
Other receivable	1,171,899	659,388
Equity investment at fair value through OCI	47,615	68,382
Deposits with banks	2,595,757	1,658,796
Cash and cash equivalents	1,053,271	1,359,854
Total	10,738,693	9,057,959

Exposure to credit risk As at 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
Trade receivable	14,236,504	11,987,868
Contract assets	260,152	224,657
Other receivable	3,845,207	3,829,537
Equity investment at fair value through OCI	112,393	496,152
Deposits with banks	2,800,386	1,683,560
Cash and cash equivalents	4,693,622	5,100,805
Total	25,948,264	23,322,579

Equity securities

The Group limits its exposure to credit risk by investing only in liquid equity securities.

The Group has recognised its equity securities at its fair value.

Cash and cash equivalents

The Company held cash and cash equivalents of Rs.1.05Bn at 31 March 2026, (2025: Rs. 1.36Bn), Group held Rs.4.69Bn as at 31st March 2026 (2025 - Rs.5.1Bn) which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with bank and financial institution counterparties, which are being rates as stable based on rating agency ratings.

Following table depicts the credit ratings of the banks where the Group holds deposits.

Bank	Rating
Commercial Bank of Ceylon PLC	AA-
Nation Trust Bank PLC	A+
Sampath Bank PLC	A+
Nation Development Bank PLC	A-
DFCC Bank PLC	A-
People's Bank PLC	AA-

NOTES TO THE FINANCIAL STATEMENTS

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and area in which customers operate, as these factors may have an influence on credit risk.

The senior management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the senior management. Customers that fail to meet the Group's benchmark credit worthiness may transact with the company only on a prepayment basis.

A significant percentage of the Group's customers are transacting with the Group for more than four years. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are institutes, government or non-government, whether they are wholesale, retail or end-customer, their geographic location, industry, aging profile, maturity and existence of previous financial difficulties. Customers that are graded as 'high risk' are placed on a restricted customer list and monitored by the management, and future sales are made on a prepayment basis.

The Group is closely monitoring the economic environment in the country and is taking actions to limit its exposure to customers in the country experiencing particular economic volatility.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for Group of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics of those receivables and future macro economic conditions.

The Group is closely monitoring the economic environment in the country and is taking necessary measures to limit its exposure to customers experiencing particular economic volatility.

As at 31st March	Group	
	2026 Rs.'000	2025 Rs.'000
Domestic	14,830,599	12,716,030
Foreign	619,941	412,770
Gross total	15,450,540	13,128,800

Impairment losses

All trade receivables that are past due, have been considered for impairment as at 31 March 2026

The movement in the allowance for impairment of trade receivables is disclosed in Note No.26.2

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contracts assets for customers as at 31 March 2026.

The Group uses a provision matrix to calculate ECLs for loans and trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the relevant sectors, weightage on the worst case will be increased. At every reporting date, the weightages are updated and changes in the forward-looking estimates are analysed the assessment of the correlation between historical observed default rates, forecast economic conditions. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions.

As at 31st March	2026			2025		
	Gross Rs.'000	Impairment Rs.'000	Net receivable Rs.'000	Gross Rs.'000	Impairment Rs.'000	Net receivable Rs.'000
Company						
Corporate and Government	1,585,272	(420,875)	1,164,397	1,623,068	(295,740)	1,327,328
Distributors	4,675,542	(418,976)	4,256,566	4,123,758	(414,644)	3,709,114
Foreign customers/Exporters	243,469	-	243,469	108,369	-	108,369
	6,504,283	(839,851)	5,664,432	5,855,195	(710,384)	5,144,811

As at 31st March	2026			2025		
	Gross Rs.'000	Impairment Rs.'000	Net receivable Rs.'000	Gross Rs.'000	Impairment Rs.'000	Net receivable Rs.'000
Group						
Corporate and Government	5,096,968	(610,394)	4,486,574	5,683,783	(552,259)	5,131,524
Distributors	9,660,870	(552,101)	9,108,769	6,898,151	(536,615)	6,361,536
Foreign customers/Exporters	607,926	(21,924)	586,002	441,479	(20,951)	420,528
Others	84,776	(29,617)	55,159	105,387	(31,107)	74,280
	15,450,540	(1,214,036)	14,236,504	13,128,800	(1,140,932)	11,987,868

As at 31st March	2026			2025		
	Gross Rs.'000	Impairment Rs.'000	Net receivable Rs.'000	Gross Rs.'000	Impairment Rs.'000	Net receivable Rs.'000
Company						
Not past due	5,877,930	(239,856)	5,638,074	5,419,170	(290,148)	5,129,022
Past due 0-30 days	14,419	(1,669)	12,750	11,062	(3,782)	7,280
Past due 31-120 days	8,036	(516)	7,520	8,945	(3,706)	5,239
Past due more than 120 days	603,898	(597,810)	6,088	416,018	(412,748)	3,270
	6,504,283	(839,851)	5,664,432	5,855,195	(710,384)	5,144,811

As at 31st March	2026			2025		
	Gross Rs.'000	Impairment Rs.'000	Net receivable Rs.'000	Gross Rs.'000	Impairment Rs.'000	Net receivable Rs.'000
Group						
Not past due	7,361,479	(267,688)	7,093,791	6,485,695	(305,496)	6,180,199
Past due 0-30 days	3,168,661	(20,653)	3,148,008	3,333,704	(13,396)	3,320,307
Past due 31-120 days	3,535,688	(45,618)	3,490,070	2,248,110	(27,003)	2,221,108
Past due more than 120 days	1,384,712	(880,077)	504,635	1,061,291	(795,037)	266,254
	15,450,540	(1,214,036)	14,236,504	13,128,800	(1,140,932)	11,987,868

A Risk Management policy is set so as to limit the net financial liabilities to a pre-approved amount. The Group maintains the net financial liabilities to these specified upper limits and any deviation to these upper limits require prior approval.

