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Chairman's Review

On behalf of the Board, I take pleasure in welcoming all the shareholders to the Thirty Seventh Annual General Meeting of the Company and presenting the Annual Report and Audited Financial Statements of the Company for the year ended 31st March, 2024.

The Sri Lankan economy is indicating signs of improved macroeconomic stability with the slight appreciation of the currency, declining inflation, and downward adjustment in market interest rates. The All Share Price Index (ASPI) remained low at the beginning of the financial year and gained nearly 22% by the end of July 2023. This significant gain reinforced by bullish investor sentiment remained till September 2023 and stabilized in the range of 10,500 points thereafter. ASPI ended the year at 11,444.38 (31.03.2022 – 9,301.09), gaining 23.04% in comparison with the previous financial year. It is anticipated that the significant recovery in the economic sector and low interest regime will positively impact the equity market elevating the value of the portfolio of the Company.

During the year under review, the Company recorded a revenue of Rs. 49.79 Million. The Revenue has increased by 11.5% in comparison to the previous year's revenue of Rs. 44.67 Million. This is mainly due to the increase in dividends received by the Company during the year. The profit prior to the fair value adjustment on Financial Assets was Rs. 44.26 Million in comparison to Rs. 34.04 Million in the preceding year.

The Net Asset Value of your Company was Rs. 262.05 per share as against Rs. 227.21 per share in the comparative year. The fair value of quoted investments as at 31st March, 2024 and 31st March, 2023 were Rs. 1.78 Billion and Rs. 1.61 Billion respectively.

It is with profound regret that I record the demise of Mr. Alagarajah Rajaratnam who served on the Board for nearly three decades. He was appointed to the Board in 1991 and served as Chairman from 2011. He provided leadership and made an enormous contribution to the growth of the Company. We shall all miss his wise counsel, judgement and leadership.

I take this opportunity to thank all the Shareholders for the continued confidence placed in the Company and my colleagues on the Board for their valuable recommendations.

S.D.R. Arudpragasam

Chairman

06th August 2024

Board of Directors

S.D.R.Arudpragasam - Chairman

FCMA (UK)

Mr. S.D.R.Arudpragasam is a Fellow Member of the Chartered Institute of Management Accountants (UK). He was appointed to the Board as Deputy Chairman on 12th August 2011. Having held the position of Deputy Chairman until 31st August 2023, He was appointed as Chairman of the Company on 01st September 2023. He was appointed Chairman of The Colombo Fort Land & Building PLC (CFLB) with effect from 1st July 2022. He also holds the position of Chairman of Lankem Ceylon PLC and Chairman/ Managing Director of E. B. Creasy & Company PLC, in addition to serving on the Board of other Companies within the CFLB Group.

S.Shanmugalingam - Director

Mr.S.Shanmugalingam was appointed to the Board on 01st February 2004. He has over 27 years experience in Share Trading and in the Capital Market and has worked for many years as a Senior Stock Broker. He currently functions as an Adviser. He holds a Higher Diploma in Information Technology.

A.M.de S.Jayaratne - Director

B.Sc. (Econ.), FCA

Mr.A.M.de S.Jayaratne was appointed to the Board on 15th July 2005. He graduated in Economics and is a Chartered Accountant by profession. He was the former Chairman of Forbes & Walker Ltd., Colombo Stock Exchange, Ceylon Chamber of Commerce and The Finance Commission. He also served as Sri Lanka's High Commissioner in Singapore. He is a Director of several public listed Companies.

S.Rajaratnam - Director

B.Sc., CA

Mr.S.Rajaratnam was appointed to the Board on 01st October 2008. He holds a Bachelor of Science Degree in Business Administration from Boston College, U.S.A. and is a member of the Institute of Chartered Accountants in Australia. He currently holds the position of Joint Managing Director of E.B.Creasy & Company PLC amongst other Directorships.

Dr. J.M.Swaminathan - Director

Attorney-at-Law,LLB(Ceylon), LLM, M. Phil.

(Colombo) and LLD (Honoris Causa)

Dr. J. M. Swaminathan was appointed to the Board on 16th October 2009. He is an Attorney-at-Law with over 60 years of practice and has been appointed a Senior Instructing Attorney-at-Law by His Excellency, the President. He was the former Senior Partner of Messrs. Julius & Creasy. He was a Member of the Office for Reparations Sri Lanka. He has served as a Member of the Law Commission of Sri Lanka and Member of the Council of Legal Education and the Council of the University of Colombo. He is also a Member of the Company Law Advisory Commission and the Intellectual Property Law Advisory Commission. He is the Chairman of the Studies of the Council of Legal Education and also a Consultant at the Institute of Advanced Legal Studies of the Council of Legal Education. He is a member of the Visiting Faculty of the LLM Course of the University of Colombo. He also serves on the Boards of several public and private Companies.

Board of Directors

Mr. Amrit Rajaratnam – Director

LLB (Notts.), Barrister-at-Law

Mr. Amrit Rajaratnam was appointed to the Board on 25th March 2022. He holds a Bachelor's Degree in Law from the University of Nottingham and is a Barrister-at-Law (Lincoln's Inn). He began his career at the Law Firm Julius & Creasy and later joined Lankem Ceylon PLC.

Anushman Rajaratnam – Director

B.Sc. (Hons.), CPA, MBA

Mr. Anushman Rajaratnam was appointed to the Board of Directors of Colombo Investment Trust PLC on 9th June, 2022. He is at present the Group Managing Director of The Colombo Fort Land & Building PLC (CFLB). In addition, he serves on the Board of several subsidiary Companies of the CFLB Group. Prior to joining the CFLB Group, he worked overseas for a leading global Accountancy Firm.

P.M.A. Sirimane – Director

(FCA, MBA)

Mr. P.M.A. Sirimane was appointed to the Board on 7th October 2022. He is a Fellow of the Institute of Chartered Accountants of Sri Lanka and also holds a Masters in Business Administration from the University of Swinburne, Victoria, Australia. Mr. Sirimane serves on the Board of The Colombo Fort Land & Building PLC (CFLB) and also serves on the Boards of several subsidiary Companies in the CFLB Group. Amongst other senior positions he has functioned as Managing Director/CEO of Mercantile Leasing Ltd., Group Finance Director of United Tractor & Equipment Ltd., Chief Finance Officer, Sri Lanka Telecom Ltd., and Director, SLT Hong Kong Ltd. He has served as a Member of several Committees of the Institute of Chartered Accountants of Sri Lanka and was an ex-officio member of the International Leasing Association.

Corporate Governance

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

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

Board Composition

Currently the Board of Colombo Investment Trust PLC comprises of Eight Non-Executive Directors of whom three are Independent.

These Directors are named below and profiled on pages 3 and 4.

Mr.A. Rajaratnam	- Former Chairman Non-Executive (Deceased on 26.08.2023)
Mr.S.D.R.Arudpragasam	- Chairman Non-Executive (Appointed w.e.f. 01.09.2023)
Mr.S.Shanmugalingam	- Non-Executive
Mr.A.M.de S. Jayaratne	- Independent Non-Executive
Mr.S.Rajaratnam	- Non-Executive
Dr.J.M.Swaminathan	- Independent Non-Executive
Mr.Amrit Rajaratnam	- Non-Executive
Mr.Anushman Rajaratnam	- Non-Executive
Mr. P.M.A.Sirimane	- Independent Non-Executive

The Non-Executive Directors have submitted declarations of their Independence or Non-Independence to the Board of Directors.

Mr.A.M.de S.Jayaratne and Dr.J.M.Swaminathan are on the Boards of other listed Companies, in which, a majority of the Directors of the Company are Directors and also serve on the Board of other listed entities which have significant shareholdings in the Company. Mr.A.M.de S.Jayaratne & Dr.J.M.Swaminathan have served for over a period of nine years on the Board of the Company and are over seventy years of age. However, the Directors, having considered the

fact that the said Directors are not involved in the Management of the Company and having taken into consideration all other circumstances listed in the Colombo Stock Exchange Listing Rules pertaining to the "Criteria for Defining Independence" is, of the opinion that Mr.A.M.de S.Jayaratne and Dr.J.M.Swaminathan to be nevertheless Independent.

Mr. P. M. A. Sirimane serves on the Board of other listed Companies in which a majority of the Directors of the Company are Directors and also serves on the Board of other listed entities which have significant Shareholdings in the Company. Nevertheless having considered the fact that the said Director is not involved in the Management of the Company and having taken into consideration all other circumstances listed in the Colombo Stock Exchange Listing Rules pertaining to the "Criteria for Defining Independence" the Directors are of the opinion that Mr. Sirimane is Independent.

Decision Making of the Board

The Board has met on four occasions during the year under review. In addition to Board Meetings matters are referred to the Board and decided by Resolutions in writing.

The attendance at Board meetings had been as follows:

	09.05.2023	07.08.2023	08.11.2023	01.02.2024	
Mr.S.D.R.Arudpragasam	✓	✓	✓	✓	4/4
Mr.S.Shanmugalingam	✓	✓	-	✓	3/4
Mr.A.M.de S.Jayaratne	✓	✓	-	✓	3/4
Mr.S.Rajaratnam	-	-	✓	✓	2/4
Dr.J.M.Swaminathan	✓	✓	✓	✓	4/4
Mr.Amrit Rajaratnam	✓	✓	-	✓	3/4
Mr.Anushman Rajaratnam	✓	✓	✓	-	3/4
Mr.P.M.A.Sirimane	✓	✓	-	✓	3/4

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

Corporate Governance

Fit & Proper Assessment

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

Appointment and Re-election of Directors

The Board as a whole decides on the appointment of Directors in accordance with the Articles of Association of the Company and in compliance with the Rules on Governance.

In terms of the Articles of Association a Director appointed by the Board holds office until the next Annual General Meeting, at which he seeks re-election by the shareholders. The Articles require one of the Directors in office to retire at each Annual General Meeting. The Director to retire is he who has been longest in office since his last election. A retiring Director is eligible for re-election.

Financial Acumen

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

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

Directors - Other Directorships

The details pertaining to the names of the Companies (in Sri Lanka) in which the Directors serve as a Director or Key Management Personnel are presented on pages 24 to 30.

Remuneration Committee

The Company does not have any employees nor Executive Directors. The Board comprises of only Non-Executive Directors to whom a Director's fee is paid. The fees of the Managers & Secretaries are approved by the Board of Directors. Consequently the appointment of a Remuneration Committee does not arise.

Audit Committee

The Audit Committee comprises of Mr.A.M.de S.Jayaratne - Chairman (Independent / Non-Executive Director), Dr. J. M. Swaminathan (Independent / Non - Executive Director) and Mr. S. Rajaratnam (Non - Executive Director). The Audit Committee Report is given on page 38 of this Report.

Related Party Transactions Review Committee

The Committee comprises of Mr.A.M.de S.Jayaratne - Chairman (Independent / Non - Executive Director), Dr. J. M. Swaminathan (Independent/ Non - Executive Director) and Mr. S. Rajaratnam (Non - Executive Director). The Related Party Transactions Review Committee Report is given on page 39 of this Report.

Managers & Secretaries

The Directors seek advice from Corporate Managers & Secretaries (Private) Limited (CMSL) who are qualified to act as Managers & Secretaries as per the provisions of the Companies Act No. 7 of 2007. The Company does not employ any staff. All accounting services are provided by CMSL. Proper internal control procedures are adopted within CMSL.

Annual General Meeting/General Meetings

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

Compliance with Legal Requirements

The Board strives to ensure that the Company complies with the Laws and Regulations of the country.

Corporate Social Responsibility

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

Corporate Governance

Adherence to the Corporate Governance Rules of the Colombo Stock Exchange

Rule	Adherence
9.2 POLICIES	
9.2.1 Establish and maintain the following policies	
<ul style="list-style-type: none"> a) Matters relating to the Board of Directors b) Board Committees c) Corporate Governance, Nominations and Re-election d) Remuneration e) Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities f) Risk management and Internal controls g) Relations with Shareholders and Investors h) Environmental, Social and Governance Sustainability i) Control and Management of Company Assets and Shareholder Investments j) Corporate Disclosures k) Whistleblowing l) Anti-Bribery and Corruption 	To be complied w.e.f. 01.10.2024
9.2.2. Any waivers from compliance with the Internal code of business conduct and ethics or exemptions granted by the Listed Entity shall be fully disclosed in the Annual Report	
9.2.3. Listed entities shall disclose in its Annual Report. <ul style="list-style-type: none"> (i) The list of policies that are in place in conformity rule 9.2.1. above with reference to its website. (ii) Details pertaining to any changes to policies adopted by the Listed Entities in compliance with Rule 9.2 above 	
9.2.4. Listed Entities shall make available all such policies to shareholders upon written request being made for any such Policy.	

Corporate Governance

Rule	Adherence
9.3 BOARD COMMITTEES	
9.3.1 Establishment of Committee	
(a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee.	To be complied w.e.f. 01.10.2024 Refer page no. 05 Corporate Governance Report Complied Complied
9.3.2 Compliance with composition, responsibilities and disclosures required in respect of the above Board committees	(a) to be formed w.e.f 01.10.2024 (b) Not Applicable Complied with (c) & (d)
9.3.3 The Chairperson of the Board of Directors of the Listed Entity shall not be the Chairperson of the Board Committees	Complied
9.4 ADHERENCE TO PRINCIPLES OF DEMOCRACY IN THE ADOPTION OF MEETING PROCEDURES AND THE CONDUCT OF ALL GENERAL MEETINGS WITH SHAREHOLDERS	
9.4.1 Maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting (a) The number of shares in respect of which proxy appointments have been validly made; (b) The number of votes in favour of the resolution; (c) The number of votes against the resolution; and (d) The number of shares in respect of which the vote was directed to be abstained.	Complied
9.4.2. Communication and relations with shareholders and investors a) Have a policy on effective communication and relations with shareholders and investors b) Disclose the contact person for such communication. c) Policy on relations with shareholders and investors shall include a process to make all Directors aware of major issues and concerns of shareholders d) When conducting of any shareholder meetings through virtual or hybrid means, compliance with the Guidelines issued by the Exchange	} To be complied w.e.f. 01.10.2024 Complied

Corporate Governance

Rule	Adherence
9.5 POLICY ON MATTERS RELATING TO THE BOARD OF DIRECTORS	
<p>9.5.1 Establish and maintain formal policy governing matters relating to the Board</p> <ul style="list-style-type: none"> a) Composition and Board Balance (Executive and Non-Executive), Role and function of Chairman and CEO and Procedure for Appraisal of Board Performance and appraisal of CEO b) Where Role of Chairman and CEO are combined Appointment of SID-Establish Board Charter inclusive of functions and safeguards for SID c) Board diversity – experience, skills, competencies, age, gender, industry requirements d) Maximum number of Directors and rationale e) Frequency of Board meetings f) Mechanisms for ensuring that Directors are kept abreast of the Listing Rules and on-going compliance and/or non-compliance g) Specify the minimum number of meetings, in numbers and percentage, that a Director must attend, h) Requirements relating to trading in securities of the Listed Entity and its listed group Companies and disclosure of such requirements i) Specify the maximum number of directorships in Listed Entities that may be held by Directors. j) Participation at meeting of the Board and Board committees by audio visuals means and participation to be taken into account when deciding the quorum. 	<p>To be complied w.e.f. 01.10.2024</p>
<p>9.5.2 Confirm compliance of 9.5.1. in Annual Report – If non compliant provide explanations with reasons and proposed remedial action.</p>	
9.6 CHAIRPERSON AND CEO	
<p>9.6.1 Chairperson shall be a Non-Executive Director</p> <p>Chairperson and CEO shall not be held by the same individual, unless otherwise a SID is appointed</p>	<p>Complied</p> <p>Not Applicable</p>
<p>9.6.2 Market Announcement in the event Chairperson is an Executive Director and / or the positions of Chairman and CEO are held by the same individual.</p>	<p>Not Applicable</p>

Corporate Governance

Rule	Adherence
9.6.3 The Requirement for a SID	
(a) Appoint of an Independent Director as the SID in the following instances: <ol style="list-style-type: none"> i. The positions of the Chairperson and CEO are held by the same individual. ii. The Chairperson is an Executive Director. iii. The Chairperson and CEO are Close Family Members or Related Parties (b)-(e) Responsibilities and duties of SID	Not Applicable
9.6.4 Set out the rationale for appointment of SID in the Annual Report	Not Applicable
9.7 FITNESS OF DIRECTORS AND CEOS	
9.7.1 <ol style="list-style-type: none"> a) Listed Entities shall ensure that the Directors and CEO are at all times fit and proper persons as required in terms of these Rules. b) In evaluating fitness and propriety of the persons referred in these Rules. Listed Entities shall utilize the Fit and Proper Assessment Criteria set out in Rule 9.7.3 below. 	Complied
9.7.2 Listed Entities shall ensure that the persons recommended by the Nominations and Governance Committee as Directors are fit and proper before such nominations are placed before Shareholders' meeting or appointments.	Nominations and Governance Committee to be formed w.e.f. 01/10/2024
9.7.3 'Fit and Proper Assessment Criteria' set out in Rule 9.7.3	
<ol style="list-style-type: none"> a) Honesty, Integrity and Reputation – (i)-(vii) b) Competence and Capability –(i)-(ii) c) Financial Soundness –(i)-(iii) 	Complied
9.7.4 Declarations to be obtained from Directors and CEO on an annual basis confirming that each of them have continuously satisfied the Fit and Proper Assessment Criteria set out in the Rules during the financial year concerned and satisfies the said criteria as at the date of such confirmation.	Complied
9.7.5 Disclosures in the Annual Report	
<ol style="list-style-type: none"> (a) Statement on Directors and CEO satisfying Fit and Proper Assessment Criteria (b) Any non-compliance/s and remedial action taken to rectify non compliance 	Complied Not Applicable
9.8 BOARD COMPOSITION	
9.8.1 The Board of Directors of a Listed Entity shall, at a minimum, consist of five (05) Directors.	Complied