NOTES TO THE FINANCIAL STATEMENTS

As at 31st March 2026	Carrying Value Rs.'000	Company				Total Rs.'000
		On demand Rs.'000	Contractual cash flows			
			Within 1 year Rs.'000	1 to 5 years Rs.'000	More than 5 years Rs.'000	
Trade payables	2,970,316	-	2,970,316	-	-	2,970,316
Interest bearing liabilities	1,487,925	-	530,840	1,282,862	-	1,813,702
Lease liabilities	174,618	-	46,009	151,716	33,885	231,610
Short term loans and borrowings	20,116,793	-	20,116,793	-	-	20,116,793
Bank overdraft	160,474	160,474	-	-	-	160,474
Contingent consideration payable	108,052	-	108,052	-	-	108,052
Total	25,018,178	160,474	23,772,010	1,434,578	33,885	25,400,947

As at 31st March 2025	Carrying Value Rs.'000	Company				Total Rs.'000
		On demand Rs.'000	Contractual cash flows			
			Within 1 year Rs.'000	1 to 5 years Rs.'000	More than 5 years Rs.'000	
Trade payables	2,728,857	-	2,728,857	-	-	2,728,857
Interest bearing liabilities	1,848,412	-	530,840	1,813,702	-	2,344,542
Lease liabilities	70,132	-	10,931	51,192	47,003	109,126
Short term loans and borrowings	18,988,124	-	18,988,124	-	-	18,988,124
Bank overdraft	313,417	313,417	-	-	-	313,417
Contingent consideration payable	108,052	-	108,052	-	-	108,052
Total	24,056,994	313,417	22,366,804	1,864,894	47,003	24,592,118

As at 31st March 2026	Carrying Value Rs.'000	Group				Total Rs.'000
		On demand Rs.'000	Contractual cash flows			
			Within 1 year Rs.'000	1 to 5 years Rs.'000	More than 5 years Rs.'000	
Trade payables	5,569,956	-	5,569,956	-	-	5,569,956
Interest bearing liabilities	2,301,925	-	770,182	1,997,507	-	2,767,689
Lease liabilities	611,997	-	185,674	483,204	376,623	1,045,502
Short term loans and borrowings	26,511,697	-	26,511,697	-	-	26,511,697
Bank overdraft	738,671	738,671	-	-	-	738,671
Contingent consideration payable	108,052	-	108,052	-	-	108,052
Total	35,842,298	738,671	33,145,561	2,480,711	376,623	36,741,567

As at 31st March 2025	Carrying Value Rs.'000	Group				Total Rs.'000
		On demand Rs.'000	Contractual cash flows			
			Within 1 year Rs.'000	1 to 5 years Rs.'000	More than 5 years Rs.'000	
Trade payables	6,427,227		6,427,227			6,427,227
Interest bearing liabilities	1,848,412	-	530,840	1,813,702	-	2,344,542
Lease liabilities	459,239	-	136,861	318,258	377,284	832,404
Short term loans and borrowings	24,559,058		24,559,058		-	24,559,058
Bank overdraft	1,368,958	1,368,958				1,368,958
Contingent consideration payable	108,052		108,052		-	108,052
	34,770,946	1,368,958	31,762,038	2,131,960	377,284	35,640,241

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

As at 31st March 2026, Company's current liabilities exceeded its current assets by Rs.9.0Bn. This is primarily due to the Company's short-term loans and borrowings, which are within the Company's banking facility limits. Further, as a corrective measure on the advice of the Board of Directors we are in the process of negotiating the best possible interest rate to obtain a long-term loan to refinance our existing long-term investments.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Summary of the Company and Group's investment in equity market is as follows

As at 31st March		Group	
		2026 Rs.'000	2025 Rs.'000
Equity Securities - FVOCI	Company	47,615	68,382
Equity Securities - FVOCI	Group	112,393	496,152

Currency risk

The Group is exposed to currency risk on sales, purchases that are denominated in a currency other than the respective functional currencies of entities. The currencies in which these transactions primarily are denominated are Euro, USD and Sterling Pound.

Effects of currency rate fluctuations of imported materials and finished goods are transferred in a reasonable manner keeping in line with the prices in the market.

Subsidiary companies of the Group settle majority of their import bills and the financial liabilities denominated in a currency other than functional currency.

NOTES TO THE FINANCIAL STATEMENTS

Exposure to currency risk

The summary quantitative data about the Company and Groups' exposure to currency risk as reported to the management of the Company and Group is as follows:

Company

As at 31st March Rs.'000	2026			2025		
	EUR	USD	SGD	EUR	USD	SGD
Trade receivables	-	781	-	-	459	-
Foreign currency deposits	-	8,153	-	-	5,554	-
Trade payables	(291)	(8,447)	(235)	(105)	(6,179)	(526)

Group

As at 31st March Rs.'000	2026			2025		
	EUR	USD	SGD	EUR	USD	SGD
Trade receivables	410	1,520	-	459	921	-
Foreign currency deposits	-	9,207	-	-	5,638	-
Trade payables	(466)	(11,502)	(235)	(484)	(13,821)	(526)

Followings are the exchange rate used for the translation of transaction denominated in foreign currencies.

As at 31st March	Year end average (Rs.)		Period end spot rate- Buying(Rs.)		Period end spot rate- Selling (Rs.)	
	2026	2025	2026	2025	2026	2025
US Dollar	315.19	296.35	311.77	292.07	319.31	300.58
Euro	361.74	319.86	356.28	313.40	367.78	326.16
GBP	416.37	383.78	410.22	376.51	423.02	390.71
SGD	244.26	221.11	239.80	216.16	249.12	225.86

Sensitivity Analysis

A reasonably possible strengthening (weakening) of the USD, Euro or Sterling Pound against all other currencies at reporting date would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

As at 31st March	Company			
	Profit or loss		Equity net of tax	
	Strengthening Rs.'000	Weakening Rs.'000	Strengthening Rs.'000	Weakening Rs.'000
2026				
US Dollar (5% movement)	(4,399)	4,399	(3,079)	3,079
Euro (5% movement)	5,346	(5,346)	3,742	(3,742)
Singapore Dollar (5% movement)	2,921	(2,921)	2,045	(2,045)
2025				
US Dollar (5% movement)	5,055	(5,055)	3,539	(3,539)
Euro (5% movement)	1,716	(1,716)	1,201	(1,201)
Singapore Dollar (5% movement)	5,941	(5,941)	4,159	(4,159)

As at 31st March	Group			
	Profit or loss		Equity net of tax	
	Strengthening Rs.'000	Weakening Rs.'000	Strengthening Rs.'000	Weakening Rs.'000
2026				
US Dollar (5% movement)	16,424	(16,424)	11,497	(11,497)
Euro (5% movement)	2,144	(2,144)	1,501	(1,501)
Singapore Dollar (5% movement)	2,921	(2,921)	2,045	(2,045)
2025				
US Dollar (5% movement)	111,937	(111,937)	78,356	(78,356)
Euro (5% movement)	586	(586)	410	(410)
Singapore Dollar (5% movement)	5,941	(5,941)	4,159	(4,159)

Interest rate risk

Profile

At the reporting date, the interest rate profile of the Company's and Group's interest bearing financial instruments was as follows:

As at 31st March	Company		Group	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Fixed rate instruments				
Financial assets	2,595,757	1,658,796	4,799,423	3,957,397
Financial liabilities	(1,487,925)	(1,848,412)	(2,301,925)	(1,848,412)
	1,107,832	(189,616)	2,497,498	2,108,985
Variable rate instruments				
Financial assets	1,053,271	1,359,854	2,694,585	2,826,968
Financial liabilities	(20,277,267)	(19,301,541)	(27,250,368)	(25,928,016)
	(19,223,996)	(17,941,687)	(24,555,783)	(23,101,048)

Cash flow sensitivity for variable rate instruments

Since the policy interest rates have significantly decreased after the reporting date, there will be a material impact to the Company/ Group Financial Statements

A reasonably change of 100 basis points in interest rate as at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant:

As at 31st March	Company			
	Profit or loss		Equity net of tax	
	Strengthening Rs.'000	Weakening Rs.'000	Strengthening Rs.'000	Weakening Rs.'000
2026				
Variable rate instrument				
Cash flow sensitivity (Net)	192,240	(192,240)	134,568	(134,568)
2025				
Variable rate instrument				
Cash flow sensitivity (Net)	179,417	(179,417)	125,592	(125,592)

NOTES TO THE FINANCIAL STATEMENTS

As at 31st March	Group			
	Profit or loss		Equity net of tax	
	Strengthening Rs.'000	Weakening Rs.'000	Strengthening Rs.'000	Weakening Rs.'000
2026				
Variable rate instrument				
Cash flow sensitivity (Net)	245,558	(245,558)	171,890	(171,890)
2025				
Variable rate instrument				
Cash flow sensitivity (Net)	231,010	(231,010)	161,707	(161,707)

Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of total equity. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels borrowings and the advantages and security afforded by a sound capital position.

The Group monitors capital using an adjusted net debt to equity ratio, which is adjusted net debt divided by adjusted equity. For this purpose, adjusted net debt is defined as total liabilities (which includes interest bearing borrowings and obligations under finance leases excluding lease liability under SLFRS 16) plus unaccrued proposed dividends, less cash and equivalents and deposits with banks. Adjusted equity comprises all components of equity other than amounts recognised in equity relating to cash flow hedges, less unaccrued proposed dividends.

The Company's and Group's adjusted net debt to equity ratio at the end of the reporting period was as follows;

As at 31st March	Company		Group	
	2026	2025	2026	2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Total Debts	21,939,810	21,220,085	30,164,290	28,235,667
Less: Cash and cash equivalents and deposit with banks	(3,649,028)	(3,018,650)	(7,494,008)	(6,784,365)
Net debt	18,290,782	18,201,435	22,670,282	21,506,925
Adjusted net debt	19,063,864	19,079,003	23,005,985	21,995,386
Total equity	12,967,751	12,483,861	53,784,734	46,426,823
Adjusted equity	12,020,051	11,535,661	52,837,034	45,479,123
Net debt to adjusted equity ratio (Times)	1.41	1.46	0.44	0.48

Accounting classifications and fair value

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

Company As at 31st March 2026	Fair value through OCI	Financial assets at amortised cost	Other financial liabilities	Carrying amount	Fair Value
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Cash and cash equivalent	-	1,053,271	-	1,053,271	1,053,271
Deposits with banks	-	2,595,757	-	2,595,757	2,595,757
Trade receivable	-	5,664,432	-	5,664,432	5,664,432
Other receivable	-	1,171,899	-	1,171,899	1,171,899
Equity investments at fair value through OCI	47,615	-	-	47,615	47,615
	47,615	10,485,359	-	10,532,974	10,532,974
Trade payables	-	-	(2,970,316)	(2,970,316)	(2,970,316)
Other payables	-	-	(1,428,687)	(1,428,687)	(1,428,687)
Loans and borrowings	-	-	(21,939,810)	(21,939,810)	(21,939,810)
	-	-	(26,338,813)	(26,338,813)	(26,338,813)

Company As at 31st March 2025	Fair value through OCI	Financial assets at amortised cost	Other financial liabilities	Carrying amount	Fair Value
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Cash and cash equivalent	-	1,359,854	-	1,359,854	1,359,854
Deposits with banks	-	1,658,796	-	1,658,796	1,658,796
Trade receivable	-	5,144,811	-	5,144,811	5,144,811
Other receivable	-	659,388	-	659,388	659,388
Equity investments at fair value through OCI	68,382	-	-	68,382	68,382
	68,382	8,822,849	-	8,891,231	8,891,231
Trade payables	-	-	(2,728,857)	(2,728,857)	(2,728,857)
Other payables	-	-	(1,158,863)	(1,158,863)	(1,158,863)
Loans and borrowings	-	-	(21,220,085)	(21,220,085)	(21,220,085)
	-	-	(25,107,805)	(25,107,805)	(25,107,805)

Group As at 31st March 2026	Fair value through OCI	Financial assets at amortised cost	Other financial liabilities	Carrying amount	Fair Value
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Cash and cash equivalent	-	4,693,622	-	4,693,622	4,693,622
Deposits with banks	-	2,800,386	-	2,800,386	2,800,386
Trade receivables	-	14,236,504	-	14,236,504	14,236,504
Other receivables	-	3,845,207	-	3,845,207	3,845,207
Equity investments at fair value through OCI	112,393	-	-	112,393	112,393
	112,393	25,575,719	-	25,688,112	25,688,112
Trade payables	-	-	(5,569,956)	(5,569,956)	(5,569,956)
Other payables	-	-	(4,675,512)	(4,675,512)	(4,675,512)
Loans and borrowings	-	-	(30,164,290)	(30,164,290)	(30,164,290)
	-	-	(40,409,758)	(40,409,758)	(40,409,758)

NOTES TO THE FINANCIAL STATEMENTS

Group As at 31st March 2025	Fair value through OCI	Financial assets at amortised cost	Other financial liabilities	Carrying amount	Fair Value
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Cash and cash equivalent	-	5,100,805	-	5,100,805	5,100,805
Deposits with banks	-	1,683,560	-	1,683,560	1,683,560
Trade receivables	-	11,987,868	-	11,987,868	11,987,868
Other receivables	-	3,829,537	-	3,829,537	3,829,537
Equity investments at fair value through OCI	496,152	-	-	496,152	496,152
	496,152	22,601,770	-	23,097,922	23,097,922
Trade payables	-	-	(6,427,227)	(6,427,227)	(6,427,227)
Other payables	-	-	(3,262,959)	(3,262,959)	(3,262,959)
Loans and borrowings	-	-	(28,235,667)	(28,235,667)	(28,235,667)
	-	-	(37,925,853)	(37,925,853)	(37,925,853)

Fair value measurement hierarchy

As at 31st March	Level 01		Level 02		Level 03	
	2026 Rs'000	2025 Rs'000	2026 Rs'000	2025 Rs'000	2026 Rs'000	2025 Rs'000
Company						
Recurring fair value measurements-						
Assets measured at fair value						
Freehold land	-	-	-	-	1,712,696	1,712,696
Equity Investment	47,615	68,382	-	-	-	-
	47,615	68,382	-	-	1,712,696	1,712,696
Non - recurring fair value measurements						
Net asset classified as held for sale and distribution					146,463	146,463