Corporate Governance

Rule	Adherence
<p>9.8.2 Minimum Number of Independent Directors:</p> <p>(a) At least two (2) Independent Directors or such number equivalent to one third (1/3) of the total number of Directors at any given time, whichever is higher.</p> <p>(b) Any change occurring to this ratio shall be rectified within ninety (90) days from the date of the change.</p>	<p>Complied</p> <p>Not Applicable</p>
<p>9.8.3 Criteria for determining independence:</p>	
<p>A Director shall not be considered independent if he/she:</p> <p>(i) Has been employed by the Listed Entity during the period of three (3) years immediately preceding appointment as Director</p> <p>(ii) Currently has/had during the period of three (3) years immediately preceding appointment as a Director, a Material Business Relationship with the Listed Entity, whether directly or indirectly.</p> <p>(iii) Currently has/had during the preceding financial year a close Family Member who is a Director and/or CEO in the Listed Entity.</p> <p>(iv) Has a Significant Shareholding in the Listed Entity.</p> <p>(v) Has served an aggregate period of nine (9) years on the Board of the Listed Entity from the date of the first appointment.</p> <p>(vi) Is employed in another Company or business;</p> <p>a) In which a majority of the other directors of the Listed Entity are employed or are directors; or</p> <p>b) In which a majority of the other directors of the Listed Entity have a Significant Shareholding or Material Business Relationship; or</p> <p>c) That has a Significant Shareholding in the Listed Entity or with which the Listed Entity has a Business Connection.</p> <p>(vii) Is a director of another Company;</p> <p>a) In which a majority of the other Directors of the Listed Entity are employed or are Directors; or</p> <p>b) That has a Business Connection in the Listed Entity or a Significant Shareholding.</p> <p>(viii) Has a Material Business Relationship or a Significant Shareholding in another company or business;</p> <p>a) In which a majority of the other Directors of the Listed Entity are employed or are Directors; and/or</p> <p>b) Which has a Business Connection with the Listed Entity or Significant Shareholding in the same; and/or</p> <p>c) Where the core line of business of such Company is in direct conflict with the line of business of the Listed Entity.</p> <p>(ix) Is above the age of seventy (70) years.</p>	<p>Complied and where independence is impaired declared to be nevertheless independent</p>

Corporate Governance

Rule	Adherence
9.8.5 The Board of Directors of Listed Entities shall require:	
(a) Each Independent Director to submit a signed and dated declaration annually	Complied
(b) Make an annual determination as to the "independence" of Independent Director and set out the names of Directors determined to be 'independent' in the Annual Report.	Complied
(c) If independence is impaired against any of the criteria set out in Rule 9.8.3, an immediate Market Announcement is required	Declared as nevertheless Independent.
9.9 ALTERNATE DIRECTORS	
<p>Compliance with the following requirements and such requirements shall also be incorporated into the Articles of Association</p> <p>a) Alternate Directors shall only be appointed in exceptional circumstances and for a maximum period of one (1) year from the date of appointment.</p> <p>b) If an Alternate Director is appointed for a Non-Executive Director such alternate should not be an executive Director.</p> <p>c) If an Alternate Director is appointed by an Independent Director, the person so appointed should meet the criteria of independence. The Nominations and Governance Committee shall review and determine that the person nominated as the alternate would qualify as an Independent Director before such appointment is made.</p> <p>d) Immediate Market Announcement regarding the appointment of an Alternate Director</p> <p>e) Attendance of Alternate Director to be counted for the purpose of quorum at Board and Board Committee meetings.</p>	<p>Complied.</p> <p>The proposed Amendments to the Articles of Association is carried under special Business in the Notice of Meeting in this Annual Report.</p>
9.10. DISCLOSURES RELATING TO DIRECTORS	
9.10.1 Disclose its policy on the maximum number of directorships in Listed Entities Board members shall be permitted to hold as per Rule 9.5.1. Non compliance to be reported in the Annual Report.	To be complied w.e.f. 01.10.2024
9.10.2 Market announcement on appointment of new Director	There were no appointments during 2023/2024.
9.10.3 Immediate Market Announcement regarding any changes to the composition of the Board Committees	There were no changes to the composition of the Committees in 2023/2024.

Corporate Governance

Rule	Adherence
<p>9.10.4 Disclosure in Annual Report - Directors details</p> <ul style="list-style-type: none"> - Name, qualifications and brief profile - Nature of his/her expertise in relevant functional areas - Whether either the Director or Close Family Members has any material business relationships with other Directors - Whether Executive, Non-Executive and/or independent Director - Total number and names of Companies in Sri Lanka in which the Director concerned serves as a Director and/or KMP stating whether listed or unlisted, whether functions as executive or non- executive (If the directorships are within the Group names need not be disclosed) - Number of Board meetings attended - Names of Board Committees in which the Director serves as Chairperson or a member - Attendance of committee meetings - TOR and powers of SID 	<p>Complied</p> <p>Not Applicable</p>
<p>9.11 NOMINATIONS AND GOVERNANCE COMMITTEE</p>	<p>To be complied w.e.f. 01.10.2024</p>
<p>9.11.1 Establishment of Nominations and Governance Committee</p>	
<p>9.11.2 Maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Nominations and Governance Committee.</p>	
<p>9.11.3 Written terms of reference</p>	
<p>9.11.4 Composition</p>	
<p>(1) The members of the Nominations and Governance Committee shall;</p> <p>(a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors.</p> <p>(b) Not comprise of Executive Directors of the Listed Entity</p> <p>(2) An Independent Director shall be appointed as the Chairperson</p> <p>(3) Identify Members in the Annual Report</p>	

Corporate Governance

Rule	Adherence	
9.11.5 Functions		
<ul style="list-style-type: none"> (i) Evaluate the appointment of Directors to the Board of Directors and Board Committees (ii) Recommend (or not recommend) the re-appointment/ re-election of current Directors (iii) Establish and Maintain a formal and transparent procedure to evaluate, select and appoint/re- appoint Directors (iv) Establish and maintain a set of criteria for selection of Directors (v) Establish and maintain a suitable process for the periodic evaluation of the performance of the Board of Directors and the CEO of the Entity to ensure that their responsibilities are satisfactorily discharged. (vi) Develop a succession plan for the Board of Directors and Key Management Personnel (vii) Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities (viii) Review and recommend the overall corporate governance framework of the Listed Entity taking into account the Listing Rules of the Exchange, other applicable regulatory requirements and industry/international best practices. (ix) Periodically review and update the Corporate Governance Policies / Framework of the Entity in line with the regulatory and legal developments relating to same, as a best practice. (x) Receive reports from the Management on compliance with the corporate governance framework of the Entity including the Entity's compliance with provisions of the SEC Act, Listing Rules of the Exchange and other applicable laws, together with any deviations/non-compliances and the rational for same. 	<p>To be complied w.e.f. 01.10.2024</p>	
9.11.6 Disclosures in Annual Report		
Nomination & Governance Committee Report and contents to be incorporated -Sections (a)-(m)		

Corporate Governance

Rule	Adherence
9.12 REMUNERATION COMMITTEE	<p>The Company does not have any employees nor Executive Directors. The Board comprises of only Non Executive Directors to whom a Director's fee is paid. The fees of the Managers & Secretaries are approved by the Board of Directors. Consequently the appointment of a Remuneration Committee does not arise.</p>
9.12.1 The term "remuneration" shall make reference to cash and all non-cash benefits whatsoever received	
9.12.2 Establishment of Remuneration Committee	
9.12.3 Establish and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneration and for fixing the remuneration packages of individual Directors. No Director shall be involved in fixing his/her own remuneration.	
9.12.4 Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of non-discriminatory pay practices among them to ensure that their independence is not impaired.	
9.12.5 Written terms of reference	
9.12.6 Composition	
<p>(1) The members of the Remuneration Committee shall;</p> <p>(a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors.</p> <p>(b) Not comprise of Executive Directors of the Listed Entity</p> <p>(2) Where both the parent Company and the subsidiary are 'Listed Entities', the Remuneration Committee of the parent Company may be permitted to function as the Remuneration Committee of the subsidiary.</p> <p>(3) An Independent Director shall be appointed as the Chairperson.</p>	
9.12.7 Functions	
<p>(1) Recommend the remuneration payable to the Executive Directors and CEO of the Listed Entity and/or equivalent position thereof to the Board of the Listed Entity which will make the final determination upon consideration of such recommendations.</p> <p>(2) Engage any external Consultant or expertise that may be considered necessary to ascertain or assess the relevance of the remuneration levels applicable to Directors and CEO.</p>	
9.12.8 Disclosure in Annual Report	
<p>a) Names of the Chairperson and members of the Remuneration Committee and the nature of directorships held by such members (or persons in the parent Company's Remuneration Committee in the case of a group Company);</p> <p>(b) A statement regarding the remuneration policy; and,</p> <p>(c) The aggregate remuneration of the Executive and Non-Executive Directors</p>	

Corporate Governance

Rule	Adherence
9.13 AUDIT COMMITTEE	Refer Audit Committee Report
9.13.1 Where Listed Entities do not maintain separate Committees to perform the Audit and Risk Functions, the Audit Committee of such Listed Entities shall additionally perform the Risk Functions	Complied with Rules prior to revision on 01/10/2023 (i.e. Rule 7.10.6. (a) and (b))
9.13.2 Written terms of reference	Complied
9.13.3 Composition	
<p>(1) The members of the Audit Committee shall;</p> <p>(a) Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors.</p> <p>(b) Not comprise of Executive Directors of the Listed Entity</p> <p>(2) Quorum - requires that the majority of those in attendance to be independent Directors.</p> <p>(3) Compulsorily to meet on a quarterly basis prior to recommending the financials to be released to the market.</p> <p>(4) If both the Parent Company and the subsidiary are 'Listed Entities' the Audit Committee of the Parent Company may function as the the Audit Committee of the subsidiary.</p> <p>(5) An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors.</p> <p>(6) Unless otherwise determined by the Audit Committee, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the Audit Committee meetings by invitation. Provided however where the Listed Entity maintains a separate Risk Committee, the CEO shall attend the Risk Committee meetings by invitation.</p> <p>(7) The Chairperson of the Audit Committee shall be a Member of a recognized professional accounting body. Provided however, this Rule shall not be applicable in respect of Risk Committees where a Listed Entity maintains a separate Risk Committee and Audit Committee.</p>	<p>Complied</p> <p>Complied with Rules prior to revision on 01.10.2023 (i.e Rule 7.10.6 (a) and (b))</p> <p>Complied</p> <p>Not Applicable</p> <p>Complied</p> <p>Representatives of the Managers & Secretaries were in attendance by invitation.</p> <p>Complied</p>
9.13.4 Functions Detailed in Rule (1) (i) –(xiii) and (2)	Complied with Rules prior to revision on 01/10/2023 (i.e Rule 7.10.6(b))

Corporate Governance

Rule	Adherence
<p>9.13.5 Disclosures in Annual Report</p> <p>Audit Committee Report</p> <ul style="list-style-type: none"> - Names of chairperson and members with nature of directorship - Status of risk management and internal control – Company and group - Statement on CEO and CFO assurance on operations and finances - Opinion on compliance with Financial reporting requirements, information requirements Listing Rules, Companies Act, SEC Act and any other requirements. - Availability of formal Audit Charter - Internal audit assurance and summary of the work internal audit - Details demonstrating effective discharge of functions and duties - Statement on external auditors’ assurance on their independence - Confirmation on determining auditor’s independence 	<p>Complied with Rules prior to revision on 01/10/2023 (i.e Rule 7.10.6(c))</p>
<p>9.14 RELATED PARTY TRANSACTIONS REVIEW COMMITTEE</p>	<p>Refer Related Party Transactions Review Committee Report</p>
<p>9.14.1. Establishment of Committee</p> <p>Listed Entities shall have a Related Party Transactions Review Committee that conforms to the requirements set out in Rule 9.14 of these Rules</p>	<p>Complied</p>
<p>9.14.2 Composition</p> <p>(1) The Related Party Transactions Review Committee shall comprise of;</p> <ul style="list-style-type: none"> - Minimum three (03) Directors out of which a minimum of two (02) members shall be Independent Directors - May comprise of Executive Directors - An Independent Director shall be appointed as the Chairperson <p>(2) Parent Company may function as RPTRC (Applicable only up to 30.09.2024)</p>	<p>Complied</p> <p>Not Applicable</p>

Corporate Governance

Rule	Adherence
<p>9.14.3 Functions</p> <ul style="list-style-type: none"> (1) Committee shall be responsible for reviewing the Related Party Transactions (2) Objective - ensure that the interests of shareholders as a whole are taken into account when entering into Related Party Transactions. (3) The objective and the economic and commercial substance of the Related Party Transactions should take precedence over the legal form and technicality. (4) Establish and maintain a clear policy, procedure and process in place for the identification, clarification and reporting the Related Party Transactions on an end-to-end basis across the Entity's operations 	<p>Complied</p>
<p>9.14.4 General Requirements</p> <ul style="list-style-type: none"> (1) The Related Party Transactions Review Committee shall meet at least once a calender quarter. It shall ensure that the minutes of all meetings are properly documented and communicated to the Board of Directors. (2) Should ensure having access to, enough knowledge or expertise to assess or aspects of proposed Related Party Transactions, and where necessary obtain appropriate professional and expert advice from appropriately qualified person when necessary. (3) Board of Directors to approve RPT when required by the committee (4) If a Director has a material personal interest in a matter being considered at a Board Meeting to approve a Related Party Transaction as required in Rule 9.14.4(3), such Director shall not: <ul style="list-style-type: none"> (a) Be present while the matter is being considered at the meeting; and, (b) Vote on the matter. 	<p>Complied</p> <p>Not Applicable</p>
<p>9.14.5 Review of Related Party Transactions by the Related Party Transactions Review Committee</p>	<p>Complied</p>

Corporate Governance

Rule	Adherence
<p>9.14.6 Shareholder Approval</p> <ol style="list-style-type: none"> 1. Listed Entities shall obtain shareholder approval by way of a Special Resolution for the following Related Party Transaction. <ol style="list-style-type: none"> a) <u>Non-recurrent transaction</u> <ol style="list-style-type: none"> i) Transactions exceeding one third (1/3) of the Total Assets as per the latest Audited Financial Statements ii) Transactions exceeding one third (1/3) of the Total Assets as per the latest Audited Financial Statements when aggregated with other non- recurrent transactions entered into with the same Related Party during the same financial year iii) Acquisition of substantial asset from, or disposal of a substantial asset to, any Related Party of the Entity or its associates b) <u>Recurrent transaction</u> <ol style="list-style-type: none"> (i) One third (1/3) of the gross revenue (or equivalent term for revenue in the Income Statement) and in the case of group entity consolidated group revenue of the Entity as per the latest Audited Financial Statements; or (ii) One third (1/3) of the gross revenue (or equivalent term for revenue in the Income Statement) and in the case of group entity consolidated group revenue of the Entity as per the latest Audited Financial Statements of the Entity, when aggregated with other recurrent transactions entered into with the same Related Party during the same Financial year; and; (iii) The transactions are not in the ordinary course of business and in the opinion of the Related Party Transactions Review Committee, are on terms favorable to the Related Party than those generally available to the public. 	<p>Not Applicable</p>

Corporate Governance

Rule	Adherence
9.14.7 Disclosures	
(1) Immediate Disclosures	
A Listed Entity shall make an immediate Market Announcement to the Exchange	Not applicable all non-recurrent transactions were below the disclosure threshold.
<p>(a) Any non-recurrent Related Party Transaction with a value exceeding 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements; or</p> <p>(b) Of the latest transaction, if the aggregate value of all non-recurrent Related Party Transactions entered into with the same Related Party during the same Financial year amounts to 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements.</p> <p>Subsequent non-recurrent transactions which exceed 5% of the Equity of the Entity, entered into with the same Related Party during the Financial year.</p>	
9.14.8 Disclosures in the Annual Report	Complied All non-recurrent transactions were below the disclosure threshold and all Recurrent transactions which exceeded the disclosure threshold are given in Note 17 (e).