As at 31st March	Level 01		Level 02		Level 03	
	2026 Rs'000	2025 Rs'000	2026 Rs'000	2025 Rs'000	2026 Rs'000	2025 Rs'000
Group						
Recurring fair value measurements-						
Assets measured at fair value						
Non-Financial						
Freehold land	-	-	-	-	5,857,791	5,691,698
Biological Assets	-	-	-	-	849,922	668,264
Financial						
Equity Investment	112,393	496,152	-	-	-	-
	112,393	496,152	-	-	6,707,713	6,359,962

As at 31st March	Level 01		Level 02		Level 03	
	2026 Rs'000	2025 Rs'000	2026 Rs'000	2025 Rs'000	2026 Rs'000	2025 Rs'000
Assets for which fair values are disclosed:						
Investment property					6,300	6,300
Non-recurring fair value measurements						
Net asset classified as held for sale and distribution					263,597	250,440

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations. The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. Impact of current economic condition is disclosed in the separate note to the Financial Statements.

The Group's exposure to biological assets, agricultural operations and climate-sensitive value chains increases its vulnerability to physical climate risks arising from weather variability. Extreme weather events such as floods, droughts, prolonged rainfall and temperature fluctuations can adversely affect crop yields, livestock productivity, biological asset valuations, operational continuity and supply chain efficiency. Further details on the Group's exposure and response to Physical Climate Risk – Weather Variability (CRRO 01) are provided on page 48 of this Annual Report.

45 RECLASSIFICATION OF COMPARATIVE INFORMATION

During the financial year ended 31 March 2026, the Company voluntarily changed its accounting policy regarding the presentation of foreign exchange gains and losses. Previously, net foreign exchange gains were classified under Finance Income. Management has determined that presenting these gains within Operating Income / (Expenses) provides more relevant and reliable information, as the underlying foreign exchange exposure directly relates to the Company's primary operating activities.

In accordance with accounting standards, this change has been applied retrospectively. Prior period comparatives for the year ended 31 March 2025 have been restated to conform to the current year's presentation. This reclassification has no impact on the reported profit of the year, Earnings Per Share (EPS), or Total Equity for any of the periods presented.

Impact on the Financial Statements

The following tables summarise the impact of this reclassification on the comparative financial statements for the year ended 31 March 2025:

For the year ended 31st March	As Previously Reported		After Reclassification	
	2025		2025	
	Company Rs.'000	Group Rs.'000	Company Rs.'000	Group Rs.'000
Statement of Profit or Loss and Other Comprehensive Income (Extract)				
Other operating income	930,597	389,610	1,062,212	730,185
Results from operating activities	3,127,037	10,436,490	3,258,652	10,777,065
Statement of Cash Flows (Extract)				
Operating profit before working capital changes	2,840,355	13,071,158	3,002,470	13,411,733
Cash generated from operations	725,457	8,471,124	792,472	8,811,699
Net cash inflow/(outflow) from investing activities	(67,793)	(5,511,870)	(199,408)	(5,852,445)

This reclassification had no impact on the net cash flows from financing activities, nor on the total net increase or decrease in cash and cash equivalents for the year ended 31 March 2025.

SHAREHOLDERS & INVESTORS INFORMATION

1. STOCK EXCHANGE LISTING

CIC Holdings PLC is a Public Quoted Company. The issued share capital of the Company consists of 1,458,000,000 (2025 - 291,600,000) Ordinary Shares and 437,400,000 (2025 - 87,480,000) Non-Voting (Class X) Shares listed in the Colombo Stock Exchange.

2. SHAREHOLDERS

There were 8,813 (2025 - 3,972) Ordinary shareholders and 7,057 (2025 - 4,016) Non-Voting (Class X) shareholders as at 31st March 2026, distributed into different categories as follows:

Ordinary Shares

Shares held	2026			2025		
	No. of Shareholders	Total Shareholding	%	No. of Shareholders	Total Shareholding	%
1 - 1000	4,422	1,411,167	0.10	2,400	557,792	0.19
1001 - 10000	2,688	10,414,515	0.71	996	3,897,983	1.34
10001 - 100000	1,270	42,836,437	2.94	423	14,308,531	4.91
100001 - 1000000	353	116,291,164	7.98	135	40,695,533	13.95
Over 1000000	80	1,287,046,717	88.27	18	232,140,161	79.61
	8,813	1,458,000,000	100.00	3,972	291,600,000	100.00

Shares held	2026			2025		
	No. of Shareholders	Total Shareholding	%	No. of Shareholders	Total Shareholding	%
Resident	8,762	1,453,643,519	99.70	3,936	286,357,165	98.20
Non-Resident	51	4,356,481	0.30	36	5,242,835	1.80
	8,813	1,458,000,000	100.00	3,972	291,600,000	100.00

The below information of distribution of shares as at 31st March 2026, has been furnished to Colombo Stock Exchange (CSE) and Securities Exchange Commission (SEC) in accordance with CSE Listing Rule 7.3.

Percentage of shares held by public - 46.69%

Percentage of shares held by the Directors together with the members of their families - 0.0001%

Percentage of shares held by the Parent Company - 53.31%

Percentage of shares held by the Employees - 0.004%

Percentage of shares held by Employees' Provident Fund - 9.06%

Non-Voting (Class X) Shares

Shares held	2026			2025		
	No. of Shareholders	Total Shareholding	%	No. of Shareholders	Total Shareholding	%
1 - 1000	2,554	907,936	0.21	1,911	589,084	0.67
1001 - 10000	2,553	11,360,278	2.60	1,362	5,402,543	6.18
10001 - 100000	1,513	52,236,728	11.94	600	18,414,345	21.05
100001 - 1000000	373	110,100,348	25.17	135	34,906,812	39.90
Over 1000000	64	262,794,710	60.08	8	28,167,216	32.20
	7,057	437,400,000	100.00	4,016	87,480,000	100.00

Shareholders & Investors Information

Shares held	2026			2025		
	No. of Shareholders	Total Shareholding	%	No. of Shareholders	Total Shareholding	%
Resident	6,993	426,478,369	97.50	3,960	85,140,773	97.33
Non-Resident	64	10,921,631	2.50	56	2,339,227	2.67
	7,057	437,400,000	100.00	4,016	87,480,000	100.00

Percentage of shares held by public - 96.62%

Percentage of shares held by the Directors together with the members of their families - 0.01%