Corporate Governance

Rule	Adherence
<p>9.14.9 Acquisition and Disposal of Assets From/to Related Parties</p> <ol style="list-style-type: none"> 1) Shareholder approval is required by Special Resolution for the acquisition from or disposal of substantial assets to Related Companies. [Subject to exemptions as per Rule 9.14.9 (3)] 2) Substantial value of the asset or the value of the consideration relating to such asset exceeds 1/3 of the Total Assets. (3) Rule 9.14.9(1) does not apply to: <ol style="list-style-type: none"> a) Transactions between the Listed entity and a wholly owned subsidiary. b) Transaction between wholly owned subsidiaries of the Listed Entity. c) Takeover offer made by the Listed Entity in accordance with Takeovers and Mergers Code 1995 (as amended). d) Any transaction entered into by the Listed Entity with a bank as principal, on arm's length terms and in the ordinary course of its banking business. (4) <ol style="list-style-type: none"> a) The Related Party Transactions Review Committee should obtain competent independent advice from independent professional experts with regard to the value of the substantial assets of the Related Party Transaction under the consideration. b) Person who is in the same group of the Listed Entity or significant interest in or financial connection with the Listed Entity or the relevant Related Party shall not be eligible to give such advice. (5) Independent advice obtained should be circulated with the notice of meeting to obtain the shareholder approval (6) The competent independent advice required in terms of Rule 9.14.9 (4) shall include: <ol style="list-style-type: none"> a) Key assumptions, conditions or restrictions that impact the estimate value. b) The different valuation methodologies considered in valuing the subject asset/s and justification for adopting one or more of them in the valuation. c) Sources of information relied upon for the valuation. d) Identity of individuals participating in the valuation assignment and their qualifications. e) Confirmation of the independence of the parties participating in the advice. f) A statement as to whether the transaction is on usual commercial terms, in ordinary and usual course of business, fair and reasonable and in the interests of the Listed Entity and its shareholders. 	<p style="text-align: center;">Not Applicable</p>

Corporate Governance

Rule	Adherence
<p>9.14.10 Exempted Related Party Transactions</p> <p>(a) Subject to Rule 9.14.8 (2), transactions with Related Parties which are recurrent, of revenue or trading nature and which is necessary for day-to-day operations of a Listed Entity or its subsidiaries and, in the opinion of the Related Party Transactions Review Committee, terms are not favorable to the Related Party than those generally available to the public.</p> <p>(b) The payment of dividend, issue of Securities by the Listed Entity by way of a capitalization of reserves, the exercise of Rights, options or warrants (subject to Rules contained in Section 5 and 7 of these Rules), sub-division of shares or consolidation of shares.</p> <p>(c) The grant of options, and the issue of Securities pursuant to the exercise of options, under an employee share option scheme/employees share purchase scheme (subject to Rule 5.6 of these Rules).</p> <p>(d) A transaction in marketable securities carried out in the open market where the counterparty's identity is unknown to the Listed Entity at the time of the transaction.</p> <p>(e) The provision or receipt of financial assistance or services, upon usual commercial terms and in the ordinary course of business, from a Company whose activities are regulated by any written law relating to licensed banks, Finance Companies or insurance Companies or are subject to supervision by the Central Bank of Sri Lanka or Insurance Board of Sri Lanka.</p> <p>(f) Directors' fees and remuneration, and employment remuneration</p>	<p>Complied</p>

Corporate Governance

Rule	Adherence
<p>9.16 ADDITIONAL DISCLOSURES BY BOARD OF DIRECTORS</p> <ul style="list-style-type: none"> - Declared all material interests in contracts involving the entity and that they have refrained from voting on matters in which they were materially interested - Conducted a review of the internal controls covering Financial, operational and compliance controls and risk management and obtained reasonable assurance of their effectiveness and successful adherence, and, if unable to make any of these declarations an explanation on why it is unable to do so; - Made arrangement to make themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions; - Disclosure of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Entity has operations. 	<p>Complied Refer Annual Report of the Board of Directors and Corporate Governance Report</p>
<p>9.17 ENFORCEMENT PROCEDURE FOR NON-COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS</p>	
<p>Immediate Market Announcement on non compliance in the event of failure to comply with any of the requirements contained in Rules 9.2.1, 9.8.2, 9.11.4, 9.12.6, 9.13.3 or 9.14.2 about such non-compliance within one (1) Market Day from the date of the non-compliance. Announcement shall be repeated on the first (1st) Market Day of each calendar month until the Entity becomes compliant with these Rules.</p>	<p>Not Applicable</p>

Corporate Governance

DETAILS IN RESPECT OF DIRECTORS

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

Abbreviations:

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

COMPANIES	Mr. S.D.R. Arudpragasam		Mr. S. Shammugalingam		Mr. A.M. de S. Jayaratne		Mr. Sanjeev Rajaratnam		Dr. J.M. Swaminathan		Mr. Amrit Rajaratnam		Mr. Anushman Rajaratnam		Mr. P.M.A. Sirimane	
	✓	C/NE	✓	-	✓	INE	✓	NE	-	-	✓	NE	✓	GMD/EX	✓	INE
The Colombo Fort Land and Building PLC	✓	C/NE	-	-	✓	INE	✓	NE	-	-	✓	NE	✓	GMD/EX	✓	INE
C M Holdings PLC	✓	C/NE	-	-	✓	INE	✓	NE	✓	INE	-	-	✓	NE	-	-
York Arcade Holdings PLC	✓	C/NE	✓	NE	✓	INE	✓	NE	-	-	✓	NE	✓	NE	-	-
Lankem Ceylon PLC	✓	C/NE	-	-	-	-	-	-	-	-	-	-	✓	EX	✓	INE
Lankem Developments PLC	✓	C/NE	-	-	✓	INE	-	-	-	-	-	-	✓	NE	✓	INE
Kotagala Plantations PLC	✓	C/NE	-	-	✓	INE	-	-	-	-	-	-	✓	NE	✓	INE
Agarapatana Plantations PLC	✓	C/NE	-	-	✓	INE	-	-	-	-	-	-	✓	NE	✓	INE
E.B. Creasy & Company PLC	✓	C/MD/EX	-	-	✓	INE	✓	JMD/EX	-	-	-	-	-	-	✓	NE
Muller & Phipps (Ceylon) PLC	✓	C/NE	-	-	-	-	✓	NE	-	-	-	-	-	-	✓	NE
Laxapana PLC (Formally known as Laxapana Batteries PLC)	✓	C/NE	-	-	-	-	✓	NE	-	-	-	-	-	-	✓	NE
Beruwala Resorts PLC	✓	C/NE	-	-	-	-	✓	NE	-	-	✓	NE	✓	NE	-	-
Marawila Resorts PLC	✓	C/NE	-	-	-	-	✓	NE	-	-	✓	NE	✓	NE	-	-
Sigiriya Village Hotels PLC	✓	C/NE	-	-	-	-	✓	NE	-	-	✓	NE	✓	NE	-	-
C W Mackie PLC	✓	NE	-	-	✓	INE	✓	NE	-	-	-	-	✓	NE	-	-

Corporate Governance

Details in respect of Directors (Cont.)

COMPANIES	Mr. S.D.R. Arudpragasam	Mr. S. Shanmugalingam	Mr. A.M. de.S. Jayaratne	Mr. Srijeev Rajaratnam	Dr. J.M. Swaminathan	Mr. Amrit Rajaratnam	Mr. Anushman Rajaratnam	Mr. P.M.A. Sirimane
	✓	-	-	-	✓	-	✓	✓
ACME Printing & Packaging PLC	NE	-	-	-	INE	-	NE	INE
Colombo Fort Investments PLC	C/NE	✓	INE	✓	INE	✓	NE	INE
Colombo Investment Trust PLC	C/NE	✓	INE	✓	INE	✓	NE	INE
Alliance Five (Private) Limited	C	-	-	-	-	-	✓	✓
American Lloyd Travels Limited	D	✓	-	✓	-	✓	D	-
Associated Farms (Private) Limited	C	-	-	-	-	-	-	-
ACME Packaging Solutions (Pvt) Limited	D	-	-	-	-	-	✓	D
B.O.T. Hotel Services (Private) Limited	C	-	✓	D	✓	✓	D	-
C. F. Travels Limited	-	-	-	✓	D	✓	D	-
C. W. M. Hotels Holdings Limited	D	-	✓	D	-	-	✓	D
Candy Delights Limited	C/MD	-	✓	D	-	-	-	✓
Capital Finance Limited	-	-	-	✓	D	-	-	-
Capital Investments Limited	D	✓	D	-	-	-	-	-
Capital Leasing Company Limited	C	-	-	-	-	-	✓	D
Century Investments and Finance Limited	D	-	-	-	-	-	-	-
Ceyflex Rubber Limited	C	-	-	✓	D	-	-	✓
Ceylon Tapes (Private) Limited	C	-	-	-	-	-	✓	✓
Ceytape (Private) Limited	C	-	-	-	-	-	✓	✓
City Investment Services (Private) Limited	-	✓	D	-	-	-	-	-
Colombo Fort Group Services (Pvt) Limited	D	-	-	-	-	-	✓	D
Colombo Fort Holdings Limited	D	-	-	✓	D	-	-	-
Colombo Fort Hotels Limited	C	-	-	✓	D	✓	D	-
Colombo Fort Properties (Private) Limited	-	✓	D	-	-	-	✓	D
Colombo Fort Travels Limited	D	-	-	✓	D	✓	-	-

Corporate Governance

Details in respect of Directors (Cont.)

COMPANIES	Mr. S.D.R. Anurupagasam		Mr. S. Shanmugalingam	Mr. A.M. de S. Jayaratne	Mr. Sanjeev Rajaratnam	Dr. J.M. Swaminathan	Mr. Amrit Rajaratnam	Mr. Anushman Rajaratnam	Mr. P.M.A. Sirimane
	✓	D							
Colombo Residences (Private) Limited	✓	D	-	-	-	-	-	-	-
Colonial Motors (Ceylon) Limited	✓	DC	-	✓	C	✓	D	✓	D
Company Holdings (Private) Limited	✓	D	-	-	-	-	-	-	-
Consolidated Commercial Investments (Private) Limited	-	-	-	-	✓	-	✓	D	D
Consolidated Holdings (Private) Limited	✓	D	✓	D	-	-	-	✓	D
Consolidated Tea Plantations Limited	✓	D	-	✓	D	-	-	✓	D
Consolidated Trust (Private) Limited	-	-	✓	D/Alt	-	-	-	-	-
Corporate Holdings (Private) Limited	-	-	✓	D	-	-	-	-	-
Corporate Strategic Services (Private) Limited	-	-	✓	D	-	-	-	-	-
Corporate Systems Limited	✓	C	-	-	-	✓	D	-	-
Creasy Plantation Management Limited	✓	D	-	-	-	-	-	-	-
Darley Butler & Company Limited	✓	C/MD	-	-	✓	D	JMD	-	✓
E B Creasy Ceylon (Private) Limited	✓	C	-	-	-	✓	D	-	✓
E. B. Creasy Logistics Limited	✓	C	-	-	-	✓	D	-	✓
E.B. Creasy Trading Limited	✓	D	-	-	-	✓	D	-	-
Far Eastern Exports (Colombo) Limited	✓	D	-	-	-	-	✓	D	-
Financial Trust Limited	-	-	-	-	-	-	✓	D	-
Fortland Finance Limited	✓	C	-	-	-	✓	D	-	-
Galle Fort Hotel (Private) Limited	✓	D	-	-	-	✓	D	✓	D
Guardian Asset Management Limited	✓	D	✓	D	-	✓	D	-	-
Glenford Investments (Pvt) Ltd	-	-	✓	D/Alt	-	-	-	-	-
Great Eastern Resorts Ltd	-	-	-	-	-	-	✓	D	✓

Corporate Governance

Details in respect of Directors (Cont.)

COMPANIES	Mr. S.D.R. Arudpragasam	Mr. S. Shammugalingam	Mr. A.M. de.S. Jayaratne	Mr. Sanjeev Rajaratnam	Dr. J.M. Swaminathan	Mr. Amrit Rajaratnam	Mr. Anushman Rajaratnam	Mr. P.M.A. Sirmane
Nutriklim (Ceylon) Limited	✓ D	-	-	✓ D	-	-	-	-
Oakley Investments (Private) Limited	✓ D	-	-	✓ D	-	✓ D	✓ D	-
Property and Investment Holdings (Private) Limited	✓ D	-	-	✓ D	-	✓ D	✓ D	-
Rubber & Allied Products (Colombo) Limited	✓ C	-	✓ D	-	-	-	✓ D	✓ D
Sherwood Holidays Limited	✓ C	-	-	✓ D	-	✓ D	-	-
Sigiriya Resorts Limited	-	-	-	✓ D	-	✓ D	✓ D	-
Sunagro Farms Limited	✓ C	-	-	-	-	-	✓ D	-
Sunagro Lifescience Limited	✓ C	-	-	-	-	-	✓ D	✓ D
Sunrise Resorts Limited	-	-	-	✓ D	-	✓ D	✓ D	-
Teacom (Private) Limited	✓ C	-	-	-	-	✓ D	✓ D	-
Transways (Private) Limited	-	✓ D	-	✓ D	-	✓ D	✓ D	-
Tropical Beach Resorts Limited	-	-	-	✓ D	-	✓ D	✓ D	-
Trust Holdings & Investments (Pvt) Limited	-	✓ D/Alt	-	-	-	-	-	-
Udaveriya Plantations Limited	✓ D	-	-	-	-	-	✓ D	-
Unicom Clearing and Forwarding (Private) Limited	✓ C	-	-	-	-	✓ D	✓ D	-
Union Commodities (Private) Limited	✓ C	-	✓ D	-	-	✓ D	✓ D	✓ D
Union Commodities Exports (Pvt) Limited	✓ C	-	-	-	-	✓ D	✓ D	-
Union Commodities Teas (Pvt) Limited	✓ C	-	-	-	-	✓ D	✓ D	-
Union Group (Private) Limited	✓ D	-	-	-	-	-	✓ D	-
Union Investments (Private) Limited	✓ D	✓ D	✓ D	✓ D	✓ D	-	✓ D	-
Union Travels Limited	-	✓ D	-	-	-	-	-	-
Vanya Safaris (Private) Limited	-	-	-	-	-	✓ D	-	-
Villa Investments (Private) Limited	-	-	-	✓ D	-	-	-	-

Corporate Governance

Details in respect of Directors (Cont.)

COMPANIES	Mr. S.D.R. Arudragasam	Mr. S. Shanmugalingam	Mr. A.M. de S. Jayaratne	Mr. Sanjeev Rajaratnam	Dr. J.M. Swaminathan	Mr. Amrit Rajaratnam	Mr. Anushman Rajaratnam	Mr. P.M.A. Sirmane
Voyages Ceylan (Private) Limited	-	-	-	✓	D	-	✓	D
Waverly Power (Private) Limited	✓	-	✓	✓	D	-	✓	D
Weigama Hills Limited	✓	-	-	-	-	-	✓	D
York Conventions (Private) Limited	-	-	-	✓	D	-	✓	D
York Hotel Management Services Limited	✓	✓	-	✓	D	MD	✓	D
York Tours Limited	-	-	-	✓	D	-	✓	D
Sterling Steels (Pvt) Limited (Formally know as Bluescope Lysaght Lanka (Private) Limited)	✓	-	-	✓	D	-	-	✓
Cambodian Rubber Plantation Industries PTE Ltd	-	-	-	-	-	✓	✓	D
Consolidated Rubber Plantations PTE Ltd	-	-	-	-	-	✓	✓	D
Kelani Valley Canneries Limited	-	-	-	-	-	-	✓	D
Sunquick Lanka (Pvt) Limited	-	-	-	-	-	-	✓	D
Sunquick Lanka Properties (Pvt) Limited	-	-	-	-	-	-	✓	D
Lanka Agro Plantations Limited	-	-	-	-	-	✓	✓	D
ACL Cables PLC	-	-	✓	✓	D	-	-	-
Mireka Capital Land (Pvt) Limited	-	-	✓	✓	D	-	-	-
Overseas Realty (Ceylon) PLC	-	-	✓	✓	C	-	-	-
Innovest Investments (Pvt) Limited	-	-	✓	✓	D	-	-	-
Hotel Sigritya PLC	-	-	-	-	✓	INE	-	-
Lanka Aluminum Industries PLC	-	-	-	-	✓	INE	-	-
Serendib Land PLC	-	-	-	-	✓	INE	-	-
Eden Hotel Lanka PLC	-	-	-	-	✓	INE	-	-
Palm Garden Hotels PLC	-	-	-	-	✓	INE	-	-
Renuka Holdings PLC	-	-	-	-	✓	INE	-	-
Dolphin Hotels PLC	-	-	-	-	✓	INE	-	-

Corporate Governance

Details in respect of Directors (Cont.)