Percentage of shares held by the Parent Company - 3.32%

Percentage of shares held by the Employees - 0.05%

Percentage of shares held by Employees' Provident Fund - 12.70%

3. Twenty Largest Shareholders - Ordinary Shares

Name	2026		2025	
	No. of shares	%	No. of shares	%
1 Paints & General Industries Limited	777,206,980	53.31	155,441,396	53.31
2 Employee's Provident Fund	132,089,460	9.06	26,417,892	9.06
3 Sampath Bank PLC/ Chacra Capital Holdings (Private) Limited	65,524,800	4.49	13,104,960	4.49
4 Deutsche Bank AG Trustee to Lynear Wealth Dynamic Opportunities Fund	25,892,829	1.78	557,502	0.19
5 Union Assurance PLC - Universal Life Fund	20,872,419	1.43	1,102,318	0.38
6 Asia Securities (Private) Limited - Trading Account	16,411,010	1.13	5,030,589	1.73
7 Ranavav Holdings (Private) Limited	15,129,815	1.04	3,105,963	1.07
8 Invenco Capital Private Limited	15,112,591	1.04	585,859	0.20
9 Lynear Wealth Management/ Mr. H. Yusoof	12,588,644	0.86	217,718	0.07
10 Mr. H. Yusoof	11,560,995	0.79	2,970,959	1.02
11 Employees Trust Fund Board	10,244,423	0.70	2,309,538	0.79
12 Dr. H.R. Wickremesinghe & Mr. V.K. Wickremasinghe (Deceased)	8,761,210	0.60	1,752,242	0.60
13 S.K. Wickremesinghe Trust (Guarantee) Limited	8,718,560	0.60	1,360,000	0.47
14 Hatton National Bank PLC - Capital Alliance Quantitative Equity Fund	6,725,000	0.46	-	-
15 Colombo Fort Investments PLC	6,225,000	0.43	1,245,000	0.43
16 Ms. L.K. Goonewardena	6,025,600	0.41	1,403,965	0.48
17 Ms. N.K.R.H. De Silva	5,678,500	0.39	1,135,700	0.39
18 DFCC Bank PLC/ Mr. P. Muralitharan	5,659,000	0.39	600,000	0.21
19 Amana Bank PLC/ Hi-Line Trading (Private) Limited	5,024,285	0.34	1,459,254	0.50
20 Seylan Bank PLC/ ARRC Capital (Private) Limited	4,782,611	0.33	320,831	0.11
	1,160,233,732	79.58	220,121,686	75.49

SHAREHOLDERS & INVESTORS INFORMATION

4. TWENTY LARGEST SHAREHOLDERS - NON VOTING (X CLASS) SHARES

Name	2026		2025	
	No. of shares	%	No. of shares	%
1 Employee's Provident Fund	55,568,480	12.70	11,113,696	12.70
2 Sampath Bank PLC/ Chacra Capital Holdings (Private) Limited	30,921,400	7.07	6,184,280	7.07
3 Paints & General Industries Limited	14,526,020	3.32	2,905,204	3.32
4 Mr. H. Yusoof	10,517,530	2.40	2,514,306	2.87
5 Deutsche Bank AG as Trustee for JB Vantage Value Equity Fund	9,910,109	2.27	-	-
6 Seylan Bank PLC/ Mr. W.G.U.I. Ranaweera	9,523,630	2.18	2,059,290	2.35
7 Mr. P. Ramesh & Mrs. D. Ramesh	8,657,655	1.98	950,000	1.09
8 Hatton National Bank PLC - NDB Wealth Growth and Income Fund	6,150,000	1.41	800,000	0.91
9 DFCC Bank PLC/ Mr. P. Muralitharan	5,189,976	1.19	100,000	0.11
10 Union Assurance PLC - Universal Life Fund	5,142,310	1.18	1,028,462	1.18
11 Employees Trust Fund Board	4,761,755	1.09	-	-
12 Bank of Ceylon A/C NDB Wealth Growth Fund	4,663,338	1.07	360,163	0.41
13 Ranavav Holdings (Private) Limited	4,571,645	1.05	914,329	1.05
14 GF Capital Global Limited	4,053,080	0.93	641,916	0.73
15 Seylan Bank PLC/ ARRC Capital (Private) Limited	3,949,414	0.90	-	-
16 Invenco Capital (Private) Limited	3,908,670	0.89	781,734	0.89
17 Malship Ceylon Limited	2,700,000	0.62	534,528	0.61
18 HNB Investment Bank (Private) Limited/ Mr. H.A.R. Pieris	2,650,000	0.61	510,000	0.58
19 DFCC Bank PLC A/C 1	2,547,855	0.58	1,257,444	1.44
20 Hatton National Bank PLC - Astrue Alpha Fund	2,500,000	0.57	850,000	0.97
	192,412,867	43.99	33,505,352	38.30

5. MARKET VALUE OF SHARE

As at 31st March	Ordinary Shares		Non-voting Shares	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Share price (Rs.)				
As at the end of the year	29.90	117.25	24.00	77.90
Highest price traded	177.00	132.00	135.00	91.00
Lowest price traded	28.50	65.00	22.50	45.00

6. SHARE TRADING

As at 31st March	Ordinary Shares		Non-voting Shares	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
No. of shares traded	202,101,157	89,044,946	177,794,009	90,656,698
No. of transactions	47,429	19,487	49,434	29,376
Value of shares traded (Rs.)	11,058,879,478	7,906,700,655	8,377,624,650	5,905,622,220

7. MARKET CAPITALISATION

Type	No of shares	Share price Rs.	Capitalisation Rs.
Ordinary Shares	1,458,000,000	29.90	43,594,200,000
Non voting (Class - X) Shares	437,400,000	24.00	10,497,600,000
			54,091,800,000

8. FLOAT ADJUSTED MARKET CAPITALISATION

Type	No of shares	Share price Rs.	Capitalisation Rs.
Ordinary Shares	680,733,420	29.90	20,353,929,258
Non voting (Class - X) Shares	422,624,200	24.00	10,142,980,800
			30,496,910,058

The float adjusted market capitalisation of the Company falls under option 01 of Rule 7.13.1(a) of Colombo Stock Exchange and Company has complied with minimum public holding requirement applicable under said option.

9. PUBLIC SHAREHOLDERS

Public Shareholder as at March	2026		2025	
	No. of public shareholders	Public shareholding (%)	No. of public shareholders	Public shareholding (%)
Ordinary Shares	8,809	46.69	3,967	46.69
Non Voting (Class - X) Shares	7,052	96.62	4,009	96.52

MOVEMENT IN ISSUED CAPITAL AND DIVIDEND DISTRIBUTION

Year to 31st March	Proportion	Sub division (No. of Shares)		Bonus Issue (No. of Shares)		Share Capital (No. of Shares)		Dividend Rs.
		Voting	Non-Voting	Voting	Non-Voting	Voting	Non-Voting	
1965						50,000		
(Initial issue)								
1966						50,000		2.00
1967						50,000		2.00
1968	1:01			50,000		100,000		2.00
1969						100,000		2.00
1970	1:02			50,000		150,000		2.00
1971						150,000		1.75
1972						150,000		2.00
1973						150,000		2.00
1974						150,000		2.00
1975	1:03			50,000		200,000		2.00
1976	1:02			100,000		300,000		2.00
1977						300,000		2.00
1978						300,000		2.00
1979	1:02			150,000		450,000		2.00
1980	7:09			350,000		800,000		2.00
1981						800,000		2.00
1982						800,000		2.00
1983						800,000		2.00
1984						800,000		2.00
1985	1:02			400,000		1,200,000		2.00
1986	1:02			600,000		1,800,000		2.50
1987	1:01			1,800,000		3,600,000		2.50
1988						3,600,000		2.75
1989						3,600,000		2.50
1990	1:02			1,800,000		5,400,000		3.00
1991						5,400,000		3.25
1992						5,400,000		4.00
1993	3 N-V:10 V (Rights)				1,620,000	5,400,000	1,620,000	3.50
1994						5,400,000	1,620,000	4.00
1995						5,400,000	1,620,000	4.00
1996						5,400,000	1,620,000	4.00
1997						5,400,000	1,620,000	4.00
1998						5,400,000	1,620,000	2.50
1999						5,400,000	1,620,000	3.50
2000	1:06			900,000	270,000	6,300,000	1,890,000	3.75
2001						6,300,000	1,890,000	4.00
2002						6,300,000	1,890,000	4.00

Year to 31st March	Proportion	Sub division (No. of Shares)		Bonus Issue (No. of Shares)		Share Capital (No. of Shares)		Dividend Rs.
		Voting	Non-Voting	Voting	Non-Voting	Voting	Non-Voting	
2003	1:07			900,000	270,000	7,200,000	2,160,000	4.25
2004						7,200,000	2,160,000	4.75
2005	1:08			900,000	270,000	8,100,000	2,430,000	4.75
2006						8,100,000	2,430,000	4.75
2007	1:1 (Rights)			8,100,000	2,430,000	16,200,000	4,860,000	1.44*
	3:2 (Bonus)			24,300,000	7,290,000	40,500,000	12,150,000	
2008	4:5 (Bonus)			32,400,000	9,720,000	72,900,000	21,870,000	1.50
2009						72,900,000	21,870,000	1.50
2010						72,900,000	21,870,000	1.85
2011						72,900,000	21,870,000	2.75
2012						72,900,000	21,870,000	3.20
2013						72,900,000	21,870,000	1.63
2014						72,900,000	21,870,000	-
2015						72,900,000	21,870,000	3.00
2016						72,900,000	21,870,000	4.00
2017						72,900,000	21,870,000	2.00
2018						72,900,000	21,870,000	1.00
2019						72,900,000	21,870,000	1.00
2020						72,900,000	21,870,000	2.00
2021	1:04	218,700,000	65,610,000			291,600,000	87,480,000	2.25
2022						291,600,000	87,480,000	2.00
2023						291,600,000	87,480,000	2.50
2024						291,600,000	87,480,000	2.50
2025						291,600,000	87,480,000	2.50
2026	1:05	1,166,400,000	349,920,000			1,458,000,000	437,400,000	0.50

*Effective rate (Rs. 1.44 Per Share)

TEN YEAR GROUP PERFORMANCE

As at 31st March	2026 SLFRS Rs'000	2025 SLFRS Rs'000	2024 SLFRS Rs'000	2023 SLFRS Rs'000
Turnover	91,753,745	83,291,872	76,424,242	68,274,718
Operating profit after interest	8,817,468	7,582,542	12,052,167	11,925,129
Other Operating income	970,531	730,185	296,035	601,428
Share of profit of equity accounted investees	1,630,497	897,796	1,169,220	541,981
Profit before tax	11,418,496	9,210,523	13,517,422	13,068,538
Income Tax Expense	(3,172,990)	(2,877,071)	(2,543,225)	(3,070,914)
Profit for the year from continuing operations	8,245,506	6,333,452	10,974,197	9,997,624
Profit/(loss) for the year from discontinued operations	8,261	296,028	47,197	54,934
Non-controlling interest	1,348,320	1,187,063	1,278,136	2,251,109
Profit attributable to equity holders of the company	6,905,447	5,442,417	9,743,258	7,801,449
Balance Sheet				
Stated capital	1,008,450	1,008,450	1,008,450	1,008,450
Capital reserves	3,013,269	3,013,269	2,412,465	3,165,113
Revenue reserves	42,170,323	36,097,862	31,472,225	18,822,460
Non-controlling interest	7,592,692	6,307,242	5,101,736	4,832,992
Total equity	53,784,734	46,426,823	39,994,876	27,829,015
Property, plant & equipment	15,726,105	14,052,964	12,608,280	12,676,995
Investment property	2,400	2,400	2,400	2,400
Biological assets	510,671	420,937	504,362	393,305
Capital work-in-progress	68,402	495,640	94,555	56,185
Intangible assets	591,947	598,205	625,211	646,488
Investments	34,787,427	29,350,968	25,206,273	6,417,902
Net current assets	7,672,179	6,660,088	4,254,789	10,700,020
	59,359,131	51,581,202	43,295,870	30,893,295
Deferred liabilities	(1,386,230)	(1,642,530)	(1,598,940)	(1,858,397)
Long-term liabilities	(4,188,167)	(3,511,849)	(1,702,054)	(1,205,883)
	53,784,734	46,426,823	39,994,876	27,829,015
Cash Flow Statement				
Net cash inflow/(outflow) from operating activities	5,535,183	3,690,179	2,919,827	2,377,786
Net cash inflow/(outflow) from investing activities	(6,701,629)	(5,852,445)	(8,413,360)	(6,069,149)
Net cash inflow/(outflow) from financing activities	(563,089)	833,536	(1,128,971)	(562,838)
Other Information				
Earning per share (Rs.)*	3.64	2.87	25.70	20.58
Dividend per share (Rs.)*	0.50	0.50	2.50	1.00
Net assets per share (Rs.)*	24.37	21.17	92.05	60.66
Market capitalisation (Rs. Mn)	54,091.80	41,004.79	25,150.50	25,092.18
Interest cover (No. of times)*	5.96	5.70	4.55	4.03
Current Ratio (No. of times)	1.19	1.18	1.12	1.43
Dividend cover (No. of times)*	7.29	5.74	10.28	20.58
Price earnings ratio (No. of times)				
Ordinary*	8.21	40.83	2.74	3.46
Non-voting (Class X)*	6.59	27.13	2.04	2.41