COMPANIES	Mr. S.D.R. Arudpragasam	Mr. S. Shanmugalingam	Mr. A.M. de.S. Jayaratne	Mr. Sanjeev Rajaratnam	Dr. J.M. Swaminathan	Mr. Amrit Rajaratnam	Mr. Anushman Rajaratnam	Mr. P.M.A. Sirimane
	Serendib Hotels PLC	-	-	-	-	✓	-	-
Alpha Apparels Limited	-	-	-	-	✓	-	-	-
Benji Limited	-	-	-	-	✓	-	-	-
Castalloys (PTE) Limited	-	-	-	-	✓	-	-	-
Centre For Advancement of Resource Mobilization	-	-	-	-	✓	-	-	-
CIC Agri Businesses (PTE) Limited	-	-	-	-	✓	-	-	-
Comark engineers (PTE) Limited	-	-	-	-	✓	-	-	-
Comark Lanka (PTE) Limited	-	-	-	-	✓	-	-	-
D.V. Investments (Pvt) Limited	-	-	-	-	✓	-	-	-
Finetex (Pvt) Limited	-	-	-	-	✓	-	-	-
Frontier Capital Lanka (PTE) Limited	-	-	-	-	✓	-	-	-
Fulgar Lanka (PTE) Limited	-	-	-	-	✓	-	-	-
Lanka Investment and Management Services (PTE) Limited	-	-	-	-	✓	-	-	-
LOLC Securities Limited	-	-	-	-	✓	-	-	-
Metecno Lanka (Pvt) Limited	-	-	-	-	✓	-	-	-
Navantis IT (PTE) Limited	-	-	-	-	✓	-	-	-
Omega Line limited	-	-	-	-	✓	-	-	-
Residence Peelawatte (PTE) Limited	-	-	-	-	✓	-	-	-
Serendipity Retreats and Leisure (Pvt) Limited	-	-	-	-	✓	-	-	-
Sirio Limited	-	-	-	-	✓	-	-	-
Texlan Center (Pvt) Limited	-	-	-	-	✓	-	-	-
Texlan Lanka Limited	-	-	-	-	✓	-	-	-
Venture Investments and Management Services (PTE) Limited	-	-	-	-	✓	-	-	-

Risk Management Report

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

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

Market Risk

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

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

Portfolio Risk

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

Regulatory Risk

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

All investments are made and trades executed in compliance with the Companies Act, CSE/SEC regulation, tax regulations and other applicable regulatory provisions.

Operational Risk

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

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

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

Management Discussion and Analysis

Sri Lanka’s Rebound

Sri Lanka’s economy experienced a significant turnaround during the period under review, following a challenging financial crisis. Inflation dipped below initial projections, while the local currency strengthened against the USD, potentially reaching near 300 Rupees per USD. Additionally, interest rates which had soared during the crisis, saw a rapid decline, nearing single digits for the first time in over two years. The government implemented tax increases and broadened the tax base, boosting revenue. Restructuring efforts within State-Owned Enterprises (SOEs) significantly reduced past losses, further reducing the government’s reliance on borrowing.

Positive Business Environment

The combination of declining interest rates, improved foreign remittances, increased tourist arrivals and the resumption of halted construction projects fueled a local business recovery, consequently impacting the Colombo Stock Market. Equity investments rose,

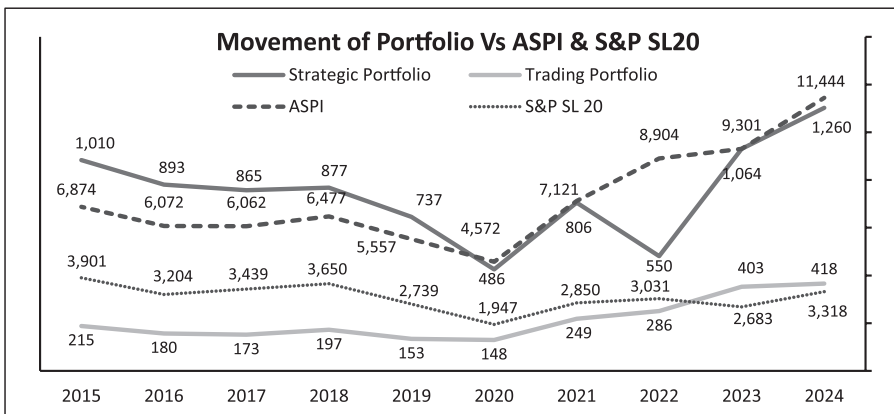
and companies began reporting improved performances. The country’s GDP turned positive in the last two quarters of the Calendar years 2023, bolstering hopes for a robust recovery. Stabilized exchange rates and a restored banking system for foreign exchange transactions significantly contributed to a sharp decrease in the cost of industrial inputs such as fertilizer and other commodities.

Tea Industry Performance

Despite a decline in tea prices in Sri Lankan Rupees due to global economic factors, improved crop yields and reduced costs resulted in higher tea exports, contributing positively to the economy. However, profitability in the plantation sector fell compared to the previous period under review, impacting market prices.

Foreign Investment Trends

The Colombo Stock Market experienced foreign inflows until the end of the Calendar year 2023. However, net foreign outflows increased during the first part of the Calendar year 2024



Management Discussion and Analysis

due to a stronger local currency and rising interest rates in other parts of the world. The prevailing sovereign default rating and delays in concluding debt restructuring also weighed on investment trends.

Company Performance

Despite experiencing higher volatility in the CSE during the period under review, our portfolio delivered solid growth. The Strategic Portfolio increased by 16% to Rs. 1.47 billion, while the Trading Portfolio saw an 11% rise to Rs. 383 million. Consequently, the total portfolio reached Rs. 1.85 billion at the close of financial year 2024, reflecting an overall increase of 15%.

It's important to note that the performance of the benchmark indices, the ASPI and the blue-chip index S&P SL20, outpaced the Company's overall performance by 7 percentage points and 6 percentage points, respectively, during the same period. This can be attributed to the decline in prices of tea plantation counters, where the Company maintains a significant exposure within its Strategic Portfolio.

Financial Review and Shareholder Returns

Colombo Investment Trust Plc recorded a profit after tax of Rs. 44.05 Mn for the year ended 31st March 2024 compared to a profit of Rs. 55.71Mn recorded in the previous year.

During the period under review Company's dividend income has increased by 71% to Rs.49.55 Mn compared to Rs. 29.0 in the previous year.

In the year ended 31st March 2024 the Company's Net Asset Value (NAV) per share increased by 15% to Rs.262.05. The Company's share price of Rs. 99.00 indicates a discount of 62% compared to the NAV per share.

Outlook

Sri Lanka stands at a critical juncture. The government is currently engaged in negotiations with creditors for external debt restructuring, while collaborating closely with the IMF to address lingering economic vulnerabilities. Additionally, presidential elections are anticipated in the latter part of Calendar year 2024. However, given the significant progress made in addressing past weaknesses over the past two years, the upcoming elections are not expected to disrupt the economic recovery. A successful foreign debt restructuring is anticipated to unlock significant opportunities in the coming period.

The outlook for the global economic recovery remains subdued due to the ongoing Russia-Ukraine war and heightened tensions in the Middle East, which continue to impact global financial stability.

We are strategically positioned to capitalize on the anticipated recovery in the Sri Lankan economy, particularly in key sectors like manufacturing and leisure. Our active portfolio management approach allows us to remain confident in our ability to deliver strong returns for the next financial year. We will continue to closely monitor both domestic economic developments and external factors to optimize portfolio performance.

Annual Report of the Board of Directors

The Board of Directors of Colombo Investment Trust PLC present their Report on the Affairs of the Company together with the Audited Financial Statements for the year ended 31st March 2024.

Principal Activities / Business Review

The principal activity of the Company is holding and managing an investment portfolio. The Chairman's Review, the Management Discussion Analysis together with the Financial Statements reflect the state of affairs of the Company.

The Directors to the best of their knowledge and belief confirm that the Company has not engaged in any activities that contravene laws, regulations and prudential requirements and that there are no non-compliance.

Financial Statements

The Financial Statements of the Company are given on pages 44 to 72.

Independent Auditors' Report

The Auditors' Report on the Financial Statements is given on pages 40 to 43.

Accounting Policies

The Accounting Policies adopted in the preparation of the Financial Statements are given on pages 48 to 53.

Interest Register

Directors' Interest in Transactions

The Directors have made general disclosures as provided for in Section 192 (2) of the Companies Act No. 07 of 2007. Arising from this, details of contracts in which they have an interest are disclosed in Note 17 to the Financial Statements which are given on pages 64 to 66. During the Financial year the Company has not entered into

any contracts in which the Directors have had a material interest neither the Directors nor their close family members have had any material business relationships with other Directos.

Directors' Interest in Shares

The Directors of the Company who have an interest in the shares of the Company are required to disclose their shareholdings and any acquisitions/ disposals to the Board in compliance with Section 200 of the Companies Act.

Details pertaining to Directors' direct shareholdings are set out below.

Name of Director	No. of Shares As at	No. of Shares As at
	31.03.2024	31.03.2023
Mr.A.Rajaratnam (deceased on 26.08.2023)	1	1
Mr.S.D.R.Arudpragasam	491	486
Mr.S.Shanmugalingam	** 438	**261
Mr.A.M de S.Jayaratne	NIL	NIL
Mr.S.Rajaratnam	NIL	NIL
Dr.J.M.Swaminathan	170	168
Mr. Amrit Rajaratnam	NIL	NIL
Mr. Anushman Rajaratnam	NIL	NIL
Mr.P.M.A.Sirimane	NIL	NIL

** Aggregate of 223 Fractional shares held in Trust consequent to the Scrip Dividend in the years 2021, 2022 and 2023.

Directors' Fees

Directors' fees in respect of the Company for the financial year 2023/2024 is given in Note 7 to the Financial Statements.

Annual Report of the Board of Directors

Corporate Donations

No donations were made during the year.

Directorate

The names of the Directors who held office during the financial year are given below and the Directors currently in office are profiled on pages 3 and 4.

Mr.A. Rajaratnam	- Former Chairman Non-Executive (Deceased on 26.08.2023)
Mr.S.D.R.Arudpragasam	- Chairman Non-Executive (Appointed w.e.f. 01.09.2023)
Mr.S.Shanmugalingam	- Director Non-Executive
Mr.A.M.de S. Jayaratne	- Director Independent Non-Executive
Mr.S.Rajaratnam	- Director Non-Executive
Dr. J.M.Swaminathan	- Director Independent Non-Executive
Mr.Amrit Rajaratnam	- Director Non-Executive
Mr.Anushman Rajaratnam	- Director Non-Executive
Mr.P.M.A.Sirimane	- Director Independent Non-Executive

Mr.A.Rajaratnam (Former Chairman) who had served on the Board from 1995 and who held the position of Chairman of this Company since 12th August 2011, passed away on 26th August 2023.

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

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

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

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

Corporate Governance

The Corporate Governance Principles adhered to by the Company are given on pages 5 to 30.

Auditors

The Financial Statements for the year have been audited by Messrs. KPMG. The amount payable to Messrs. KPMG as audit fees was Rs. 470,000/- (2022/2023 Rs.420,000/-) and Rs.137,521/- (2022/2023 Rs. 119,583/-) for non-audit related work which consisted mainly of fees for tax compliance services.

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

Revenue

The revenue of the Company for the year was Rs. 49.79 Million. (2022/23- Rs. 44.67 Million.)

Results

The Company made a Net Profit before tax of Rs. 44.31 Million against a Profit of Rs.56.58 Million in the previous year. The detailed results are given in the Statement of Profit or Loss and Other Comprehensive Income on page 44.

Taxation

In terms of the Inland Revenue Act No. 24 of 2017 and the subsequent amendments thereto the Company is liable to pay income tax at the rate of 30% on the profits. The Company does not have a liability towards income tax during the year. The detailed income tax computation is given in Note 8 to the Financial Statements on page 55.

Annual Report of the Board of Directors

Investments

The fair value of the Quoted Securities held as at 31st March 2024 was Rs. 1.78 Billion. (2022/2023- Rs.1.61 Billion) The detailed investment portfolio is given in Note 10 to the Financial Statements on Pages 57 to 62.

Property, Plant and Equipment

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

Stated Capital

The Stated Capital of the Company as at 31st March 2024 was Rs.212.35 Million represented by 7,096,600 ordinary shares.

Reserves

The total reserves of the Company as at 31st March 2024 amounted to Rs. 1.65 Billion comprising Retained Earnings of Rs. 401.21 Million (2022/23- Rs. 365.57 Million.) and FVOCI Reserve of Rs. 1.25 Billion (2022/2023 Rs.1.04 Billion.) The movements are shown in the Statement of Changes in Equity in the Financial Statements.

Capital Commitments and Contingent Liabilities

Capital Commitments and Contingent Liabilities as at the reporting date are disclosed in Notes 15 and 16 to the Financial Statements on page 64.

Related Party Transactions

During the financial year there were recurrent related party transactions which exceeded the disclosure threshold. These transactions are disclosed in Note 17 to the Financial Statements. There were no non-recurrent related party transactions which exceeded the disclosure threshold. The Directors declare that the Company has complied with the requirements of Section 9.14 of Colombo Stock Exchange Listing Rules on Related Party transactions.

The Related Party Transactions presented in the Financial Statements are disclosed in Note 17 on pages 64 to 66.

Events after the Reporting Period

No circumstances have arisen since the reporting date that would require adjustments to or disclosures in the Financial Statements as at 31st March 2024.

Share Information

Information relating to earnings, dividend, net assets, market value per share and share trading is given on pages 74 and 75.

Employment Policy

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

Shareholders

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

Statutory Payments

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

Internal Control

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

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

Annual Report of the Board of Directors

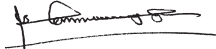
Going Concern

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

For and on behalf of the Board



S.D.R.Arudpragasam
Chairman



S.Shanmugaligam
Director

By Order of the Board



**Corporate Managers & Secretaries (Private)
Limited**

Secretaries

Colombo
06th August 2024

Audit Committee Report

The Audit Committee Report focuses on the activities of the Company for the year under review, which the Committee has reviewed and monitored as to provide additional assurance on the reliability of the Financial Statements through a process of independent and objective views.

Composition

The Audit Committee of Colombo Investment Trust PLC comprises of three Non-Executive Directors, of whom two are Independent. The Committee is chaired by Mr.A.M.de S.Jayaratne who is a Chartered Accountant and who holds directorships in several Public Quoted Companies.

Mr.A.M.de S.Jayaratne - Chairman	- Independent
	Non-Executive Director
Dr.J.M.Swaminathan	- Independent
	Non-Executive Director
Mr.S.Rajaratnam	- Non-Executive Director

The Company's Secretaries Corporate Managers & Secretaries (Pvt) Ltd function as the Secretaries to the Audit Committee.

The members have varied experience, financial knowledge and business acumen to carry out their role effectively and efficiently.

Meetings of the Committee

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

	09.05.2023	07.08.2023	08.11.2023	01.02.2024	
Mr.A.M.de S.Jayaratne	✓	✓	-	✓	3/4
Dr.J.M.Swaminathan	✓	✓	✓	✓	4/4
Mr.S.Rajaratnam	-	-	✓	✓	2/4

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

Financial Reporting

The Committee as part of its responsibility to oversee the Company's financial reporting process has reviewed and discussed with the Management the quarterly and annual Financial Statements prior to their release including the extent of compliance with the Sri Lanka Accounting Standards, the Companies Act No. 07 of 2007 and the adequacy

of disclosures required by other applicable laws, rules and guidelines.

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

Risks and Controls

The Committee reviewed the significant business risks and internal control issues and have suggested, where necessary, appropriate remedial measures.

External Audit

The Committee undertook the annual evaluation of the independence and objectivity of the External Auditor and the effectiveness of the audit process. The committee is satisfied that the independence of the External Auditors has not been impaired by any event or service that gives rise to conflict of interest. Due consideration has been given to the level of audit and non-audit related fees received by the External Auditors' from the Company.

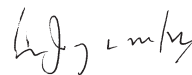
The Committee has recommended to the Board of Directors the re-appointment of the External Auditors, Messrs. KPMG, Chartered Accountants subject to the approval by the shareholders at the forthcoming Annual General Meeting.

Regulatory Compliance

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

Conclusion

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



A.M.de S.Jayaratne
Chairman
Audit Committee

Colombo
06th August 2024

Related Party Transactions Review Committee Report

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

Composition

The Related Party Transactions Review Committee of Colombo Investment Trust PLC comprised of the following members:

Mr.A.M.de S. Jayaratne	- Chairman
	- Independent
	Non-Executive Director
Dr.J.M.Swaminathan	- Independent
	Non-Executive Director
Mr.S.Rajaratnam	- Non-Executive Director

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

Meetings of the Committee

The Related Party Transactions Review Committee met on four occasions during the Financial Year under review and the attendance was as follows:

	09.05.2023	07.08.2023	08.11.2023	01.02.2024	
Mr.A.M.de S.Jayarathne	✓	✓	-	✓	3/4
Dr.J.M.Swaminathan	✓	✓	✓	✓	4/4
Mr.S.Rajaratnam	-	-	✓	✓	2/4

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

Policies and Procedures

The Committee as part of its responsibility to review the Related Party/Entities Transactions, has identified the persons considered as "Related

Parties".

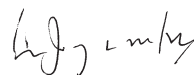
Declarations are obtained from each Director of the Company to identify such "Related Parties". Managers are requested to inform and obtain the approval prior to transactions being entered into with such "Related Parties".