* After sub-division of shares

	2022 SLFRS Rs'000	2021 SLFRS Rs'000	2020 SLFRS Rs'000	2019 SLFRS Rs'000	2018 SLFRS Rs'000	2017 SLFRS Rs'000
	41,759,591	37,233,343	30,535,563	30,701,977	33,148,257	32,210,546
	4,531,251	4,140,439	1,120,813	303,337	(251,921)	852,073
	308,814	305,125	360,906	202,417	673,963	311,298
	643,440	466,488	390,013	394,788	267,053	334,728
	5,483,505	4,912,052	1,871,732	900,542	689,095	1,498,099
	(910,619)	(975,188)	(535,597)	(40,428)	(491,865)	(384,066)
	4,572,886	3,936,864	1,336,135	860,114	197,230	1,114,033
	(227,113)	(90,771)	(256,735)	(402,784)	(575,123)	(227,116)
	661,620	713,682	246,816	(25,909)	35,182	333,419
	3,684,153	3,132,411	832,584	483,239	(413,075)	553,498
	1,008,450	1,008,450	1,008,450	1,008,450	1,008,450	1,008,450
	3,368,499	2,818,526	2,360,463	2,360,463	1,917,975	1,815,568
	12,133,713	9,397,491	6,206,615	5,848,483	5,611,505	6,237,214
	3,603,439	3,078,520	2,136,220	2,061,339	2,174,725	2,354,316
	20,114,101	16,302,987	11,711,748	11,278,735	10,712,655	11,415,548
	12,749,774	12,193,664	12,359,815	13,279,431	12,275,229	12,645,808
	2,400	2,400	2,400	2,400	13,900	54,147
	311,612	221,125	179,610	208,082	181,028	248,508
	107,948	21,614	21,260	353,024	382,247	301,036
	373,182	390,480	366,982	384,362	391,938	168,809
	2,738,087	1,399,139	1,155,031	1,298,570	1,376,659	1,339,958
	6,515,992	4,514,714	713,772	(1,004,411)	(785,319)	(1,124,166)
	22,798,995	18,743,136	14,798,870	14,521,458	13,835,683	13,634,100
	(1,519,511)	(1,333,857)	(1,411,812)	(1,274,866)	(1,280,408)	(431,580)
	1,165,383	(1,106,292)	(1,675,310)	(1,967,857)	(1,842,620)	(1,786,972)
	22,444,867	16,302,987	11,711,748	11,278,735	10,712,655	11,415,548
	2,573,654	8,117,296	749,221	(1,713,963)	2,236,464	(132,541)
	(1,968,921)	(1,166,628)	10,456	(1,315,568)	(2,368,100)	(353,331)
	(1,249,263)	(1,135,340)	(618,235)	227,624	(297,636)	(246,839)
	9.72	8.26	8.79	5.10	(4.36)	5.84
	2.25	1.25	2.00	-	1.00	2.00
	43.55	34.89	101.04	97.26	90.09	95.61
	13,296.96	18,551.59	3,183.54	3,367.00	5,180.00	7,203.98
	3.51	6.18	2.10	1.50	1.47	1.73
	1.28	1.21	1.03	0.96	0.96	0.94
	4.32	6.61	4.39	-	-	2.92
	3.92	6.16	3.98	7.55	-	13.71
	2.57	5.13	3.29	5.02	-	10.68

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixty Third (63rd) Annual General Meeting of CIC Holdings PLC will be held at the Auditorium of Commercial Bank of Ceylon PLC, Union Place Branch, Colombo 02 on Tuesday, 30th June 2026 at 9.00 a.m. for the following purposes:

AGENDA

1. To receive and adopt the Statements of Accounts of the Company and of the Group for the year ended 31st March 2026 together with the Reports of the Directors and Auditors thereon.
2. To re-elect Mr. R S Captain who retires by rotation pursuant to the provisions of Article 26(6) of the Articles of Association of the Company, as a Director.
3. To re-elect Ms. K D Senewiratne who retires by rotation pursuant to the provisions of Article 26(6) of the Articles of Association of the Company, as a Director.
4. To pass the ordinary resolution set out below to re-appoint Mr. M P Jayawardena, who is over 70 years of age, as a Director of the Company.

"IT IS HEREBY RESOLVED THAT the age limit stipulated in Section 210 of the Companies Act, No.07 of 2007 shall not apply to Mr. M P Jayawardena, who is over 70 years of age and that he be and is hereby re-appointed a Director of the Company."

5. To declare a dividend as recommended by the Directors.
6. To re-appoint Messers KPMG, Chartered Accountants, as the Auditors of the Company and to authorise the Directors to determine their remuneration.
7. To authorise the Directors to determine donations for the year ending 31st March 2027 and up to the date of the next Annual General Meeting.

By order of the Board
CIC HOLDINGS PLC



P W Corporate Secretarial (Private) Ltd
Secretaries

03rd June 2026

Notes:

- A shareholder is entitled to attend and/or vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to participate and/or vote on his/her behalf (as applicable) and Forms of Proxy are enclosed for this purpose.
- A proxy need not be a shareholder of the Company.
- Shareholders who wish to appoint a member of the Board of Directors as his/ her proxy to represent them at the AGM may do so by completing the Form of Proxy.
- Any Shareholder or Proxy holder attending the meeting is kindly requested to bring this report along with his/her National Identity Card or Passport for identification purposes.

FORM OF PROXY

ORDINARY SHARES

ANNUAL GENERAL MEETING

I/WeHolder/s of NIC No./ Passport No
of
being a shareholder/shareholders of CIC Holdings PLC, hereby appoint
of.....
bearing NIC No./ Passport Noor failing him/her*,

Mr. Shiran Harsha Amarasekera	or failing him
Mr. Rusi Sohli Captain	or failing him
Mr. Steven Mark Enderby	or failing him
Mr. Jitendra Romesh Gunaratne	or failing him
Mr. Mahinda Preethiraj Jayawardena	or failing him
Mr. Don Tiburtius Sujeewa Handapangoda Mudalige	or failing him
Mrs. Kshenuka Dhireni Senewiratne	

as my/our* Proxy to represent me/us* and speak and vote for me/us* on my/our* behalf as indicated hereunder at the Sixty Third (63rd) Annual General Meeting of the Company to be held at 9.00. a.m on 30th June 2026 and at every poll which may be taken in consequence of the aforesaid Meeting and any adjournment thereof.