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

Conclusion

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

The Board of Directors has also declared in the Annual Report that there were no non-recurrent Related Party Transactions which exceeded the respective thresholds mentioned in Section 9.14 of the Colombo Stock Exchange Listing Rules. The Board further declares that recurrent related party transactions have exceeded the respective threshold and are disclosed in Note 17 of the Financial Statements and the Company has complied with the requirements of Section 9.14 of the Colombo Stock Exchange Listing Rules on Related Party Transactions.



A.M.de S.Jayarathne

Chairman

Related Party Transactions Review Committee

Colombo
06th August 2024

Independent Auditors' Report



KPMG
(Chartered Accountants)
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Colombo 00300, Sri Lanka.

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TO THE SHAREHOLDERS OF COLOMBO INVESTMENT TRUST PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Colombo Investment Trust PLC ("the Company"), which comprise the statement of financial position as at March 31, 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information as set out on pages 44 to 72.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at March 31, 2024, and of its financial performance and its 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 Company 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

T. J. S. Rajakarier FCA
W. K. D. C. Abeyratne FCA
Ms. B. K. D. T. N. Rodrigo FCA
Ms. C. T. K. N. Perera ACA
R. W. M. O. W. D. B. Rathnadiwakara FCA

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

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

Independent Auditors' Report



Carrying value of quoted investments

Refer Note 3.1 (material accounting policy) and Note 10 (Notes to the Financial Statements).

Risk Description	Our Response
<p>The Company's quoted equity investment portfolio makes up 100% of total assets (by value) and is considered to be the key driver of the Company's capital and revenue performance.</p> <p>We do not consider these investments to be at high risk of significant misstatement, or to be subject to a significant level of judgment, because they comprise quoted investments. However, due to their materiality in the context of the Financial Statements as a whole, they are considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> • documenting the processes in place to record investment transactions and to value the portfolio. • agreeing the total valuation of the portfolio investments to externally quoted prices. • agreeing the total portfolio investment holdings to third party confirmations. • assessing the adequacy of Financial Statement disclosure.

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. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

Independent Auditors' Report



concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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.

Independent Auditors' Report



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 2599.

A handwritten signature in black ink, appearing to be 'K. M. M.', written over a horizontal line.

KPMG

Colombo, Sri Lanka
06th August 2024

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31st March

	Note	2024 Rs. '000	2023 Rs. '000
Revenue	4	49,792	44,670
Cost of Investments disposed		(132)	(6,125)
Net change in Fair Value through Profit or Loss Financial Assets		52	22,540
Other Income	5	9	1,806
Administrative Expenses		(5,682)	(4,863)
Impairment (Expense)/Reversal for Related Party Receivable		-	-
Operating Profit		44,039	58,028
Finance Income		269	-
Finance Expense		-	(1,448)
Net Finance Income/(Expenses)	6	269	(1,448)
Profit before Tax	7	44,308	56,580
Income Tax Expenses	8.1	(260)	(874)
Profit for the year		44,048	55,706
Other Comprehensive Income/(Expense)			
Items that will not be reclassified to Profit or Loss			
Financial Assets at Fair Value through Other Comprehensive Income - Net change in Fair Value		203,177	484,953
Total Other Comprehensive Income/(Expense)		203,177	484,953
Total Comprehensive Income/(Expense)		247,225	540,659
Earnings per Share	9.1	6.21	7.85

Notes on pages 48 to 72 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

Statement of Financial Position

As at 31st March

	Note	2024 Rs. '000	2023 Rs. '000
ASSETS			
Non - Current Assets			
Financial Assets at Fair Value through Other Comprehensive Income	10.1	1,470,768	1,264,405
Total Non - Current Assets		1,470,768	1,264,405
Current Assets			
Financial Assets at Fair Value through Profit or Loss	10.2	383,417	344,909
Trade and Other Receivables	11	4,659	3,236
Income Tax Assets		4	265
Cash and Cash Equivalents	12	1,302	2,047
Total Current Assets		389,382	350,457
Total Assets		1,860,150	1,614,862
EQUITY AND LIABILITIES			
Equity			
Stated Capital	13	212,348	203,933
Retained Earnings		401,207	365,574
FVOCI Reserve		1,245,983	1,042,806
Total Equity		1,859,538	1,612,313
Liabilities			
Current Liabilities			
Trade and Other Payables	14	612	2,549
Dividend Payable		-	-
Income Tax Payable		-	-
Total Current Liabilities		612	2,549
Total Liabilities		612	2,549
Total Equity and Liabilities		1,860,150	1,614,862
Net Assets per Share (Rs.)		262.05	227.21

Notes on pages 48 to 72 form an integral part of these Financial Statements.

I certify that these Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.



M.V.M. Paulraj

Director

Corporate Managers & Secretaries (Private) Limited

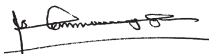
The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Approved and signed for and on behalf of the Board of Directors of Colombo Investment Trust PLC.



S.D.R. Arudpragasam

Chairman

Colombo
06th August 2024



S. Shanmugalingam

Director

Statement of Changes in Equity

	Stated Capital Rs.'000	Retained Earnings Rs.'000	FVOCI Reserve Rs.'000	Total Equity Rs.'000
Balance as at 01st April 2022	195,643	315,988	560,023	1,071,654
Profit for the year	-	55,706	-	55,706
Other Comprehensive Income	-	-	484,953	484,953
Financial Assets at Fair Value through Other Comprehensive Income, Reclassified to Equity	-	2,170	(2,170)	-
Scrip Dividend	8,290	(8,290)	-	-
Balance as at 31st March 2023	203,933	365,574	1,042,806	1,612,313
Profit for the year	-	44,048	-	44,048
Other Comprehensive Income	-	-	203,177	203,177
Scrip Dividend	8,415	(8,415)	-	-
Financial Assets at Fair Value through Other Comprehensive Income, Reclassified to Equity	-	-	-	-
Balance as at 31st March 2024	212,348	401,207	1,245,983	1,859,538

Notes on pages 48 to 72 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

Statement of Cash Flows

For the year ended 31st March

	Note	2024 Rs. '000	2023 Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES			
Dividend Received		42,551	23,637
Payments to Service Providers		(5,321)	(4,509)
Acquisition of Investments		(31,965)	(32,654)
Settlement to Broker		(6,563)	-
Proceeds from Disposal of Investments		238	12,410
Settlement of Other Debtors		-	9
Receipt of Current Account Balances		-	4,200
Income Tax paid		-	(1,823)
Interest paid		-	(1,186)
Net Cash generated from/(used in) Operating Activities	A	(1,060)	84
Cash Flow from Operating Activities			
Interest Received		269	-
Settlement of Loan granted		4,400	-
Loan granted to The Colombo Fort Land & Building PLC		(4,400)	-
Net Cash generated from Investing Activities		269	-
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from sale of Fractional shares		46	-
Net Cash used in Financing Activities		46	-
Net increase in Cash and Cash Equivalents		(745)	84
Cash and Cash Equivalents at the beginning of the year	12	2,047	1,963
Cash and Cash Equivalents at the end of the Year	12	1,302	2,047
Note: A			
Reconciliation of Profit for the Year to the net Cash Flows used in Operating Activities			
Cash Flow from Operating Activities			
Profit before tax		44,308	56,580
Adjustments for :			
Net change in Fair Value through Profit or Loss Financial Assets		(52)	(22,540)
Gain on Disposal of Financial Assets		(115)	(9,540)
Dividend received as Scrip dividend		(5,786)	(5,953)
Interest Expense		-	1,447
Interest Income		(269)	(27)
Reversal of Impairment of AFS Investment		-	(1,625)
Write back of Unclaimed Dividends		-	(154)
Operating Profit before Working Capital Changes		38,086	18,188
Changes in Working Capital			
(Increase)/Decrease in Receivables		(1,423)	3,099
(Increase)/Decrease in Amounts Due from Related Parties		-	4,200
Increase/(Decrease) in Trade & Other Payables		(6,196)	(5,405)
Cash generated from/(used in) Operating Activities		30,467	20,082
Income Tax Paid		-	(1,823)
Interest Paid		-	(1,186)
Acquisition of Investments		(31,965)	(32,654)
Proceeds from Disposal of Investments		438	15,665
Net Cash generated from / (Used in) Operating Activities		(1,060)	84

Notes on pages 48 to 72 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

Notes to the Financial Statements

1 REPORTING ENTITY

Colombo Investment Trust PLC, is a Quoted Public Company with limited liability incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The Company's registered office is situated at 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1.

The Principal activity of the Company is holding and managing an investment portfolio.

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

2 BASIS OF PREPARATION

2.1 Statement of Compliance

The Financial Statements of the Company comprise the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows together with the Accounting Policies and Notes to the Financial Statements. The Financial Statements have been prepared in accordance Sri Lanka Accounting Standards (SLFRS/LKAS) as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the requirements of the Companies Act No.7 of 2007.

The Financial Statements were authorised for issue by the Board of Directors on 06th August 2024.

2.2 Basis of Measurement

The Financial Statements have been prepared on the historical cost basis, except for the following material items in the Statement of Financial Position.

- * *Financial assets at fair value through profit or loss investments (in quoted equity instruments) which are measured at fair value.*
- * *Fair value through Other Comprehensive Income financial assets which are measured at fair value.*

2.3 Functional and Presentation Currency

The Financial Statements are presented in Sri Lankan Rupees, which is the Company's functional currency, rounded to the nearest thousand, unless otherwise stated.

2.4 Use of Estimates and Judgments

The preparation of the Financial Statements in conformity with Sri Lanka Accounting Standards (SLFRS/LKAS) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods that are affected.

2.4.1 Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an appropriate interest rate to discount them. Management makes certain assumptions based on their judgment in forecasting future operating results.

2.4.2 Fair Value of Financial Instruments

Management applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2.4.3 Going Concern

The Directors have made an assessment of the company's ability to continue as

Notes to the Financial Statements

going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

3. Changes in material accounting policies

Disclosure of Accounting Policies (Amendment to LKAS 1)

Amendments to LKAS 1 Presentation of Financial Statements is to help Companies provide useful accounting policy disclosures.

The key amendments to LKAS 1 include requiring companies to disclose their material accounting policies rather than their material accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

Deferred Tax related to Assets and Liabilities arising from a single transaction (Amendment to LKAS 12)

Targeted amendments to LKAS 12 Income Taxes clarify how companies should account for deferred tax on certain transactions – e.g. leases and decommissioning provisions. The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.

Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements.

3.1 Financial Instruments

3.1.1 Financial Assets

Initial Recognition and measurement

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

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

Classification and Subsequent Measurement of Financial Assets

On initial recognition, financial assets are classified as amortised cost; FVOCI (Fair value through OCI) debt investment; FVOCI - equity investment; or FVTPL.

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

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

- *it is held within a business model whose objective is to hold assets to collect contractual cash flows; and*
- *its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.*

Notes to the Financial Statements

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

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

Subsequent measurement and gain and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including dividend income are recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Re-classification of Financial Assets

Re-classification of financial assets is required if the Company changes its business model for managing those financial assets. Re-classification is applied prospectively from the date of the re-classification.

De-recognition of Financial Assets

On de-recognition of a financial asset in its entirety, the difference between: The carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in profit or loss, except for financial asset measurement FVOCI.

Impairment

Financial Instruments and Contract Assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on:

- *financial assets measured at amortised cost;*

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

- *debt securities that are determined to have low credit risk at the reporting date; and*
- *other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.*

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

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

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

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

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

Notes to the Financial Statements

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

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

Measurement of ECLs

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

Presentation of Allowance for ECL in the Statement of Financial Position.

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

3.1.2 Financial Liabilities

Financial Liabilities are initially recognised only when Company becomes a party to the contractual provisions of the financial instrument. All financial liabilities are recognised initially at fair value. The Company's financial liabilities include trade and other payables. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. A financial liability is derecognized only when it is extinguished - i.e. when the obligation specified in the contract is discharged or cancelled or expires.

3.2 Stated Capital Ordinary Shares

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

3.3 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

3.4 Provisions

A provision is recognized if, as a result of a past event, the Company has a present, legal or constructive obligation that can be estimated reliably; and it is probable that an outflow, of economic benefits will be required to settle the obligation.

3.5 Employee Benefits

The Company does not employ any staff. All operational services are provided by Corporate Managers & Secretaries (Pvt) Limited.

3.6 Revenue Recognition

Revenue represents dividend income and proceeds from disposal of investments recognized on an accrual basis.

a) Dividend Income

Dividend Income is recognized in the Statement of Profit or Loss when the right to receive such dividend is established.

b) Proceeds from Sale of Shares

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

c) Interest Income

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

3.7 Expenses

All expenditure incurred in the running of the business has been charged to revenue in arriving at the profit and loss for the year. For the purpose of presentation of the Income Statement, the Directors are of the view that "function of expense method" fairly presents the elements of the Company's performance, hence such presentation method is adopted.

Notes to the Financial Statements

Finance costs

Finance costs comprise interest expense on borrowings and interest on margin trading.

3.8 Income Tax Expense

Income tax expense comprises current and the definition tax. Income tax is recognized in the Statement of Profit or Loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income.

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

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the Reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax provision is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the Reporting date.

Deferred tax assets relating to the carried forward unused tax losses are recognized to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilized. Deferred tax assets are reviewed at the Reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset

current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Additional income taxes that arise from the distribution of dividends are recognized, at the same time as the liability to pay the related dividend is recognized.

3.9 Statement of Cash Flows

The Statement of Cash Flows has been presented using the "Direct Method" of preparing cash flows in accordance with Sri Lanka Accounting Standard LKAS 7- "Statement of Cash Flows".

3.10 Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or service (business segment), or in providing products and services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. However, there are no distinguishable components to be identified as segments of the Company which is subject to different risks and rewards.

3.11 Financial Risk Management Policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has loan and borrowing, trade and other receivables, and cash that arrive directly from its operations. The Company also holds fair value through OCI and fair value through profit or loss investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Board monitors these risks. The Company's financial risk-taking activities are governed by appropriate policies and procedures and

Notes to the Financial Statements

the financial risks are identified, measured and managed in accordance with Company policies and the Company's risk appetite.

3.12 Dividend Distribution

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

3.13 Earnings/(Loss) per share

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

3.14 Events after the Reporting Period

All material events after the reporting date have been considered and where appropriate adjustments or disclosures have been made in the Financial Statements.

3.15 Comparative figures

Comparative information including quantitative, narrative and descriptive information is disclosed in respect of the previous period for all amounts reported in the Financial Statements in order to enhance the understanding of the current period's Financial Statements and to enhance the inter-period comparability.

3.16 Commitments and contingencies

Contingencies are possible assets or obligations that arise from a past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events, which are beyond the Company's control.

3.17 Directors responsibilities

Board of Directors is responsible for the preparation and fair presentation of these Financial Statements in accordance with Sri Lanka Accounting Standards. This responsibility includes: designing,

implementing and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

3.18 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after the current financial year and earlier application is permitted; however, the Company has not early adopted them in preparing these financial statements.

The following amended standards are not expected to have a significant impact on the Company's financial statements:

Classification of Liabilities as Current or Non-current (Amendments to LKAS 1)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

3.19 New and amended standards and interpretations

Several other amendments apply from April 01, 2024, but do not have an impact on the Financial Statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

1. SLFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information).
2. SLFRS S2 (Climate-related Disclosures).

Notes to the Financial Statements

For the year ended 31st March

	2024	2023
	Rs. '000	Rs. '000
4 Revenue		
Dividend Income - Related Parties	36,355	16,853
- Others	13,199	12,151
Proceeds from Disposal of Investments	238	15,666
	<u>49,792</u>	<u>44,670</u>
5 Other Income		
Write back of Unclaimed Dividends	-	154
Sundry Income	9	27
Reversal of Impairment of AFS Investment	-	1,625
	<u>9</u>	<u>1,806</u>
6 Finance Income/(Expense)		
Interest Income - The Colombo Fort Land & Building PLC	269	-
Finance Expense - Interest on Margin Trading	-	(1,448)
	<u>269</u>	<u>(1,448)</u>
Net Finance Income/(Expense)	<u>269</u>	<u>(1,448)</u>
7 Profit before Tax		
Is stated after charging all expenses including the following :		
Auditors' Fees - Statutory Audit	470	420
- Audit Related Service	70	70
- Non Audit Service	138	120
Directors' Fees	505	500
Audit Committee Fees	90	90
Secretarial Fees and Registrars Fees	1,139	1,001

Notes to the Financial Statements

For the year ended 31st March	2024	2023
	Rs. '000	Rs. '000
8 Income Tax Expenses		
8.1 Current Tax Expenses		
Taxation on Profits for the Year(Note 8.2)	-	874
Under provision on Taxation in respect of previous year	260	-
	260	<u>874</u>
8.2 Reconciliation between Accounting Profit and Taxable Income		
Accounting Profit before Tax	44,308	56,580
Aggregate Disallowable Items	-	3,308
Aggregate Allowable Items	(61)	(24,346)
Profits and Income Exempt from Income Tax	(49,660)	(27,436)
Tax Loss Utilized	-	(1,860)
Taxable Income	(5,413)	<u>6,246</u>
Taxation on Profits for the year	-	<u>874</u>
8.3 Accumulated Tax Losses		
Tax Loss Brought Forward	-	-
Unreleased Tax Loss restated	1,860	-
Tax Loss during the year	5,413	1,860
Tax Loss Utilized	-	(1,860)
Tax Loss Carried Forward	7,273	<u>-</u>

In accordance with the provisions of the Inland Revenue Act No.24 of 2017 and subsequent amendments there to the Company was liable to income tax at 30% and Dividend Income received after 1st January 2023, from a resident Company was subject to a final withholding payment of 15% which is considered as a final tax. In the previous year the Company was liable to Income Tax at 24% and Dividend Income received from a resident Company was liable to Income Tax at 14% up to 30th September,2022 as per Inland Revenue (Amendment) Act No. 45 of 2022, from 1st October,2022 the Company was liable to Income Tax at 30% and Dividend Income at 15%.

8.4 Deferred Taxation

For the year ended 31st March

	2024	2024
	Temporary	Tax
	Difference	Effect
	Rs. '000	Rs. '000
Tax Loss carried forward	7,273	2,182

Deferred tax assets have not been recognised in respect of the tax loss carried forward because it is not probable that future taxable profits will be available against which the company can utilize the benefits therefrom.

Notes to the Financial Statements

9 Earnings per Share and Dividend per Share

9.1 Earnings per Share

The calculation of earnings per share is based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the year and is calculated as follows,

For the year ended 31st March

	2024	2023 Restated
Profit attributable to Ordinary Shareholders (Rs.'000)	44,048	55,706
Weighted Average Number of Ordinary Shares (No.'000)[Note.9.1.1]	7,096	7,096
Earnings per Share (Rs.)	6.21	7.85
9.1.1 Weighted Average Number of Ordinary Shares		
Number of Shares in issue as at beginning of the Year (No.'000)	7,012	7,012
Number of Shares issued due to Scrip Dividend (No.'000)	84	84
Weighted Average Number of Shares as at end of the Year (No.'000)	7,096	7,096

9.2 Dilutive earnings per share

There were no potentially dilutive ordinary shares outstanding at any time during the year, hence diluted earnings per share is equal to the basic earnings per share.

9.3 Dividend Per Share

	2024	2023
First & Final Dividend paid per share (Rs.'000)	-	8,415
Number of Ordinary Shares entitled for Dividend (No.'000)	-	7,012
Dividend per Share (Rs.)	-	1.20

Notes to the Financial Statements

10 Investments

Investments designated as FVOCI

The Company designated the investments shown below as at FVOCI because these investments represent the investments that the Company intends to hold for the long term for strategic purposes.

As at 31st March

10.1 Financial Assets at Fair Value through Other Comprehensive Income

		2024 Rs. '000	2023 Rs. '000
Investments in Quoted - Non-Related Companies	- (Note 10.1.1)	141,670	168,152
Investments in Quoted - Related Companies	- (Note 10.1.2)	1,251,181	1,093,645
		<u>1,392,851</u>	<u>1,261,797</u>
Investments in Unquoted - Non-Related Companies	- (Note 10.1.3)	76,356	198
Investments in Unquoted - Related Companies	- (Note 10.1.4)	1,310	2,199
Investments in Unit Trust	- (Note 10.1.5)	251	211
		<u>1,470,768</u>	<u>1,264,405</u>

10.1.1 Investments in Quoted - Non-Related Companies

As at 31st March

	2024			2023		
	No. of Shares	Fair Value Rs.'000	Cost Rs.'000	No. of Shares	Fair Value Rs.'000	Cost Rs.'000
BANKS						
Commercial Bank of Ceylon PLC -Voting	584,663	57,121	24,727	552,171	35,118	22,615
Commercial Bank of Ceylon PLC-Non Voting	5,562	474	352	5,200	281	332
DFCC Bank PLC	9,450	718	313	9,217	405	294
		<u>58,313</u>	<u>25,392</u>		<u>35,804</u>	<u>23,241</u>
CAPITAL GOODS						
Aitken Spence PLC	25,275	3,292	98	25,275	3,311	98
Hayleys PLC	30,000	2,463	118	30,000	2,160	118
John Keells Holdings PLC	11,418	2,215	682	11,418	1,599	682
		<u>7,970</u>	<u>898</u>		<u>7,070</u>	<u>898</u>
FOOD BEVERAGE & TOBACCO						
Ceylon Cold Stores PLC	262,960	14,173	239	262,960	10,518	239
Ceylon Tobacco Company PLC	4,038	4,960	47	4,038	2,749	47
Nestle Lanka PLC		-	-	50,904	54,416	313
		<u>19,133</u>	<u>286</u>		<u>67,683</u>	<u>599</u>
MATERIALS						
Chevron Lubricants Lanka PLC	10,882	1,172	187	10,882	997	187
CIC Holdings PLC - Voting	632,720	44,607	1,609	632,720	45,050	1,609
Union Chemicals Lanka PLC	6,400	3,810	113	6,400	4,472	113
		<u>49,589</u>	<u>1,909</u>		<u>50,519</u>	<u>1,909</u>
RETAILING						
John Keells PLC	102,848	6,665	68	102,848	7,076	68
		<u>6,665</u>	<u>68</u>		<u>7,076</u>	<u>68</u>
Total		<u>141,670</u>	<u>28,553</u>		<u>168,152</u>	<u>26,715</u>

Notes to the Financial Statements

10.1 Financial Assets at Fair Value through Other Comprehensive Income (Contd...)

10.1.2 Investments in Quoted - Related Companies

As at 31st March

	2024			2023		
	No. of Shares	Fair Value Rs.'000	Cost Rs.'000	No. of Shares	Fair Value Rs.'000	Cost Rs.'000
Agarapatana Plantations PLC	364,600	2,698	2,009	-	-	-
Beruwala Resorts PLC	3,000,000	4,200	2,760	3,000,000	4,200	2,760
C M Holdings PLC	330,976	26,610	30,922	330,976	20,885	30,922
E B Creasy & Company PLC	10,560,000	242,880	2,559	10,560,000	212,256	2,559
Kotagala Plantations PLC	19,320	120	79	19,320	118	79
Lankem Ceylon PLC	495,000	33,660	17,648	495,000	37,471	17,648
Lankem Developments PLC	20,040	339	335	20,040	501	335
Marawila Resorts PLC	1,000,000	3,400	2,913	898,200	1,886	2,709
Muller and Phipps (Ceylon) PLC	90,000	99	124	90,000	108	124
Sigiriya Village Hotels PLC	44,550	2,022	322	44,550	2,495	322
The Colombo Fort Land & Building PLC	31,149,717	934,492	130,112	31,149,717	813,008	130,112
York Arcade Holdings PLC	5,043	661	480	5,043	717	480
		<u>1,251,181</u>	<u>190,263</u>		<u>1,093,645</u>	<u>188,050</u>

10.1.3 Investments in Unquoted - Non-Related Companies

Bartleet Transcapital Limited	-	-	-	10,000	198	200
Nestle Lanka Limited	50,904	76,356	313		-	-
		<u>76,356</u>	<u>313</u>		<u>198</u>	<u>200</u>

10.1.4 Investments in Unquoted - Related Companies

Agarapatana Plantations Limited	-	-	-	250,000	977	501
Capital Leasing Co.Limited	150,000	1,296	1,500	150,000	1,209	1,500
Imperial Hotels Limited	625	14	125	625	13	125
		<u>1,310</u>	<u>1,625</u>		<u>2,199</u>	<u>2,126</u>

10.1.5 Investments in Unit Trust

National Equity Fund	6,000	251	60	6,000	211	60
		<u>251</u>	<u>60</u>		<u>211</u>	<u>60</u>

Total net carrying value of investments		<u>1,470,768</u>	<u>220,814</u>		<u>1,264,405</u>	<u>217,151</u>
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10.1.6 Investments disposed during the Year

	No. of Shares	Fair Value as at date of Disposal Rs.'000	Cumulative Profit on Disposal Rs.'000
Bartleet Transcapital Limited	10,000	198	2

Investment in Barleet Transcapital Ltd shares were disposed during the year due to the amalgamation.

Notes to the Financial Statements

As at 31st March

10.2 Financial Assets at fair value through Profit or Loss

Investments in Quoted - Non-Related Companies	-(Note 10.2.1)	117,433	89,208
Investments in Quoted - Related Companies	-(Note 10.2.2)	265,977	255,694
Investments in Unquoted - Non-Related Companies	-(Note 10.2.3)	7	7
		383,417	344,909

10.2.1 Investments in Quoted - Non-Related Companies

As at 31st March

	2024			2023		
	No. of	Fair	Cost	No. of	Fair	Cost
	Shares	Value	Rs.'000	Shares	Value	Rs.'000
AUTOMOBILES & COMPONENTS						
Kelani Tyres PLC	2,160	151	23	2,160	128	23
		<u>151</u>	<u>23</u>		<u>128</u>	<u>23</u>
BANKS						
Hatton National Bank PLC	543	98	69	521	67	67
National Development Bank PLC	5,592	380	316	5,321	239	304
Nations Trust Bank PLC	23,029	2,476	641	22,562	1,444	593
Sampath Bank PLC	100,000	8,000	6,222	40,383	2,120	1,653
Seylan Bank PLC - Voting	165	8	8	158	5	8
Seylan Bank PLC - Non Voting	186	7	4	173	4	4
Union Bank of Colombo PLC	200	2	5	200	2	5
		<u>10,971</u>	<u>7,265</u>		<u>3,881</u>	<u>2,634</u>
CAPITAL GOODS						
Access Engineering PLC	50,000	1,130	1,115	-	-	-
Hemas Holdings PLC	777	62	16	777	51	16
John Keells Holdings PLC	10,000	1,940	1,913	-	-	-
Lanka Walltiles PLC	24,150	1,229	124	24,150	1,162	124
Royal Ceramics Lanka PLC	4,340	135	6	4,340	120	6
Sierra Cables PLC	1,900	23	6	1,900	23	6
Vallibel One PLC	1,677	85	43	1,677	61	43
		<u>4,604</u>	<u>3,223</u>		<u>1,417</u>	<u>195</u>
COMMERCIAL & PROFESSIONAL SERVICES						
Gestetner of Ceylon PLC	225	26	31	225	15	31
		<u>26</u>	<u>31</u>		<u>15</u>	<u>31</u>
CONSUMER DURABLES & APPAREL						
Blue Diamonds Jewellery Worldwide PLC	178	1	1	178	1	1
Dankotuwa Porcelain PLC	12,375	304	159	12,375	254	159
Hayleys Fabric PLC	12,000	493	263	12,000	302	263
Hayleys Fibre PLC	17,274	900	317	17,274	865	317
Hela Apparel Holdings PLC	3,000	18	45	3,000	24	45
Regnis (Lanka) PLC	-	-	-	2,484	114	12
Singer Industries (Ceylon) PLC	-	-	-	862	32	5
Teejay Lanka PLC	35,000	1,316	859	35,000	1,120	859
		<u>3,032</u>	<u>1,644</u>		<u>2,712</u>	<u>1,661</u>

Notes to the Financial Statements

10.2.1 Investments in Quoted - Non-Related Companies (Contd.)

As at 31st March

	2024			2023		
	No. of Shares	Fair Value Rs.'000	Cost Rs.'000	No. of Shares	Fair Value Rs.'000	Cost Rs.'000
CONSUMER SERVICES						
Eden Hotel Lanka PLC	565	7	6	565	10	6
Renuka City Hotel PLC	525	189	13	525	192	13
Royal Palms Beach Hotels PLC	375	11	4	375	10	4
Serendib Hotels PLC - Voting	80,000	1,120	102	80,000	784	102
Serendib Hotels PLC - Non voting	50,000	490	389	50,000	335	389
Tal Lanka Hotels PLC	1,550	28	7	1,550	24	7
The Nuwara Eliya Hotels Company PLC	29	50	39	29	43	39
		<u>1,895</u>	<u>560</u>		<u>1,398</u>	<u>560</u>
DIVERSIFIED FINANCIALS						
Asia Capital PLC	1,550	5	42	1,550	7	42
Capital Alliance PLC	2,600	138	26	2,600	85	26
Ceylon Investment PLC	210,983	9,979	1,319	213,071	7,138	1,332
LOLC Holdings PLC	22,000	8,745	14	22,000	8,250	14
Lanka Ventures PLC	300	8	6	300	11	6
Merchant Bank of Sri Lanka & Finance PLC	11,500	59	137	11,500	39	137
Nation Lanka Finance PLC	861	1	8	861	1	8
People's Leasing & Finance PLC	14,997	165	243	14,214	112	234
People's Merchant Finance PLC	1,500	7	25	1,500	8	25
Singer Finance (Lanka) PLC	2,500	31	32	2,500	28	32
The Finance Company PLC		-	-	140	-	11
		<u>19,138</u>	<u>1,852</u>		<u>15,679</u>	<u>1,867</u>
ENERGY						
Lanka IOC PLC	18,353	2,143	496	18,353	3,147	496
Laugfs Gas PLC	1,000	34	23	1,000	29	23
		<u>2,177</u>	<u>519</u>		<u>3,176</u>	<u>519</u>
FOOD & STAPLES RETAILING						
C T Holdings PLC	1,210	317	253	1,210	218	253
Cargills (Ceylon) PLC	2,857	1,028	536	2,857	666	536
		<u>1,345</u>	<u>789</u>		<u>884</u>	<u>789</u>

Notes to the Financial Statements

10.2.1 Investments in Quoted - Non-Related Companies (Contd.)

As at 31st March

	2024			2023		
	No. of	Fair	Cost	No. of	Fair	Cost
	Shares	Value	Rs.'000	Shares	Value	Rs.'000
FOOD BEVERAGE & TOBACCO						
Agalawatte Plantations PLC	2,500	85	125	2,500	76	125
Bairaha Farms PLC	330	57	8	330	48	8
Balangoda Plantations PLC	200	10	10	200	13	10
Browns Investments PLC	22,000	119	55	22,000	132	55
Carson Cumberbatch PLC	26,710	6,918	505	26,710	7,258	505
Ceylon Beverage Holdings PLC	1,800	2,759	161	1,800	2,041	161
Hapugastenne Plantations PLC	100	3	1	100	4	1
Hatton Plantations PLC	10,000	257	76	10,000	187	76
HVA Foods PLC	1,800	7	29	1,800	8	29
Kahawatte Plantations PLC	165	3	2	165	3	2
Keells Food Products PLC	2,283	336	72	2,283	365	72
Lanka Milk Foods (CWE) PLC	28,220	767	131	2,822	397	131
Lion Brewery Ceylon PLC	6,000	5,720	301	6,000	4,289	301
Madulsima Plantations PLC	100	1	2	100	1	2
Maskeliya Plantations PLC	800	26	12	800	29	12
Melstacorp PLC	34,000	2,992	2,959	-	-	-
Namunukula Plantations PLC	1,000	354	15	1,000	363	15
Renuka Foods PLC	813	11	11	800	17	10
Three Acre Farms PLC	600	165	18	600	78	18
Udapussellawa Plantations PLC	100	7	1	100	8	1
Watawala Plantations PLC	8,430	748	15	8,430	628	15
		<u>21,345</u>	<u>4,509</u>		<u>15,945</u>	<u>1,549</u>
HEALTH CARE EQUIPMENT & SERVICES						
The Lanka Hospital Corporation PLC	500	58	8	500	57	8
		<u>58</u>	<u>8</u>		<u>57</u>	<u>8</u>
INSURANCE						
Ceylinco Insurance PLC	11,024	25,049	157	11,024	24,198	157
HNB Assurance PLC	51,000	3,029	288	51,000	2,545	288
Janashakthi Insurance Company PLC	4,000	175	48	4,000	106	48
LOLC General Insurance PLC	2,300	14	18	2,300	16	18
People's Insurance PLC	14,600	336	219	14,600	317	219
Union Assurance PLC	10,000	468	550	-	-	-
		<u>29,071</u>	<u>1,280</u>		<u>27,182</u>	<u>730</u>
MATERIALS						
ACL Plastics PLC	300	118	12	300	118	12
Bogala Graphite Lanka PLC	600	31	3	600	39	3
Chevron Lubricants Lanka PLC	29,000	3,125	3,137	-	-	-
CIC Holdings PLC - Non Voting	300	16	1	300	15	1
Dipped Products PLC	13,520	411	5	13,520	374	5
Haycarb PLC	74,510	5,700	4,468	74,510	4,195	4,468
PGP Glass PLC	120,000	3,540	483	120,000	2,304	483
Richard Pieries Exports PLC	100	44	4	100	56	4
Tokyo Cement Company (Lanka) PLC	18,150	935	886	16,500	825	886
		<u>13,920</u>	<u>8,999</u>		<u>7,926</u>	<u>5,862</u>