	Ordinary Business	For	Against
1.	To receive and adopt the Statements of Accounts of the Company and of the Group for the year ended 31st March 2026 together with the Reports of the Directors and Auditors thereon.		
2.	To re-elect Mr. R. S. Captain who retires by rotation pursuant to the provisions of Article 26(6) of the Articles of Association of the Company, as a Director.		
3.	To re-elect Mrs. K. D. Senewiratne who retires by rotation pursuant to the provisions of Article 26(6) of the Articles of Association of the Company, as a Director.		
4.	To pass the ordinary resolution set out below to re-appoint Mr. M P Jayawardena, who is over 70 years of age, as a Director of the Company.		
5.	To declare a dividend as recommended by the Directors.		
6.	To re-appoint Messers KPMG, Chartered Accountants, as the Auditors of the Company and to authorise the Directors to determine their remuneration.		
7.	To authorise the Directors to determine donations for the year ending 31st March 2027 and up to the date of the next Annual General Meeting.		

In witness my/our* hands this day of Two Thousand and Twenty Six.

.....
Signature of Shareholder/s

*Please delete as appropriate

- Notes
1. A proxy need not be a shareholder of the Company
 2. Instructions as to completion are noted on the reverse hereof

FORM OF PROXY

INSTRUCTIONS AS TO COMPLETION

1. The full name, National Identity Card number and the registered address of the shareholder appointing the Proxy and the relevant details of the Proxy should be legibly entered in the Form of Proxy which should be duly signed and dated.
2. The Proxy shall;
 - (a) In the case of an individual be signed by the shareholder or by his/her attorney, and if signed by an Attorney, a notarially certified copy of the Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.
 - (b) In the case of a company or corporate / statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the company or corporate / statutory body in accordance with its Articles of Association or the Constitution or the Statute (as applicable).
3. Please indicate with a 'X' how the Proxy should vote on each resolution. If no indication is given, the Proxy in his discretion will vote as he thinks fit.
4. In terms of Article 21 of the Articles of Association of the Company, where two or more persons are registered as the holder of a share, the vote of the person named first in the share register and voting on a matter, shall be accepted to the exclusion of the votes of the other joint holders.
5. The completed Form of Proxy should be deposited at the Registered Office of the Company at the undermentioned address or scanned and emailed to agm@cic.lk by 9.00 a.m. on 28th June 2026.

CIC House 199,
Kew Road
Colombo 2

FORM OF PROXY

Non-Voting (Class X) Shares

ANNUAL GENERAL MEETING

I/WeHolder/s of NIC No./ Passport No.....
.....of
.....being a holder/holders of Non-Voting (Class X) shares of CIC Holdings PLC,
hereby appoint
.....of.....
..... bearing NIC No./ Passport No
..... or failing him/her*,

being a shareholder/shareholders of CIC Holdings PLC hereby appoint:

Mr. Shiran Harsha Amarasekera	or failing him
Mr. Rusi Sohli Captain	or failing him
Mr. Steven Mark Enderby	or failing him
Mr. Jitendra Romesh Gunaratne	or failing him
Mr. Mahinda Preethiraj Jayawardena	or failing him
Mr. Don Tiburtius Sujeewa Handapangoda Mudalige	or failing him
Mrs. Kshenuka Dhireni Senewiratne	

as my/our* Proxy to represent me/us* and speak on my/our* behalf at the Sixty Third (63rd) Annual General Meeting of the Company to be held at 9.00. a.m. on 30th June 2026 and at any adjournment thereof.

In witness my/our* hands this day of Two Thousand and Twenty Six.

.....
Signature of Shareholder/s

*Please delete as appropriate

- Notes
1. A proxy need not be a shareholder of the Company
 2. As per Article 25(4)(iii) of the Articles of Association of the Company, the holders of Non-Voting (Class X) shares are not entitled to vote at the General Meetings of the Company.

FORM OF PROXY

INSTRUCTIONS AS TO COMPLETION

1. The full name, National Identity Card number and the registered address of the shareholder appointing the Proxy and the relevant details of the Proxy should be legibly entered in the Form of Proxy which should be duly signed and dated.
2. The Proxy shall –
 - (a) In the case of an individual be signed by the shareholder or by his/her attorney, and if signed by an Attorney, a notarially certified copy of the Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.
 - (b) In the case of a company or corporate / statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the company or corporate / statutory body in accordance with its Articles of Association or the Constitution or the Statute (as applicable).
3. The completed Form of Proxy should be deposited at the Registered Office of the Company at the undermentioned address or scanned and emailed to agm@cic.lk by 9.00 a.m. on 28th June 2026.

CIC House 199,
Kew Road
Colombo 2

CORPORATE INFORMATION

NAME OF THE COMPANY

CIC Holdings PLC

COMPANY REGISTRATION NUMBER

PQ 88

LEGAL FORM

A Public Quoted Company with limited liability incorporated in Sri Lanka on 12th May 1964

Re-registered under the Companies Act. No. 7 of 2007 on 21st November 2007

REGISTERED ADDRESS

CIC House, No.199, Kew Road, Colombo 02

BOARD OF DIRECTORS

S H Amarasekera (Chairman)

R S Captain

S M Enderby

J R Gunaratne

M P Jayawardena

D T S H Mudalige

K D Senewiratne

P R Saldin (deceased on 16.01.2026)

COMPANY SECRETARY

P W Corporate Secretarial (Private) Limited
3/17, Kynsey Road
Colombo 8

AUDITORS

KPMG

Chartered Accountants
32A

Sir Mohamed Macan Markar Mawatha,
Colombo 03

BANKERS

Amana Bank PLC

Bank of Ceylon

Cargills Bank PLC

Commercial Bank of Ceylon PLC

DFCC Bank PLC

Hatton National Bank PLC

Hongkong and Shanghai Banking Corporation

MCB Bank

Nations Trust Bank PLC

National Development Bank PLC

Pan Asia Banking Corporation PLC

People's Bank

Public Bank

Sampath Bank PLC

Seylan Bank PLC

Standard Chartered Bank

Union Bank of Colombo PLC

LEGAL ADVISERS

Nithya Partners

Attorneys-at-Law

97A, Galle Road, Colombo 03

Heritage Partners

Attorneys-at-Law

04, Malalasekara Pedesa

Colombo 07

Julius & Creasy

Attorneys-at-Law

371, R A De Mel Mawatha,
Colombo 03

AUDIT COMMITTEE

D T S H Mudalige - Chairman

M P Jayawardena

J R Gunaratne

K D Senewiratne

HUMAN CAPITAL AND COMPENSATION COMMITTEE

J R Gunaratne - Chairman

D T S H Mudalige

K D Senewiratne

R S Captain

S H Amarasekera

NOMINATIONS AND GOVERNANCE COMMITTEE

D T S H Mudalige - Chairman

S H Amarasekera

J R Gunaratne

R S Captain

K D Senewiratne

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

J R Gunaratne - Chairman

K D Senewiratne

D T S H Mudalige

S M Enderby