Notes to the Financial Statements

10.2.1 Investments in Quoted - Non-Related Companies (Contd.)

As at 31st March	2024			2023		
	No. of Shares	Fair Value Rs.'000	Cost Rs.'000	No. of Shares	Fair Value Rs.'000	Cost Rs.'000
REAL ESTATE						
C T Land Development PLC	3,527	81	13	3,527	95	13
Lee Hedges PLC	125	12	1	125	10	1
Seylan Developments PLC	-	-	-	1,000	12	12
Serendib Land PLC	711	924	302	711	938	302
		<u>1,017</u>	<u>316</u>		<u>1,055</u>	<u>328</u>
RETAILING						
RIL Property PLC	6,666	42	53	6,666	37	53
Sathosa Motors PLC	232	46	8	232	35	8
Singer (Sri Lanka) PLC	14,383	232	146	3,000	45	3
United Motors Lanka PLC	1,650	96	157	1,650	99	157
		<u>416</u>	<u>364</u>		<u>216</u>	<u>221</u>
TELECOMMUNICATION SERVICES						
Dialog Axiata PLC	11,830	138	156	11,830	123	156
		<u>138</u>	<u>156</u>		<u>123</u>	<u>156</u>
TRANSPORTATION						
Expolanka Holdings PLC	52,010	7,828	17,087	52,010	7,177	17,087
		<u>7,828</u>	<u>17,087</u>		<u>7,177</u>	<u>17,087</u>
UTILITIES						
Laugfs Power PLC	1,000	9	5	1,000	8	5
Panasian Power PLC	20,000	82	60	20,000	68	60
Resus Energy PLC	11,954	210	254	11,954	161	254
		<u>301</u>	<u>319</u>		<u>237</u>	<u>319</u>
Total		<u>117,433</u>	<u>48,944</u>		<u>89,208</u>	<u>34,539</u>

10.2.2 Investments in Quoted - Related Companies

Agarapatana Plantations PLC	2,110,000	15,614	15,614			
Colombo Fort Investments PLC	3,103,577	201,732	134,531	2,971,519	200,578	126,351
C. W. Mackie PLC	224,060	21,286	17,807	219,060	17,941	17,337
Lankem Developments PLC	1,324,560	22,385	8,591	1,324,560	33,114	8,591
Laxapana Batteries PLC	310,000	4,960	2,197	310,000	4,061	2,197
		<u>265,977</u>	<u>178,740</u>		<u>255,694</u>	<u>154,476</u>

10.2.3 Investments in UnQuoted - Non Related Companies

LAUGFS Leisure Ltd	1,000	6	-	1,000	6	-
LAUGFS Eco Sri (Pvt) Ltd	1,000	1	-	1,000	1	-
		<u>7</u>	<u>-</u>		<u>7</u>	<u>-</u>
Total net carrying value of investments		<u>383,417</u>	<u>227,684</u>		<u>344,909</u>	<u>189,015</u>

10.3 Disclosure of Interest in Other Entities

The Company holds 35.32% of the voting rights (2023 – 34.51%) of Colombo Fort Investments PLC (CFIP). This investment in CFIP is held under trading portfolio and classified as Financial Asset at Fair Value through Profit or Loss in accordance with SLFRS 9 (Financial Instruments) based on the exemptions provided in LKAS 28 (Investments in Associates and Joint Ventures) considering the nature and extent of entity's investment activities and entity's organization and its relationship with its investees.

Notes to the Financial Statements

As at 31st March	2024	2023
	Rs. '000	Rs. '000
11 Trade and Other Receivables		
Dividend Receivables - Others	4,513	3,138
Other Receivables	137	89
Withholding Tax	9	9
	<u>4,659</u>	<u>3,236</u>
12 Cash and Cash Equivalents		
Cash at Bank	1,302	2,047
Cash and Cash Equivalents for the purpose of Cash Flow	<u>1,302</u>	<u>2,047</u>
13 Stated Capital		
Issued and Fully Paid Shares		
At the beginning of the year -7,012,368 Ordinary Shares	203,933	195,643
Scrip Dividend (Note 13.1)	8,415	8,290
At the end of the year - 7,096,600 Ordinary Shares	<u>212,348</u>	<u>203,933</u>

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

13.1 Scrip Dividend

During the year, with the approval of the shareholders, the Company paid a First & Final dividend of Rs.1.20 per Ordinary share, in the form of a Scrip dividend for the year ended 31st March 2023 amounting to Rs.8,414,841.60 Accordingly the Company issued 84,232 ordinary shares in the ratio of 1 share for every 83.2506410865 existing shares at a value of Rs.99.90 per share.

As at 31st March	2024	2023
	Rs. '000	Rs. '000
14 Trade and Other Payables		
Trade Payables		
Asha Securities Ltd	-	2,000
Other Payables		
Accrued Expenses	612	549
	<u>612</u>	<u>2,549</u>

14.1 Margin Trading Facility

The Company has entered into a Margin Trading Facility with Acuity Partners (Pvt) Limited for Rs.25 Mn. with effect from 3rd November 2016 at an Interest rate of 12.80%. Subsequently it was adjusted to with effect from 1st September 2023, and current interest rate on same is 14.94%.

The undermentioned shares of the Company have been offered as security.

Notes to the Financial Statements

Company	Shares
Commercial Bank of Ceylon PLC	371,586
Ceylon Tobacco Company PLC	3,000
Ceylon Cold Stores PLC	180,000
Chevron Lubricants Lanka PLC	9,882
Ceylon Investment PLC	201,799
Expo Lanka Holdings PLC	45,000
Lankem Developments PLC	1,194,600
Tokyo Cement PLC	11,000

15 Capital Commitments

There were no material capital commitments as at 31st March, 2024.

16 Contingent Liabilities

There were no material contingent liabilities as at 31st March, 2024.

17 Related Party Disclosures

(a) Parent and Ultimate Controlling Party

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

(b) Transactions with Key Management Personnel

(i) Definition of Key Management Personnel

According to Sri Lanka Accounting Standard - LAKAS 24 'Related Party Disclosures', Key Management personnel are those having authority and responsibility for planning, directing and controlling activities of the entity. Accordingly, Board of Directors have been classified as Key management personnel of the Company.

(ii) Loans to Directors

No loans have been given to the Directors of the Company.

(iii) Key Management Personnel Compensation

Details of compensation are given in Note 7 to the Financial Statements.

(iv) Other Transactions with Key Management Personnel

Details of Director's shareholding are given on page 34 of this Annual Report.

There were no other transactions with Key Management Personnel other than those disclosed in Note 17 to these Financial Statements.

(c) Terms and Conditions of Transactions with Related Parties

Transactions with Related Parties are carried out in the ordinary course of business on an arm's length basis. Related Party balances at the year end are unsecured and repayable on demand. There were no Guarantees received from or given to Related Parties during the Financial year.

Notes to the Financial Statements

(d) Definition of Transaction with Related Parties

The Company carries out transactions in the ordinary course of business with parties who are defined as Related Parties as per Sri Lanka Accounting Standard - LKAS 24 Related Party Disclosures. The details of which are reported below.

Name of the Related Party	Names of Common Directors	Relationship	Nature of Transactions	Transaction Value	
				2024 Rs.'000	2023 Rs.'000
Agarapatana Plantations PLC	Mr.S.D.R.Arudpragasam Mr.Anushman Rajaratnam Mr.P.M.A.Sirimane Mr.A.M.de S.Jayarathne	Related (Common Director)	Purchase of shares	(16,614)	-
The Colombo Fort Land & Building PLC	Mr.A.Rajaratnam * Mr.S.D.R.Arudpragasam Mr.A.M.de S.Jayarathne Mr.S.Rajaratnam Mr.Anushman Rajaratnam Mr.P.M.A.Sirimane Mr. Amrit Rajaratnam	Related (Common Director)	Dividend income Dividend paid Purchase of shares Loan granted Interest Income AWPLR+2% Settlement of Loan & current account	7,787 (911) - 4,400 - 269 (4,669)	 (898) (10,895) - -
Colombo Fort Investments PLC	Mr.A.Rajaratnam * Mr.S.D.R.Arudpragasam Mr.S.Shanmugalingam Mr.A.M.de S.Jayarathne Mr.S.Rajaratnam Dr.J.M.Swaminathan Mr.Amrit Rajaratnam Mr.Anushman Rajaratnam Mr.P.M.A.Sirimane	Related (Common Director)	Dividend income Dividend paid Purchase of shares	3,566 (2,192) (4,615)	3,474 (2,159) (6,265)
C M Holdings PLC	Mr.A.Rajaratnam * Mr.S.D.R.Arudpragasam Mr.A.M.de S.Jayarathne Mr.S.Rajaratnam Dr.J.M.Swaminathan Mr.Anushman Rajaratnam	Related (Common Director)	Dividend income Purchase of shares	1,655 -	1,655 (655)
C. W. Mackie PLC	Mr.S.D.R.Arudpragasam Mr.A.M.de S.Jayarathne Mr.S.Rajaratnam Mr.Anushman Rajaratnam	Related (Common Director)	Dividend income Purchase of shares	2,234 (470)	591 (14,821)
E. B. Creasy & Co. PLC	Mr.A.Rajaratnam * Mr.S.D.R.Arudpragasam Mr.S.Rajaratnam Mr.A.M.de S.Jayarathne Mr.P.M.A.Sirimane	Related (Common Director)	Dividend income Purchase of shares	15,840 -	10,560 (141)
Kotagala Plantations PLC	Mr.S.D.R.Arudpragasam Mr.A.M.de S.Jayarathne Mr.Anushman Rajaratnam Mr.P.M.A.Sirimane	Related (Common Director)	Purchase of shares	-	(78)
Laxapana Batteries PLC	Mr.S.D.R.Arudpragasam Mr.S.Rajaratnam Mr.P.M.A.Sirimane	Related (Common Director)	Dividend income	465	574
Lankem Ceylon PLC	Mr.S.D.R.Arudpragasam Mr.Anushman Rajaratnam Mr.P.M.A.Sirimane	Related (Common Director)	Dividend income	4,807	-
Lankem Developments PLC	Mr.S.D.R.Arudpragasam Mr.P.M.A.Sirimane Mr.Anushman Rajaratnam Mr.A.M.de S.Jayarathne	Related (Common Director)	Sale of shares	-	15,665
Marawila Resorts PLC	Mr.S.D.R.Arudpragasam Mr.Anushman Rajaratnam Mr.S.Rajaratnam Mr.Amrit Rajaratnam	Related (Common Director)	Purchase of shares	(204)	-

* Mr. A. Rajaratnam, Chairman Expired on 26.08.2023

Notes to the Financial Statements

There were no Related Party Transactions other than those disclosed above and in Notes 10 and to the Financial Statements. Unless otherwise stated, the transactions were made under normal commercial terms.

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

(e) Non-Recurrent Related Party Transactions

During the year there were no non-recurrent related party transactions that exceeded the respective thresholds mentioned in the Rule 9.14.7 of the Listing Rules of the Colombo Stock Exchange.

Recurrent Related Party Transactions

Recurrent-related party transactions which in aggregate value exceeds 10% of the Company Revenue as per 31 March 2023 Audited Financial Statements, which required additional disclosures under Colombo Stock Exchange listing Rule 9.14.8 (2) is as follows.

Name of the Related Party	Relationship	Nature of Transaction	Aggregate value of Related Party Transactions entered into during the financial year	Aggregate value of Related Party Transactions as a % of Net Revenue/ Income	Terms and Conditions of the Related Party Transactions
Agarapatana Plantations PLC	Related	Purchase of shares	16,614	37%	Transactions are carried out in the normal course of business
Colombo Fort Investments PLC	Related	Purchase of shares	4,615	10%	

18 Transaction with Managers and Secretaries

The Company's transactions with Corporate Managers & Secretaries (Private) Limited during the year were as follows.

For year ended 31st March

	2024 Rs. '000	2023 Rs. '000
Secretarial & Registrar's fees	1,139	1,001
Secondment of staff	1,068	938
Other expenses	916	192
Settlement of outstanding	(3,123)	(2,131)

All Secretarial and Accounting services are provided by Corporate Managers & Secretaries (Private) Limited.

Notes to the Financial Statements

19 Events after the Reporting Period

There were no events that occurred after the Reporting date which requires adjustments to or disclosure in the Financial Statements.

20 Financial Instruments

Risk Management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and system are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

20.1 Financial Instruments - Statement of Financial Position

As at 31st March

Financial Assets

Financial Assets at fair value through Other Comprehensive Income

Financial Assets including Derivatives - Non current

1,470,768 1,264,405

Financial Assets at fair value through profit or loss

Financial Assets including Derivatives - Current

383,417 344,909

Total

1,854,185 1,609,314

Financial Assets at Amortised Cost

Trade and Other Receivables

4,513 3,138

Amounts due from Related Companies

- -

4,513 3,138

Cash and Cash Equivalents

1,302 2,047

Total

5,815 5,185

Financial liabilities

Other financial liabilities

Other Payables

- 2,000

- 2,000

20.2 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investments.

Exposure to credit Risk

The carrying amount of financial assets represents the risk at maximum credit exposure. The maximum exposure to credit as at the reporting date was :

Notes to the Financial Statements

As at 31st March

	2024 Rs.'000	2023 Rs.'000
Trade and Other Receivables	4,513	3,138
Amounts due from Related Companies	-	-
Cash and Cash Equivalents	<u>1,302</u>	<u>2,047</u>
	<u>5,815</u>	<u>5,185</u>

Amounts due from Related Companies

These balances represent amount receivable on demand. At company level these Related Party exposures are closely monitored to avoid any negative impact by way of credit risk. Management believes that there is no credit risk from the receivables from the Related Parties, except for the provisions made in the accounts.

Cash and cash equivalents

The Company limits its exposure to credit risk by investing only in liquid instruments with reputed banking Institutions. The Company also uses broad investment portfolios and limits investments with a single counterparty.

As at 31st March

	2024		2023	
	Rs.'000	Rating %	Rs.'000	Rating %
Fitch Ratings				
A	<u>1,302</u>	<u>100%</u>	<u>2,047</u>	<u>100%</u>
	<u>1,302</u>	<u>100%</u>	<u>2,047</u>	<u>100%</u>

20.3 Impairment losses

The aging of trade and other receivables at the reporting date was as follows;

As at 31st March

	2024		2023	
	Gross Rs.'000	Impairment Rs.'000	Gross Rs.'000	Impairment Rs.'000
Not past due	4,513	-	3,138	-
Past due 0-31days	-	-	-	-
Past due 31-365 days	-	-	-	-
More than one year	-	-	-	-
	<u>4,513</u>	<u>-</u>	<u>3,227</u>	<u>-</u>

Based on historic default rates, the Company believes that, no impairment allowance is needed in respect of trade and other receivables.

Amounts due from Related Companies

Company establishes an allowance for impairment that represents its estimate of expected losses in respect of Amounts due from Related Companies.

Impairment has not been recognised during the Reporting period as there were no Related party outstandings as at the Reporting date.

There were no amounts due from Related Party as at the reporting date.

20.4 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated

Notes to the Financial Statements

with its financial liabilities that are settled by delivering cash or another financial assets. The Company'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 Company's reputation.

The Company closely monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

Non-derivative financial liabilities

As at 31st March 2024	Carrying amount Rs.'000	Contractual cash flows Rs.'000	12 months or less Rs.'000	1 - 2 years Rs.'000	2 - 5 years Rs.'000
Trade Payables	-	-	-	-	-
	-	-	-	-	-
As at 31st March 2023	Carrying amount Rs.'000	Contractual cash flows Rs.'000	12 months or less Rs.'000	1 - 2 years Rs.'000	2 - 5 years Rs.'000
Trade Payables	2,000	(2,000)	(2,000)	-	-
	2,000	(2,000)	(2,000)	-	-

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

Market Risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates will affect the Company'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 optimizing the return.

20.5 Currency Risk

At the reporting date the company was not exposed to currency risk.

20.6 Interest Rate Risk

At the reporting date the Company was not exposed to interest rate risk.

20.7 Equity price risk

The company's exposure to equity securities price risk arises from investments held by the

Notes to the Financial Statements

company and classified in the balance sheet either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

To manage its price risk arising from investments in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

Below table summarises the impact of a shock of 10% on equity price on profit, other comprehensive income (OCI) and equity.

	Financial assets recognised through profit or loss	Financial assets fair value through other comprehensive income
	Rs.'000	Rs.'000
Market value of Equity Securities	383,417	1,470,517
Stress Level	Impact on Income Statement Rs.'000	Impact on OCI Rs.'000
Shock of 10% on equity price (upward)	38,342	147,052
Shock of 10% on equity price (downward)	(38,342)	(147,052)

20.8 Determination of Fair Value

This Note explains the methodology for valuing our financial assets and liabilities and provides an analysis of these according to a 'fair value hierarchy', determined by the market observability of valuation inputs.

20.8.1 Valuation Models

The Company measures fair values using the fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

The determination of fair value for financial assets and financial liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

20.8.2 Fair value Hierarchy

Assets and liabilities recorded at fair value in the Statement of Financial Position are mea-

Notes to the Financial Statements

asured and classified in accordance with a fair value hierarchy consisting of three “levels” based on the observability of inputs available in the market place used to measure the fair values as discussed below:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 : inputs other than quoted prices included within Level 1 that are observable 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).

20.8.3 Valuation methodologies of financial instruments measured at fair value

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the Statement of Financial Position.

	Level 1 Rs.'000	Level 2 Rs.'000	Level 3 Rs.'000	Total Rs.'000
31st March 2024				
Financial Assets at Fair Value through Other Comprehensive Income	1,392,851	251	77,666	1,470,768
Financial Assets at Fair Value through Profit or Loss	383,410	-	7	383,417
	<u>1,776,626</u>	<u>251</u>	<u>77,673</u>	<u>1,854,185</u>
31st March 2023				
Financial Assets at Fair Value through Other Comprehensive Income	1,261,797	211	2,397	1,264,405
Financial Assets at Fair Value through Profit or Loss	344,902	-	7	344,909
	<u>1,606,699</u>	<u>211</u>	<u>2,404</u>	<u>1,609,314</u>

Reconciliation of fair value measurements of level 3 financial instruments

The Company carries unquoted equity shares which are classified as Level 3 within the fair value hierarchy. A reconciliation of the beginning and closing balances including movements is summarised below:

	Level 3 FVOCI Rs.'000
As at 1st April 2023	2,397
Remeasurement recognised in OCI	75,276
As at 31st March 2024	<u>77,673</u>

The valuation technique used by the Company in measuring Level 3 fair values, and the significant unobservable inputs used for the valuation, are given below,

Notes to the Financial Statements

Category	Valuation technique	Significant unobservable inputs	Sensitivity of the input to the fair value
Unquoted equity securities	Net assets basis	Carrying value of assets and liabilities adjusted for market participant assumptions	Variability of inputs are insignificant to have an impact on fair values.
Company		Net Asset per share	
Imperial Hotels Limited		21.74	
Capital Leasing Co. Limited		8.64	

20.8.4 Fair values of Financial Assets and Liabilities not carried at fair value

Set out below is a comparison of the carrying amounts and fair values of the financial assets and liabilities of the Company which are not measured at fair value in the Financial Statements.

As at 31st March	Explanatory reference	2024		2023	
		Fair Value	Carrying Value	Fair Value	Carrying Value
Loans and Receivable					
Trade and Other Receivables	a	4,513	4,513	3,138	3,138
Cash and Cash Equivalents		1,302	1,302	2,047	2,047
Financial Liabilities					
Trade and Other Payables	b	-	-	2,000	2,000

- a The carrying values of trade and other receivables have been considered as the fair value due to uncertainty of the timing of the cash flows.

The carrying amount of cash and bank balances are approximate fair values due to the relatively short maturity of the financial instruments.

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

Financial Summary

Year ended 31st March	2024	2023	2022	2021	2020
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Trading Results					
Revenue	49,792	44,670	46,986	17,116	18,967
Profit/(Loss) from operations	44,039	58,028	41,984	77,006	10,657
Net Finance Income/(Expense)	269	(1,448)	(1,893)	(2,638)	538
Profit/(Loss) before tax	44,308	56,580	40,091	74,368	11,195
Income Tax Expense	(260)	(874)	(648)	-	-
Profit/(Loss) for the year	44,048	55,706	39,443	74,368	11,195
As at 31st March					
	2024	2023	2022	2021	2020
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Equity					
Stated Capital	212,348	203,933	195,643	187,431	187,431
Retained Earnings	401,207	365,574	315,988	284,758	210,614
FVOCI Reserve/AFS Reserve	1,245,983	1,042,806	560,023	734,377	260,073
	1,859,538	1,612,313	1,071,654	1,206,566	658,118
Assets Less Liabilities					
Current and Non-Current Assets	1,860,150	1,614,862	1,090,778	1,226,751	685,668
Current and Non-Current Liabilities	(612)	(2,549)	(19,124)	(20,185)	(27,550)
Net Assets	1,859,538	1,612,313	1,071,654	1,206,566	658,118
Financial Statistics					
Earnings/(Loss) per share	6.21	7.85	5.62	10.76	1.64
Net Assets per share	262.05	227.21	152.82	174.64	96.17
Market Price per share	99.00	118.50	109.75	99.50	61.00
Price Earnings ratio	15.94	15.09	19.53	9.25	37.20
Dividend Proposed per share	-	1.20	1.20	1.20	-
Dividend pay out ratio	-	0.15	0.21	0.11	-

Information to Shareholders and Investors

DISTRIBUTION OF SHAREHOLDINGS

Shareholdings	31st March 2024			31st March 2023		
	No.of Share Holders	Total Share Holdings	%	No.of Share Holders	Total Share Holdings	%
1 - 1,000	482	56,510	0.80	482	58,511	0.83
1,001 - 10,000	61	140,885	1.99	61	140,948	2.01
10,001 - 100,000	15	443,993	6.25	15	434,233	6.19
100,001 - 1,000,000	2	897,117	12.64	2	886,551	12.65
Over - 1,000,000	3	5,558,095	78.32	3	5,492,125	78.32
Total	563	7,096,600	100.00	563	7,012,368	100.00

Categories of Shareholders	31st March 2024			31st March 2023		
	No.of Share Holders	Total Share Holdings	%	No.of Share Holders	Total Share Holdings	%
Individuals	512	332,714	4.69	513	328,523	4.68
Institutions	51	6,763,886	95.31	50	6,683,845	95.32
Total	563	7,096,600	100.00	563	7,012,368	100.00

Public Holding

The percentage of the Issued Share Capital held by the public as at 31st March, 2024 was 10.08%. (31.03.2023 - 10.01%)

The applicable option under Colombo Stock Exchange Rule 7.13.1 (i) (b) on Minimum Public Holding is Option 2 and the Float adjusted Market Capitalisation as at 31st March 2024 was Rs. 70.82 Million.

Public Shareholders

The number of public shareholders as at 31st March, 2024 was 548

Market Performance - Ordinary Shares

	2024 Rs.	2023 Rs.
Highest Price during the year	140.50	134.75
Lowest Price during the year	75.50	75.00
Market Value as at the year end	99.00	118.50

Information to Shareholders and Investors

TWENTY MAJOR SHAREHOLDERS OF THE COMPANY

	31st March 2024		31st March 2023	
	Shares	%	Shares	%
Financial Trust Limited	2,693,526	37.96	2,661,556	37.96
Colombo Fort Investments PLC	1,848,469	26.05	1,826,529	26.05
Property & Investment Holdings (Private) Limited	1,016,100	14.32	1,004,040	14.32
The Colombo Fort Land & Building PLC	768,328	10.83	759,209	10.83
DFCC Bank PLC/ Dr. Mrs. G. A. C. De Silva	128,789	1.81	127,342	1.82
People's Leasing & Finance PLC/ Dr.H. S. D.Soyasa & Mrs.G.Soyasa	74,340	1.05	73,458	1.05
Tranz Dominion, L. L. C.	68,465	0.96	67,653	0.96
Mrs. M. L. De Silva	62,584	0.88	61,842	0.88
People's Leasing & Finance PLC/Mr. M. A. N. Yoosufali	42,503	0.60	42,300	0.60
Trust Holdings & Investments (Pvt) Limited	42,384	0.60	41,881	0.60
Commercial Bank of Ceylon PLC/ N.H.Dawoodbhoy and Company (Private)Limited	22,441	0.32	22,329	0.32
Mr. S. Paramanathan	21,595	0.30	20,730	0.30
Miss.G.I.A.De Silva	21,157	0.30	20,906	0.30
Mr.M.D.S.Goonatilleke	15,138	0.21	10,618	0.15
Mr. G. J. W. De Silva	14,441	0.20	14,270	0.20
Miss.G.N.A.De Silva	14,441	0.20	14,270	0.20
Glenford Investments (Pvt) Limited	11,908	0.17	11,767	0.17
Mrs.N.Gunatilleke/Ms. N. Gunatilleke	11,479	0.16	11,343	0.16
Dr. H. W. E. Tissera	10,977	0.15	10,846	0.15
Shalsri Investments (Private) Limited	10,140	0.14	10,020	0.14
	<u>6,899,205</u>	<u>97.21</u>	<u>6,812,909</u>	<u>97.16</u>

Financial Statistics

	2024 Rs.	2023 Rs.
Earnings/(Loss) per share	6.21	7.85
Net Assets per share	262.05	227.21
Dividend Proposed per share	-	1.20
Dividend pay out ratio	-	0.15

Notice of Meeting

NOTICE IS HEREBY GIVEN that the THIRTY SEVENTH Annual General Meeting of COLOMBO INVESTMENT TRUST PLC will be conducted as a virtual meeting from the Registered Office of the Company, 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1, on Thursday, 19th September 2024 at 10.45 a.m. for the following purposes, namely :

1. To receive and consider the Annual Report of the Board of Directors, together with the Statement of Accounts for the year ended 31st March, 2024 and the Report of the Auditors thereon.
2. To re-elect Mr.Amrit Rajaratnam who retires by rotation in terms of Articles 85 and 86 of the Articles of Association, as a Director.
3. To reappoint Mr.A.M.de S. Jayaratne who is over seventy years of age as a Director.

A Special Notice has been received by the Company from a shareholder of the intention to pass a Resolution which is set out in the notes in relation to his reappointment. (see Note No. (vi) on page 79).

4. To reappoint Dr.J.M.Swaminathan who is over seventy years of age as a Director.

A Special Notice has been received by the Company from a shareholder of the intention to pass a Resolution which is set out in the notes in relation to his reappointment. (see Note No. (vii) on page 79).

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

A Special Notice has been received by the Company from a shareholder of the intention to pass a Resolution which is set out in the notes in relation to his reappointment. (see Note No. (viii) on page 79).

6. To reappoint Messrs. KPMG, Chartered Accountants as Auditors and to authorise the Directors to determine their fees.
7. Special Business

To consider and if thought fit to pass the following Special Resolution to amend the Articles of Association of the Company in compliance with the Listing Rules of the Colombo Stock Exchange in the manner following:

RESOLVED –

- That the existing Article 75 (1) be deleted and the following be substituted therefor:

75 (1) The Directors shall not be less than five (5) or more than nine (9) in number. Subject to the provisions of the Act and these presents, the Company may from time to time, by Special Resolution, increase or reduce the number of Directors.

- That the existing Article 106 be deleted in its entirety and the following be substituted therefor:

106 (1) A Director, may by notice in writing left at the office, appoint any person to be his Alternate to act in his place for such period as the appointor may stipulate and such appointment shall become effective upon approval thereof by the Board, provided however that:-

- (a) An Alternate Director shall only be appointed in exceptional circumstances and for a maximum period of one (1) year from the date of appointment;
- (b) If an Alternate Director is appointed by a Non-Executive Director such Alternate should not be an Executive of the Company.

Notice of Meeting

- (c) If an Alternate Director is appointed by an Independent Director, the person so appointed should meet the criteria of independence specified in the Listing Rules of the Colombo Stock Exchange and the Company shall satisfy the requirements relating to the minimum number of Independent Directors specified in the Listing Rules. The Nominations and Governance Committee of the Company shall review and determine that the person so nominated as the Alternate would qualify as an Independent Director before such appointment is made.
- (d) The Company shall make an immediate Market Announcement on the Colombo Stock Exchange regarding the appointment of an Alternate Director. Such Market Announcement shall include the following:
- i) The exceptional circumstances leading to such appointment.
 - ii) The information on the capacity in which such Alternate Director is appointed, i.e. whether as an Executive, Non-Executive or Independent Director.
 - iii) The time period for which he/she is appointed, which shall not exceed one (1) year from the date of appointment and
 - iv) A statement by the Company indicating whether such appointment has been reviewed by the Nominations and Governance Committee of the Company.
- (2) A person appointed to be an Alternate Director shall not in respect of such appointment be entitled to receive any remuneration from the Company, nor be required to hold any share qualification, but the Board may repay the Alternate Director such reasonable expenses as he may incur in attending and returning from meetings of the Directors which he is entitled to attend or which he may otherwise properly incur in or about the business of the Company or may pay such allowances as the Board may think proper in respect of these expenses.
- (3) An Alternate Director shall be entitled to receive notices (on his giving an address for such notices to be served upon him) of all meetings of the Directors and to attend and vote as Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director in the absence of such appointor.
- (4) If an Alternate Director is also a Director in his own right he shall have at any Board meeting two (2) votes, one (1) vote in his own right and one (1) vote in his capacity as an Alternate Director.
- (5) An Alternate Director shall ipso facto cease to be an Alternate Director on the happening of any of the following events;
- (a) Upon the Appointor's resumption of duties as a Director;
 - (b) If the appointment of the Alternate Director is revoked by notice in writing left at the office by his appointor;
 - (c) If his appointor ceases for any reason to be a Director; Provided that if any Director retires by rotation but is re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to his retirement shall continue to operate after his re-election as if he had not so retired;
 - (d) If the Alternate Director shall have a receiving order made against him or compounds with his Creditors or is adjudicated an insolvent;

Notice of Meeting

- (e) If the Alternate Director be lunatic or becomes of unsound mind;
 - (f) If the Alternate Director resigns by a notice in writing given under his hand to the Company;
 - (g) If he becomes subject to any of the provisions of Article 84 of these presents which, if he were a Director of the Company, would render his office vacated;
 - (h) If the Board resolves that the appointment of the Alternate Director be terminated; provided that such termination shall not take effect until the expiration of thirty (30) days after the date of the resolution of the Board.
- (6) A Director shall not vote on the question of the approval of an Alternate Director to act for him or on the question of the termination of the appointment of such an Alternate Director under the forgoing sub-clause of this Article, and if he does so his vote shall not be counted; nor for the purpose of any resolution for either of these purposes shall he be counted in the quorum present at the meeting.
- (7) The attendance of any Alternate Director at any meeting subject to (6) above, including Board Committee meetings shall be counted for the purpose of quorum.

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

Colombo
06th August 2024

Notice of Meeting

Notes : -

- (i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him.
- (ii) A Proxy need not be a Member of the Company. The Form of Proxy is enclosed.
- (iii) The completed Form of Proxy should be deposited at the Registered Office of the Company at No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1, not less than forty eight hours before the time appointed for the holding of the Meeting.
- (iv) Members are encouraged to vote by Proxy through the appointment of a member of the Board of Directors to represent them and vote on their behalf. Members are advised to complete the Form of Proxy and their voting preferences on the specified resolutions to be taken up at the Meeting and submit the same to the Company in accordance with the instructions given on the reverse of the Form of Proxy.
- (v) Please refer the Circular to Shareholders and CSE website for further instructions relating to the Annual General Meeting and for joining the meeting virtually.
- (vi) A Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting :

Resolved -

"That Mr.A.M.de S. Jayaratne who is eighty four years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Director, Mr.A.M.de S. Jayaratne."
- (vii) A Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting :

Resolved -

"That Dr.J.M.Swaminathan who is eighty three years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Director, Dr.J.M. Swaminathan."
- (viii) A Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting :

Resolved -

"That Mr.S.D.R.Arudpragasam who as at the date of the Annual General Meeting would have reached seventy three years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Director, Mr.S.D.R Arudpragasam."

Form of Proxy

I/We the undersignedof

being a member/members of Colombo Investment Trust PLC, do hereby appoint :

.....of..... whom failing

Sri Dhaman Rajendram Arudpragasam	of Colombo whom failing
Sriskandamoorthy Shanmugalingam	of Colombo whom failing
Ajit Mahendra de Silva Jayaratne	of Colombo whom failing
Sanjeev Rajaratnam	of Colombo whom failing
Jayanta Mootatamby Swaminathan	of Colombo whom failing
Amrit Rajaratnam	of Colombo whom failing
Anushman Rajaratnam	of Colombo whom failing
Parakrama Maithri Asoka Sirimane	of Colombo

as my/our Proxy to represent me/us to speak and to vote on my/our behalf at the Annual General Meeting of the Company to be held on 19th September 2024, and at any adjournment thereof and at every poll which may be taken in consequence thereof. I/We the undersigned hereby authorise my/our proxy to vote on my/our behalf in accordance with the preferences indicated below:

RESOLUTIONS							
Resolution Numbers as set out in the Notice convening the Meeting	1	2	3	4	5	6	7
For							
Against							

As witness, my / our * hands this.....day of2024.

.....
Signature of Shareholder

Notes :

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

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

Instructions as to completion appear on the reverse hereof.

Instructions as to Completion

- 1 To be valid the completed Form of Proxy must be deposited at the Registered Office of the Company at No 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01 not less than 48 hours before the time appointed for the holding of the Meeting.
- 2 The Instrument appointing a proxy shall in the case of an individual be signed by the appointor or by his Attorney and in the case of a Company/Corporation the Proxy Form must be executed under its Common Seal, which should be affixed and attested in the manner prescribed by its Articles of Association or other constitutional document.
- 3 If the Proxy Form is signed by an Attorney, the relevant Power of Attorney or a notarially certified copy thereof, should also accompany the completed Form of Proxy if it has not already been registered with the Company.
- 4 The full name and address of the Proxy and of the shareholder appointing the Proxy should be entered legibly in the Form of Proxy. Please sign in the space provided and fill in the date of signature.